Registered number: 01202866

DAY LEWIS PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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COMPANIES HOUSE

COMPANY INFORMATION

Directors	Mr K C Patel Jnr (Jay) Mr J C Patel Jnr (Sam) Mr P J Glover (resigned 10 May 2025) Miss H Patel (resigned 30 September 2024) Mr C C Edwards Mrs R Patel
Company secretary	Mr J C Patel
Registered number	01202866
Registered office	2 Peterwood Way Croydon Surrey England CR0 4UQ
Independent auditor	KPMG LLP, Statutory Auditor Chartered Accountants 15 Canada Square London E14 5GL
Banker	National Westminster Bank Plc 89 Mount Pleasant Road Tunbridge Wells Kent TN1 1PX
Solicitor	Cripps LLP 23 Kings Hill Avenue West Malling Kent ME19 4UA

DAY LEWIS PLC

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

Business review

Day Lewis is the UK's second largest independent pharmacy chain, with 245 pharmacies owned or managed (at 31 March 2025) across England.

The Group was founded in 1975 and remains a family-owned entity, now managed in the second generation by Kirit Patel Jnr (Jay), Rupa Patel and Jayanti Patel Jnr (Sam). Day Lewis has developed strong relationships across the market and has unique insight and influence on factors affecting the pharmacy sector.

The English pharmacy sector represents a secure, growing market, underpinned by an increasing need for dispensing of prescription drugs and a government that wants to see community pharmacies expand and improve the range of services they offer to relieve the burden on an overstretched NHS.

The Group's pharmacies are typically located in local communities, in or near health centres and GP surgeries, delivering increased footfall, developing strong relationships with the local healthcare community, and building Day Lewis's brand as a trusted healthcare provider.

Day Lewis prides itself on its service-led approach; putting the patient at the heart of its decisions is a key differentiator for the business enabling it to build a large base of loyal, recurring customers, evidenced by repeat prescriptions making up almost 66% of the Group's dispensing activities.

Pharmacy performance remained strong during the financial year to 31 March 2025 with strong year-on-year growth in dispensing prescriptions, retail (over the counter) sales and pharmacy services.

Day Lewis continued to grow in the market, dispensing 29.3 million prescriptions in the year ending 31 March 2025. This represents a like-for-like growth of 3.6% compared to the previous year (28.3 million in 2024), against a national growth rate in England of 3.8%.

In addition to prescription growth, Day Lewis has significantly expanded its service delivery, increasing both NHS and private services. The Group has been at the forefront of adopting newly launched NHS initiatives, including Pharmacy First and contraception services, reinforcing its position as a leader in community pharmacy innovation.

The majority of administration costs are linked to headline inflation rates such as staff costs, energy, utilities and rent and rates. Administrative expenses increased by 7% to £120.5m for the year ending 31 March 2025 (2024 - £112.2m). Operating profit, excluding the impairment of fixed assets, increased to £15.7m (2024 - £15.6m).

We continue to enhance our estate through relocating branches to superior locations, focusing on added value services, merging multiple pharmacies into larger single sites, and disposing of pharmacies with particularly low footfall.

Throughout the financial year, Day Lewis maintained its commitment to reinvesting free cash flow into upgrading critical infrastructure and advancing dispensing automation. These initiatives are strengthening our operational resilience, enhancing performance, and establishing a solid foundation for the long-term growth of our pharmacy services.

Our two core focus areas remain:

1. 24/7 Prescription Collection Kiosks – As of March 2025, we have installed 99 kiosks across our pharmacy network, up from 77 in 2024.

2. Pharmacy Hub-and-Spoke Dispensing Automation – We continue to invest in this model to streamline operations, improve efficiency, and support future scalability.

The Group maximises its margin by focusing heavily on its pharmaceutical distribution operations. Day Lewis holds all relevant MHRA Wholesaler Dealer Authorisations in order to distribute both prescription and over the counter medicines. The Group purchases from multiple pharmaceutical manufacturers and self distributes to its pharmacies in order to maximise margin wherever possible. In addition, Day Lewis distributes medicines in further external channels including the supply of generics to associated pharmacy retail groups and the global supply of medicines to offshore energy businesses, maritime, cruise and ambulance services.

Due to its position in the marketplace, long trading history and strength of relationships Day Lewis has unique access to a wide range of drugs across Europe that it purchases for redistribution. The Day Lewis procurement and distribution teams are highly experienced and knowledgeable providing the Group with an in-depth understanding of market dynamics.

The East Midlands Pharma business, Day Lewis PLC's subsidiary, continued to perform strongly in the year, seeing turnover increase by 26% through growing its ear care brand by being the leading own label eye care supplier in the UK. Cl-ear is the fastest growing ear care brand in the UK. Growth in turnover is expected to continue into our 2025/26 financial year.

Statement on business relationships

The Day Lewis Group aims to operate fairly, transparently and with integrity in the marketplace. Day Lewis builds strong external networking with representation on key national bodies including Community Pharmacy England, Centre for Pharmacy Post Graduate Education and the Independent Pharmacies Association.

Day Lewis engages with its customers, suppliers and other key stakeholders through multiple channels including face to face, telephone, conferences and social media. All members of the Senior Management Team are expected to maintain relationships with their key partners. This should provide a broad understanding of the wider market and ensure that their views are considered in decision making.

Statement on Employee Engagement

Maintaining a caring family culture is one of our core values. Day Lewis runs a monthly People Board whose goal is to ensure:

- Our colleagues feel safe and secure whilst working at Day Lewis.
- Our colleagues add value to society and understand and are committed to how they do that at Day Lewis.
- We select, train and develop the right people in the right role in order to align our people resources to fit our strategic intentions.
- Our colleagues are given the opportunity to reach their full potential.
- Our colleagues feel happy and valued being part of the Day Lewis family.

The above goals are measured in an annual colleague satisfaction survey.

The Day Lewis Group's long-term objectives are:

Driving growth

- To be the pharmacy destination of choice locally for prescriptions and services.
- To maintain a high-quality estate of community pharmacies.
- To grow the business in international markets.
- To diversify investment into other pharmacy related sectors.

Enhancing margins

- To improve purchasing mix of medicines between generic and branded products.
- To maintain efficient stock control and overall cost control.
- To increase professional services income.

Principal risks and uncertainties

The Group manages its principal risks and uncertainties, through the implemention of appropriate risk management objectives and policies as detailed below:

Price risk

The Group, through its investments, is exposed to the inherent risks of economic and financial market developments, including recession, inflation, availability of affordable credit and currency fluctuations that could lower revenues. The current system of correcting generic reimbursement prices through the mechanism of "Category M" has continued through the current financial year. Category M was introduced with the new pharmacy contract in 2005 and allows the retail pharmacy industry to retain an amount of £900m (previously £850m) of generic procurement profit annually. The system is therefore used retrospectively by the Department of Health to claw back surplus procurement profits or reimburse any shortfall. Through a continual business review process and monitoring of the business environment, the Directors of the company and the wider Group seek to mitigate these potential risks.

Liquidity risk

In September 2020, the Group entered into a long-term financing agreement with its banks for a Revolving Credit Facility (RCF) of £125m. This facility has been voluntarily reduced over the past few years and now stands at £110m. Subsequent to year end, this facility has been replaced with a new facility. The new RCF of £110m agreed in August 2025 will expire on the 31st December 2028, with two, one year extension options available.

In September 2022 the Group entered into a new facility agreement with Lloyds, the NHS Receivables Purchase Agreement which replaced the Pharmacy Early Payment Scheme [PEPS] which we continued to make use of.

The Directors believe the Group has sufficient current and future cash reserves and facilities available to meet its liabilities and financing obligations for at least twelve months.

There is significant headroom in the banking covenants at 31 March 2025. At the year-end £95m (2024 - £100m) of the £110m Day Lewis Plc facility was drawn down. Additionally there were cash balances in the Group of £31.5m (2024 - £38.3m).

The Directors' assessment of the Group's and the Company's ability to adopt the going concern basis of accounting is set out in note 2.

Interest rate risk

The interest rate risk is significantly mitigated by an interest rate swap arrangement that was entered into in September 2020. Under this agreement interest is fixed at a rate of 0.088% for £40m of debt. The swap instrument is in place until the 4th September 2025. The balance of debt (£55m at 31 March 2025) is exposed to movements in SONIA. These interest rate swaps were terminated in the refinancing in August 2025. Management continues to ensure the hedging the strategy remains appropriate.

Macroeconomic, political risk

The Group could be adversely affected by the impact of the current macroeconomic and political environment on key suppliers and customer groups.

The new NHS Community Pharmacy Contractual Framework (CPCF) introduces both opportunities and risks for Day Lewis. While the government has committed to a significant funding uplift—raising the total CPCF allocation to £3.073 billion for 2025/26, a 19.7% increase from previous five—year funding agreement that expired in 2023/24. Independent economic analysis commissioned by the government indicated that a substantially larger settlement was required, identifying a funding gap of over £2 billion between the cost of delivering services and the funding available. Although the settlement represents the largest uplift across the NHS, it is widely

acknowledged as only a first step toward long-term sustainability. The evolving political and fiscal landscape, particularly in the context of a new government, introduces uncertainty around future funding models and the pace of reform, which could impact the Group's strategic planning and service delivery.

Cash flow risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group uses interest rate swap contracts to hedge interest rate exposures. Foreign currency rates risk is mitigated by buying currency at spot and one-month forward rates.

Interest bearing assets and liabilities are held at fixed rates to ensure certainty of cash flows.

Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables. The credit risk on trade and other receivables is limited as the majority of the Group's retail exposure is with the Department of Health. Exposure to credit risk on wholesale customers is mitigated through credit insurance taken out on the wholesale debtor's book. The amounts presented in the balance sheet are net of allowances for doubtful receivables. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Financial key performance indicators

Management monitor performance on a ongoing basis, against the following perfomance indicators:

- Day Lewis continued to outperform the market with the Group dispensing 29.1m prescriptions which is a 2.9% increase from the prior year (28.3m dispensed prescriptions in the year to 31 March 2024).
- Turnover in the year increased to £506.8m (2024 - £502.1m).
- Gross Profit increased by £8.3m to £135.7m (2024 - £127.4m). The gross margin percentage increased to 27% (2024 - 25%).
- The total administrative expenses increased by £8.3m to £120.5m (2024 - £112.2m). A key driver for this has been the rise in headline inflation rates which has driven staff costs, rent & rates increases and controllable costs.
- Operating profit, excluding the impairment of fixed assets, increased to £15.7m (2024 - £15.6m).
- Net debt of £67m, remains within available facilities.

Directors' statement of compliance with duty to promote the success of the Group

Section 172 of the Companies Act 2006 requires the directors of the Group to act in the way that they consider, in good faith, would most likely promote the success of the Group for the benefit of its owners and stakeholders.

In doing so section 172 requires a director to have regard (amongst other matters) to:
a) The likely consequences of any decisions in the long-term.
b) The interests of the Group's employees.
c) The need to foster the Group's business relationships with suppliers, customers and others.
d) The impact of the Group's operations on the community and the environment.
e) The desirability of the Group maintaining a reputation for high standards of business conduct.
f) The need to act fairly as between members of the Group.

Since the sudden passing of Kirit Patel MBE in 2016, the business is led by Jay, Rupa, & Sam as joint Executive Directors. JC Patel Snr is still involved in an advisory role. Day Lewis remains a family-owned entity with no plans to change this structure in the short or longer terms.

As any other large organisation, the Executive Directors of Day Lewis delegate authority for the day-to-day management of the Group to the Senior Management Team and then engage management in setting, approving, and overseeing execution of the business strategy and related policies.

The Executive Directors are also supported by a group of senior advisors with expertise in Finance, Banking, Commercial, HR, IT and Legal providing a wide range of insights and experience. Day Lewis employs one non-Executive Director.

The Executive Directors and the Senior Management Team provide supervision and guidance to the wider teams, making decisions concerning operational planning, performance evaluation, workforce planning, remuneration and assessing pharmacy and business acquisitions and international expansion plans.

At Day Lewis, we are proud to be a people-focused organisation that puts our colleagues at the heart of everything we do. Our latest colleague satisfaction survey saw participation from over 65% of our workforce, reflecting a strong level of engagement (85% of colleagues are overall satisfied with their job) and delivering a positive net promoter score, indicating widespread satisfaction across the business. We are regularly recognised by respected industry press such as P3 Pharmacy magazine, which has featured our directors and highlighted the life-saving work of our pharmacy teams.

As part of Day Lewis' commitments to the community, pharmacies are encouraged to support local charities and sponsor local events and causes. Every year to mark the first day of Kirit and JC buying their pharmacy, the support office, warehouses, and pharmacies across the county take part in the annual charity fun day, in which all teams are invited to participate. All teams participate in raising money for a local registered charity of their choice, to ensure that the Group as a whole is able to support as many charities as possible. Pharmacy teams and the support office raise money through fund-raising activities such as cake sales, raffles and recently throwing pies at Directors.

The KCJC Foundation was set up by the Patel family in memory of the late Kirit Patel MBE. The foundation matches funds raised across the business, pound for pound.

In 2019 Day Lewis became founder patrons of 'Legacy', an Onside Youth Zone providing a 21st century youth club in Croydon. Legacy provides a safe enviroment where young people can come and enjoy themselves and will enable young people to raise their aspirations and confidence to create a happier and healthier generation. During the current financial year many events have taken place in order to support this charity, such as a golf day.

This report was approved by the board and signed on its behalf.

Mr J C Patel Jnr (Sam)
Director

Date: 09.09.2025

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Directors present their report and the financial statements for the year ended 31 March 2025.

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the Group and Company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

The principal activities of the Company and the Group in the year under review continued to be those of retail pharmacy and distribution of pharmaceutical supplies.

Results and dividends

The loss for the year, after taxation and minority interests, amounted to £5,317k *(2024 - £5,450k - profit)*.

During the year, the Company declared an interim dividend of £3,000k (2024 - £3,000k).

The Directors do not recommend the payment of a final dividend (*2024 - £nil*).

Directors

The Directors who served during the year were:

Mr K C Patel Jnr (Jay)
Mr J C Patel Jnr (Sam)
Mr P J Glover (resigned 10 May 2025)
Miss H Patel (resigned 30 September 2024)
Mr C C Edwards
Mrs R Patel

Political contributions

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year.

Engagement with employees

The Group has undertaken several actions to keep its employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the Group. This is achieved through consultations with local branch managers and other employee representatives.

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the Group may continue. It is the policy of the Group that training, career development and promotion opportunities should be available to all employees.

Task force on climate-related financial disclosures (TCFD)

This statement contains the Group's TCFD-aligned disclosure in accordance with BEIS statutory instrument on climate-related financial disclosures. This statement complies with the recommended disclosures and is in compliance with the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

Management have detailed below, their response to each of the disclosure requirements.

Governance
(a) description of the governance arrangements of the company and group in relation to assessing and managing climate-related risks and opportunities.

The Board of Directors at Day Lewis PLC oversees climate-related risks and opportunities as an integral part of their strategic reviews. These reviews ensure that climate-related factors are embedded in Day Lewis' decision making processes. Day Lewis has strong external networks as Day Lewis has representation on key national bodies including Community Pharmacy England and Independent Pharmacies Association which assists Day Lewis to stay abreast of industry developments and impacts. Day Lewis partakes in an SECR energy audit as required. Day Lewis consults with Redwood Energy to assist with Streamlined Energy and Carbon Reporting (SECR), Energy Saving Opportunity Scheme (ESOS) and Net Zero.

The Property team lead by R. Patel (Director) is largely responsible for assessing and managing climate-related risks and opportunities, ensuring that Day Lewis' governance framework effectively addresses all climate related risks and opportunities in critical areas, in particular around Day Lewis' carbon footprint associated with Day Lewis' property assets.

Risk Management
(b) a description of how the Company and Group identifies, assesses, and manages climate-related risks and opportunities.
(c) a description of how processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management process in the Company and Group.

Day Lewis identifies climate-related risks through comprehensive scenario analyses and stakeholder consultations. Day Lewis perform regular environmental impact evaluations which supports compliance with environmental regulations such as SECR and ESOS regulatory scheme audits.

Identified risks are regularly documented and updated in the risk register where the likelihood and magnitude are assessed. Day Lewis' risk management process involves integrating climate considerations into Day Lewis' overall risk management framework, ensuring that all identified risks are effectively mitigated. This approach allows Day Lewis to proactively manage potential impacts on our business operations.

Strategy
(d) a description of - (i) the principal climate-related risks and opportunities arising in connection with the operations of the company and group, and (ii) the time periods by reference to which those risks and opportunities are assessed.
(e) a description of the actual and potential impacts of the principal climate-related risks and opportunities on the business model and strategy of the company and group.
(f) an analysis of the resilience of the business model and strategy of the company and group, taking into consideration of different climate-related scenarios.

Day Lewis have a long-standing commitment to reducing carbon emissions from Day Lewis operations and have been actively improving energy efficiency while minimizing fuel use. The overall kWh consumption has reduced by 17% to 5,726,978 kWh. The overall Kg CO2e consumption has reduced by 25% to 1,237,061 Kg CO2e.

Day Lewis has increased investment in renewable energy sources and ensured energy efficient technology and materials are implemented in all business operations. A decarbonisation plan has been prepared which includes

measures such as switching to renewable energy, reducing energy usage, and installing solar panels.

Day Lewis has defined short term as a period within the next 5 years, medium-term as a period between 5-10 years and long-term as a period greater than 10 years.

In the short term, Day Lewis continue to mitigate travel-related emissions through encouraging our staff to use trains and other public transport modes whenever possible, thereby reducing the reliance on motor vehicles. Additionally, Day Lewis have implemented a rolling program to install LED lights throughout our retail pharmacies. This initiative is supported by a company-wide memo urging all staff, both in the field and at the support office, to switch off lights and computer/office equipment when not in use and at the end of the day. Photocopiers and printers are set to "energy saver" or "standby" mode when not in use.

Throughout the office space, the lighting systems have been upgraded to be on PIR sensors which allows lights in the office and meeting rooms to be off when not in use. Solar panels have been installed at the support office on the roof top to generate clean energy which is put back into the business. The business has also installed Electric Vehicle (EV) charging stations allowing both visitors and staff to charge vehicles.

The business operates a hybrid working model allowing staff to work from home 2 days a week, significantly reducing travel related emissions. Furthermore, Day Lewis has taken conscious steps to ensure that all heating and cooling systems are correctly set (timeclocks and temperatures) and that no systems are left on overnight or when not required. Measures have been put in place to ensure all doors and windows are closed when heating or colling systems are on. Additionally, all standalone portable heaters are turned off when ceiling units are cooling.

There remains short term risk around climate-related regulatory changes, that may impact operational costs due to the rise in energy costs and an increase in compliance risks due to enhanced disclosure requirements.

In the medium term, while there will likely still be increasing ESG (Environmental, Social and Governance) scrutiny and regulatory compliance costs there are further opportunities to invest in energy efficiency projects to reduce operational costs and enhance sustainability, as well as looking at reducing emissions from logistics as suppliers make increasing use of EV technology.

In the long-term, although Day Lewis remains largely a UK based operation, products Day Lewis distribute do arrive from across the globe, and there is potential for supply chain disruption due to extreme weather, especially for temperature-sensitive drugs.

Due to climate change and the world experiencing extreme weather conditions, working conditions may be negatively impacted through potentially warmer and colder periods which could impact employees, in particular warehouse staff's productivity and or wellbeing. Extreme weather conditions (Storms, floods, winds, fire) could impact Day Lewis's infrastructure resulting in a business shutdown and a reduction in revenue.

Identifying all climate-related risks and opportunity has positively influenced Day Lewis's business strategy and model redirecting investment toward low carbon technologies, renewables, or supply chain resilience and has driven long-term strategy shifts.

As part of our strategy, Day Lewis evaluated the resilience of our business model under various climate scenarios, including a 2°C or lower scenario. This assessment confirms that our strategy is robust and well prepared to handle future climate-related challenges.

Metrics and Targets
(g) a description of the targets used by the company or LLPs to manage climate-related risks and to realise climate-related opportunities and of performance against those targets.
(h) the key performance indicators used to assess progress against targets used to manage climate-related risks and realise climate-related opportunities and a description of the calculations on which those key performance indicators are based.

Day Lewis is committed to ongoing tracking and monitoring of climate related metrics to assist meeting the target of becoming a zero-waste organisation, reducing the carbon footprint throughout the supply chain, reducing energy usage, and switching to 100% renewable energy procurement. The intensity ratio for Day Lewis is the total carbon used (using Scopes 1 and 2 data only).

Day Lewis' key metrics used to measure and manage climate-related risks and opportunities include the purchase of electricity for its own use (excluding transport), combustion of gas and consumption of fuel (excluding transport) and involving the combustion of gas and consumption of fuel and purchase of electricity. The business metric used is the number of sites.

Greenhouse gas emissions, energy consumption and energy efficiency action

The Group's greenhouse gas emissions (in kilograms of CO2 equivalent) and energy consumption (in kilowatt hours) are as follows:

	2025		2024	
	Energy Consumption kWh	Emissions kg CO2e	Energy consumption kWh	Emissions kg CO2e
In connection with activities for which the Group is responsible involving the purchase of electricity for its own use (excluding transport)	**4,038,047**	**836,078**	*3,668,666*	*759,685*
In connection with activities for which the Group is responsible involving the combustion of gas and consumption of fuel (excluding transport)	**343,849**	**62,890**	*87,053*	*15,924*
In connection with transport for which the Group is responsible involving the combustion of gas and consumption of fuel and purchase of electricity	**1,345,082**	**338,093**	*2,479,795*	*623,309*
Total	**5,726,978**	**1,237,061**	*6,235,514*	*1,398,918*

Business metric used

The business metric used is 'number of sites'. The number of sites in 2024/25 was 212. The number of sites in 2023/24 was 228.

Statement

Day Lewis have a long-standing commitment to reducing carbon emissions from our operations and have been actively improving energy efficiency while minimising fuel use.

Intensity ratio

The intensity ratio for Day Lewis is calculated as total carbon emissions (using Scopes 1 and 2 data only), being 1,237,061 kg CO2e (2024 - 1,398,919 kg CO2e), divided by the business metric of 212 sites (2024 - 228 sites), giving an intensity ratio of 5,835.19 kg CO2e / site (2024 - 6,135.61kg CO2e / site). Transport carbon emissions have decreased by 45% (2024 - 17%). Gas has consistently reduced year on year from 2020 however experienced an increase in 2025, with electricity having increased by 10% from 2024 (2024 - 0.5%).

Other information

An indication of likely future developments in the business and statements of business relationship, employee engagement and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Statement of corporate governance arrangements

For the year to 31 March 2025, the Group has continued to apply the guidelines from the Wates Corporate Governance Principles for Large Private Companies ("the Wates Principles") as far as is considered appropriate.

The Group remains committed to ensuring effective governance is in place to deliver its core values as this is the foundation on which it manages and controls its business and provides the platform for sustainable growth and profitability.

The Wates Principles provide a framework for the Group to demonstrate how the Directors make decisions for the long-term success of the business, and also how the Group complies with the requirements of Section 172 of the Companies Act.

The Group has in place many of the controls, processes and procedures that would typically be found in larger organisations. In this regard, while not in a position to assert full compliance in every aspect, the Directors have assessed performance against the Wates Principles:

Principle 1 - Purpose & Leadership

The Group has a family led Executive Leadership team. These siblings have separate skills and experiences outside of the Group, are all highly educated (degree and MBAs) and manage and lead in areas relating to their specific skills.

The Core Purpose of the Group is 'to help people in the community stay healthy and feel better' which is achieved through the provision of healthcare through retail, distribution, and manufacturing businesses.

This is driven by the core values:

- To keep our caring family culture.
- To look after our customers.
- To be disciplined and professional.
- To be different through innovation.
- To reward, recognise and empower.
- To have fun.

Principle 2 - Board Composition

The three Executive Directors are supported by one non-Executive Director, Carey Edwards who is Managing Director of LMQ, a strategic planning and training consultancy .

The Group runs monthly board meetings on all separate divisions of the business and also runs four sub-board committees specifically looking at People, Finance, IT and Risk Management Oversight. These sub-committees bring together the Board, Senior Management and external expertise.

Principle 3 - Director Responsibilities

The Directors are fully aware of their responsibilities to the Group, the shareholders and wider stakeholders. The Directors receive ongoing training as appropriate to ensure they remain abreast of development.

Principle 4 – Opportunity & Risk

The Group looks to optimise commercial opportunities with a fast-moving and agile Senior Management team. All commercial risk is managed through the divisional board meetings. Health and Safety, data protection and

regulatory compliance is overseen by the Board of Directors via the Risk Management Oversight Committee.

Principle 5 – Remuneration

Remuneration of all Directors is aligned to market rates, irrespective of whether they hold a financial interest in the Group.

Principle 6 – Stakeholder Relationships & Engagement

This is covered in the Strategic Report under the section, Directors' statement of compliance with their duty to promote the success of the Group

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's and the Group's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's and the Group's auditor is aware of that information.

This report was approved by the board and signed on its behalf.

Mr J C Patel Jnr (Sam)
Director
Date: 09.09.2025
2 Peterwood Way
Croydon
Surrey
England
CR0 4UQ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAY LEWIS PLC

Opinion

We have audited the financial statements of Day Lewis Plc ("the company") for the year ended 31 March 2025 which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows, and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2025 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are Independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to other entities of public interest. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Company's available financial resources and/or metrics relevant to debt covenants over this period were:

- Plausible reduction in growth of revenue
- Ability to repay Government loans/NHS clawbacks
- Inflationary increases including wages and salaries
- Inability to comply with their covenants.

We considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by comparing severe, but plausible, downside scenarios that could arise from these risks individually and collectively against the level of available financial resources and covenants indicated by the Group's financial forecasts.

We considered whether the going concern disclosure in note 2.3 to the financial statements gives a full and accurate description of the Directors' assessment of going concern.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group and company's ability to continue as a going concern for the going concern period.
- we found the going concern disclosure in note 2.3 to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and management as to the Group's high-level policies and procedures to prevent and detect fraud, including the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Considering remuneration incentive schemes and performance targets for management.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition due to the simple nature and low value of revenue transactions.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included unexpected pairings with cash accounts or those that affect classification of earnings in the profit and loss account above EBITDA.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement relating to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group's pharmacy licenses to operate. We identified the following areas as those most likely to have such an effect: Medicines and Healthcare Products Regulatory Agency (MHRA) legislation, PCI legislation, General Pharmaceutical Council (GPhC) legislation, health and safety, data protection laws, anti-bribery, employment law, and certain aspects of company legislation recognising the financial and regulated nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit

have not been received from branches not visited by us; or

- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 8, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements

A fuller description of our responsibilities is provided on the FRC's website at
www.frc.org.uk/auditorsresponsibilities

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Sheppard (Senior Statutory Auditor)

for and on behalf of
KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square
London
E14 5GL
Date: 9 September 2025

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £000	*2024 £000*
Turnover	4	**506,820**	*502,101*
Cost of sales		**(371,092)**	*(374,704)*
Gross profit		**135,728**	*127,397*
Administrative expenses		**(120,458)**	*(112,174)*
Impairment of fixed assets		**(13,141)**	*(1,433)*
Other operating income	5	**455**	*409*
Operating profit	6	**2,584**	*14,199*
Group share of profits in associates		**646**	*293*
Interest receivable and similar income	10	**2,230**	*2,380*
Interest payable and similar expenses	11	**(9,522)**	*(8,899)*
(Loss)/profit before tax		**(4,062)**	*7,973*
Tax on (loss)/profit	12	**(93)**	*(2,523)*
(Loss)/profit for the financial year		**(4,155)**	*5,450*
(Loss)/profit for the year attributable to:			
Non-controlling interests	30	**651**	*278*
Owners of the parent		**(4,806)**	*5,172*
		(4,155)	*5,450*

There are no items of other comprehensive income for 2025 or 2024 other than the (loss)/profit for the year. As a result, no separate Statement of Comprehensive Income has been presented.

The notes on pages 31 to 70 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £000		2024 £000
Fixed assets				
Intangible assets	14	**157,648**		*173,667*
Tangible assets	15	**35,943**		*33,884*
Investments	16	**7,499**		*9,821*
		201,090		*217,372*
Current assets				
Stocks	17	**47,439**	*48,928*	
Debtors: amounts falling due within one year	18	**62,268**	*57,567*	
Cash at bank and in hand	19	**31,549**	*38,274*	
		141,256	*144,769*	
Creditors: amounts falling due within one year	20	**(166,259)**	*(72,039)*	
Net current (liabilities)/assets		**(25,003)**		*72,730*
Total assets less current liabilities		**176,087**		*290,102*
Creditors: amounts falling due after more than one year	21	**(1,226)**		*(103,476)*
Provisions for liabilities				
Deferred taxation	25	**(32,552)**		*(34,091)*
Other provisions	26	**(1,535)**		*(4,385)*
Net assets		**140,774**		*148,150*
Capital and reserves				
Called up share capital	27	**100**		*100*
Share premium account	28	**418**		*418*
Capital redemption reserve	28	**1,694**		*1,694*
Merger reserve	28	**757**		*757*
Profit and loss account	28	**135,438**		*143,244*
Equity attributable to owners of the parent Company		**138,407**		*146,213*
Non-controlling interests		**2,367**		*1,937*
		140,774		*148,150*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Mr J C Patel Jnr (Sam)
Director

Date: 09.09.2025

The notes on pages 31 to 70 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 31 MARCH 2025

	Note		2025 £000		*2024 £000*
Fixed assets					
Intangible assets	**14**		**142,153**		*157,954*
Tangible assets	**15**		**21,085**		*20,480*
Investments	**16**		**14,592**		*16,079*
			177,830		*194,513*
Current assets					
Stocks	**17**	**12,452**		*11,955*	
Debtors: amounts falling due within one year	**18**	**35,468**		*53,528*	
Cash at bank and in hand	**19**	**14,205**		*14,797*	
		62,125		*80,280*	
Creditors: amounts falling due within one year	**20**	**(147,852)**		*(59,356)*	
Net current (liabilities)/assets			**(85,727)**		*20,924*
Total assets less current liabilities			**92,103**		*215,437*
Creditors: amounts falling due after more than one year	**21**		**-**		*(100,000)*
Provisions for liabilities					
Deferred taxation	**25**		**(27,031)**		*(28,903)*
Other provisions	**26**		**(1,446)**		*(4,080)*
Net assets			**63,626**		*82,454*
Capital and reserves					
Called up share capital	**27**		**100**		*100*
Share premium account	**28**		**418**		*418*
Profit and loss account	**28**		**63,108**		*81,936*
			63,626		*82,454*

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Mr J C Patel Jnr (Sam)
Director
Date: 09.09.2025

The notes on pages 31 to 70 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Called up share capital	Share premium account	Capital contribution reserve	Merger reserve	Profit and loss account	Equity attributable to owners of parent Company	Non-controlling interests	Total equity
	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2024	100	418	1,694	757	143,244	146,213	1,937	148,150
Comprehensive income for the year								
Loss for the year	-	-	-	-	(4,806)	(4,806)	651	(4,155)
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(4,806)	(4,806)	651	(4,155)
Dividends: Equity capital	-	-	-	-	(3,000)	(3,000)	-	(3,000)
Dividends: Equity capital	-	-	-	-	-	-	(221)	(221)
Total transactions with owners	-	-	-	-	(3,000)	(3,000)	(221)	(3,221)
At 31 March 2025	100	418	1,694	757	135,438	138,407	2,367	140,774

The notes on pages 31 to 70 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Called up share capital	Share premium account	Capital contribution reserve	Merger reserve	Profit and loss account	Equity attributable to owners of parent Company	Non-controlling interests	Total equity
	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2023	100	418	1,694	757	142,026	144,995	1,024	146,019
Comprehensive income for the year								
Profit for the year	-	-	-	-	5,172	5,172	278	5,450
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	5,172	5,172	278	5,450
Dividends: Equity capital	-	-	-	-	(3,000)	(3,000)	-	(3,000)
Dividends: Equity capital	-	-	-	-	-	-	(319)	(319)
Transfer	-	-	-	-	(954)	(954)	954	-
Total transactions with owners	-	-	-	-	(3,954)	(3,954)	635	(3,319)
At 31 March 2024	100	418	1,694	757	143,244	146,213	1,937	148,150

The notes on pages 31 to 70 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 April 2024	100	418	81,936	82,454
Comprehensive income for the year				
Loss for the year	-	-	(15,828)	(15,828)
Total comprehensive income for the year	-	-	(15,828)	(15,828)
Dividends: Equity capital	-	-	(3,000)	(3,000)
Total transactions with owners	-	-	(3,000)	(3,000)
At 31 March 2025	100	418	63,108	63,626

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 April 2023	100	418	91,690	92,208
Comprehensive income for the year				
Loss for the year	-	-	(6,754)	(6,754)
Total comprehensive income for the year	-	-	(6,754)	(6,754)
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(3,000)	(3,000)
Total transactions with owners	-	-	(3,000)	(3,000)
At 31 March 2024	100	418	81,936	82,454

The notes on pages 31 to 70 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	2025 £000	*2024 £000*
Cash flows from operating activities		
(Loss)/profit for the financial year	**(4,155)**	*5,450*
Adjustments for:		
Amortisation of intangible assets	**2,339**	*2,260*
Depreciation of tangible assets	**4,089**	*3,466*
Impairments of fixed assets	**13,141**	*1,433*
Profit on disposal of investments	**(1,344)**	*(730)*
Interest payable	**9,522**	*8,899*
Interest receivable	**(2,230)**	*(2,381)*
Taxation charge	**92**	*2,523*
Decrease/(increase) in stocks	**1,561**	*(873)*
(Increase)/decrease in debtors	**(5,021)**	*8,291*
(Decrease) in creditors	**(3,091)**	*(6,275)*
(Decrease) in provisions	**(2,850)**	*(709)*
Share of operating profits in associates	**(646)**	*(293)*
Corporation tax (paid)	**(1,601)**	*(713)*
Net cash generated from operating activities	**9,806**	*20,348*
Cash flows from investing activities		
Purchase of intangible fixed assets	**(2,479)**	*(203)*
Sale of intangible fixed assets	**6,029**	*3,921*
Purchase of tangible fixed assets	**(6,626)**	*(7,390)*
Sale of tangible fixed assets	**8**	-
Associates loans (repaid) / received	**525**	*(919)*
Purchase of unlisted and other investments	**(2)**	-
Sale of unlisted and other investments	**838**	-
Purchase of subsidiary undertakings and unincorporated businesses	**(940)**	*(8)*
Cash and cash equivalents acquired on acquisition	**42**	*66*
Interest received	**2,273**	*2,381*
Associates income received	**-**	*390*
Net cash from investing activities	**(332)**	*(1,762)*
Cash flows from financing activities		
Net movement in bank loans and revolving credit facility	**(5,277)**	*4,738*
Repayment of finance leases	**(38)**	*(46)*
Dividends paid	**(3,000)**	*(3,000)*
Non-controlling interest dividends paid	**(221)**	*(319)*
Interest paid	**(7,663)**	*(7,708)*

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

	2025 £000	*2024 £000*
HP interest paid	-	*(3)*
Net cash used in financing activities	**(16,199)**	*(6,338)*
Net (decrease)/increase in cash and cash equivalents	**(6,725)**	*12,248*
Cash and cash equivalents at beginning of year	**38,274**	*26,026*
Cash and cash equivalents at the end of year	**31,549**	*38,274*
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**31,549**	*38,274*
	31,549	*38,274*

The notes on pages 31 to 70 form part of these financial statements.

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2025

	At 1 April 2024 £000	Cash flows £000	Acquisition and disposal of subsidiaries £000	Other non-cash changes £000	At 31 March 2025 £000
Cash at bank and in hand	38,274	(6,888)	163	-	31,549
Debt due within 1 year	(371)	(96,973)	-	-	(97,344)
Debt due after 1 year	(103,476)	102,250	-	-	(1,226)
Finance leases	(39)	38	-	1	-
	-	-	-	-	-
	(65,612)	(1,573)	163	1	(67,021)

The notes on pages 31 to 70 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. General information

Day Lewis Plc (the "Company") is a public limited company limited by shares and incorporated, domiciled and registered in England in the United Kingdom. The address of the registered office is given on the Company information page. The nature of the Company's operations and its principal activities are set out in the strategic report on pages 1 to 7.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, and the Companies Act 2006.

The Company is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the Company financial statements have been applied:

The reconciliation of the number of shares outstanding from the beginning to the end of the period has not been included;

As permitted by s408 Companies Act 2006, the Company has not presented its own income statement and related notes. The Company's loss for the year ended 31 March 2025 was £15,828,000 (2024 - £6,754,000).

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Profit and Loss Account from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 1 April 2014.

Therefore, the Group continues to recognise a merger reserve which arose on a past business combination that was accounted for as a merger in accordance with UK GAAP as applied at that time.The Company is entitled to merger relief by Section 612 of the Companies Act 2006 in respect of the consideration received in excess of the nominal value of the equity shares issued in connection with the acquisition of the following subsidiary: Cradlecrest Limited.

Goodwill arising on consolidation, representing the excess of fair value of the consideration given over the fair values of the identifiable net assets acquired, is capitalised and is amortised on a straight line basis over its estimated useful economic life of 20 years.

2. Accounting policies (continued)

2.3 Going concern

In assessing the validity of the going concern basis, and taking account of reasonably plausible downsides covering a period of at least 12 months from the date of approval of these financial statements, the Directors have considered the cash flow forecasts they have prepared for the period until 31 March 2027. In doing so they have considered the level of bank facilities available to the Company and the Group, and compliance with bank covenant tests both during the period and for the period ahead. In July 2024, the Parent company extended its existing £110m RCF finance facility with 4 banks until December 2025. This facility has subsequently been replaced with a new RCF of £110m that begins in August 2025 and expires on the 31st December 2028, with two, one year extension options available.

Having considered the Company's and Group's financial forecasts and investment and financing commitments (including the downside scenario, increase in cost and interest rates), the Directors believe the Company and Group have sufficient current and future cash reserves and facilities available for them to meet their liabilities including financing obligations whilst in compliance with its banking covenants for at least twelve months from the date of signing of the financial statements.

Having considered the above, the Directors conclude that it is appropriate to adopt the going concern basis of accounting because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company and Group to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.4 Turnover

Turnover comprises revenue recognised by the Group in respect of goods and services supplied to Retail and Distribution markets, the NHS, private prescriptions and counter services during the year, exclusive of Value Added Tax and trade discounts.

2. Accounting policies (continued)

2.5 Intangible assets

Retail Pharmacy Licences

The difference between amounts paid on the acquisition of a pharmacy business and the fair value of its identifiable assets and liabilities is capitalised as an intangible asset as the retail pharmacy licence. Retail pharmacy licences are grouped into cash generating units as appropriate and are subject to an annual impairment review by the directors in accordance with section 27 of FRS102.

Any deficiency arising from the impairment review is written off to the Consolidated Profit and Loss Account in the year in which it arises. Any increases in value are not recognised in the financial statements.

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Profit and Loss Account over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Retail pharmacy licences	-	100	years on straight-line basis
Other intangibles	-	5	years on straight-line basis
Goodwill	-	20	years on straight-line basis
Trademarks	-	20	years on straight-line basis
Computer software	-	3-5	years on straight-line basis

2.6 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each Balance Sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each Balance Sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2. Accounting policies (continued)

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	- not depreciated
Leasehold property	- over period of lease
Plant and machinery	- 10 - 33.3% straight-line
Motor vehicles	- 25% per annum on reducing balance
Fixtures and fittings	- 15% per annum on reducing balance
Assets under construction	- not depreciated

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Profit and Loss Account.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2. Accounting policies (continued)

2.9 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated financial statements, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit and loss, other comprehensive income and equity of the associate. The Consolidated Profit and Loss Account includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Balance Sheet, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

2.10 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.11 Leased assets: the Group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.12 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2. Accounting policies (continued)

2.13 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Profit and Loss Account in the same period as the related expenditure.

2.14 Interest income

Interest income is recognised in the Consolidated Profit and Loss Account using the effective interest method.

2.15 Finance costs

Finance costs are charged to the Consolidated Profit and Loss Account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.16 Borrowing costs

All borrowing costs are recognised in the Consolidated Profit and Loss Account in the year in which they are incurred.

2.17 Pensions

Defined contribution pension plan

The Group operates a defined contribution pension plan for its employees. A defined contribution pension plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.18 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Consolidated Profit and Loss Account.

2. Accounting policies (continued)

2.19 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.20 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.21 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.22 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2.23 Onerous leases

Where the unavoidable costs of a lease exceed the economic benefit expected to be received from it, a provision is made for the present value of the obligations under the lease.

2. Accounting policies (continued)

2.24 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Profit and Loss Account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated Profit and Loss Account within 'other operating income'.

2.25 *Financial instruments*

Other than the interest rate swap disclosed in note 24, the Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the

2. Accounting policies (continued)

2.25 Financial instruments (continued)

contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the Balance Sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the Profit and Loss Account in finance costs or income as appropriate. The Company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.26 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2. Accounting policies (continued)

2.27 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's and Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's and Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Key source of estimation uncertainty - impairment of retail pharmacy licences

Determining whether the values of retail pharmacy licenses are impaired requires an estimation of the value in use of the cash-generating units to which retail pharmacy licenses have been allocated. The impairment value is based on the applicable discount rate and turnaround plan for cash-generating units that may have been impaired. The carrying amount of retail pharmacy licenses at the balance sheet date was £155m *(2024 - £170m)* after an impairment loss of £12,308k *(2024 - £805k)* was recognised during the year.

Key source of estimation uncertainty - useful life of retail pharmacy licences

The directors believe that the right for dispensing UK NHS prescriptions, being the pharmacy licence which is attached to a particular pharmacy, has a continuing value. Such rights, conferred by the Department of Health as contracts to dispense prescriptions, are not generally granted to new pharmacies in the same locality. Consequently the directors consider that the value of a retail pharmacy licence has a long life of 100 years and therefore should be amortised over that period.

4. Turnover

The whole of the turnover is attributable to the sale of pharmaceutical products.

Analysis of turnover by country of destination:

	2025	*2024*
	£000	*£000*
United Kingdom	**494,145**	*493,759*
Rest of the world	**12,675**	*8,342*
	506,820	*502,101*

Turnover is not disclosed by activity due to commercial reasons.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

5. Other operating income

	2025 £000	*2024 £000*
Net rents receivable	**447**	*398*
Insurance claims receivable	**8**	*11*
	455	*409*

6. Operating profit

The operating profit is stated after charging/(crediting):

	2025 £000	*2024 £000*
Depreciation of tangible fixed assets	**4,089**	*3,466*
Amortisation of intangible assets, including goodwill	**2,339**	*2,260*
Impairment of fixed assets	**13,141**	*1,433*
Profit on disposal of investments	**(1,344)**	*(730)*
Exchange differences	**22**	*(6)*
Other operating lease rentals	**9,170**	*9,433*
Defined contribution pension cost	**1,771**	*1,781*

7. Auditor's remuneration

During the year, the Group obtained the following services from the Company's auditor and its associates:

	2025 £000	*2024 £000*
Fees payable to the Company's auditor and its associates for the audit of the consolidated and parent Company's financial statements	**206**	*184*

8. Employees

Staff costs, including Directors' remuneration, were as follows:

	Group 2025 £000	*Group 2024 £000*	Company 2025 £000	*Company 2024 £000*
Wages and salaries	**67,199**	*65,239*	**52,921**	*53,045*
Social security costs	**5,390**	*5,325*	**4,503**	*4,299*
Cost of defined contribution scheme	**1,771**	*1,781*	**1,423**	*1,432*
	74,360	*72,345*	**58,847**	*58,776*

The average monthly number of employees, including the Directors, during the year was as follows:

	Group 2025 No.	*Group 2024 No.*	Company 2025 No.	*Company 2024 No.*
Management and pharmacists	**523**	*530*	*496*	*504*
Sales assistants	**1,655**	*1,710*	*1,636*	*1,699*
Distribution staff	**378**	*360*	*294*	*280*
	2,556	*2,600*	*2,426*	*2,483*

9. Directors' remuneration

	2025 £000	*2024 £000*
Directors' emoluments	**789**	*777*
Company contributions to defined contribution pension schemes	**7**	*48*
	796	*825*

During the year retirement benefits were accruing to 1 Director *(2024 - 1)* in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £219k *(2024 - £208k)*.

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £NIL *(2024 - £NIL)*.

10. Interest receivable

	2025 £000	2024 £000
Swap interest income	1,964	1,945
Share of associates' interest receivable	49	54
Other interest receivable	217	381
	2,230	2,380

11. Interest payable and similar expenses

	2025 £000	2024 £000
Bank interest payable	7,659	7,697
Other interest payable	-	7
Net changes in fair value of interest rate swap	1,860	1,188
Hire purchase interest payable	3	3
Interest payable on late tax payments	-	4
	9,522	8,899

12. Taxation

	2025 £000	2024 £000
Corporation tax		
Current tax on profits for the year	1,860	1,467
Adjustments in respect of previous periods	(83)	(11)
Total current tax	1,777	1,456
Deferred tax		
Origination and reversal of timing differences	(1,365)	1,161
Changes to tax rates	-	-
Prior year adjustment	(319)	(94)
Total deferred tax	(1,684)	1,067
Taxation on profit	93	2,523

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than *(2024 - higher than)* the standard rate of corporation tax in the UK of 25% *(2024 - 25%)*. The differences are explained below:

	2025 £000	*2024 £000*
Profit before tax	**(4,062)**	*7,973*
Profit multiplied by standard rate of corporation tax in the UK of 25% (2024 - 25%)	**(1,016)**	*1,994*
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	**1,106**	*344*
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**935**	*1,083*
Adjustments to tax charge in respect of prior periods	**(83)**	*(11)*
Non-taxable income	**(506)**	*(79)*
Deferred tax not recognised previously	**(35)**	*(714)*
Deferred tax prior year adjustment	**(319)**	*(94)*
Transfer pricing adjustments	**11**	-
Total tax charge for the year	**93**	*2,523*

Factors that have affected the tax charge

The rate of UK corporation tax applied for the year ended 31 March 2025 was 25% and for 31 March 2024 was 25%.

The UK deferred tax liability as at 31 March 2025 was calculated at 25% (2024 - 25%).

13. Dividends

	2025 £000	*2024 £000*
Dividends paid at £30 per share (2024 - £30 per share)	**3,000**	*3,000*
	3,000	*3,000*

14. Intangible assets

Group

	Retail pharmacy licences £000	Other intangible assets £000	Goodwill £000	Computer software £000	Total £000
Cost					
At 1 April 2024	**185,688**	**1,154**	**12,001**	**-**	**198,843**
Additions	**3,628**	**247**	**91**	**-**	**3,966**
Disposals	**(6,391)**	**-**	**(592)**	**-**	**(6,983)**
Transfer between classes	**-**	**(191)**	**-**	**191**	**-**
At 31 March 2025	**182,925**	**1,210**	**11,500**	**191**	**195,826**
Amortisation					
At 1 April 2024	**15,875**	**511**	**8,790**	**-**	**25,176**
Charge for the year on owned assets	**1,851**	**119**	**255**	**114**	**2,339**
On disposals	**(592)**	**-**	**(25)**	**-**	**(617)**
Impairment charge	**12,308**	**-**	**-**	**-**	**12,308**
Impairment losses written back	**(1,028)**	**-**	**-**	**-**	**(1,028)**
At 31 March 2025	**28,414**	**630**	**9,020**	**114**	**38,178**
Net book value					
At 31 March 2025	**154,511**	**580**	**2,480**	**77**	**157,648**
At 31 March 2024	*169,813*	*643*	*3,211*	*-*	*173,667*

14. Intangible assets (continued)

Company

	Retail pharmacy licences £000	Other intangible assets £000	Computer software £000	Total £000
Cost				
At 1 April 2024	**171,168**	**1,197**	**-**	**172,365**
Additions	**2,876**	**247**	**-**	**3,123**
Disposals	**(6,391)**	**-**	**-**	**(6,391)**
Transfer between classes	**-**	**(191)**	**191**	**-**
At 31 March 2025	**167,653**	**1,253**	**191**	**169,097**
Amortisation				
At 1 April 2024	**13,759**	**652**	**-**	**14,411**
Charge for the year	**1,623**	**108**	**114**	**1,845**
On disposals	**(592)**	**-**	**-**	**(592)**
Impairment charge	**12,308**	**-**	**-**	**12,308**
Impairment losses written back	**(1,028)**	**-**	**-**	**(1,028)**
At 31 March 2025	**26,070**	**760**	**114**	**26,944**
Net book value				
At 31 March 2025	**141,583**	**493**	**77**	**142,153**
At 31 March 2024	*157,409*	*545*	*-*	*157,954*

15. *Tangible fixed assets*

Group

	Freehold property £000	Leasehold property £000	Plant and machinery £000	Motor vehicles £000	Fixtures and fittings £000
Cost or valuation					
At 1 April 2024	**6,981**	**9,517**	**3,481**	**909**	**40,918**
Additions	**-**	**84**	**1,558**	**23**	**3,309**
Disposals	**-**	**(245)**	**(254)**	**(113)**	**(660)**
Transfers between classes	**-**	**-**	**6,300**	**-**	**112**
At 31 March 2025	**6,981**	**9,356**	**11,085**	**819**	**43,679**
Depreciation					
At 1 April 2024	**303**	**5,918**	**1,361**	**743**	**24,675**
Charge for the year on owned assets	**-**	**410**	**926**	**40**	**2,713**
Disposals	**-**	**(177)**	**(10)**	**(100)**	**(450)**
At 31 March 2025	**303**	**6,151**	**2,277**	**683**	**26,938**
Net book value					
At 31 March 2025	**6,678**	**3,205**	**8,808**	**136**	**16,741**
At 31 March 2024	*6,678*	*3,599*	*2,120*	*166*	*16,243*

15. Tangible fixed assets (continued)

	Assets under construction £000	Other fixed assets £000	Total £000
Cost or valuation			
At 1 April 2024	**5,078**	**-**	**66,884**
Additions	**1,487**	**222**	**6,683**
Disposals	**-**	**-**	**(1,272)**
Transfers between classes	**(6,496)**	**84**	**-**
At 31 March 2025	**69**	**306**	**72,295**
Depreciation			
At 1 April 2024	**-**	**-**	**33,000**
Charge for the year on owned assets	**-**	**-**	**4,089**
Disposals	**-**	**-**	**(737)**
At 31 March 2025	**-**	**-**	**36,352**
Net book value			
At 31 March 2025	**69**	**306**	**35,943**
At 31 March 2024	*5,078*	-	*33,884*

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2025 £000	*2024 £000*
Furniture, fittings and equipment	**-**	*41*
	-	*41*

15. Tangible fixed assets (continued)

Company

	Leasehold property £000	Plant and machinery £000	Motor vehicles £000	Fixtures and fittings £000	Assets under construction £000
Cost or valuation					
At 1 April 2024	**5,640**	**1,809**	**683**	**30,889**	**5,078**
Additions	**51**	**-**	**23**	**2,269**	**1,487**
Disposals	**(245)**	**(254)**	**(113)**	**(585)**	**-**
Transfers between classes	**-**	**6,300**	**-**	**196**	**(6,496)**
At 31 March 2025	**5,446**	**7,855**	**593**	**32,769**	**69**
Depreciation					
At 1 April 2024	**4,110**	**600**	**558**	**18,351**	**-**
Charge for the year on owned assets	**233**	**442**	**29**	**2,061**	**-**
Disposals	**(177)**	**(10)**	**(100)**	**(450)**	**-**
At 31 March 2025	**4,166**	**1,032**	**487**	**19,962**	**-**
Net book value					
At 31 March 2025	**1,280**	**6,823**	**106**	**12,807**	**69**
At 31 March 2024	*1,530*	*1,209*	*125*	*12,538*	*5,078*

15. Tangible fixed assets (continued)

	Total £000
Cost or valuation	
At 1 April 2024	**44,099**
Additions	**3,830**
Disposals	**(1,197)**
Transfers between classes	**-**
At 31 March 2025	**46,732**
Depreciation	
At 1 April 2024	**23,619**
Charge for the year on owned assets	**2,765**
Disposals	**(737)**
At 31 March 2025	**25,647**
Net book value	
At 31 March 2025	**21,085**
At 31 March 2024	*20,480*

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2025 £000	*2024 £000*
Furniture, fittings and equipment	**-**	*41*
	-	*41*

16. Fixed asset investments

Group

	Investments in and loans to associates £000	Unlisted investments £000	Retail pharmacy licences in associates (net of deferred tax) £000	Total £000
Cost				
At 1 April 2024	**11**	**3,006**	**8,274**	**11,291**
Additions	**(75)**	**-**	**77**	**2**
Disposals	**99**	**(43)**	**(758)**	**(702)**
Loans issued to associates	**(525)**	**-**	**-**	**(525)**
Amounts written off	**-**	**(2)**	**-**	**(2)**
Share of profit in associates	**646**	**-**	**-**	**646**
At 31 March 2025	**156**	**2,961**	**7,593**	**10,710**
Impairment				
At 1 April 2024	**-**	**150**	**1,320**	**1,470**
Charge for the period	**-**	**1,743**	**119**	**1,862**
Impairment on disposals	**-**	**-**	**(121)**	**(121)**
At 31 March 2025	**-**	**1,893**	**1,318**	**3,211**
Net book value				
At 31 March 2025	**156**	**1,068**	**6,275**	**7,499**
At 31 March 2024	*11*	*2,856*	*6,954*	*9,821*

16. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £000	Unlisted investments £000	Total £000
Cost			
At 1 April 2024	**23,257**	**328**	**23,585**
Additions	**1,017**	**-**	**1,017**
Amounts written off	**(3)**	**(2)**	**(5)**
Transfers intra group	**150**	**(150)**	**-**
At 31 March 2025	**24,421**	**176**	**24,597**
Impairment			
At 1 April 2024	**7,506**	**-**	**7,506**
Charge for the period	**2,412**	**87**	**2,499**
At 31 March 2025	**9,918**	**87**	**10,005**
Net book value			
At 31 March 2025	**14,503**	**89**	**14,592**
At 31 March 2024	*15,751*	*328*	*16,079*

The impairment charge for the period in respect of investments in subsidiary companies has arisen following the distribution of dividends from the subsidiary companies up to the Company prior to the proposed dissolution of the relevant subsidiary companies.

16. Fixed asset investments (continued)

Direct subsidiary undertakings

The following were direct subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Day Lewis Chemists Limited (Company number: 01586170)	Dormant	Ordinary shares £1 each	100%
Day Lewis Medical Limited (Company number: 01904504)	Distribution of Pharmaceuticals	Ordinary shares £1 each	100%
Cradlecrest Limited (Company number: 01612286)	Distribution of Pharmaceuticals	Ordinary shares £1 each	100%
Leach and Burton Limited (Company number: 02302184)	Distribution of Pharmaceuticals	Ordinary shares £1 each	100%
Tayzana Limited (Company number: 02022221)	Retail pharmacies	Ordinary shares £1 each	51%
Medi Options Limited (Company number: 08157624)	Holding investment in pharmacy companies	Ordinary shares £1 each	100%
Healthcare Drugstores Limited (Company number: 07264746)	Holding investment in dormant pharmacy companies	Ordinary shares £1 each	100%
East Midlands Pharma Limited (Company number: 05365532)	Pharmaceutical products and medical services	Ordinary shares £1 each	100%
Narrowcliff Medical Services Ltd (Company number: 07372866)	Holding investment in pharmacy companies	Ordinary shares £1 each	100%
Stargazer Drug Stores Limited (Company number: 08375218)	Holding investment in pharmacy companies	Ordinary shares £1 each	100%
Day Lewis Properties Limited (Company number: 10509005)	Investment properties	Ordinary shares £1 each	100%
Ramsay Enterprises Limited (Company number: 05543446)	Holding investment in dormant pharmacy companies	Ordinary shares £1 each	100%
Denmark Street Healthcare LLP (Company number: OC377647)	Dormant	Partnership	100%
Finchampstead Healthcare LLP (Company number: OC378219)	Dormant	Partnership	100%
APM Healthcare Limited (Company number: 06889809)	Holding investment in pharmacy companies	Ordinary shares £1 each	100%
Nailsea Healthcare LLP (Company number: OC375502)	Dormant	Partnership	100%

16. Fixed asset investments (continued)

Direct subsidiary undertakings (continued)

Name	Principal activity	Class of shares	Holding
Plymstock Wellcare Limited (Company number: 10551223)	Distribution of Pharmaceuticals	Ordinary shares £1 each	100%
Community Stores Limited (Company number: 07066644)	Dormant	Ordinary shares £1 each	100%
A R Parmer Limited (Company number: 04502686)	Pharmaceutical products and medical services	Ordinary shares £1 each	100%
Wick Pharma Ltd (Company number: 15324407)	Retail pharmacy	Ordinary shares £1 each	100%

The above companies only have one class of share capital and were registered at 2 Peterwood Way, Croydon, Surrey, CR0 4UQ except East Midlands Pharma Ltd which is registered at Unit 1 Rothely Lodge Loughborough Road, Rothley, Leicester, England, LE7 7NL.

All companies have accounting year ends of 31 March.

All of the subsidiary undertakings have been consolidated in the Group financial statements.

All of the subsidiary undertakings except Day Lewis Medical Limited are exempt from the Companies Act 2006 requirements relating to the audit of their individual financial statements by virtue of Section 479A of the Act as this Company has guaranteed each subsidiary undertaking under Section 479C of the Act.

16. Fixed asset investments (continued)

Direct subsidiary undertakings (continued)

The aggregate of the share capital and reserves as at 31 March 2025 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £000	Profit/(Loss) £000
Day Lewis Chemists Limited	-	-
Day Lewis Medical Limited	67,133	12,235
Cradlecrest Limited	4,428	(154)
Leach and Burton Limited	893	255
Tayzana Limited	1,993	796
Medi Options Limited	386	(58)
Healthcare Drugstores Limited	(1,284)	-
East Midlands Pharma Limited	(3,121)	13
Narrowcliff Medical Services Limited	-	-
Stargazer Drug Stores Limited	103	126
Day Lewis Properties Limited	2,087	303
Ramsay Enterprises Limited	1	-
Denmark Street Healthcare LLP	-	-
Finchampstead Healthcare LLP	-	-
APM Healthcare Limited	571	-
Nailsea Healthcare LLP	-	-
Plymstock Wellcare Limited	-	-
Community Stores Limited	-	-
A R Parmer Limited	-	-
Wick Pharma Ltd	-	-

16. Fixed asset investments (continued)

Indirect subsidiary undertakings

The following were indirect subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
ABC Drug Stores Limited (Company number: 02825947)	Dormant	Ordinary shares £1 each	100%
Cape Holdings Limited (Company number: 09440413)	Retail pharmacies	Ordinary shares £1 each	51%
Budget Pharma UK Limited (Company number: 05690554)	Dormant	Ordinary shares £1 each	100%
Sem Pharma Limited (Company number: 10405819)	Dormant	Ordinary shares £1 each	100%
HQEM Pharma Limited (Company number: 10517180)	Dormant	Ordinary shares £1 each	100%
HQEMP Limited (Company number: 10517228)	Dormant	Ordinary shares £1 each	100%
Community Pharmacies (UK) Limited (Company number: 06912826)	Holding investment in pharmacy companies	Ordinary shares £1 each	100%
Harlequin BPI Ltd (Company number: 08132968)	Dormant	Ordinary shares £1 each	100%
Littlefields Holding Ltd (Company number: 14211203)	Dormant	Ordinary shares £1 each	100%
Pollenase Limited (Company number: 09261222)	Dormant	Ordinary shares £1 each	100%

The above companies only have one class of share capital and were registered at 2 Peterwood Way, Croydon, Surrey, CR0 4UQ except Budget Pharma UK Limited, Pollenase Limited, Sem Pharma Limited, HQEM Pharma Limited, HQEMP Limited and Harlequin BPI Ltd which are registered at Unit 1 Rothley Lodge Loughborough Road, Rothley, Leicester, England, LE7 7NL.

All companies have accounting year ends of 31 March.

All of the indirect subsidiary undertakings have been consolidated in the Group financial statements.

All of the indirect subsidiary undertakings are exempt from the Companies Act 2006 requirements relating to the audit of their individual financial statements by virtue of Section 479A of the Act as this Company has guaranteed each subsidiary undertaking under Section 479C of the Act.

16. Fixed asset investments (continued)

Indirect subsidiary undertakings (continued)

The aggregate of the share capital and reserves as at 31 March 2025 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £000	Profit/(Loss) £000
ABC Drug Stores Limited	**2,080**	**-**
Cape Holdings Limited	**2,838**	**533**
Budget Pharma UK Limited	**-**	**-**
Sem Pharma Limited	**-**	**-**
HQEM Pharma Limited	**-**	**-**
HQEMP Limited	**-**	**-**
Community Pharmacies (UK) Ltd	**4,734**	**2,017**
Harlequin BPI Limited	**-**	**-**
Littlefields Holding Ltd	**-**	**-**
Pollenase Limited	**-**	**-**

Associates

The following were associates of the Company:

Name	Principal activity	Class of shares	Holding
Arlington Road LLP	Retail pharmacy	Partnership	78.57%
Camberley Healthcare LLP	Retail pharmacy	Partnership	45.946%
Crewkerne Healthcare LLP	Retail pharmacy	Partnership	50%
Felixstowe Healthcare LLP	Retail pharmacy	Partnership	50%
Gale Farm Healthcare LLP	Retail pharmacy	Partnership	50%
Harrogate Healthcare LLP	Retail pharmacy	Partnership	50%
Haslemere Healthcare LLP	Retail pharmacy	Partnership	50%
Hope Farm Healthcare LLP	Retail pharmacy	Partnership	50%
Priory Fields Healthcare LLP	Retail pharmacy	Partnership	50%
Somerset Gardens Healthcare LLP	Retail pharmacy	Partnership	47.5%
South Kirkby Healthcare LLP	Retail pharmacy	Partnership	30%
Stockton Heath Healthcare LLP	Retail pharmacy	Partnership	50%

The above associates were registered at 2 Peterwood Way, Croydon, Surrey, CR0 4UQ.

All associates have accounting year ends of 31 March.

Arlington Road LLP is not consolidated into the Day Lewis Group accounts , as control is shared, with Day Lewis being only entitled to 78.57% interest in the returns.

17. Stocks

	Group 2025 £000	*Group 2024 £000*	Company 2025 £000	*Company 2024 £000*
Finished goods and goods for resale	**47,439**	*48,928*	**12,452**	*11,955*
	47,439	*48,928*	**12,452**	*11,955*

The difference between the purchase price or production cost of stocks and their replacement cost is not material.

Stock recognised in cost of sales during the year as an expense was £371,092k (2024 - £374,704k).

18. Debtors

	Group 2025 £000	*Group 2024 £000*	Company 2025 £000	*Company 2024 £000*
Trade debtors	**43,543**	*39,639*	**466**	*2,064*
Amounts owed by group undertakings	**-**	*-*	**26,103**	*39,741*
Other debtors	**11,078**	*7,341*	**2,604**	*2,728*
Prepayments and accrued income	**6,926**	*8,006*	**4,250**	*5,178*
Corporation tax receivable	**-**	*-*	**1,324**	*1,236*
Financial instruments (note 24)	**721**	*2,581*	**721**	*2,581*
	62,268	*57,567*	**35,468**	*53,528*

19. Cash and cash equivalents

	Group 2025 £000	*Group 2024 £000*	Company 2025 £000	*Company 2024 £000*
Bank and cash balances	**31,549**	*38,274*	**14,205**	*14,797*
	31,549	*38,274*	**14,205**	*14,797*

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FOR THE YEAR ENDED 31 MARCH 2025

20. Creditors: Amounts falling due within one year

	Group 2025 £000	*Group 2024 £000*	Company 2025 £000	*Company 2024 £000*
Bank loans	**97,344**	*371*	**95,000**	*-*
Trade creditors	**52,173**	*63,262*	**17,796**	*22,835*
Amounts owed to group undertakings	**-**	*-*	**23,846**	*31,098*
Corporation tax payable	**490**	*289*	**25**	*-*
Other taxation and social security	**1,699**	*1,601*	**1,419**	*1,390*
Obligations under finance lease and hire purchase contracts	**-**	*39*	**-**	*39*
Other creditors	**5,135**	*3,807*	**4,768**	*3,246*
Accruals and deferred income	**9,418**	*2,670*	**4,998**	*748*
	166,259	*72,039*	**147,852**	*59,356*

See note 22 for details of the terms for the loans.

21. Creditors: Amounts falling due after more than one year

	Group 2025 £000	*Group 2024 £000*	Company 2025 £000	*Company 2024 £000*
Bank loans	**1,226**	*103,476*	**-**	*100,000*
	1,226	*103,476*	**-**	*100,000*

There are no loans falling due after more than 5 years. See Note 22 for details of the terms for the loans.

22. Loans

The long term Revolving Credit Facility ("RCF") has a maturity date ending 4 December 2025. The drawn amount is reset monthly and repayable as a final bullet repayment of the outstanding balance due at the end of the term. The loan bears interest between 2% and 3% per annum above SONIA depending on the financial leverage.

This facility has subsequently been replaced with a new RCF that begins in August 2025 and expires on the 31st December 2028, with two, one year extension options available.

Total balances in respect of bank loans and the RCF amounting to £98,570k (2024 - £103,847k) as at the year end were secured as follows:

a) Unlimited inter-company guarantees supported by legal charges over various properties and other assets.

b) Debentures by the Company and certain subsidiaries.

Analysis of the maturity of loans is given below:

	Group 2025 £000	*Group 2024 £000*	**Company 2025 £000**	*Company 2024 £000*
Amounts falling due within one year				
Bank loans	**97,344**	*371*	**95,000**	-
	97,344	*371*	**95,000**	-
Amounts falling due 1-2 years				
Bank loans	**262**	*102,296*	**-**	*100,000*
	262	*102,296*	**-**	*100,000*
Amounts falling due 2-5 years				
Bank loans	**964**	*1,180*	**-**	-
	964	*1,180*	**-**	-
	98,570	*103,847*	**95,000**	*100,000*

23. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2025 £000	*Group 2024 £000*	Company 2025 £000	*Company 2024 £000*
Within one year	-	*37*	-	*37*
	-	*37*	-	*37*

24. Financial instruments

	Group 2025 £000	*Group 2024 £000*	Company 2025 £000	*Company 2024 £000*
Financial assets				
Financial assets measured at fair value	**31,549**	*38,274*	**14,205**	*14,731*
Financial assets measured at amortised cost	**59,716**	*54,941*	**31,138**	*49,310*
Assets measured at fair value through profit and loss	**721**	*2,581*	**721**	*2,581*
	91,986	*95,796*	**46,064**	*66,622*
Financial liabilities				
Financial liabilities measured at amortised cost	**(168,552)**	*(70,149)*	**(149,328)**	*(57,966)*

Under FRS102 section 11 and 12, the Group is required to recognise the fair value of derivative financial instruments in the balance sheet. The following instrument existed at the year end:

An interest rate swap on a notional amount of £40m of loan funding, at a fixed rate of 0.0880% until September 2025. As at 31 March 2025, the fair value of the swap is £721k asset (2024 - £2,581k).

The fair value of interest rate swaps is based on bank valuations.

25. Deferred taxation

Group

	2025 £000	*2024 £000*
At beginning of year	**(34,091)**	*(32,520)*
Charged to profit or loss	**1,684**	*(1,069)*
Arising on business combinations - prior year adjustment	**(342)**	*-*
Arising on business combinations - current year	**(286)**	*(502)*
Removed on business disposals	**483**	*-*
At end of year	**(32,552)**	*(34,091)*

Company

	2025 £000	*2024 £000*
At beginning of year	**(28,903)**	*(27,957)*
Charged to profit or loss	**2,017**	*(477)*
Arising on business combinations - prior year adjustment	**(342)**	*-*
Arising on business combinations - current year	**(286)**	*(502)*
Removed on business disposals	**483**	*33*
At end of year	**(27,031)**	*(28,903)*

The provision for deferred taxation is made up as follows:

	Group 2025 £000	*Group 2024 £000*	Company 2025 £000	*Company 2024 £000*
Accelerated capital allowances	**(4,867)**	*(4,045)*	**(3,451)**	*(3,009)*
General provision	**(80)**	*143*	**(150)**	*(5)*
Deferred tax on retail pharmacy licences	**(27,605)**	*(30,189)*	**(23,430)**	*(25,889)*
	(32,552)	*(34,091)*	**(27,031)**	*(28,903)*

26. Provisions

Group

	NHS reimbursement £000	Onerous leases £000	Total £000
At 1 April 2024	**2,859**	**1,526**	**4,385**
Charged to profit or loss	**(1,909)**	**(941)**	**(2,850)**
At 31 March 2025	**950**	**585**	**1,535**

The NHS reimbursement provision is to cover clawback of potential over-reimbursement received in the current financial year.

Company

	NHS reimbursement £000	Onerous leases £000	Total £000
At 1 April 2024	**2,759**	**1,321**	**4,080**
Charged to profit or loss	**(1,898)**	**(736)**	**(2,634)**
At 31 March 2025	**861**	**585**	**1,446**

The NHS reimbursement provision is to cover clawback of potential over-reimbursement received in the current financial year.

27. Share capital

	2025 £000	*2024 £000*
Allotted, called up and fully paid		
100,000 *(2024 - 100,000)* Ordinary shares of £1.00 each	**100**	*100*

28. Reserves

The Group and Company's other reserves are as follows:

Share premium account

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

Merger Reserve

The merger reserve represents the cumulative merger relief on acquisition of subsidiaries.

Profit and loss account

The profit and loss reserve represents cumulative profits or losses, including dividends paid and other adjustments.

Group reserves includes the reserves of the Company and its subsidiary undertakings.

Capital contribution reserves

On 18 February 2016 Day Lewis PLC acquired Healthcare Drugstore Limited at book value from a company wholly owned by its ultimate parent (Day Lewis Holdings Ltd). The difference between the book value and the fair value is treated as a capital contribution as merger accounting in this instance was not allowed.

29. Business combinations

The Group acquired the following businesses during the year using acquisition accounting:

100% of the share capital of A R Parmar Limited on 20 September 2024. A R Parmar Limited is a dispensing chemist in specialised stores.

Recognised amounts of identifiable assets acquired and liabilities assumed are as follows:

	Book value £000	Fair value adjustments £000	Fair value £000
Fixed Assets			
Tangible	**57**	**-**	**57**
Intangible	**-**	**1,145**	**1,145**
	57	**1,145**	**1,202**
Current Assets			
Stocks	**72**	**-**	**72**
Debtors	**114**	**-**	**114**
Cash at bank and in hand	**42**	**-**	**42**
Total Assets	**285**	**1,145**	**1,430**
Creditors			
Due within one year	**(204)**	**-**	**(204)**
Deferred taxation	**-**	**(286)**	**(286)**
Total Identifiable net assets	**81**	**859**	**940**

Consideration

	£000
Cash	**915**
Directly attributable costs	**25**
Total purchase consideration	**940**

29. Business combinations (continued)

Cash outflow on acquisition

	£000
Purchase consideration settled in cash, as above	**915**
Directly attributable costs	**25**
	940
Less: Cash and cash equivalents acquired	**(42)**
Net cash outflow on acquisition	**898**

30. Non-controlling interests

	2025 £000	*2024* *£000*
At beginning of year	**1,937**	*1,024*
Transfers	**-**	*954*
Profit for the year	**651**	*278*
Dividends paid	**(221)**	*(319)*
At end of year	**2,367**	*1,937*

31. Pension commitments

The Group operates two defined contributions pension schemes for the benefit of the eligible employees and directors. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the funds and amounted to £1,771k (2024 - £1,781k). Contributions totalling £337k (2024 - £381k) were payable to the fund at the Balance Sheet date and are included in creditors.

32. Commitments under operating leases

At 31 March 2025 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2025 £000	*Group 2024 £000*	**Company 2025 £000**	*Company 2024 £000*
Not later than 1 year	**8,716**	*8,030*	**5,227**	*5,254*
Later than 1 year and not later than 5 years	**24,362**	*25,881*	**14,391**	*17,639*
Later than 5 years	**21,960**	*25,106*	**12,962**	*14,844*
	55,038	*59,017*	**32,580**	*37,737*

33. Related party transactions

During the year the Group entered into the transactions set out below with the Directors and other related parties. All amounts are stated gross of VAT.

Rent:

The following companies paid rent for premises owned by Q H Estates Limited, a company in which The KCTP Will Trust, K C Patel and J C Patel have an interest:

Day Lewis Plc £346,560 (2024 - £400,492)

Day Lewis Medical Limited £1,102,795 (2024 - £958,291)

In addition the Group paid rentals to the following entities:

Day Lewis Pension Fund £253,028 (2024 - £232,196)

Ms R Patel, K C Patel's daughter, £67,600 (2024 - £48,967)

Tayzana Pension Fund £37,300 (2024 - £37,300)

Loans:

During the year, the Group purchased goods totalling £213,674 (2024 - £330,720) from Quadrant Pharmaceuticals. The KCTP Will Trust has an interest in this company. At the year end the balance outstanding to Quadrant Pharmaceuticals was £6,816 (2024 - £41,601).

During the year, the Group purchased goods totalling £3,398,672 (2024 - £2,561,238) from Maxearn Limited. The KCTP Will Trust has a material interest in this company. At the year end the balance outstanding to Maxearn Limited was £111,776 (2024 - £93,255).

During the year, the Group sold goods totalling £1,507,630 (2024 - £2,281,571) to Health Counter Limited and recharged expenses of £110,963 (2024 - £144,762). Health Counter Limited is a subsidiary of the ultimate parent company, Day Lewis Holdings Limited, and is under common control. Included in the trade debtors as an amount owed to the group is £17,463 (2024 - £146,894). Included in the creditors as an amount owed by the group is £32,929 (2024 - £58,334).

During the year, the Group made a contribution to the Day Lewis Pension Fund of £30,000 (2024 - £30,000). The pension fund has been set up for the benefit of certain Directors and their families.

As at 31 March 2025 Heversham Holdings Limited owed £5,542 (2024 - £5,542) to the Group. Heversham Holdings Limited is a subsidiary of the ultimate parent company, Day Lewis Holdings Limited.

During the year, the Group sold goods totalling £6,698,315 (2024 - £7,319,058) to its associates, recharged expenses of £853,714 (2024 - £709,638), charged management fees of £189,215 (2024 - £182,768) and charged interest of £48,918 (2024 - £52,012). Included in trade creditors as an amount owed to the Group is £1,706,561 (2024 - £1,638,852). The associates owed £471,029 (2024 - £478,029) to the Group in respect of loans made available.

The Group purchased goods of £1,533,863 (2024 - £1,688,234) from Eaststone Limited, a company in which the KCTP Will Trust has a controlling interest. At the balance sheet date £4,919 (2024 - £157,988) was payable to Eaststone Limited.

34. Post balance sheet events

On the 14th of August 2025 , Day Lewis Plc entered into a new revolving credit facility of £110m. The facility replaces the Company's previous RCF of £110m, which was due to mature in December 2025. This event occurred after the reporting period and has not been reflected in the consolidated financial statements. Refer to note 2.3.

35. Controlling party

The ultimate parent company is Day Lewis Holdings Limited, a company registered in Cyprus and controlled by the trustees of the KCTP Will Trust.

Copies of the financial statements of the ultimate parent and of its group are not publicly available.