

Independent auditor's report

To the members of Hollywood Bowl Group plc

1. Our opinion is unmodified

We have audited the financial statements of Hollywood Bowl Group plc ('the Company') for the year ended 30 September 2025 which comprise the Consolidated income statement and statement of comprehensive income, Consolidated statement of financial position, Consolidated statement of changes in equity, Consolidated statement of cash flows, Company statement of financial position, Company statement of changes in equity, Company statement of cash flows, and the 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 30 September 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements 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
- the financial statements 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 believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were first appointed as auditor by the directors on 2 June 2016. The period of total uninterrupted engagement is for the ten financial years ended 30 September 2025. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview

Materiality: group financial statements as a whole	£2.4m (2024: £2.35m)
	5.34% (2024: 4.9%) of adjusted profit before tax
Key audit matters	vs 2024
Recurring risks	Valuation of property, plant and equipment and right of use assets relating to the mini-golf and combined-use centres

Recoverability of parent company investment in subsidiaries



2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters (unchanged from 2024), in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

Independent auditor's report continued

2. Key audit matters: our assessment of risks of material misstatement continued

The risk	Our	
Valuation of property, plant and equipment and right of use assets relating to the golfing and combined-use centres Carrying amount of mini-golf and combined-use centres (the "centres") within property, plant and equipment of £2.158m (2024: £3.156m) and right of use assets of £4.252m (2024: £8.125m).	Forecast based assessment: The Group has significant property, plant and equipment (PPE), and right of use assets recognised on its consolidated balance sheet.	We performed the detailed tests below rather than seek to rely on any of the group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included:
Included within impairment charge: Impairment charge related to the centres of £1.059m for property, plant and equipment (2024: £2.808m) and £1.229m for right of use assets (2024: £2.508m). Refer to page 86 (Audit Committee Report), pages 127 and 128 (accounting policy) and page 137 (financial disclosures).	The estimated recoverable amount of these assets is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows. The key assumptions used in the value in use ("VIU") calculations for estimating the recoverable amount are expected revenues and costs in the short-term cash flow forecasts, the long-term growth rate and the discount rate. The centres have performed below budget for four years resulting in material impairment charges being recorded in the three previous years.	<ul style="list-style-type: none"> Re-performance: We re-performed the calculations that management performed in determining the VIU of each cash generating unit and compared data used in the model against source information, when applicable. Our experience: For the centres where indications of impairment existed, we evaluated the assumptions used in the forecasts and plans by management, in particular those relating to EBITDA growth for the centres (revenue and costs). We also challenged management as to the achievability of their forecasts and business plan, taking into account the historical accuracy of previous forecasts, wider market factors (such as market expectation of the Group's performance) and other specific evidence to support the assumptions. Benchmarking assumptions: We compared management's assumptions to externally derived data in relation to key assumptions such as revenue growth, long term growth rates, cost inflation and discount rates. Sensitivity analysis: We performed sensitivity analysis to stress test the key assumptions noted above, being revenue growth, the long term growth rate, cost inflation and discount rates. Assessing disclosures: We also assessed whether the Group's disclosures about the sensitivity of the outcome of the impairment assessment to changes in key assumptions reflected the risks inherent in the carrying amount of PPE and right of use assets for the cash generating units of the centres.
Recoverability of parent Company's investment in subsidiaries Investments of £96.9m (2024: £87.6m). Refer to page 154 (accounting policy) and page 156 (financial disclosures).	Low Risk – High value: The carrying amount of the parent Company investments in subsidiaries represent 38% (2024: 52%) of the parent company's total assets. Their recoverability is not at a high risk of significant misstatement or subject to significant judgement. However, due to their materiality in the context of the parent Company financial statements, this is considered to be the area that had the greatest effect on our overall parent Company audit.	We performed the detailed tests below rather than seeking to rely on any of the group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included:
		<ul style="list-style-type: none"> Tests of detail: Comparing the carrying amount of investments to the net assets of the relevant subsidiaries included within the Group consolidation, to identify whether the net asset value, being an approximation of their minimum recoverable amount, was in excess of their carrying amount of investments and assessing whether those subsidiaries have historically been profit-making. Comparing valuations: Where carrying amount of investments exceeded the net asset value of the relevant subsidiary, comparing the carrying amount of investments with the expected value of the business based on a value in use model for the subsidiary.

Our results

We found the Group's assessment of the recoverability of the parent company's investment in subsidiaries to be acceptable (2024: acceptable).

Independent auditor's report continued

3. Our application of materiality and an overview of the scope of our audit

Our application of materiality

Materiality for the Group financial statements as a whole was set at £2.4m (2024: £2.35m), determined with reference to a benchmark of profit before tax adjusted for items described below, of £0.6m of which it represents 5.34% (2024: £5.3m determined with reference to adjusted profit before tax, of which it represents 4.9%). The items we adjusted for in 2025 were the impairment of property, plant and equipment and right of use assets disclosed in notes 12 and 13 respectively and insurance settlement disclosed in note 5. We adjusted for these items because we do not consider they represent the continuing operations of the group.

Materiality for the parent Company financial statements as a whole was set at £1.05m (2024: £1.05m), determined with reference to a benchmark of parent Company total assets (2024: parent company total assets) of which it represents 0.41% (2024: 0.62%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 75% (2024: 75%) of materiality for the financial statements as a whole, which equates to £1.8m (2024: £1.76m) for the group and £0.79m (2024: £0.79m) for the parent Company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £120,000 (2024: £117,500), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Overview of the scope of our audit

This year, we applied the revised group auditing standard in our audit of the consolidated financial statements. The revised standard changes how an auditor approaches the identification of components, and how the audit procedures are planned and executed across components.

In particular, the definition of a component has changed, shifting the focus from how the entity prepares financial information to how we, as the group auditor, plan to perform audit procedures to address group risks of material misstatement. Similarly, the group auditor has an increased role in designing the audit procedures as well as making decisions on where these procedures are performed (centrally and/or at component level) and how these procedures are executed and supervised. As a result, we assess scoping and coverage in a different way and comparisons to prior period coverage figures are not meaningful. In this report we provide an indication of scope coverage on the new basis.

We performed risk assessment procedures to determine which of the Group's components are likely to include risks of material misstatement to the Group financial statements and which procedures to perform at these components to address those risks.

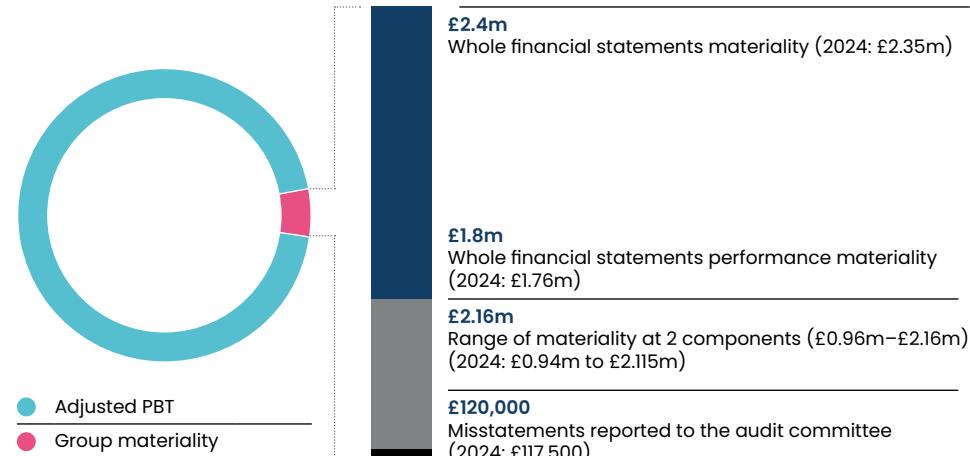
In total, we identified nine components, having considered the Group's operational and legal structure, geographical locations and our ability to perform audit procedures centrally.

Adjusted Group profit before tax

£44.9m (2024: £48.1m)

Group materiality

£2.4m (2024: £2.35m)



Of those, we identified two quantitatively significant components which contained the largest percentages of either total revenue or total assets of the Group, for which we performed audit procedures.

The Group audit team performed audit procedures on one component. We involved component auditors on one component. We performed audit procedures on the items excluded from the adjusted profit before tax used as the benchmark for our materiality. We set the component materialities, ranging from £0.96m to £2.16m, having regard to size and risk profile.

Our audit procedures covered 98% of Group revenue.

We performed audit procedures in relation to components that accounted for 93% of Group total profits and losses that make up Group profit before tax and 99% of Group total assets.

The Group auditor performed the audit of the parent Company.

Independent auditor's report continued

3. Our application of materiality and an overview of the scope of our audit continued

Impact of controls on our group audit

We identified the central finance system to be the main IT system relevant to our audit. We used our IT auditors to assist us in obtaining an understanding of this IT system.

We took a predominantly substantive approach in all areas of the audit, including in relation to journals, considering the efficiency and effectiveness of approaches to gaining the appropriate audit evidence, as well as informalities related to IT controls that we identified as part of our risk assessment procedures.

Given we did not rely upon controls in these areas, we performed additional substantive testing to respond to certain risks identified. This included direct manual testing over the completeness and reliability of data used in our data-orientated approach over testing journals and revenue and expanded the scope of our substantive testing to respond to the risk of management override of controls to consider both automated and manual journals.

Group auditor oversight

As part of establishing the overall Group audit strategy and plan, we conducted the risk assessment and planning discussion meetings with component auditors to discuss Group audit risks relevant to the component.

Video and telephone conference meetings was also held with the component auditor. At these meetings, the results of the planning procedures and further audit procedures communicated to us was discussed in more detail, and any further work required by us was then performed by the component auditor.

We inspected the work performed by the component auditor for the purpose of the Group audit and evaluated the appropriateness of conclusions drawn from the audit evidence obtained and consistencies between communicated findings and work performed, with a particular focus on revenue and management override of controls.

Our audit procedures covered the following percentage of Group revenue:

Group revenue



We performed audit procedures in relation to components that accounted for the following percentages of Group total profits and losses that make up Group profit before tax and Group total assets:

Group total assets



Group total profits and losses that make up Group profit before tax



4. The impact of climate change on our audit

In planning our audit, we have considered the potential impact of risks arising from climate change on the Group's business and its financial statements. The Group has set out its ambition for reducing the environmental impact of its operations, including increasing on site generation of renewable electricity and driving energy use efficiency throughout its operations. Further information is provided in the Group's Sustainability Overview on pages 27 to 37 and the Task Force and Climate-related Financial Disclosure Statement on pages 56 to 64.

Climate change risks could have an impact on the Group's business and operations, including changing customer behaviours, business interruption, introduction of costs of carbon taxes, transitioning to reduced energy usage and changing energy sources.

As part of our audit, we have made enquiries of management to understand the potential impact of climate change risk on the Group's financial statements and the Group's preparedness for this. We have performed a risk assessment of how the impact of climate change may affect the financial statements and our audit. There was no significant impact of this on our key audit matters. Based on the procedures performed, we did not identify any significant risk of climate change having a material impact on the Group's accounting estimates in this period.

We have also read the Group's disclosures of climate related information in the front half of the annual report, as set out on pages 27 to 64. We have not been engaged to provide assurance over the accuracy of these disclosures.

5. 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 parent Company or to cease their operations, and as they have concluded that the Group's and the parent 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 parent Company's financial resources or ability to continue operations over the going concern period. The risk that we considered most likely to adversely affect the Group's and parent Company's available financial resources is the demand for the Group's services being adversely impacted by current economic forecasts, and the potential consequent erosion of real disposable incomes.

We considered whether these risks could plausibly affect the liquidity in the going concern period by assessing the degree of downside assumption that, individually and collectively, could result in a liquidity issue, taking into account the Group's current and projected cash and facilities (a reverse stress test).

Independent auditor's report continued

We considered whether the going concern disclosure in note 2 to the financial statements gives a full and accurate description of the Directors' assessment of going concern, including the identified risks and, dependencies, and related sensitivities.

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's or parent Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the directors' statement in note 2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and parent Company's use of that basis for the going concern period, and we found the going concern disclosure in note 2 to be acceptable; and
- the related statement under the Listing Rules set out on page 54 is materially consistent with the financial statements and our audit knowledge.

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 parent company will continue in operation.

6. 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, the audit committee, internal audit and inspection of policy documentation as to the Group and the parent Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group and the parent Company'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 including the EPS target for management remuneration under the Long Term Investment Plan scheme.
- 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. This included communication from the

Group auditor to component auditor of relevant fraud risks identified at the Group level and requesting component auditor to report to the Group auditor any identified fraud risk factors or identified or suspected instances of fraud.

As required by auditing standards, and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that Group and component 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 because of the limited opportunity due to the high correlation to cash.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior management and those posted to unusual accounts.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement due to non-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 and 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.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. This included communication from the Group auditor to the component auditor of relevant laws and regulations identified at the Group level, and a request for component auditors to report to the Group audit team any instances of non-compliance with laws and regulations that could give rise to a material misstatement at the Group level.

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

Independent auditor's report continued

6. Fraud and breaches of laws and regulations – ability to detect continued Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations continued

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 and 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, litigation or the loss of the Group's license to operate. We identified the following areas as those most likely to have such an effect: data protection, health and safety, employment law, food safety and licensing (Licensing Act and Gaming Act) recognising the 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 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.

We assessed the disclosures in note 10 of the parent Company financial statements related to a technical issue in respect of a dividend payment and compared to our knowledge based on our discussion with company's legal advisors.

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.

7. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information 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 other information.

Strategic report and directors' report

Based solely on our work on the other information:

- 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.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the viability statement on pages 54 and 55 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the principal risks disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the directors' explanation in the viability statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the viability statement, set out on pages 54 and 55 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Independent auditor's report continued

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. 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 absence of anything to report on these statements is not a guarantee as to the Group's and parent company's longer-term viability.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit Committee, including the significant issues that the Audit Committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of the Corporate Governance Compliance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review. We have nothing to report in these respects.

8. We have nothing to report on the other 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 and the part of the Directors' Remuneration Report to be audited 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.

9. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 110, the Directors are responsible for: the preparation of the financial statements including 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.

Auditor's 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 Company is required to include these financial statements in an annual financial report prepared under Disclosure Guidance and Transparency Rule 4.1.17R and 4.1.18R. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

10. 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.

Matthew Radwell (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor Chartered Accountants
20 Station Road,
Cambridge,
CB1 2JD

Consolidated income statement and statement of comprehensive income

Year ended 30 September 2025

	Note	Before adjusting items 30 September 2025 £'000	Adjusting items (note 5) 30 September 2025 £'000	Total 30 September 2025 £'000	Before adjusting items ¹ 30 September 2024 £'000	Adjusting items ¹ (note 5) 30 September 2024 £'000	Total 30 September 2024 £'000
		30 September 2025 £'000	30 September 2024 £'000	30 September 2024 £'000			
Revenue	3	250,662	—	250,662	230,399	—	230,399
Cost of goods sold		(41,851)	—	(41,851)	(39,178)	—	(39,178)
Centre staff costs		(51,843)	—	(51,843)	(45,723)	—	(45,723)
Gross profit		156,968	—	156,968	145,498	—	145,498
Other income		—	1,613	1,613	—	607	607
Administrative expenses	6	(97,616)	(2,741)	(100,357)	(84,853)	(7,746)	(92,599)
Operating profit		59,352	(1,128)	58,224	60,645	(7,139)	53,506
Finance income	9	827	—	827	1,722	—	1,722
Finance expenses	9	(14,187)	(580)	(14,767)	(12,040)	(430)	(12,470)
Profit before tax		45,992	(1,708)	44,284	50,327	(7,569)	42,758
Tax charge	10	(9,283)	(392)	(9,675)	(12,700)	(148)	(12,848)
Profit for the year attributable to equity shareholders		36,709	(2,100)	34,609	37,627	(7,717)	29,910
Other comprehensive income							
Retranslation loss of foreign currency denominated operations		(1,261)	—	(1,261)	(1,057)	—	(1,057)
Total comprehensive income for the year attributable to equity shareholders		35,448	(2,100)	33,348	36,570	(7,717)	28,853
Basic earnings per share (pence)	11			20.28			17.42
Diluted earnings per share (pence)	11			20.14			17.31

¹ The Directors have reviewed their definition of adjusting items in the Financial Statements and have now disclosed impairment within adjusting items. Comparatives have also been re-presented. See note 5.

The accompanying notes on pages 122 to 150 form an integral part of these Financial Statements.

Consolidated statement of financial position

As at 30 September 2025

	Note	30 September 2025 £'000	30 September 2024 £'000
ASSETS			
Non-current assets			
Property, plant and equipment	12	121,737	101,936
Right-of-use assets	13	186,717	172,767
Goodwill and intangible assets	14	99,336	100,323
Deferred tax asset	22	849	518
		408,639	375,544
Current assets			
Cash and cash equivalents	16	15,189	28,702
Trade and other receivables	17	9,633	9,420
Corporation tax receivable		2,208	1,268
Inventories	18	3,553	2,897
		30,583	42,287
Total assets		439,222	417,831
LIABILITIES			
Current liabilities			
Trade and other payables	19	35,063	30,427
Lease liabilities	13	15,131	14,231
		50,194	44,658
Non-current liabilities			
Other payables	19	5,706	7,116
Lease liabilities	13	220,662	204,011
Deferred tax liability	22	5,552	3,993
Provisions	20	5,820	5,848
		237,740	220,968
Total liabilities		287,934	265,626
NET ASSETS		151,288	152,205
Equity attributable to shareholders			
Share capital	23	1,668	1,721
Share premium	24	39,716	39,716
Capital redemption reserve	24	59	1
Merger reserve	24	(49,897)	(49,897)
Foreign currency translation reserve	24	(2,451)	(1,190)
Retained earnings	24	162,193	161,854
TOTAL EQUITY		151,288	152,205

The accompanying notes on pages 122 to 150 form an integral part of these Financial Statements.

These Financial Statements were approved by the Board of Directors on 15 December 2025.

Signed on behalf of the Board by:

Laurence Keen
Chief Financial Officer

Company registration number 10229630

Consolidated statement of changes in equity

For the year ended 30 September 2025

	Share capital £'000	Capital redemption reserve £'000	Share premium £'000	Merger reserve £'000	Foreign currency translation reserve £'000	Retained earnings £'000	Total £'000
Equity at 30 September 2023	1,717	—	39,716	(49,897)	(133)	156,537	147,940
Shares issued during the year	5	—	—	—	—	—	5
Share buy back	(1)	1	—	—	—	(379)	(379)
Dividends paid (note 31)	—	—	—	—	—	(26,180)	(26,180)
Share-based payments (note 28)	—	—	—	—	—	1,782	1,782
Deferred tax on share-based payments	—	—	—	—	—	184	184
Retranslation of foreign currency denominated operations	—	—	—	—	(1,057)	—	(1,057)
Profit for the year	—	—	—	—	—	29,910	29,910
Equity at 30 September 2024	1,721	1	39,716	(49,897)	(1,190)	161,854	152,205
Shares issued during the year	5	—	—	—	—	—	5
Share buy back	(58)	58	—	—	—	(15,151)	(15,151)
Dividends paid (note 31)	—	—	—	—	—	(20,827)	(20,827)
Share-based payments (note 28)	—	—	—	—	—	1,798	1,798
Deferred tax on share-based payments	—	—	—	—	—	(90)	(90)
Retranslation of foreign currency denominated operations	—	—	—	—	(1,261)	—	(1,261)
Profit for the year	—	—	—	—	—	34,609	34,609
Equity at 30 September 2025	1,668	59	39,716	(49,897)	(2,451)	162,193	151,288

The accompanying notes on pages 122 to 150 form an integral part of these Financial Statements.

Consolidated statement of cash flows

For the year ended 30 September 2025

	Note	30 September 2025 £'000	30 September 2024 £'000		Note	30 September 2025 £'000	30 September 2024 £'000
Cash flows from operating activities							
Profit before tax		44,284	42,758				
Adjusted by:							
Depreciation of property, plant and equipment (PPE)	12	13,455	11,167				
Depreciation of right-of-use (ROU) assets	13	17,050	14,752				
Amortisation of intangible assets	14	1,155	935				
Impairment of PPE and ROU assets	12, 13	2,288	5,316				
Net interest expense	9	13,940	10,748				
Loss on disposal of property, plant and equipment and software		223	88				
Landlord settlement	5	—	(607)				
Insurance settlement	5	(1,613)	—				
Share-based payments	28	1,798	1,782				
Operating profit before working capital changes		92,580	86,939				
Increase in inventories		(656)	(294)				
Increase in trade and other receivables		(275)	(1,183)				
Increase in payables and provisions		2,740	2,495				
Cash inflow generated from operations		94,389	87,957				
Interest received		879	1,782				
Income tax paid – corporation tax		(9,445)	(10,536)				
Bank interest paid		(159)	(166)				
Lease interest paid		(13,731)	(11,615)				
Landlord settlement	5	—	607				
Insurance settlement	5	1,613	—				
Net cash inflow from operating activities		73,546	68,029				
Cash flows from investing activities							
Acquisition of subsidiaries						—	(13,757)
Subsidiary cash acquired						—	78
Purchase of property, plant and equipment						(35,815)	(37,979)
Purchase of intangible assets						(714)	(946)
Proceeds from sale of assets						80	—
Net cash used in investing activities						(36,449)	(52,604)
Cash flows from financing activities							
Payment of capital elements of leases						(14,560)	(12,305)
Share buy back						(15,151)	(379)
Dividends paid						(20,827)	(26,180)
Net cash used in financing activities						(50,538)	(38,864)
Net change in cash and cash equivalents for the year						(13,441)	(23,439)
Effect of foreign exchange rates on cash and cash equivalents						(72)	(314)
Cash and cash equivalents at the beginning of the year						28,702	52,455
Cash and cash equivalents at the end of the year	16					15,189	28,702

The accompanying notes on pages 122 to 150 form an integral part of these Financial Statements.

Notes to the financial statements

For the year ended 30 September 2025

1. General information

Hollywood Bowl Group plc (together with its subsidiaries, the Group) is a public limited company whose shares are publicly traded on the London Stock Exchange and is incorporated and domiciled in England and Wales. The registered office of the Parent Company is Focus 31, West Wing, Cleveland Road, Hemel Hempstead, HP2 7BW, United Kingdom. The registered company number is 10229630. A list of the Company's subsidiaries is presented in note 15.

The Group's principal activities are that of the operation of ten-pin bowling and mini-golf centres, and a supplier and installer of bowling equipment as well as the development of new centres and other associated activities.

The Directors of the Group are responsible for the consolidated Financial Statements, which comprise the Financial Statements of the Company and its subsidiaries as at 30 September 2025.

2. Material accounting policies

The material accounting policies applied in the consolidated Financial Statements are set out below. These accounting policies have been applied consistently to all periods presented in these consolidated Financial Statements. The financial information presented is as at and for the financial years ended 30 September 2025 and 30 September 2024.

Statement of compliance

The consolidated Financial Statements have been prepared in accordance with UK-adopted International Accounting Standards (IFRS Accounting standards) and the requirements of the Companies Act 2006. The functional currencies of entities in the Group are Pounds Sterling and Canadian Dollars. The consolidated Financial Statements are presented in Pounds Sterling and all values are rounded to the nearest thousand, except where otherwise indicated.

Basis of preparation

The consolidated Financial Statements have been prepared on a going concern basis under the historical cost convention, except for fair value items on acquisition.

The Company has elected to prepare its Financial Statements in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. On publishing the Parent Company Financial Statements here together with the Group Financial Statements, the Company has taken advantage of the exemption in s408 of the Companies Act 2006 not to present its individual income statement and statement of comprehensive income and related notes that form a part of these approved Financial Statements.

Judgements made by the Directors, in the application of these accounting policies, that have significant effect on the Financial Statements and estimates with a significant risk of material adjustment in the next year are discussed on page 131.

Basis of consolidation

The consolidated financial information incorporates the Financial Statements of the Company and all of its subsidiary undertakings. The Financial Statements of all Group companies are adjusted, where necessary, to ensure the use of consistent accounting policies. Acquisitions are accounted for under the acquisition method from the date control passes to the Group. On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill, or a gain on bargain purchase if the fair values of the identifiable net assets are below the cost of acquisition. Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions are eliminated in preparing the consolidated financial statements.

Earnings per share

The calculation of earnings per ordinary share is based on earnings after tax and the weighted average number of ordinary shares in issue during the year.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Group has two types of dilutive potential ordinary shares, being those unvested shares granted under the Long-Term Incentive Plans and Save-As-You-Earn plans.

Notes to the financial statements continued

For the year ended 30 September 2025

2. Material accounting policies continued

Standards issued not yet effective

At the date of authorisation of this financial information, certain new standards, amendments and interpretations to existing standards applicable to the Group have been published but are not yet effective, and have not been adopted early by the Group. These are listed below:

Standard/ interpretation	Content	Applicable for financial years beginning on/after
IAS 21 Lack of exchangeability	<p>An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.</p> <p>This amendment is not expected to have a material impact on the Group.</p>	1 October 2025
Amendments to IFRS 9 and IFRS 7 Classification and measurement of financial instruments	<p>On 30 May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:</p> <ul style="list-style-type: none"> clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). <p>It is not yet determined if this amendment is expected to have a material impact on the Group.</p>	1 October 2026

Standard/ interpretation	Content	Applicable for financial years beginning on/after
IFRS 19 Subsidiaries without Public Accountability: Disclosures	<p>IFRS 19 is a new, voluntary International Accounting Standards Board (IASB) standard that allows eligible subsidiaries with no public accountability to apply IFRS accounting standards with reduced disclosure requirements. To be eligible, a subsidiary must not have public accountability and its parent must produce publicly available consolidated financial statements under IFRS.</p> <p>This amendment is not expected to have a material impact on the Group.</p>	1 October 2027
IFRS 18 Presentation and disclosure in financial statements	<p>IFRS 18 will replace IAS 1 Presentation of financial statements and introduces the following key requirements:</p> <p>Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.</p> <p>Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.</p> <p>Enhanced guidance is provided on how to group information in the financial statements.</p> <p>In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.</p> <p>The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs.</p> <p>It is not yet determined if this amendment is expected to have a material impact on the Group.</p>	1 October 2027

Notes to the financial statements continued

For the year ended 30 September 2025

2. Material accounting policies continued

Climate change

In preparing the consolidated financial statements, management has considered the impact of climate change, taking into account the relevant disclosures in the strategic report, including those made in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulation 2022 set out on pages 56 to 64 and our sustainability targets.

The expected environmental impact on the business has been modelled. The current available information and assessment did not identify any risks that would require the useful economic life of assets to be reduced in the year or identify the need for impairment that would impact the carrying values of such assets or have any other impact on the financial statements.

For many years, Hollywood Bowl Group plc has placed sustainability at the centre of its strategy and has been working on becoming a more sustainable business. A number of actions have been implemented to help mitigate and adapt against climate-related risks. The cost and benefits of such actions are embedded into the cost structure of the business and are included in our five-year plan. This includes the roll-out of Pins on Strings technology, solar panels and the move to 100% renewable energy. The five-year plan has been used to support our impairment reviews and going concern and viability assessment (see viability statement on pages 54 to 55).

Our TCFD disclosures on pages 56 to 64 include climate-related risks and opportunities based on various scenarios. When considering climate scenario analysis, and modelling severe but plausible downside scenarios, we have used the NGFS “early action” scenario as the most severe case for climate transition risks, and the IPCC’s SSP5-8.5 as the most severe case for physical climate risk. Whilst these represent situations where climate could have a significant effect on the operations, these do not include our future mitigating actions which we would adopt as part of our strategy. The climate transition plan to net zero outlines that it may not be feasible to completely abate Scope 1, 2 and 3 emissions by 2050. In this instance, the Group will offset residual emissions through actions like carbon removals or ecosystem restoration.

The assessment with respect to the impact of climate change will be kept under review by management, as the future impacts depend on factors outside of the Group's control, which are not all currently known.

Going concern

In assessing the going concern position of the Group for the Consolidated Financial Statements for the year ended 30 September 2025, the Directors have considered the Group's cash flow, liquidity, and business activities, as well as the principal risks identified in the Group's Risk Register.

As at 30 September 2025, the Group had cash balances of £15.2m, no outstanding loan balances and an undrawn RCF of £25m.

The Group has undertaken a review of its liquidity using a base case and a severe but plausible downside scenario.

The base case is the Board-approved budget for FY2026 as well as the first three months of FY2027 which forms part of the Board-approved five-year plan. As noted above, the costs and benefits of our actions on climate change are embedded into the cost structure of the business and included in our five-year plan. Under this scenario there would be positive cash flow, strong profit performance and all covenants would be passed. It should also be noted that the RCF remains undrawn. Furthermore, it is assumed that the Group adheres to its capital allocation policy. The most severe downside scenario stress tests for reasonably adverse variations in the economic environment leading to a deterioration in trading conditions and performance.

Under this severe but plausible downside scenario, the Group has modelled revenues dropping by 3 and 4% from the assumed base case for FY2026 and FY2027 respectively and inflation continues at an even higher rate than in the base case across all costs.

The model still assumes that investments into new centres would continue, whilst refurbishments in the early part of FY2027 would be reduced. These are all mitigating actions that the Group has in its control. Under this scenario, the Group will still be profitable and have sufficient liquidity within its cash position to not draw down the RCF, with all financial covenants passed.

Taking the above and the principal risks faced by the Group into consideration, the Directors are satisfied that the Group and Company have adequate resources to continue in operation and meet their liabilities as they fall due for the foreseeable future, a period of at least 12 months from the date of this report.

Accordingly, the Group and Company continue to adopt the going concern basis in preparing these Financial Statements.

Notes to the financial statements continued

For the year ended 30 September 2025

2. Material accounting policies continued

Revenue

Revenue from customers is the total amount receivable by the Group for goods and services supplied, excluding VAT, other sales taxes and discounts, and excludes amounts collected on behalf of third parties. The Group's performance obligations in respect of individual revenue streams are outlined below.

Revenue arising from bowling and mini-golf is recognised when the customer actually plays, with deposits paid in advance being held on the balance sheet until that time and then recognised as income.

Revenue for food and drink is recognised when the product has been transferred to the buyer at the point of sale, which is generally when payment is received.

Revenue for amusements is recognised when the customer plays the amusement machine.

Revenue from installation of bowling equipment contracts is recognised over time using costs incurred to date relative to total estimated costs at completion to measure progress. Incurred costs represent work performed, which corresponds with and best depicts transfer of control or the enhancement of the customer's assets. Contract costs included in the calculation are comprised of materials and subcontracts' costs. This is not considered to be material revenue for the Group and is not therefore a significant area of judgement.

Revenue from customers is disaggregated by major product and service lines, being bowling, food and drink, amusements, installation of bowling equipment and other. Disaggregated revenue from contracts with customers is disclosed in note 3 on page 132.

Given the nature of the Group's revenue streams, recognition of revenue is not considered to be a significant area of judgement.

Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers have been identified as the management team including the Chief Executive Officer and Chief Financial Officer.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses. The Board considers that the Group's activity constitutes two operating and two reporting segments, being the provision of ten-pin bowling and mini-golf centres in the United Kingdom and the provision of ten-pin bowling and mini-golf centres and the installation of bowling equipment in Canada, as defined under IFRS 8. Management reviews the performance of the Group by reference to total results against budget.

The total profit measures are operating profit and profit before tax for the period, both disclosed on the face of the consolidated income statement and statement of comprehensive income. No differences exist between the basis of preparation of the performance measures used by management and the figures in the Group's financial information, as adjusted where appropriate.

Employee benefits

(i) Short-term benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

(ii) Defined contribution plans

The Group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Group. The annual contributions payable are charged to the income statement. The Group also contributes to the personal pension plans of the Directors.

(iii) Share-based payments

The Group operates equity-settled share-based payment plans for its employees, under which the employees are granted equity instruments of Hollywood Bowl Group plc. The fair value of services received in exchange for the equity instruments is determined by reference to the fair value of the instruments granted at grant date. The fair value of the instruments includes any market performance conditions and non-vesting conditions. The expense is recognised over the vesting period of the award taking into account any non-market performance and service conditions.

The cost of equity-settled transactions is recognised together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award.

(iv) Save-As-You-Earn plans

The Group operates equity-settled SAYE plans. The fair value is calculated at the grant date using the Black-Scholes pricing model. The resulting cost is charged to the Group income statement over the vesting period. The value of the charge is adjusted to reflect expected and actual levels of vesting.

Cash and cash equivalents

Cash and cash equivalents includes cash at bank and on hand, short-term deposits with banks and other financial institutions, and credit and debit card receivables.

Notes to the financial statements continued

For the year ended 30 September 2025

2. Material accounting policies continued

Leases

The Group as lessee

The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee from the date at which the leased asset becomes available for use by the Group, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The lease term is the non-cancellable period for which the lessee has the right to use an underlying asset plus periods covered by an extension option if an extension is reasonably certain. The majority of property leases are covered by the Landlord and Tenant Act 1985 (LTA) which gives the right to extend the lease beyond the termination date. The Group expects to extend the property leases covered by the LTA. This extension period is not included within the lease term as a termination date cannot be determined as the Group is not reasonably certain to extend the lease given the contractual rights of the landlord under certain circumstances.

Lease liabilities are measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable and variable lease payments that depend on an index or a rate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments).

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the "impairment" policy.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expenses on a straight-line basis over the lease term.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the end of the reporting period, and are discounted to present value where the effect is material.

Dilapidation provision

A provision will be recorded if, as lessee, the Group has a commitment to make good the property at the end of the lease, which would be for the cost of returning the leased property to its original state. Changes to the dilapidation provision are recorded in property, plant and equipment.

Property, plant and equipment

Freehold land and building assets were included at fair value on the acquisition of Te aquinn in FY2022. Subsequent additions are recorded at cost less accumulated depreciation and impairment charges. Freehold land is not depreciated.

All other property, plant and equipment is stated at historic cost, including expenditure that is directly attributable to the acquired item, less accumulated depreciation and impairment losses.

Depreciation is provided to write off the cost of all property, plant and equipment evenly over their expected useful lives, calculated at the following rates:

Freehold property	over 50 years
Leasehold improvements	lesser of lease period and 25 years
Lanes and Pins on Strings	over 30–40 years
Plant and machinery and fixtures, fittings and equipment	over 3–25 years

Notes to the financial statements continued

For the year ended 30 September 2025

2. Material accounting policies continued

Property, plant and equipment continued

The carrying value of the property, plant and equipment is compared to the higher of value-in-use and the fair value less costs to sell. If the carrying value exceeds the higher of the value-in-use and fair value less the costs to sell the asset, then the asset is impaired and its value reduced by recognising an impairment provision. New centre landlord contributions are offset against leasehold property expenditure where the related assets remain the property of the landlord. Refurbishment costs are included within plant and machinery and fixtures, fittings and equipment and are depreciated over the relevant useful economic life.

Residual values, remaining useful economic lives and depreciation periods and methods are reviewed annually and adjusted if appropriate.

Assets under construction represents the construction of centres and are included in property, plant and equipment. No depreciation is provided on assets under construction until the asset is available for use.

Goodwill and intangible assets

Goodwill arising on the acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Negative goodwill is recognised in the consolidated income statement immediately as a gain on bargain purchase. Positive goodwill is capitalised and stated at cost less any impairment losses. Impairment tests on the carrying value of goodwill are undertaken:

- at the end of the first full financial period following acquisition and at the end of every subsequent financial period; and
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Software which is not an integral part of hardware assets is stated at historic cost, including expenditure that is directly attributable to the acquired item, less accumulated amortisation and impairment losses.

Other intangible assets include assets acquired in a business combination and are capitalised at fair value at the date of acquisition. Following initial recognition, finite life intangible assets are amortised on a straight-line basis over their estimated useful lives, with the expense charged to the income statement through administrative expenses.

Amortisation is provided to write off the cost of all intangible assets, except for goodwill, evenly over their expected useful lives, calculated at the following rates:

Software	over 3–5 years
Customer relationships	over 10–15 years
Brand names	over 5–20 years
Trademark	over 20 years

The amortisation charge is recognised in administrative expenses in the income statement.

Inventories

Inventories are carried at the lower of cost or net realisable value. Net realisable value is calculated based on the revenue from sale in the normal course of business less any costs to sell. Due allowance is made for obsolete and slow-moving items.

Impairment

(i) Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) on financial assets measured at amortised cost. The financial assets comprises trade and other receivables. These are always measured at an amount equal to lifetime ECL as these relate to trade and other receivables and a simplified approach can be adopted. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk. There is limited exposure to ECLs due to the business model.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have the assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Notes to the financial statements continued

For the year ended 30 September 2025

2. Material accounting policies continued

Impairment continued

(ii) Impairment of non-financial assets

The carrying values of goodwill and intangible assets are reviewed at the end of each reporting period for impairment. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts.

The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value-in-use, which is measured by reference to discounted future cash flows. These assets are grouped together into Cash Generating Units to assess impairment. A sensitivity analysis is also performed (see note 14). An impairment loss is recognised in the income statement immediately.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred taxation

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit; and
- investments in subsidiaries where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that future taxable profit will be available against which the asset can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the deferred tax liabilities or assets are settled or recovered. Deferred tax balances are not discounted.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable Group company; or
- different entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets and liabilities are expected to be settled or recovered.

Equity

The following describes the nature and purpose of each reserve within equity:

- share capital: the nominal value of equity shares;
- share premium account: proceeds received in excess of the nominal value of shares issued, net of any transaction costs;
- retained earnings: all other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere;
- capital redemption reserve: the capital redemption reserve represents the ordinary shares of £0.01 each repurchased by the Group under the share buy back;
- merger reserve: represents the excess over nominal value of the fair value consideration for the business combination which arose during the Company's IPO listing. This was satisfied by the issue of shares in accordance with s612 of the Companies Act 2006; and
- foreign currency translation reserve: retranslation gains and losses of foreign currency denominated operations.

Notes to the financial statements continued

For the year ended 30 September 2025

2. Material accounting policies continued

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). A financial liability is classified as measured at either amortised cost or FVTPL.

(ii) Classification and subsequent measurement

Financial assets

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are “solely payments of principal and interest” (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

All financial assets not measured at amortised cost or FVOCI are measured at FVTPL, irrespective of the business model. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: business model assessment

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, “principal” is defined as the fair value of the financial asset on initial recognition. “Interest” is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group’s claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets: subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt instruments at FVOCI	The Group’s financial assets at amortised cost include trade receivables. These assets are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Notes to the financial statements continued

For the year ended 30 September 2025

2. Material accounting policies continued

Financial instruments continued

Financial liabilities: classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. All other financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net position presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Foreign currency transactions

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Pounds Sterling, which is the ultimate Parent Company's functional currency.

(ii) Transactions and balances

Transactions in foreign currencies are translated into the functional currency at the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Exchange gains and losses are included within administrative expenses in the income statement.

(iii) Group companies

The results and financial position of foreign operations (none of which have the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the balance sheet date;
- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Adjusting items

Adjusting items are those that in management's judgement need to be disclosed by virtue of their size, nature and incidence, in order to draw the attention of the reader and to show the underlying business performance of the Group more accurately. Such items are included within the income statement caption to which they relate and are separately disclosed on the face of the consolidated income statement and in the notes to the consolidated Financial Statements.

Adjusted measures

The Group uses a number of non-Generally Accepted Accounting Principles (non-GAAP) financial measures in addition to those reported in accordance with IFRS. The Directors believe that these non-GAAP measures, listed below, are important when assessing the underlying financial and operating performance of the Group by investors and shareholders. These non-GAAP measures comprise of like-for-like revenue growth, adjusted profit after tax, adjusted earnings per share, net cash, Group adjusted operating cash flow, revenue generating capex, total average spend per game, free cash flow, gross profit on costs of good sold, Group adjusted EBITDA and Group adjusted EBITDA margin.

A reconciliation between key adjusted and statutory measures, as well as notes on alternative performance measures, is provided in the Chief Financial Officer's review on pages 22 to 26. This also details the impact of adjusting items when comparing to the non-GAAP financial measures in addition to those reported in accordance with IFRS.

Notes to the financial statements continued

For the year ended 30 September 2025

2. Material accounting policies continued

Summary of other estimates and judgements

The preparation of the consolidated Group Financial Statements requires management to make judgements, estimates and assumptions in applying the Group's accounting policies to determine the reported amounts of assets, liabilities, income and expenditure. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis, with revisions applied prospectively. Judgements made by the Directors in the application of these accounting policies that have a significant effect on the consolidated Group Financial Statements are discussed below.

Key sources of estimation uncertainty

There are no estimates that have a significant risk of resulting in a material adjustment to carrying amounts of assets and liabilities in the next financial year. Set out below are certain areas of estimation uncertainty in the financial statements. There are also no key judgements other than those related to an area of estimation uncertainty:

Property, plant and equipment and right-of-use asset impairment reviews

Property, plant and equipment and right-of-use assets are assessed for impairment when there is an indication that the assets might be impaired by comparing the carrying value of the assets with their recoverable amounts. The recoverable amount is determined as being the highest of the value-in-use and fair value less costs to sell. The recoverable amount of an asset or a CGU is typically determined based on value-in-use calculations prepared on the basis of management's assumptions and estimates, but if a potential impairment is identified then the recoverable amount is also determined using fair value less costs to sell.

The key assumptions in the value-in-use calculations include growth rates of revenue and costs during the five year forecast period, discount rates and the long term growth rate. Following the impairment charge recorded in the year of £2,288,000 for four mini-golf and one combined centre, the estimation uncertainty associated with the remaining carrying amounts is significantly reduced, and whilst estimation uncertainty remains, this is not assessed as being material. As such, reasonably possible changes to the assumptions in the future in four mini-golf and one combined centre would not lead to material adjustments to the carrying values in the next financial year. The remaining carrying amount of property, plant and equipment is £2,158,000 and right-of-use assets is £4,252,000 at these centres. Further information in respect of the Group's property, plant and equipment and right-of-use assets is included in notes 12 and 13 respectively.

The key assumption in the fair value less costs to sell calculation, under the market approach, is the EBITDA multiple.

Contingent consideration

Non-current other payables includes contingent consideration in respect of the acquisition of Teaquinn Holdings Inc. in FY2022. The additional consideration to be paid is contingent on the future financial performance of Teaquinn Holdings Inc. in FY2026. This is based on a multiple of 9.2x Teaquinn's EBITDA pre-IFRS 16 in the financial period of settlement and is capped at CAD 17m. The contingent consideration has been accounted for as post-acquisition employee remuneration and recognised over the duration of the employment contract to FY2026. The key assumptions include a range of possible outcomes for the value of the contingent consideration based on Teaquinn's forecasted EBITDA pre-IFRS 16 and the year of payment. Further information in respect of the Group's contingent consideration is included in note 19.

Dilapidations provision

A provision is made for future expected dilapidation costs on the opening of leasehold properties not covered by the LTA and is expected to be utilised on lease expiry. This also includes properties covered by the LTA where we may not extend the lease, after consideration of the long-term trading and viability of the centre. Properties covered by the LTA provide security of tenure and we intend to occupy these premises indefinitely until the landlord serves notice that the centre is to be redeveloped. As such, no charge for dilapidations can be imposed and no dilapidation provision is considered necessary as the outflow of economic benefit is not considered to be probable.

Notes to the financial statements continued

For the year ended 30 September 2025

3. Segmental reporting

Management consider that the Group consists of two operating segments, as it operates within the UK and Canada. No single customer provides more than ten per cent of the Group's revenue. Within these two operating segments there are multiple revenue streams which consist of the following:

	UK 30 September 2025 £'000	Canada 30 September 2025 £'000	Total 30 September 2025 £'000
Bowling	94,902	16,496	111,398
Food and drink	53,111	10,179	63,290
Amusements	61,991	5,877	67,868
Installation of bowling equipment	–	4,726	4,726
Other	2,406	974	3,380
	212,410	38,252	250,662

	UK 30 September 2024 £'000	Canada 30 September 2024 £'000	Total 30 September 2024 £'000
Bowling	89,347	14,370	103,717
Food and drink	52,316	7,554	59,870
Amusements	55,587	3,691	59,278
Mini-golf	2,360	189	2,549
Installation of bowling equipment	–	4,456	4,456
Other	86	443	529
	199,696	30,703	230,399

The UK operating segment includes the Hollywood Bowl and Putt&Play brands. The Canada operating segment includes the Splitsville and Striker Bowling Solutions brands.

Following a review of revenue volumes, materiality thresholds, as well as paragraph 23 of IFRS 8, it has been determined that mini-golf revenue does not warrant separate disclosure and is now included within other revenue.

	Year ended 30 September 2025			Year ended 30 September 2024		
	UK £'000	Canada £'000	Total £'000	UK £'000	Canada £'000	Total £'000
Revenue	212,410	38,252	250,662	199,696	30,703	230,399
Group adjusted EBITDA ¹ pre-IFRS 16	62,418	5,937	68,355	62,308	5,441	67,749
Group adjusted EBITDA ¹	81,336	9,899	91,235	79,715	7,872	87,587
Depreciation and amortisation	26,055	5,605	31,660	23,490	3,364	26,854
Impairment of PPE and ROU assets	2,288	–	2,288	5,316	–	5,316
Loss/(gain) on property, right-of-use assets, plant and equipment and software disposals	245	(22)	223	88	–	88
Adjusting items excluding interest and impairment	(1,548)	388	(1,160)	(591)	2,414	1,823
Operating profit	54,296	3,928	58,224	51,412	2,094	53,506
Finance income	(766)	(61)	(827)	(1,580)	(142)	(1,722)
Finance expense	11,759	3,008	14,767	10,425	2,045	12,470
Profit before tax	43,303	981	44,284	42,567	191	42,758
Non-current asset additions – Property, plant and equipment	22,956	12,554	35,510	26,855	11,675	38,530
Non-current asset additions – Intangible assets	665	49	714	946	–	946
Total assets	341,648	97,574	439,222	338,654	79,177	417,831
Total liabilities	232,212	55,722	287,934	218,814	46,812	265,626

¹ Group adjusted EBITDA is defined in note 4.

Notes to the financial statements continued

For the year ended 30 September 2025

4. Reconciliation of operating profit to Group adjusted EBITDA

Group adjusted EBITDA (earnings before interest, tax, depreciation and amortisation) reflects the underlying trade of the overall business. It is calculated as operating profit plus depreciation, amortisation, impairment losses, loss on disposal of property, plant and equipment, right-of-use assets and software and adjusting items.

Management use Group adjusted EBITDA as a key performance measure of the business and it is considered by management to be a measure investors look at to reflect the underlying business.

	30 September 2025 £'000	30 September 2024 £'000
Operating profit	58,224	53,506
Depreciation of property, plant and equipment (note 12)	13,455	11,167
Depreciation of right-of-use assets (note 13)	17,050	14,752
Amortisation of intangible assets (note 14)	1,155	935
Impairment of property, plant and equipment (note 12)	1,059	2,808
Impairment of right-of-use assets (note 13)	1,229	2,508
Loss on disposal of property, plant and equipment, right-of-use assets and software (notes 12–14)	223	88
Adjusting items excluding interest (note 5) and impairment (notes 12 and 13)	(1,160)	1,823
Group adjusted EBITDA	91,235	87,587
Adjustment for IFRS 16 (Property costs)	(22,880)	(19,838)
Group adjusted EBITDA pre-IFRS 16	68,355	67,749

5. Adjusting items

Adjusting items are disclosed separately in the Financial Statements where the Directors consider it necessary to do so to provide further understanding of the financial performance of the Group. They are material items or expenses that have been shown separately due to, in the Directors judgement, their size, nature and incidence:

Adjusting items:	30 September 2025 £'000	30 September 2024 £'000
Insurance settlement ¹	1,613	—
Administrative expenses ²	(202)	(15)
Acquisition fees ³	(83)	(921)
Landlord settlement ⁴	—	607
Contingent consideration ⁵	(748)	(1,924)
Impairment of PPE and ROU Assets ^{6,7}	(2,288)	(5,316)
Adjusting items before tax	(1,708)	(7,569)
Tax charge	(392)	(148)
Adjusting items after tax	(2,100)	(7,717)

1 During the year, the Group received a business interruption insurance settlement.

2 30 September 2025 relates to expenses associated with the closure of the Surrey Quays centre (£50,000) and legal fees relating to the amusement contract in Canada (£152,000). 30 September 2024 related to expenses associated with the closure of the Surrey Quays centre.

3 Both years relate to legal and professional fees relating to the acquisition of Lincoln Bowl, Woodlawn Bowl Inc., Lucky 9 Bowling Centre Limited and Stoked Entertainment Centre Limited.

4 Settlement payment from the landlord resulting from the closure of Hollywood Bowl Surrey Quays.

5 Contingent consideration of £168,000 (30 September 2024: £1,494,000) in administrative expenses and £580,000 (30 September 2024: £430,000) of interest expense in relation to the acquisition of Tequin in May 2022.

6 Impairment of PPE of £1,059,000 (30 September 2024: £2,808,000) and ROU Assets of £1,229,000 (30 September 2024: £2,508,000) (See notes 12 and 13).

7 Following shareholder feedback on our FY2024 results, the Audit Committee has reviewed the treatment of impairment costs during the year and has agreed the proposal to treat impairment costs or income as an adjusting item. The comparatives have also been re-presented.

6. Expenses and auditor's remuneration

Included in profit from operations are the following:

	30 September 2025 £'000	30 September 2024 £'000
Amortisation of intangible assets	1,155	935
Depreciation of property, plant and equipment	13,455	11,167
Depreciation of right-of-use assets	17,050	14,752
Impairment of property, plant and equipment	1,059	2,808
Impairment of right-of-use assets	1,229	2,508
Operating leases	80	80
Loss on disposal of property, plant and equipment, right-of-use assets and software	223	88
Adjusting items excluding impairment (note 5)	(580)	2,253
Loss on foreign exchange	162	486
Auditor's remuneration:		
• Fees payable for audit of these Financial Statements	395	350
Fees payable for other services:		
• Audit of subsidiaries	160	140
• Other non-audit assurance services	6	8
	561	498

Notes to the financial statements continued

For the year ended 30 September 2025

7. Staff numbers and costs

The average number of employees (including Directors) during the year was as follows:

	30 September 2025	30 September 2024
Directors	9	7
Administration	130	118
Operations	2,743	2,701
Total staff	2,882	2,826

The cost of employees (including Directors) during the year was as follows:

	30 September 2025 £'000	30 September 2024 £'000
Wages and salaries	57,582	52,824
Social security costs	4,811	4,217
Pension costs	1,312	607
Share-based payments (note 28)	1,798	1,782
Total staff cost	65,503	59,430

Staff costs included within cost of sales are £51,843,000 (30 September 2024: £45,723,000).

The balance of staff costs are recorded within administrative expenses.

Wages and salaries includes £685,000 (30 September 2024: £1,494,000) of contingent consideration in relation to the acquisition of Teaquinn in May 2022, which is recorded within adjusting items (note 5).

8. Remuneration of Directors and key management personnel

A) Directors' emoluments

The Directors' emoluments and benefits were as follows:

	30 September 2025 ¹ £'000	30 September 2024 ¹ £'000
Salaries and bonuses	2,205	2,279
Pension contributions	49	48
Share-based payments (note 28)	1,400	1,319
Total	3,654	3,646

¹ This includes three (30 September 2024: three) Executive Directors and six (30 September 2024: four) Non-Executive Directors.

The aggregate of emoluments of the highest paid Director was £1,695,000 (30 September 2024: £1,615,000) and Company pension contributions of £24,000 (30 September 2024: £23,000) were made to a defined contribution scheme on their behalf. More detail is on page 94 of the Annual Report.

The aggregate gains made by Executive Directors on the exercise of share options during FY2025 was £1,413,365 (30 September 2024: £1,144,832). The aggregate gains made by the highest paid Director was £738,405 (30 September 2024: £572,419).

B) Key management personnel

The Directors and the executive committee of the Group are considered to be the key management personnel of the Group. The remuneration of all key management (including Directors) was as follows:

	30 September 2025 £'000	30 September 2024 £'000
Salaries and bonuses	2,996	3,023
Pension contributions	69	66
Share-based payments (note 28)	1,789	1,749
Total	4,854	4,838

9. Finance income and expenses

	30 September 2025 £'000	30 September 2024 £'000
Interest on bank deposits	827	1,722
Finance income	827	1,722
Interest on bank borrowings	223	190
Other interest	21	22
Finance costs on lease liabilities	13,731	11,615
Unwinding of discount on contingent consideration	580	430
Unwinding of discount on provisions	212	213
Finance expense	14,767	12,470

Notes to the financial statements continued

For the year ended 30 September 2025

10. Taxation

	30 September 2025 £'000	30 September 2024 £'000
The tax expense is as follows:		
• UK corporation tax	8,488	8,495
• Adjustment in respect of prior years	(687)	–
• Foreign tax suffered	575	1,252
Total current tax	8,376	9,747
Deferred tax:		
Origination and reversal of temporary differences	2,393	1,967
Effect of changes in tax rates	3	(17)
Adjustment in respect of prior years	(1,097)	1,151
Total deferred tax	1,299	3,101
Total tax expense	9,675	12,848

Factors affecting current tax charge:

The tax assessed on the profit for the period is different to the standard rate of corporation tax in the UK of 25% (30 September 2024: 25%). The differences are explained below:

	30 September 2025 £'000	30 September 2024 £'000
Profit excluding taxation	44,284	42,758
Tax using the UK corporation tax rate of 25% (2024: 25%)	11,071	10,690
Change in tax rate on deferred tax balances	3	(17)
Non-deductible expenses	302	508
Non-deductible acquisition related adjusting costs	–	510
Effects of overseas tax rates	22	34
Share-based payments	61	(28)
Adjustment in respect of prior years	(1,784)	1,151
Total tax expense included in profit or loss	9,675	12,848

The Group's standard tax rate for the year ended 30 September 2025 was 25% (30 September 2024: 25%).

11. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of Hollywood Bowl Group plc by the weighted average number of shares outstanding during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. During the years ended 30 September 2025 and 30 September 2024, the Group had potentially dilutive ordinary shares in the form of unvested shares pursuant to LTIPs and SAYE schemes (note 28).

	30 September 2025	30 September 2024
Basic and diluted		
Profit for the year after tax (£'000)	34,609	29,910
Basic weighted average number of shares in issue for the period (number)	170,629,123	171,647,892
Adjustment for share awards	1,216,015	1,154,221
Diluted weighted average number of shares	171,845,138	172,802,113
Basic earnings per share (pence)	20.28	17.42
Diluted earnings per share (pence)	20.14	17.31

Notes to the financial statements continued

For the year ended 30 September 2025

12. Property, plant and equipment

	Freehold property £'000	Long leasehold property £'000	Short leasehold improvements £'000	Lanes and pins on strings £'000	Plant and machinery, fixtures and fittings £'000	Total £'000
Cost						
At 1 October 2023	6,889	1,240	49,764	22,163	54,868	134,924
Additions	—	—	23,723	3,900	10,907	38,530
Acquisition	—	—	189	448	545	1,182
Disposals	—	—	(846)	(648)	(2,343)	(3,837)
Transfer to right-of-use assets ¹	—	(1,240)	—	—	—	(1,240)
Effects of movement in foreign exchange	(615)	—	(249)	(170)	(141)	(1,175)
At 30 September 2024	6,274	—	72,581	25,693	63,836	168,384
Additions	—	—	19,756	6,824	8,930	35,510
Disposals	—	—	(1,622)	(396)	(1,365)	(3,383)
Effects of movement in foreign exchange	(204)	—	(521)	(139)	(95)	(959)
At 30 September 2025	6,070	—	90,194	31,982	71,306	199,552
Accumulated depreciation						
At 1 October 2023	86	417	21,819	5,112	29,211	56,645
Depreciation charge	64	—	3,810	932	6,361	11,167
Impairment charge	—	—	1,605	—	1,203	2,808
Disposals	—	—	(834)	(589)	(2,245)	(3,668)
Transfer to right-of-use assets ¹	—	(417)	—	—	—	(417)
Effects of movement in foreign exchange	(10)	—	(27)	(22)	(28)	(87)
At 30 September 2024	140	—	26,373	5,433	34,502	66,448
Depreciation charge	147	—	5,318	1,203	6,787	13,455
Impairment charge	—	—	235	—	824	1,059
Disposals	—	—	(1,572)	(332)	(1,144)	(3,048)
Effects of movement in foreign exchange	(8)	—	(40)	(24)	(27)	(99)
At 30 September 2025	279	—	30,314	6,280	40,942	77,815
Net book value						
At 30 September 2025	5,791	—	59,880	25,702	30,364	121,737
At 30 September 2024	6,134	—	46,208	20,260	29,334	101,936

¹ During the prior year, management reviewed the classification of long leasehold property. Subsequently, the long leasehold property previously classified as property, plant and equipment was reclassified as right-of-use assets (see note 13).

Short leasehold property includes £1,660,000 (30 September 2024: £7,721,000) of assets in the course of construction, relating to the development of new centres.

Notes to the financial statements continued

For the year ended 30 September 2025

12. Property, plant and equipment continued

Impairment

Impairment testing is carried out at the CGU level on an annual basis at the balance sheet date, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Each individual centre is considered to be a CGU. The carrying value of the CGU is compared to its recoverable amount. The recoverable amount is determined as being the highest of the value-in-use and fair value less costs to sell.

An initial impairment test was performed on all ninety-two centres assessing for indicators of impairment. A detailed impairment test based on a base case was then performed on twelve centres, where the excess of value-in-use over the carrying value calculation was sensitive to changes in the key assumptions.

Property, plant and equipment and right-of-use assets for twelve centres have been tested for impairment by comparing the carrying value of each CGU with its recoverable amount determined from value-in-use calculations using cash flow projections based on financial budgets approved by the Board covering a five-year period. For two centres, the recoverable amount has also been determined from a fair value less costs to sell calculation by applying an EBITDA multiple to the financial budget approved by the Board for FY2026. If the carrying value exceeds the higher of the value-in-use and fair value less the costs to sell the asset, then the asset is impaired, and its value reduced by recognising an impairment provision.

The key assumptions used in the value-in-use calculations are revenue growth, cost inflation during the five-year forecast period, the long-term growth rate and discount rate assumptions. The key risks to those assumptions are the potential adverse variations in the economic environment leading to a deterioration in trading conditions and performance during FY2026 and FY2027. Cash flows beyond this two-year period are included in the Board-approved five-year plan and assume a recovery in the economy and the performance of our centres. The other assumptions used in the value-in-use calculations were:

	2025	2024
Revenue growth rate (within five years) – UK & Canada	3.0%	3.0%
Cost inflation (within five years) – UK	3.0%	3.2%
Cost inflation (within five years) – Canada	3.7%	3.7%
Discount rate (pre-tax) – UK	13.5%	12.4%
Discount rate (pre-tax) – Canada	10.3%	10.6%
Growth rate (beyond five years) – UK and Canada	1.75%	2.5%

Discount rates reflect current market assessments of the time value of money and the risks specific to the industry. This is the benchmark used by management to assess operating performance and to evaluate future capital investment proposals. These discount rates are derived from the weighted average cost of capital for the UK and Canada. Changes in the discount rates over the years are calculated with reference to latest market assumptions for the risk-free rate, equity risk premium and the cost of debt.

Where fair value less costs to sell has been used, the key assumption used in the fair value less costs to sell model is the EBITDA multiple. The valuations are derived using an EBITDA multiple in comparable market transactions.

New CGUs in operation in the UK for less than two years are not subjected to routine impairment testing under IAS 36 unless impairment indicators are present. The two-year period reflects the typical stabilisation phase of new locations. For CGUs in operation in Canada, this period is three years as the Splitsville brand is still developing its marketing presence. This policy does not override IAS 36 requirements for immediate testing when indicators exist.

Detailed impairment testing, due to the financial performance of certain centres, resulted in the recognition of an impairment charge in the year of £1,059,000 (30 September 2024: £2,808,000) against property, plant and equipment assets and £1,229,000 (30 September 2024: £2,508,000) against right-of-use assets for four mini-golf centres and one combined centre (30 September 2024: four mini-golf centres and one combined centre) (note 13), which form part of the UK operating segment. Following the recognition of the impairment charge, the carrying value of property, plant and equipment is £2,158,000 (30 September 2024: £3,156,000) and right-of-use assets is £4,252,000 (30 September 2024: £5,086,000) for these four (30 September 2024: four) UK mini-golf centres and one combined centre (30 September 2024: one) (note 13).

Sensitivity to changes in assumptions

The estimate of the recoverable amounts for seven centres affords reasonable headroom over the carrying value of the property, plant and equipment and right-of-use asset, and an impairment charge of £2,288,000 (30 September 2024: £5,316,000) for five centres under the base case. Management have sensitised the key assumptions in the impairment tests of these twelve centres under the base case.

For five centres where the value-in-use was determined to provide a higher recoverable amount than fair value less costs to sell, a reduction in revenue of four and six percentage points down on the base case for FY2026 and FY2027 respectively and a one and two percentage points increase in operating costs on the base case for FY2026 and FY2027 respectively to reflect higher inflation, would not cause the carrying value to exceed its recoverable amount for five centres, which include both bowling and mini-golf centres. Therefore, management believe that any reasonable possible changes in the key assumptions would not result in an impairment charge for these five centres. However, a further impairment of £1,504,000 would arise under this sensitised case in relation to three centres where we have already recognised an impairment charge in the year, and four centres where we have not recognised an impairment charge for the year.

For two centres where the fair value less costs to sell provided a higher recoverable amount than value-in-use, a reduction in the recoverable amount of £739,755 would lead to a potential impairment charge of £1,061,000.

Notes to the financial statements continued

For the year ended 30 September 2025

13. Leases

Group as a lessee

The Group has lease contracts for property and amusement machines used in its operations. There are thirteen (30 September 2024: eight) lease contracts that include variable lease payments in the form of revenue-based rent top-ups. The Group also has certain leases of equipment with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the "short-term lease" and "lease of low-value assets" recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets:

Right-of-use assets	Property £'000	Amusement machines £'000	Total £'000
Cost			
At 1 October 2023	185,971	15,690	201,661
Lease additions	13,405	5,029	18,434
Acquisition	17,641	—	17,641
Lease surrenders	—	(1,391)	(1,391)
Lease modifications and remeasurements	4,890	—	4,890
Transfer from property, plant and equipment ¹	1,240	—	1,240
Effects of movement in foreign exchange	(2,338)	—	(2,338)
At 30 September 2024	220,809	19,328	240,137
Lease additions	24,254	4,452	28,706
Lease surrenders	—	(1,068)	(1,068)
Lease modifications and remeasurements	4,968	—	4,968
Effects of movement in foreign exchange	(1,236)	—	(1,236)
At 30 September 2025	248,795	22,712	271,507
Accumulated depreciation			
At 1 October 2023	42,546	8,304	50,850
Depreciation charge	11,577	3,175	14,752
Impairment charge	2,508	—	2,508
Transfer from property, plant and equipment ¹	417	—	417
Lease surrenders	—	(1,157)	(1,157)
At 30 September 2024	57,048	10,322	67,370
Depreciation charge	13,044	4,006	17,050
Impairment charge	1,229	—	1,229
Lease surrenders	—	(859)	(859)
At 30 September 2025	71,321	13,469	84,790
Net book value			
At 30 September 2025	177,474	9,243	186,717
At 30 September 2024	163,761	9,006	172,767

¹ During the prior year, management reviewed the classification of long leasehold property. Subsequently, the long leasehold property previously classified as property, plant and equipment was reclassified as right-of-use assets (see note 12).

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Lease liabilities	Property £'000	Amusement machines £'000	Total £'000
At 1 October 2023	185,936	8,269	194,205
Lease additions	13,405	5,029	18,434
Acquisition	15,641	—	15,641
Accretion of interest	11,144	471	11,615
Lease modifications and remeasurements	4,890	—	4,890
Lease surrenders	—	(322)	(322)
Payments	(19,962)	(3,805)	(23,767)
Effects of movement in foreign exchange	(2,454)	—	(2,454)
At 30 September 2024	208,600	9,642	218,242
Lease additions	24,254	4,452	28,706
Accretion of interest	13,113	618	13,731
Lease modifications and remeasurements	4,968	—	4,968
Lease surrenders	—	(241)	(241)
Payments	(23,816)	(4,475)	(28,291)
Effects of movement in foreign exchange	(1,322)	—	(1,322)
At 30 September 2025	225,797	9,996	235,793
Current	10,645	4,486	15,131
Non-current	215,152	5,510	220,662
At 30 September 2025	225,797	9,996	235,793
Current	10,349	3,882	14,231
Non-current	198,251	5,760	204,011
At 30 September 2024	208,600	9,642	218,242

The maturity analysis of the future undiscounted payments due under the above lease liabilities is disclosed in note 30.

Notes to the financial statements continued

For the year ended 30 September 2025

13. Leases continued

The following are the amounts recognised in profit or loss:

	2025 £'000	2024 £'000
Depreciation expense of right-of-use assets	17,050	14,752
Impairment charge of right-of-use assets	1,229	2,508
Interest expense on lease liabilities	13,731	11,615
Expense relating to leases of low-value assets (included in administrative expenses)	80	80
Variable lease payments, net of rent credits (included in administrative expenses)	1,093	1,285
Total amount recognised in profit or loss	33,183	30,240

The Group has contingent lease contracts for thirteen (30 September 2024: eight) sites. There is a revenue-based rent top-up on these sites. Gross variable lease payments include revenue-based rent top-ups at eleven (30 September 2024: eight) centres totalling £1,406,000 (30 September 2024: £897,000). It is anticipated that top-ups totalling £1,675,000 will be payable in the year to 30 September 2026 based on current expectations.

Impairment testing is carried out as outlined in note 12. Detailed impairment testing resulted in the recognition of an impairment charge in the year of £1,229,000 (30 September 2024: £2,508,000) against right-of-use assets for two UK mini-golf centres and one combined centre (30 September 2024: four UK mini-golf centres and one combined centre).

Notes to the financial statements continued

For the year ended 30 September 2025

14. Goodwill and intangible assets

	Goodwill £'000	Brands ¹ £'000	Trademark ² £'000	Customer relationships £'000	Software £'000	Total £'000
Cost						
At 1 October 2023	82,048	7,248	798	805	3,277	94,176
Additions	—	—	—	—	946	946
Acquisition	10,668	—	—	306	—	10,974
Disposals	—	—	—		(1,320)	(1,320)
Effects of movement in foreign exchange	(3)	(19)	—	(6)	—	(28)
At 30 September 2024	92,713	7,229	798	1,105	2,903	104,748
Additions	—	—	—	—	714	714
Effects of movement in foreign exchange	(5)	(548)	—	(37)	—	(590)
At 30 September 2025	92,708	6,681	798	1,068	3,617	104,872
Accumulated amortisation						
At 1 October 2023	—	2,091	466	53	2,190	4,800
Amortisation charge	—	568	50	73	244	935
Disposals	—	—	—	—	(1,313)	(1,313)
Effects of movement in foreign exchange	—	3	—	—	—	3
At 30 September 2024	—	2,662	516	126	1,121	4,425
Amortisation charge	—	569	50	79	457	1,155
Effects of movement in foreign exchange	—	(33)	—	(11)	—	(44)
At 30 September 2025	—	3,198	566	194	1,578	5,536
Net book value						
At 30 September 2025	92,708	3,483	232	874	2,039	99,336
At 30 September 2024	92,713	4,567	282	979	1,782	100,323

1 This relates to the Hollywood Bowl, Splitsville and Striker Bowling Solutions brands.

2 This relates to the Hollywood Bowl trademark only.

Notes to the financial statements continued

For the year ended 30 September 2025

14. Goodwill and intangible assets continued

The components of goodwill comprise the following businesses:

	30 September 2025	30 September 2024
UK	77,174	77,174
Canada	15,534	15,539
	92,708	92,713

At the acquisition date, goodwill is allocated to each group of CGUs expected to benefit from the combination.

Impairment testing is carried out at the CGU level on an annual basis. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Each individual centre is considered to be a CGU. However, for the purposes of testing goodwill for impairment, it is acceptable under IAS 36 to group CGUs, in order to reflect the level at which goodwill is monitored by management. The UK and Canada are each considered to be a CGU, for the purposes of goodwill impairment testing. These CGUs form part of the UK and Canada operating segments respectively.

The recoverable amount of each of the CGUs is determined based on the higher of fair value less costs to sell and a value-in-use calculation using cash flow projections based on financial budgets approved by the Board covering a five-year period. Cash flows beyond this period are extrapolated using the estimated growth rates stated in the key assumptions. The key assumptions are disclosed in note 12.

Sensitivity to changes in assumptions

Management believe that any reasonable change in the key assumptions would not result in an impairment charge of the goodwill.

Notes to the financial statements continued

For the year ended 30 September 2025

15. Investment in subsidiaries

Hollywood Bowl Group plc's operating subsidiaries as at 30 September 2025 are as follows:

Name	Company number	Principal activity	Country of incorporation	Percentage of ordinary shares owned
Direct holdings				
KanyeCo Limited ^{1,2}	09164276	Investment holding	England and Wales	100%
Hollywood Bowl EBT Limited ^{1,2}	10246573	Dormant	England and Wales	100%
TeaQuinn Holdings Inc. ^{1,4}	725118608	Investment holding	Canada	100%
Indirect holdings				
KendalCo Limited ^{1,2}	09176418	Investment holding	England and Wales	100%
The Original Bowling Company Limited ²	05163827	Ten-pin bowling	England and Wales	100%
Original Bowling Company (NI) Limited ³	NI679991	Dormant	Northern Ireland	100%
AMF Bowling (Eastleigh) Limited ²	06998390	Dormant	England and Wales	100%
MABLE Entertainment Limited ²	01094660	Dormant	England and Wales	100%
Milton Keynes Entertainment Limited ²	01807080	Dormant	England and Wales	100%
Bowlplex Limited ²	01250332	Dormant	England and Wales	100%
Bowlplex European Leisure Limited ²	05539281	Dormant	England and Wales	100%
Wessex Support Services Limited ²	01513727	Dormant	England and Wales	100%
Wessex Superbowl (Germany) Limited ²	03253033	Dormant	England and Wales	100%
Bowlplex Properties Limited ²	05506380	Dormant	England and Wales	100%
Xtreme Bowling Entertainment Corporation ⁴	840672380	Ten-pin bowling	Canada	100%
Striker Installations Inc. ⁴	853701399	Ten-pin bowling installations	Canada	100%
Striker Bowling Solutions Inc. ⁴	889559019	Ten-pin bowling supplier	Canada	100%

1 These subsidiaries are controlled and consolidated by the Group and are exempt from the Companies Act 2006 requirements relating to the audit of their individual accounts by virtue of Section 479A of the Act as this company has guaranteed the subsidiary companies under Section 479C of the Act.

2 The registered office of these subsidiaries is Focus 31, West Wing, Cleveland Road, Hemel Hempstead, Hertfordshire, HP2 7BW.

3 The registered office of this subsidiary is Cleaver Fulton Rankin, 50 Bedford Street, Belfast, BT2 7FW, Northern Ireland.

4 These subsidiaries are controlled and consolidated by the Group. The registered office of these subsidiaries is 505 Iroquois Shore Road, Suite 9, Oakville, Ontario, L6H 2R3, Canada.

Notes to the financial statements continued

For the year ended 30 September 2025

16. Cash and cash equivalents

A) Reconciliation of cash and cash equivalents at the end of the reporting period

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	30 September 2025 £'000	30 September 2024 £'000
Cash and cash equivalents	15,189	28,702

Cash and cash equivalents include £1,728,000 (2024: £4,310,000) of credit and debit card payments.

B) Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes.

Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

	1 October 2024 £'000	Financing cash flows £'000	Lease additions, modifications, remeasurements and disposals £'000	Accruals and prepayments £'000	Foreign exchange £'000	Interest expense £'000	Interest paid £'000	30 September 2025 £'000
Loans and borrowings (note 21)	—	—	—	(52)	—	223	(159)	12
Lease liabilities (note 13)	218,242	(14,065)	33,433	(495)	(1,322)	13,731	(13,731)	235,793
Total liabilities from financing activities	218,242	(14,065)	33,433	(547)	(1,322)	13,954	(13,890)	235,805

	1 October 2023 £'000	Financing cash flows £'000	Lease additions, modifications, remeasurements and disposals £'000	Accruals and prepayments £'000	Foreign exchange £'000	Interest expense £'000	Interest paid £'000	30 September 2024 £'000
Loans and borrowings (note 21)	—	—	—	(41)	—	190	(149)	—
Lease liabilities (note 13)	194,205	(12,305)	38,643	153	(2,454)	11,615	(11,615)	218,242
Total liabilities from financing activities	194,205	(12,305)	38,643	112	(2,454)	11,805	(11,764)	218,242

17. Trade and other receivables

	30 September 2025 £'000	30 September 2024 £'000
Trade receivables	1,815	1,537
Other receivables	155	95
Prepayments	7,663	7,788
	9,633	9,420

Trade receivables have an ECL against them that is immaterial. There were no overdue receivables at the end of either year.

Notes to the financial statements continued

For the year ended 30 September 2025

18. Inventories

	30 September 2025 £'000	30 September 2024 £'000
Goods for resale	3,553	2,897

Goods bought for resale recognised as a cost of sale amounted to £26,856,000 (30 September 2024: £25,634,000).

19. Trade and other payables

	30 September 2025 £'000	30 September 2024 £'000
Current		
Trade payables	7,166	5,494
Other payables	4,927	3,658
Accruals and deferred income	16,832	16,162
Taxation and social security	6,138	5,113
Total trade and other payables	35,063	30,427

	30 September 2025 £'000	30 September 2024 £'000
Non-current		
Other payables	5,706	7,116

Accruals and deferred income includes a staff bonus accrual of £3,903,000 (30 September 2024: £3,950,000). Deferred income includes £1,814,000 (30 September 2024: £983,000) of customer deposits received in advance and £2,885,000 (30 September 2024: £2,628,000) relating to bowling equipment installations, all of which will be recognised in the income statement during the following financial year.

Current other payables includes £1,764,000 (30 September 2024: non-current other payables £1,759,000) of deferred consideration in respect of the acquisition of Tequin Holdings Inc.

Non-current other payables includes £4,475,000 (30 September 2024: £3,928,000) of contingent consideration in respect of the acquisition of Tequin Holdings Inc. The additional consideration to be paid is contingent on the future financial performance of Tequin Holdings Inc. in FY2026. This is based on a multiple of 9.2x Tequin Holdings pre-IFRS 16 in the financial period of settlement and is capped at CAD 17m. The contingent consideration has been accounted for as post-acquisition employee remuneration in accordance with IFRS 3 paragraph B55 and recognised over the duration of the employment contract to FY2026.

The present value of the contingent consideration has been discounted using a WACC of 13% (30 September 2024: 13%). There is a range of possible outcomes for the value of the contingent consideration based on Tequin Holdings' forecasted EBITDA pre-IFRS 16.

The FY2025 provision is based on a payment (undiscounted) of £5,293,000, using the FY2025 year-end exchange rate. The fair value of the contingent consideration will be re-assessed at every financial reporting date, with changes recognised in the income statement. In FY2025, this re-assessment resulted in an increase in the charge of £168,000 (30 September 2024: reduction of £261,000) based on the current expectation of the final consideration payment, which has been recognised in adjusting administrative expenses (note 5).

20. Provisions

	30 September 2025 £'000	30 September 2024 £'000
Lease dilapidations provision	5,820	5,848

The dilapidations provision relates to potential rectification costs expected should the Group vacate any of its centres. There are no onerous leases within the estate. The movements in the dilapidations provision are summarised below:

	Dilapidations £'000
As at 30 September 2023	5,084
Change in discount rate ¹	326
Provided during the year	225
Unwind of discounted amount	213
As at 30 September 2024	5,848
Change in discount rate ¹	(413)
Provided during the year	446
Released during the year	(273)
Unwind of discounted amount	212
As at 30 September 2025	5,820

¹ There was an increase in the discount rate from 4.11% at 30 September 2024 to 4.80% at 30 September 2025 (30 September 2024: a decrease in the discount rate from 4.64% at 30 September 2023 to 4.11% at 30 September 2024), used in preparing the dilapidations provision for the year ended 30 September 2025. This resulted in a decrease in the provision of £413,000 (30 September 2024: an increase of £326,000), and will unwind over the term of the property leases. Movements in the discount rate are driven by the yield on UK government bonds with a maturity comparable to the remaining property lease term.

Notes to the financial statements continued

For the year ended 30 September 2025

20. Provisions continued

In the UK, a provision is made for future expected dilapidation costs on the opening of leasehold properties not covered by the Landlord and Tenant Act 1985 (LTA), and is expected to be utilised on lease expiry. This also includes properties covered by the LTA where we may not extend the lease, after consideration of the long-term trading and viability of the centre. The amount provided in the year relates to two new centres (30 September 2024: one new centre). Properties covered by the LTA provide security of tenure and we intend to occupy these premises indefinitely until the landlord serves notice that the centre is to be redeveloped. As such, no charge for dilapidations can be imposed and no dilapidation provision is considered necessary as the outflow of economic benefit on these centres is not considered to be probable. As at 30 September 2025, 26 UK centres (30 September 2024: 24 centres) had a dilapidations provision. No Canadian property leases have a dilapidations provision as the lease agreements do not contain a related dilapidation clause.

It is anticipated that £40,000 of the provision will be utilised within the next 12 months as the landlord at one UK centre has earmarked the site for closure and redevelopment. The provision released in the year relates to this site as the full dilapidations provision will not be utilised due to the landlord redevelopment of the site.

21. Loans and borrowings

On 29 September 2021, the Group entered into a £25m revolving credit facility (RCF) with Barclays Bank plc. The RCF had an original termination date of 31 December 2024. On 22 March 2024, the RCF had the termination date extended to 31 December 2025.

On 8 May 2025, the RCF was cancelled and the Group entered into a new £25m RCF with Barclays Bank plc. The RCF was undrawn at the date of cancellation. The new RCF has a termination date of 7 May 2028.

Interest is charged on any drawn balance based on the reference rate (SONIA), plus a margin of 1.30% (30 September 2024: 1.65%).

A commitment fee equal to 35% of the drawn margin is payable on the undrawn facility balance. The commitment fee rate as at 30 September 2025 was therefore 0.4550% (30 September 2024: 0.5775%).

Issue costs of £135,000 were paid to Barclays Bank plc on commencement of the original RCF and a further £35,000 on extension of the RCF. Issue costs of £125,000 were paid to Barclays Bank plc on commencement of the new RCF on 8 May 2025. These costs are being amortised over the term of the facility and are included within prepayments (note 17).

The terms of the Barclays Bank plc facility include a Group financial covenants that each quarter the ratio of total net debt to Group adjusted EBITDA pre-IFRS 16 shall not exceed 1.75:1.

The Group operated within the covenant during the year and the previous year.

22. Deferred tax assets and liabilities

	30 September 2025 £'000	30 September 2024 £'000
Deferred tax assets and liabilities		
Deferred tax assets – UK	5,409	5,934
Deferred tax assets – Canada	849	518
Deferred tax liabilities – UK	(9,320)	(7,247)
Deferred tax liabilities – Canada	(1,641)	(2,680)
	(4,703)	(3,475)

	30 September 2025 £'000	30 September 2024 £'000
Reconciliation of deferred tax balances		
Balance at the beginning of the year	(3,475)	(651)
Deferred tax credit for the year – in profit or loss	(2,393)	(1,950)
Deferred tax (charge)/credit for the year – in equity	(108)	101
On acquisition	–	(20)
Effects of changes in tax rates	3	(17)
Effects of foreign exchange	173	213
Adjustment in respect of prior years	1,097	(1,151)
Balance at the end of the year	(4,703)	(3,475)

The components of deferred tax are:

	30 September 2025 £'000	30 September 2024 £'000
Deferred tax assets		
Fixed assets	5,548	5,192
Trading losses	88	29
Other temporary differences	937	895
	6,573	6,116
Deferred tax liabilities		
Property, plant and equipment	(10,178)	(8,205)
Intangible assets	(1,098)	(1,386)
	(11,276)	(9,591)

Deferred tax assets and liabilities are measured using the tax rates that are expected to apply to the periods when the assets are realised or liabilities settled, based on tax rates enacted or substantively enacted at 30 September 2025.

Notes to the financial statements continued

For the year ended 30 September 2025

23. Share capital

	30 September 2025		30 September 2024	
	Shares	£'000	Shares	£'000
Ordinary shares of £0.01 each	166,851,906	1,668	172,083,853	1,721

The share capital of the Group is represented by the share capital of the Parent Company, Hollywood Bowl Group plc.

During the year 531,122 ordinary shares of £0.01 each were issued under the Group's LTIP scheme and 1,265 ordinary shares of £0.01 each were issued under the Group's SAYE scheme (note 28). In addition, 5,764,334 ordinary shares of £0.01 each were repurchased and cancelled under the Group's share buy back programme at a total cost of £15,150,591.

The ordinary shares are entitled to dividends. The Group only has one class of share.

24. Reserves

Share premium

The amount subscribed for share capital in excess of nominal value.

Retained earnings

The accumulated net profits and losses of the Group.

Merger reserve

The merger reserve represents the excess over nominal value of the fair value consideration for the business combination which arose during the Company's IPO listing; this was satisfied by the issue of shares in accordance with Section 612 of the Companies Act 2006.

Capital redemption reserve

The capital redemption reserve represents the value of the ordinary shares of £0.01 each repurchased by the Group under the share buy back.

Foreign currency translation reserve

The foreign currency translation reserve represents the retranslation gains and losses of foreign currency denominated operations.

25. Lease commitments

The Group had total commitments under non-cancellable operating leases set out below:

	30 September 2025	30 September 2024
	Other £'000	Other £'000
Within 1 year	80	80
In 2 to 5 years	20	100
	100	180

These operating leases are not included as IFRS 16 assets as the Group applies the low-value assets recognition exemption to leases of office equipment.

26. Capital commitments

As at 30 September 2025, the Group had entered into contracts to fit out new and refurbish existing sites for £345,000 (30 September 2024: £5,312,000). These commitments are expected to be settled in the year to 30 September 2026.

27. Related party transactions

30 September 2025 and 30 September 2024

During the year, and the previous year, there were no transactions with related parties.

28. Share-based payments

Long-term employee incentive costs

The Group operates LTIPs for certain key management. In accordance with IFRS 2 Share-based payment, the values of the awards are measured at fair value at the date of grant. The exercise price of the LTIPs is equal to the nominal price of the underlying shares on the date of grant. The fair value is determined based on the exercise price and number of shares granted, and is written off on a straight-line basis over the vesting period, based on management's estimate of the number of shares that will eventually vest.

Notes to the financial statements continued

For the year ended 30 September 2025

28. Share-based payments continued

Long-term employee incentive costs continued

A summary of the movement in the LTIPs is outlined below:

Scheme name	Year of grant	Method of settlement accounting	Outstanding at 1 October 2024	Granted during the year ¹	Lapsed/cancelled during the year	Exercised during the year	Outstanding at 30 September 2025	Exercisable at 30 September 2025
LTIP 2022	2022	Equity	463,436	67,686	—	(531,122)	—	—
LTIP 2023	2023	Equity	627,678	—	—	—	627,678	—
LTIP 2024	2024	Equity	584,831	—	—	—	584,831	—
LTIP 2025	2025	Equity	—	572,104	—	—	572,104	—

In accordance with the LTIP schemes outlined in the Group's Remuneration Policy, the vesting of these awards is conditional upon the achievement of an EPS target set at the time of grant, measured at the end of a three-year period ending 30 September 2025, 30 September 2026 and 30 September 2027, and the Executive Directors' continued employment at the date of vesting. The LTIP 2023, 2024 and 2025 also have performance targets based on return on centre invested capital, emissions ratio for Scope 1 and Scope 2 and (except for LTIP 2025) team member development. LTIP 2025 also has a market based performance condition linked to relative Total shareholder Return (TSR). Subject to performance against the targets, the awards will vest three years after grant and will be subject to a further 2 year holding period. Further details on LTIP 2023, 2024 and 2025 are available on the Hollywood Bowl Group corporate website at www.hollywoodbowlgroup.com/investors/regulatory-news dated 16 February 2023, 30 January 2024 and 3 February 2025.

The awards will vest based on the following adjusted EPS targets:

LTIP 2023	LTIP 2024	LTIP 2025	Vesting
18.11	23.10	24.78	25%
18.11–20.01	23.10–25.54	24.78–27.39	Vesting determined on a straight-line basis
20.01	25.54	27.39	100%

1 During the year ended 30 September 2025, 572,104 (30 September 2024: 584,831) share awards were granted under the LTIPs and an additional 67,686 (30 September 2024: 46,261) shares were issued to cover the LTIP 2022 dividend equivalents (30 September 2024: LTIP 2021 dividend equivalents).

During the year ended 30 September 2025, 531,122 share awards were exercised under LTIP 2022 (30 September 2024: 499,254 share awards under LTIP 2021) and a total of 531,122 shares were issued pursuant to an existing block listing in order to satisfy the exercise of the nil-cost options (see note 23).

For all LTIPs, the Group recognised a charge of £1,789,439 (30 September 2024: £1,749,237) and related employer National Insurance of £268,416 (30 September 2024: £241,395).

The following assumptions were used to determine the fair value of the LTIPs granted:

Financial year LTIP granted	2025	2024	2023
Share price at date of grant	2.826	2.930	2.600
Discount rate/dividend yield	3%	3%	3%

The cumulative total charge recognised in retained earnings for all LTIPs as at 30 September 2025 is £7,528,174 (30 September 2024: £5,738,735).

The weighted average remaining contractual life of share options outstanding at 30 September 2025 was 478 days (30 September 2024: 515 days).

The shares are dilutive for the purposes of calculating diluted earnings per share.

Notes to the financial statements continued

For the year ended 30 September 2025

28. Share-based payments continued

Long-term employee incentive costs continued

Save-As-You-Earn (SAYE) schemes

The Group currently operates three SAYE schemes, available to all employees of the Group. The SAYE schemes permit the grant to employees of options in respect of ordinary shares linked to a bank SAYE contract for a term of three years with contributions from employees of an amount between £5 and £500 per month. During the year, a new SAYE scheme (SAYE 2025) was launched with 130 employees taking up 174,839 options with an exercise date of 1 February 2028 and an exercise price of £2.90, being equal to the market price of the shares on the date of grant. In the prior year, 109 employees took up 100,887 options with an exercise date of 1 February 2027 and an exercise price of £2.85. The options vest if the employee remains in employment by the Group on the exercise date; otherwise, the options lapse on the date the employee leaves. The options are exercisable for a period of six months from the date of vesting. Employees can opt to leave the SAYE at any time, at which point their options will lapse.

The shares are dilutive for the purposes of calculating diluted earnings per share.

In accordance with IFRS 2 Share-based payment, the values of the awards are measured at fair value at the date of the grant. The fair value is expensed on a straight-line basis over the vesting period, based on management's estimate of the number of shares that will eventually vest.

The fair value at grant date is estimated using a Black-Scholes pricing model, taking into account the terms and conditions upon which the options were granted. The contractual life of each option granted is three years. The fair value of options granted during the years ended 30 September 2025, 30 September 2024 and 30 September 2023 was estimated on the date of grant using the following assumptions:

	SAYE 2025	SAYE 2024	SAYE 2023
Exercise price	£2.900	£2.850	£2.430
Dividend yield	3.0%	3.0%	3.0%
Expected volatility	30.4%	32.9%	35.4%
Risk-free interest rate	3.96%	4.10%	3.14%
Life of option	3 years	3 years	3 years
Anticipated number of options to vest	50%	20%	35%

The expected volatility is based on the annualised standard deviation of the continuously compounded rates of return on the share over a period of time. A summary of the movement in the SAYE schemes is outlined below:

Scheme name	Year of award	Outstanding at 1 October 2024	Granted during the year	Lapsed/ cancelled during the year	Exercised during the year	Outstanding at 30 September 2025	Exercisable at 30 September 2025
SAYE 2022	2022	42,564	—	(38,136)	(1,265)	3,163	3,163
SAYE 2023	2023	102,203	—	(22,966)	—	79,237	—
SAYE 2024	2024	85,343	—	(37,401)	—	47,942	—
SAYE 2025	2025	—	174,839	(42,483)	—	132,356	—

The assessed fair value of the options granted during the year ended 30 September 2025 was £0.58 (30 September 2024: £0.62).

For the year ended 30 September 2025, the Group has recognised £8,871 of share-based payment charge in the income statement (30 September 2024: charge of £32,579).

During the year one of the SAYE schemes became exercisable and 1,265 ordinary shares of £0.01 each were issued under the SAYE 2022 at an exercise price of £2.845. During the prior year, 456 options were exercised under the SAYE 2020 and 456 ordinary shares of £0.01 each were issued at an exercise price of £2.880.

The weighted average remaining contractual life of share options outstanding at 30 September 2025 was 557 days (30 September 2024: 557 days).

Notes to the financial statements continued

For the year ended 30 September 2025

29. Financial instruments

Fair value hierarchy

IFRS 7 requires fair value measurements to be recognised using a fair value hierarchy that reflects the significance of the inputs used in the value measurements:

Level 1: inputs are quoted prices in active markets.

Level 2: a valuation that uses observable inputs for the asset or liability other than quoted prices in active markets.

Level 3: a valuation using unobservable inputs (i.e. a valuation technique).

There were no transfers between levels throughout the periods under review.

Fair value

All financial assets held at the balance sheet date, which comprise trade and other receivables and cash and cash equivalents, are classified as financial assets held at amortised cost. All financial liabilities, which comprise trade and other payables and borrowings, are classified as financial liabilities held at amortised cost. The following table shows the fair value of financial assets and financial liabilities within the Group at the balance sheet date. The fair value of all financial assets and liabilities are categorised as Level 2.

	30 September 2025 £'000	30 September 2024 £'000
Financial assets – measured at amortised cost		
Cash and cash equivalents	15,189	28,702
Trade and other receivables	1,970	1,632
Financial liabilities – measured at amortised cost		
Trade and other payables	34,632	32,429

There is no difference between the carrying value and fair value of any of the above financial assets and financial liabilities.

30. Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (fair value interest rate and price risk).

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. In order to minimise this risk the Group endeavours to deal only with companies which are demonstrably creditworthy. In addition, a significant proportion of revenue results from cash transactions. The aggregate financial exposure is continuously monitored. The maximum exposure to credit risk is the value of the outstanding amount of trade receivables. Management does not consider that there is any concentration of risk within either trade or other receivables.

The Group held cash and cash equivalents with banks which are rated AA- to AA+ of £12,987,000 at 30 September 2025 (30 September 2024: £26,785,000).

The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Trade receivables have not been impaired as any ECL is deemed to be insignificant.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as is possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Cash flow and fair value interest rate risk

The Group's borrowings are variable rate bank loans. As at 30 September 2025, £nil (30 September 2024: £nil) of the available facility has been drawn down. The Directors monitor the Group's funding requirements and external debt markets to ensure that the Group's borrowings are appropriate to its requirements in terms of quantum, rate and duration.

The Group currently holds cash balances to provide funding for normal trading activity. The Group also has access to both short-term and long-term borrowings to finance individual projects. Trade and other payables are monitored as part of normal management routine.

Notes to the financial statements continued

For the year ended 30 September 2025

30. Financial risk management continued

Cash flow and fair value interest rate risk continued

The table below summarises the maturity profile of the Group's financial liabilities:

	Within 1 year £'000	1 to 2 years £'000	2 to 5 years £'000	5 to 10 years £'000	More than 10 years £'000	Total £'000
2025						
Trade and other payables	27,112	692	6,388	577	3,829	38,598
Lease liabilities	28,783	48,693	76,253	109,918	102,215	365,862
	55,895	49,385	82,641	110,495	106,044	404,460
2024						
Trade and other payables	24,226	676	6,994	801	3,867	36,564
Lease liabilities	25,626	25,395	69,523	102,559	108,691	331,794
	49,852	26,071	76,517	103,360	112,558	368,358

Capital risk management

The Group's capital management objectives are:

- (i) to ensure the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- (ii) to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

To meet these objectives, the Group reviews the budgets and forecasts on a regular basis to ensure there is sufficient capital to meet the needs of the Group through to profitability and positive cash flow.

The capital structure of the Group consists of shareholders' equity as set out in the consolidated statement of changes in equity. All working capital requirements are financed from existing cash resources and borrowings.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign currency risk

Operating across two territories increases the Group's exposure to currency risk. Wherever possible, overseas operations will fund their day to day working capital requirements in local currency with cash generated from operations, naturally hedging the currency risk exposure to the Group. Management will continually monitor the level of currency risk exposure, and consider hedging where appropriate. Currently the Group considers the currency risk on consolidation of the assets and liabilities of its foreign entities to be of low materiality.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by entering into interest rate derivatives when it is considered appropriate to do so by management. At 30 September 2025 and 30 September 2024, none of the Group's borrowings were at fixed rates of interest.

The effect on the profit after tax of a notional one per cent increase or decrease in SONIA is £nil (30 September 2024: £nil).

31. Dividends paid and proposed

	30 September 2025 £'000	30 September 2024 £'000
The following dividends were declared and paid by the Group:		
Final dividend year ended 30 September 2023 – 8.54 pence per ordinary share	–	14,664
Special dividend year ended 30 September 2023 – 2.73 pence per ordinary share	–	4,688
Interim dividend year ended 30 September 2024 – 3.98 pence per ordinary share	–	6,828
Final dividend year ended 30 September 2024 – 8.08 pence per ordinary share	13,904	13,904
Interim dividend year ended 30 September 2025 – 4.10 pence per ordinary share	6,923	–
Proposed for the approval by shareholders at AGM (not recognised as a liability at 30 September 2025):		
Final dividend year ended 30 September 2025 – 9.18 pence per ordinary share	15,317	–

Company statement of financial position

As at 30 September 2025

	Note	30 September 2025 £'000	30 September 2024 £'000
ASSETS			
Non-current assets			
Investments	5	96,959	87,561
Trade and other receivables	8	158,716	73,742
Deferred tax asset	7	429	355
		256,104	161,658
Current assets			
Cash and cash equivalents	6	191	8,119
Trade and other receivables	8	260	191
		451	8,310
Total assets		256,555	169,968
LIABILITIES			
Current liabilities			
Trade and other payables	9	158,259	121,180
Total liabilities		158,259	121,180
NET ASSETS		98,296	48,788
Equity attributable to shareholders			
Share capital	10	1,668	1,721
Share premium	10	39,716	39,716
Capital redemption reserve	10	59	1
Retained earnings		56,853	7,350
TOTAL EQUITY		98,296	48,788

The company reported a profit for the year ended 30 September 2025 of £83,692,000 (30 September 2024: a loss of £1,834,000).

These financial statements were approved by the Board of Directors on 15 December 2025.

The accompanying notes on pages 154 to 158 form an integral part of these financial statements.

Signed on behalf of the Board

Laurence Keen
Chief Financial Officer

Company registration number: 10229630

Company statement of changes in equity

For the year ended 30 September 2025

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Retained earnings £'000	Total £'000
Equity as at 30 September 2023	1,717	39,716	—	33,994	75,427
Shares issued during the year	5	—	—	—	5
Share buy back	(1)	—	1	(379)	(379)
Share-based payments (note 5, 11)	—	—	—	1,749	1,749
Dividends paid	—	—	—	(26,180)	(26,180)
Total comprehensive loss for the year	—	—	—	(1,834)	(1,834)
Equity as at 30 September 2024	1,721	39,716	1	7,350	48,788
Shares issued during the year	5	—	—	—	5
Share buy back	(58)	—	58	(15,151)	(15,151)
Share-based payments (note 5, 11)	—	—	—	1,789	1,789
Dividends paid	—	—	—	(20,827)	(20,827)
Total comprehensive profit for the year	—	—	—	83,692	83,692
Equity as at 30 September 2025	1,668	39,716	59	56,853	98,296

The accompanying notes on pages 154 to 158 form an integral part of these financial statements.

Company statement of cash flows

For the year ended 30 September 2025

	30 September 2025 £'000	30 September 2024 £'000
Cash flows from operating activities		
Profit/(loss) before tax	83,317	(2,532)
Adjusted by:		
Net interest expense/(income)	106	(650)
Share-based payments (note 11)	1,236	1,110
Operating profit/(loss) before working capital changes	84,659	(2,072)
Decrease in trade and other receivables	142	567
Increase in trade and other payables	262	222
Cash outflow generated from operations	85,063	(1,283)
Interest received	145	883
Bank interest paid	(138)	(149)
Net cash outflow from operating activities	85,070	(549)
Cash flows from investing activities		
Investment in existing subsidiary	(8,845)	(17,695)
Net cash used in investing activities	(8,845)	(17,695)
Cash flows from financing activities		
Share buy back	(15,151)	(379)
Dividends paid	(20,827)	(26,180)
(Repayment of loan to subsidiary) / loan from subsidiary	(48,175)	28,046
Net cash flows generated from financing activities	(84,153)	1,487
Net change in cash and cash equivalents for the year	(7,928)	(16,757)
Cash and cash equivalents at the beginning of the year	8,119	24,876
Cash and cash equivalents at the end of the year	191	8,119

The accompanying notes on pages 154 to 158 form an integral part of these financial statements.

Notes to the Company financial statements

1. General information

Hollywood Bowl Group plc is a public limited company whose shares are publicly traded on the London Stock Exchange and is incorporated and domiciled in England under the Companies Act 2006. The Company was incorporated on 13 June 2016, registered number 10229630. The registered office of the Parent Company is Focus 31, West Wing, Cleveland Road, Hemel Hempstead, HP2 7BW, United Kingdom.

2. Material accounting policies

The material accounting policies are set out below. These accounting policies have been applied consistently throughout the year and prior year. The financial information presented is as at and for the financial years ended 30 September 2025 and 30 September 2024.

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102) and the Companies Act 2006. The functional and presentational currency of the Company is Pounds Sterling. The financial statements are presented in Pounds Sterling and all values are rounded to the nearest thousand, except where otherwise indicated.

The financial statements have been prepared on a going concern basis under the historical cost convention.

The financial information presented is at and for the years ended 30 September 2025 and 30 September 2024.

As the consolidated financial statements of the Company include the equivalent disclosures, the Company has taken the exemptions under FRS 102 available in respect of the following disclosures:

- certain disclosures required by FRS 102.26 Share-based payment; and
- certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of paragraph 36(4) of Schedule I.

As permitted by Section 408 of the Companies Act 2006, an entity income statement and statement of comprehensive income are not included as part of the published consolidated financial statements of Hollywood Bowl Group plc. The profit for the financial year dealt with in the financial statements of the Parent Company is £83,692,000 (30 September 2024: loss £1,834,000). The profit for the financial year includes dividends received from a subsidiary of £85,000,000 (30 September 2024: £nil).

Investments in subsidiaries

Investments in subsidiary undertakings are initially recorded at cost, being the fair value of the consideration paid. Subsequently investments are reviewed for impairment on an individual basis annually or if events or changes in circumstances indicate that the carrying value may not be fully recoverable with any impairment charged to the income statement.

Receivables due from subsidiary undertakings

Amounts owed by subsidiaries are classified and recorded at amortised cost and reduced by allowances for ECLs. Estimated future credit losses are first recorded on initial recognition of a receivable and are based on estimated probability of default. Individual balances are written off when management deems them not to be collectible.

Employee benefits

Share-based payments

The Company operates an equity-settled share-based payment plan for its Directors, under which the Directors are granted equity instruments of Hollywood Bowl Group plc. The fair value of services received in exchange for the equity instruments is determined by reference to the fair value of the instruments granted at grant date. The fair value of the instruments includes any market performance conditions and non-vesting conditions.

The expense is recognised over the vesting period of the award taking into account any non-market performance and service conditions.

The cost of equity-settled transactions is recognised together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award.

Financial instruments

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments together with the disclosure and presentation requirements of sections 11 and 12 of FRS 102.

Cash and cash equivalents

Cash and cash equivalents includes cash held in short-term deposits with UK banks.

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency at the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange gains and losses are included within administrative expenses in the income statement.

Notes to the Company financial statements continued

2. Material accounting policies continued

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred taxation

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

3. Directors' remuneration

The Company has no employees other than the Directors.

The Directors' emoluments and benefits were as follows:

	30 September 2025 ¹ £'000	30 September 2024 ¹ £'000
Salaries and bonuses	2,205	2,279
Pension contributions	49	48
Share-based payments (note 11)	1,236	1,111
Total	3,490	3,438

1 This includes three (30 September 2024: three) Executive Directors and six (30 September 2024: four) Non-Executive Directors.

The aggregate of emoluments of the highest paid Director was £1,695,000 (30 September 2024: £1,615,000) and Company pension contributions of £24,000 (30 September 2024: £23,000) were made to a defined contribution scheme on their behalf.

The aggregate gains made by Executive Directors on the exercise of share options during FY2025 was £1,413,365 (FY2024: £1,144,832). The aggregate gains made by the highest paid Director was £738,405 (FY2024: £572,419).

4. Taxation

	30 September 2025 £'000	30 September 2024 £'000
The tax credit is as follows:		
• UK corporation tax	(301)	(587)
Total current tax credit	(301)	(587)
Deferred tax:		
Origination and reversal of temporary differences	(74)	(115)
Adjustment in respect of prior years	—	4
Total deferred tax credit	(74)	(111)
Total tax credit	(375)	(698)

Notes to the Company financial statements continued

4. Taxation continued

Factors affecting current credit

The tax assessed on the loss for the period is different to the standard rate of corporation tax in the UK of 25% (30 September 2024: 25%). The differences are explained below:

	30 September 2025 £'000	30 September 2024 £'000
Profit/(loss) excluding taxation	83,317	(2,532)
Tax using the UK corporation tax rate of 25% (2024: 25%)	20,829	(633)
Share-based payments	26	(73)
Non-deductible expenses	20	4
Non-taxable income	(21,250)	—
Adjustments in respect of prior years	—	4
Total tax (credit)/expense included in profit or loss	(375)	(698)

The Group's standard tax rate for the year ended 30 September 2025 was 25% (30 September 2024: 25%).

5. Investments

Investments in subsidiary undertakings are as follows:

	30 September 2025 £'000	30 September 2024 £'000
At the beginning of the year	87,561	69,745
Additions	9,398	17,816
At the end of the year	96,959	87,561

Additions during the year include additional investments made in the existing Canadian entities and capital contribution on share-based payment awards granted to subsidiary employees.

Details of the investments in subsidiary undertakings are outlined in note 15 to the consolidated financial statements.

6. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	30 September 2025 £'000	30 September 2024 £'000
Cash and cash equivalents	191	8,119

7. Deferred tax asset

	30 September 2025 £'000	30 September 2024 £'000
Deferred tax asset	429	355
Deferred tax asset	429	355

	30 September 2025 £'000	30 September 2024 £'000
Reconciliation of deferred tax balances		
Balance at beginning of year	355	244
Deferred tax credit/(charge) for the year – in profit or loss	74	115
Adjustments in respect of prior periods	—	(4)
Balance at end of year	429	355

The components of deferred tax are:

	30 September 2025 £'000	30 September 2024 £'000
Deferred tax asset		
Temporary differences	429	355
	429	355

The Group has a policy in relation to the payment for tax losses surrendered between Group companies under the Group relief provisions. The Company has recognised a deferred tax asset in respect of its share-based payments on the basis it expects to receive economic benefits in the form of payments for amounts surrendered as Group relief in future accounting periods.

Notes to the Company financial statements continued

8. Trade and other receivables

	30 September 2025 £'000	30 September 2024 £'000
Current		
Other receivables	90	79
Prepayments	170	112
	260	191
 Non-current		
Amounts owed by Group companies	158,716	73,742

Amounts owed by and to Group companies are non-interest bearing, are repayable on demand and are not expected to be recovered within the next 12 months.

9. Trade and other payables

	30 September 2025 £'000	30 September 2024 £'000
Current		
Amounts owed to Group companies	156,049	119,250
Trade and other payables	327	330
Accruals	1,883	1,600
	158,259	121,180

10. Share capital

	30 September 2025		30 September 2024	
	Shares	£'000	Shares	£'000
Allotted, called up and fully paid				
Ordinary shares of £0.01 each	166,851,906	1,668	172,083,853	1,721

During the year 531,122 ordinary shares of £0.01 each were issued under the Group's LTIP scheme and 1,265 ordinary shares of £0.01 each were issued under the Group's SAYE scheme (note 28 of the consolidated financial statements). In addition, 5,764,334 ordinary shares of £0.01 each were repurchased and cancelled under the Group's share buy back programme at a total cost of £15,150,591.

The ordinary shares are entitled to dividends. The Group only has one class of share.

In January 2025, the Company declared and paid a dividend. Following the payment the Board became aware of a technical issue in respect of this dividend. Whilst the Company had sufficient distributable reserves to pay this dividend, it had not filed the required interim accounts at Companies House to demonstrate this at the time that the dividend was paid, as mandated by the Companies Act 2006.

Steps to rectify the situation have been taken and the Company has prepared and filed the necessary interim accounts at Companies House. This was completed before the 30 September 2025 financial statements were approved. A deed of release has been agreed upon by all relevant parties, ensuring that no further legal action will be taken in relation to this matter.

11. Share-based payments

Long-term employee incentive costs

The Company operates LTIPs for the Directors. In accordance with IFRS 2 Share-based payment, the values of the awards are measured at fair value at the date of grant. The exercise price of the LTIPs is equal to the nominal price of the underlying shares on the date of grant. The fair value is determined based on the exercise price and number of shares granted, and is written off on a straight-line basis over the vesting period, based on management's estimate of the number of shares that will eventually vest.

In accordance with the LTIP schemes outlined in the Group's Remuneration Policy, the vesting of these awards is conditional upon the achievement of an EPS target set at the time of grant, measured at the end of a three-year period ending 30 September 2025, 30 September 2026 and 30 September 2027, and the Executive Directors' continued employment at the date of vesting. The LTIP 2023, 2024 and 2025 also have performance targets based on return on centre invested capital, emissions ratio for Scope 1 and Scope 2 and (except for LTIP 2025) team member development. LTIP 2025 also has a market based performance condition linked to relative Total shareholder Return (TSR). Subject to performance against the targets, the awards will vest three years after grant and will be subject to a further 2 year holding period. Further details on LTIP 2023, 2024 and 2025 are available on the Hollywood Bowl Group corporate website at www.hollywoodbowlgroup.com/investors/regulatory-news dated 16 February 2023, 30 January 2024 and 3 February 2025.

The awards will vest based on the following adjusted EPS targets:

LTIP 2023	LTIP 2024	LTIP 2025	Vesting
18.11	23.10	24.78	25%
18.11–20.01	23.10–25.54	24.78–27.39	Vesting determined on a straight-line basis
20.01	25.54	27.39	100%

Notes to the Company financial statements continued

11. Share-based payments continued

Long-term employee incentive costs continued

A summary of the movement in the LTIPs is outlined below:

Scheme name	Year of grant	Method of settlement accounting	Outstanding at 1 October 2024	Lapsed/ cancelled during the year ¹		Exercised during the year	Outstanding at 30 September 2025	Exercisable at 30 September 2025
				Granted during the year ¹	Cancelled during the year			
LTIP 2022	2022	Equity	270,518	39,510	–	(310,028)	–	–
LTIP 2023	2023	Equity	423,490	–	–	–	423,490	–
LTIP 2024	2024	Equity	394,582	–	–	–	394,582	–
LTIP 2025	2025	Equity	–	487,039	–	–	487,039	–

¹During the year ended 30 September 2025, 487,039 (30 September 2024: 394,582) share awards were granted under the LTIPs and an additional 39,510 (30 September 2024: 27,910) shares were issued to cover the LTIP 2022 dividend equivalents (30 September 2024: LTIP 2021 dividend equivalents).

During the year ended 30 September 2025, 531,122 (30 September 2024: 499,254) share awards were exercised under LTIP 2022 (30 September 2024: LTIP 2021) and a total of 531,122 shares were issued pursuant to an existing block listing in order to satisfy the exercise of the nil-cost options (see note 23 of the consolidated financial statements).

For all LTIPs, the Company recognised a charge of £1,235,728 (30 September 2024: £1,110,482) and related employer National Insurance charge of £185,359 (30 September 2024: £153,247).

The following assumptions were used to determine the fair value of the LTIPs granted:

Financial year LTIP granted	2025	2024	2023
Share price at date of grant	2.826	2.930	2.600
Discount rate/dividend yield	3%	3%	3%

The cumulative total charge recognised in retained earnings for all LTIPs as at 30 September 2025 is £4,807,884 (30 September 2024: £3,572,156).

The weighted average remaining contractual life of share options outstanding at 30 September 2025 was 507 days (30 September 2024: 531 days).

12. Loans and borrowings

On 29 September 2021, the Group entered into a £25m revolving credit facility (RCF) with Barclays Bank plc. The RCF had an original termination date of 31 December 2024. On 22 March 2024, the RCF had the termination date extended to 31 December 2025.

On 8 May 2025, the RCF was cancelled and the Group entered into a new £25m RCF with Barclays Bank plc. The RCF was undrawn at the date of cancellation. The new RCF has a termination date of 7 May 2028.

Interest is charged on any drawn balance based on the reference rate (SONIA), plus a margin of 1.30 per cent (30 September 2024: 1.65 per cent).

A commitment fee equal to 35% of the drawn margin is payable on the undrawn facility balance. The commitment fee rate as at 30 September 2025 was therefore 0.4550% (30 September 2024: 0.5775%).

Issue costs of £135,000 were paid to Barclays Bank plc on commencement of the original RCF and a further £35,000 on extension of the RCF. Issue costs of £125,000 were paid to Barclays Bank plc on commencement of the new RCF on 8 May 2025. These costs are being amortised over the term of the facility and are included within prepayments (note 17).

The terms of the Barclays Bank plc facility include a Group financial covenants that each quarter the ratio of total net debt to Group adjusted EBITDA pre-IFRS 16 shall not exceed 1.75:1.

The Group operated within the covenant during the year and the previous year.

13. Guarantee

The Company has given a guarantee over certain subsidiaries under Section 479A of the Companies Act 2006 such that the financial statements of these subsidiaries for the year ended 30 September 2025 will be exempt from audit (note 15 of the consolidated financial statements).

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