

Pets at Home

Annual Report and Financial Statements 2026

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Chair's Statement

"FY26 has been a year of transition for Pets at Home. The Vet business delivered another year of strong growth in revenue, profit and cash flow, while continuing to expand its clinical capability and footprint. Retail performance was more challenging, and we have taken decisive action through the Retail Turnaround Plan to address this. The plan has stabilised the business and begun to rebuild momentum. While there is more to do, the Group's underlying strengths remain intact, and I am confident in our ability to deliver improved performance."

Ian Burke, Chair

Strategy

Pets at Home remains a purpose-led business, with a clear focus on improving the lives of pets and the people who care for them. This purpose is embedded across the organisation and reflected in the actions of colleagues every day. The Group operates in an attractive and growing market, supported by a number of structural advantages.

We have a strong and trusted brand, national scale with over 460 Pet care centres, and an integrated model that brings together products, services and expertise. More than 17,000 colleagues and clinicians support our customers with specialist knowledge, underpinned by a well-invested omnichannel platform.

However, Retail performance in recent periods has been below expectations. To address this, we launched the Retail Turnaround Plan in November. The plan is structured around four priorities - Product, Price, Execution and Cost - and is designed to restore competitiveness, improve customer experience and rebuild profitability.

Progress during the year has stabilised performance and improved trading momentum in the second half. Delivery of the plan remains the priority, with a focus on disciplined execution to drive a return to sustainable, volume-led growth.

In March, I stepped back from the role of Interim Executive Chair and resumed my responsibilities as Non-Executive Chair, as we welcomed James Bailey as Chief Executive Officer. James brings relevant experience and a strong track record, and I am confident in his ability to lead the next phase of the Group's development.

Colleagues

The quality and commitment of our colleagues remain a defining strength of the business. During my time as Interim Executive Chair, I visited over 200 Pet care centres and saw first-hand the expertise, care and professionalism demonstrated across our teams.

The past year has required significant change, particularly within Retail, including the introduction of a leaner operating model. Colleagues have responded with resilience and focus throughout. On behalf of the Board, I would like to thank all colleagues for their continued contribution.

Governance

There was one change to the Board during FY26. Following the departure of the Chief Executive Officer, I assumed the role of Interim Executive Chair from September 2025 to March 2026 to ensure continuity of leadership during the transition. Otherwise, Board composition remained stable throughout the year, providing consistency during a period of operational focus and change.

At the start of FY27, we were pleased to appoint James Bailey as Chief Executive Officer and Sarah Pollard as Chief Financial Officer. These appointments strengthen the leadership of the Group as we move into the next phase.

Dividend

Following consultation with shareholders, we are rebalancing our approach to capital returns. While the overall level of cash returned remains unchanged, we will move to a 50% dividend payout ratio, with the balance returned through share buybacks.

The Board has recommended a final dividend of 2.7 pence per share, taking the total dividend for the year to 7.4 pence per share, alongside an increased £50m share buyback programme. The final dividend will be paid on 15 July 2026 to shareholders on the register at the close of business on 5 June 2026.

Looking ahead

The Group enters FY27 with clearer priorities and stronger operational foundations. The Retail Turnaround Plan provides a structured path to improved performance, while the Vet business continues to deliver consistent growth. The combination of these, alongside the continued development of our broader pet care ecosystem, underpins our long-term strategy.

There remains work to do, particularly in Retail, but the direction is clear. With experienced leadership in place and a strong underlying business, I am confident in the Group's ability to deliver sustainable, long-term value for shareholders.



Ian Burke

Chair

27 May 2026

Market overview

Introduction

The UK pet care market was resilient in FY26 against a challenging consumer backdrop; Vet market growth was subdued, we believe primarily due to larger customer cohorts (from buying pets during covid) currently in healthy mid-life when visits are typically lower. Retail market demands were stable but with evidence of structural trends of humanisation and premiumisation remain present. The pet care market remains an attractive one with clear, consistent market drivers.

Market driver:

A stable UK pet population

The UK is a nation of pet lovers, with the pet population expected to remain stable after a period of significant growth in 2020-22, as it was for many years prior.

Our approach:

We cater for a variety of pet types at 460 well located Pet care centres nationwide and online and offer a wide range of pet products and pet care services for any stage of life to ensure we cater to all their pet care needs.

Market driver:

Humanisation of pets

Pets are increasingly being treated as a member of the family with a continued trend of selecting higher quality diets, and a greater desire to use the very best health care treatments and supplements.

Our approach:

Through our in-store colleagues and online content, we are able to explain the health benefits of feeding your pet a better quality diet. With many colleagues being pet owners themselves, they understand the emotional bond between pets and their owners and we support this with high quality, leading own brands such as Wainwright's and AVA.

Market driver:

Continued channel shift to online

Online penetration of the pet products market continues to increase. Price competitiveness and convenience remain important to the online shopping experience, driven by ease of price comparison and the different delivery options typically offered.

Our approach:

Our omnichannel capabilities differentiate us with our Pet care centres playing a critical role enabling us to offer products and services to customers however it is most convenient for them.

Market driver:

Advances in veterinary care

The veterinary care market continues to advance through scientific research, and the range of healthcare options available to pet owners is increasing. Together with a growing awareness and affordability of pet insurance, more pet owners are able to do what is best for their pet throughout their lifetime.

Our approach:

We aim to partner with the very best veterinarians and vet nurses through our unique Joint Venture model to deliver the best possible care to clients. By locating vet practices across the UK, both inside Pets at Home stores and in standalone locations, and offering 24/7 access to trusted advice through our telehealth business, we make access to this high quality care easy and convenient for pet owners.

Business model

Introduction

Whilst our collective purpose and vision remain unchanged as it continues to guide the business forwards. Reflecting on the year, the Vet Group continues to perform strongly through proven growth levers, however, our Retail business did underperform in the first half of the year as we didn't execute as well as we would have liked.

Following the departure of the Chief Executive Officer in September we introduced the Retail Turnaround Plan (RTP) with four clear priorities of Product, Price, Execution and Cost. With the aim to stabilise and rebuild momentum in the Retail business, and to lay the foundations for James (our new Chief Executive Officer) to then build from.

The RTP has brought clear focus and seen growth improve sequentially and remain confident these are the right priorities for the business in the near term. We finished the year with better momentum, delivering in line with our plan. While there is more we need to do, progress is being made in all areas.

Our Purpose

To create a better world for pets and the people who love them

Our Vision

To build the world's best pet care platform

Integrated	Omnichannel	Consumer-centric
A unified blend of products, services and advice	Seamlessly connected	An unrivalled experience
<ul style="list-style-type: none">- Nutrition- Accessories- Preventative Care- Curative Healthcare- Grooming & Wellbeing Adjacencies	<ul style="list-style-type: none">- Physical pet care centres and practices- Virtual consultations- Digital advice and support- E-commerce, click & collect E-pharmacy and telemedicine	<ul style="list-style-type: none">- Seamless and frictionless- Easy and enjoyable- Targeted and personalised simple, unified experience across app, online, physical and virtual
Delivering economies of scope	Driving economies of scale	Fueling consumer and revenue growth

Retail Turnaround Plan

Product - Improve product range instore and online

Price - Respond proactively and maintain discipline on pricing

Execution - Improve execution across the Company

Cost - Reduce our costs and driving efficient service

Investment case

Pets at Home's prospects remain strong, despite Retail underperforming in the first half of the year. We are the market leader in a structurally attractive market and with the right actions can win and create significant value for shareholders. Pet care remains a very attractive market benefiting from structural growth trends around premiumisation and humanisation. Even while the market has been subdued recently, these trends have continued unabated as indicated by the success of premium direct-to-consumer offerings.

In this market, Pets at Home retains considerable competitive advantages.

- **Expert colleagues** – 17,000 highly trained, passionate colleagues and clinicians that help consumers take the best care of their pets. We have a proven record in educating consumers, introducing innovation and growing new categories when we support colleagues in the right way, we are determined to improve in this area.
- **Sector leading Vets** – our Vet Group is a unique asset, operating some of the most productive assets in the industry through empowering our practice owning partners with our support and services. We have significant headroom for further growth leveraging proven growth levers of maturity, extensions and new practices.
- **Unrivalled reach** – our 460 Pet care centres give us unrivalled reach to the nation's pet owners, and bring together products, grooming, and vets while enabling much of our digital revenue. We have a well located, well rented, and flexible estate with no long tail of unprofitable stores.
- **A large, engaged customer base** – with over 7.4m active Pets Club customers and many more vet clients and non-Pets Club customers, we remain the leading UK pet specialist and most important route to market for any pet brand.
- **A trusted brand** – with brand awareness of over 95% the Pets at Home brand is instantly recognisable and trusted by the nation's pet owners.
- **Well-invested infrastructure** – two major investments in our distribution and digital capabilities have been completed in recent years. We have a modern digital platform that will support profitable growth in our omnichannel sales and a distribution centre that is delivering structurally better levels of availability. They have required significant effort and resource to deliver but put the business in good shape for the future.

FY26 Performance - Statutory Metrics

Group Statutory Revenue (£m)

£1,469.6m -0.8%

Group Statutory PBT (£m)

£86.5m -28.3%

Dividend (p)

7.4p -43.1%

Group statutory revenue and PBT declines are detailed below in the financial performance section, due to the close connection between the statutory measure and the equivalent alternative performance measure (APM).

Dividend of 7.4p is a reduction of 43% in the year. Following extensive shareholder feedback, we rebalanced how we return cash back to our shareholders across dividends and share buy backs. As a result, we rebased our dividend payment to 50% of underlying basic EPS¹ with the cash saving this generated returned back to shareholders via an increased share buyback.

Key performance indicators

We are committed to generating shareholder value and financial returns and therefore focus on three financial metrics we believe are the best measure of our performance. Alongside financial KPIs, we also have KPIs aligned to our strategic progress to ensure we can track delivery against our key objectives.

Financial KPIs shown represent those used by the business to monitor performance. Management recognise that as Alternative Performance Measures¹ they differ to statutory metrics but believe they represent the most appropriate KPIs.

Financial Performance

Group Consumer Revenue¹ (£m)

£1,981.0m +1.0%

What we are measuring

Group consumer revenue¹ is statutory Group revenue, less Joint Venture veterinary practice fee income, plus gross consumer sales made by Joint Venture veterinary practices. This is an important measure as it includes revenues from practices whether they be under the Joint Venture or Company Managed model.

Why is it important?

By growing Group consumer revenue¹ across all parts of our business ahead of the market, we can gain market share. This means focusing on the sales made by general vet practices, whether they be under the Joint Venture or Company Managed model.

FY26 Result

Growth driven by Vets, with Vet consumer revenue¹ up 5.0%, growth driven by Care Plan sign-ups and higher average transaction values. Retail consumer revenue down 1.0%, mainly impacted by H1 performance which was down 2.3%.

Future plans

We expect the Vet Group to continue to grow via its proven growth levers, in Retail we are encouraged by the Retail Turnaround Plan (RTP) which was launched to address underperformance. Future initiatives within the RTP will support future growth.

Group Underlying PBT¹ (£m)

£92.8m -30.2%

What we are measuring

Group underlying profit before tax¹ (PBT) is based on pre-tax profit before the impact of certain costs or incomes that are excluded as they are not generated from ordinary business operations, infrequent in nature and unlikely to reoccur in the foreseeable future in order to reflect management's view of the performance of the Group.

Why is it important?

Generating strong levels of underlying profit demonstrates that our strategy is the right one, and that we are delivering against our strategic objectives.

FY26 Result

Vet Group underlying PBT¹ of £83.8m up 10.4%, driven by the increase in fee income year on year whilst maintaining a broadly flat cost base. Retail underlying PBT¹ of £30.8m down 57.8%, driven by the impact of lower revenues and gross margin % against a broadly stable cost base.

Future plans

We expect FY27 to be a year of Group underlying PBT¹ growth, following the drop in FY26 as we see a continuation of Vet Group growth and Retail profitability increase supported by the RTP.

Free Cash Flow¹ (£m)

£61.9m -26.1%

What we are measuring

The cash available for return to shareholders after investing in the needs of the business.

Why is it important?

Delivering free cash flow¹ allows us to make strategic investments in the business to fuel further growth, whilst providing an appropriate return to shareholders.

FY26 Result

Vet Group free cash flow¹ £74.2m up 9.9% due to consumer revenue growth flowing into JV fee income. Retail free cash flow¹ £2.7m down 91.2% due to lower year on year profitability.

Future plans

Generating free cash flow¹ from our vet business remains a significant value creation opportunity. This, alongside profit growth in Retail, will enable Group free cash flow¹ to grow sustainably in the medium term.

1. Alternative Performance Measures (APMs) are defined and reconciled to IFRS information, on pages 157 to 158.

Strategic performance

Number of active
Pets Club members

7.4m -10.5%

What we are measuring

Growth in the net number of active members of our Pets Club. An active member is defined as a consumer who transacted across the Group in the last 365 days prior to the end of the reporting period.

Why is it important?

By providing complete pet care through a trusted brand, we will attract more pet owners to engage with the Group, increasing our market share.

FY26 Result

Performance impacted by a methodology change² which impacts our least loyal active members, this has a corresponding positive benefit on the Average Consumer Value. Transaction performance is currently a better indicator of underlying performance with total retail transactions down 1% in FY26.

Future plans

We will continue to make Pets Club convenient and rewarding for consumers to engage across our full platform of products, services and advice.

Average Consumer
Value

£195 +11.7%

What we are measuring

The average annual spend from our Pets Club members across the Group. This includes all spend across both the Retail and Vet Group businesses.

Why is it important?

Our Pets Club is a unique asset providing data and insight to help us increase share-of-wallet, engagement and loyalty, encouraging greater spend across the Group.

FY26 Result

Performance impacted by number of active Pet Club members methodology change² which impacts our least loyal active members, therefore increasing the average consumer value.

Future plans

We will continue to leverage our data capabilities to better support the needs of our customers which will support our future growth plans.

% of consumer revenue¹
from subscriptions

15.2% +16.8%

What we are measuring

The proportion of total consumer revenue contributed by our three core subscription offerings, namely veterinary health care plans, flea and worm subscriptions and our Easy Repeat service.

Why is it important?

The ability to offer consumers convenient pet care through subscription services is a key competitive differentiator for the Group.

FY26 Result

Strong growth across Easy Repeat and Care Plans as our offer and functionality resonates with customers.

Future plans

Continuing to offer subscriptions to our customers to improve share-of-wallet.

Clinical FTE

3.6k +3.5%

What we are measuring

We track the number of full-time-equivalent vets and nurses in our practices, whether employed directly or through our extended clinical workforce.

Why is it important?

Strong clinical capacity helps us meet rising demand, deliver high-quality care, and support business growth. It ensures we have the right skills at the right time and location.

FY26 Result

Recruitment and retention of vets and nurses improved in FY26, supported by proactive talent pipelines, partnerships with universities and training providers, and presence at major industry events like the London Vet Show. Our ranking; 16th place in the Financial Times Great Places to Work, boosted our employer brand.

Future plans

We aim to strengthen and expand our talent pipelines, grow partnership networks, and support recruitment, retention, and wellbeing to remain a top employer and drive continued business growth.

2. In April 2025 we implemented a change in how store colleagues are able to look up Pet Club member records in our till system. This resulted in a reduction in lower spending customers in our active Pets Club members base. Correspondingly, the number of non-Pets Club transactions have increased. It is not possible to restate prior quarters numbers to reflect this change.

Stakeholder engagement & S172 statement

Engaging with our key stakeholders

Section 172(1) of the Companies Act 2006 requires each Director to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and in doing so have regard (amongst other matters) to the:

- Likely consequences of any decisions in the long term;
- Interests of the Company's employees;
- Need to foster the Company's business relationships with suppliers, customers and others;
- Impact of the Company's operations on the community and environment;
- Desirability of the Company maintaining a reputation for high standards of business conduct; and
- Need to act fairly between members of the Company.

Stakeholder engagement takes place at all levels within Pets and is an integral part of how we are delivering on our purpose of creating a better world for pets and the people who love them. The Board engages directly and indirectly with its priority stakeholders with different processes across the business to ensure stakeholder considerations are fully embedded into Board decision-making. This engagement helps provide a better understanding of stakeholders' points of view and the impact the Group has on them.

The Board has identified its key stakeholder groups as being: (1) Colleagues including Practice Owners; (2) Customers; (3) Charities and Community; (4) Government and Industry Regulators; (5) Investors; and (6) Suppliers.

An overview is provided on engagement with all key stakeholders on the following pages 8 to 13 and more information is contained elsewhere in the Annual Report as detailed below.

Page 25 provides more information on engagement with customers

Page 24 and 61 provide more information on engagement with colleagues

Pages 13-15 provides more information on engagement with communities

Page 71 provides more information on engagement with Government through lobbying

Responsibility for engagement at an operational level sits with members of the Executive Management Team and the oversight is with the Board.

Colleagues

FY26 priorities	Board and day to day engagement	Key results and decisions FY26
<p>Our Purpose</p> <p>Values and behaviours</p> <p>Reward and benefits</p> <p>Training and development</p> <p>Engagement and wellbeing</p>	<ul style="list-style-type: none"> - The Board has a designated Board member responsible for colleague engagement. - The Board and Executive Management Team engage directly with colleagues through a programme of in-person colleague listening sessions across Support Office, Pet care centres and the distribution centre. In-person sessions were held providing direct insight into colleague experience, culture, well-being and the impact of change across the Group. - A 24/7 whistle-blowing line provides a confidential pathway for concerns. The whistleblowing policy was renamed as 'Speak up' and colleague facing material was refreshed to make it more accessible. - Board discussions on key people metrics (e.g. diversity, gender pay). - Established channels for colleague communication including group-wide intranet, Communities pages, regular news updates, Support Office, Retail and distribution townhalls (with virtual dial-in). - Colleague Voice Representatives were launched within distribution and Pet care centres to strengthen local representation and two-way dialogue, with plans to re-establish this model in Support Office following the completion of restructuring activity. - Joint Venture Council representing our Practice Owners which meets regularly to discuss strategic, operational and clinical matters. It is attended by members of the vet leadership team. Board members have also attended as guests on a number of occasions during the year. 	<ul style="list-style-type: none"> - The Board took the decision to proceed with the Support Office restructure during the FY, which was then completed. The impact of the restructure on colleagues was taken into account in this decision and the wider impact on colleagues and culture continues to be assessed, through listening and specific projects. - Discussions at the Remuneration Committee have covered reward and benefits changes, including changes to share plans. The decisions to no longer run the Save as You Earn share scheme and decisions on the new Performance Share Plan have been informed by the results of the colleague survey on reward, with certain cohorts of colleagues indicating a preference for more immediate benefits and investment in base pay, as opposed to share schemes. - The Remuneration Policy review has been completed and the outcome will be presented for shareholder approval at the AGM. - The practice management system roll out is well underway and Practice Owners have been involved in feedback and review throughout. Feedback has supported improvements in the roll out process.
<p>Lead Executive accountability</p> <p>People Director</p>		<p>Looking ahead</p> <ul style="list-style-type: none"> - Change management including technological innovation (e.g. AI) - Reward and benefits - Safe and inclusive places to work - Culture and values - Training and development

Customer

FY26 priorities	Board and day to day engagement	Key results and decisions FY26
<p>Consumer value proposition</p> <p>Loyalty and personalisation</p> <p>Subscriptions</p> <p>Omnichannel</p> <p>Expertise credentials</p> <p>Digital capability</p>	<ul style="list-style-type: none"> - Ongoing listening programme with key insights from our customer satisfaction programme (collecting 273k responses across retail, vets and contact centre), brand track (collecting 13k responses from UK pet owners), and our annual survey (collecting 5k responses from UK pet owners). - Review strategy launched covering Pets at Home and Vets for Pets to increase review volumes and percentage of reviews responded to. - Customer research shaping the Pets Insurance proposition ensuring customer needs and drivers are addressed. - Customer research to shape the care plan proposition, identifying opportunities and customer needs and drivers for veterinary care plans. - Consumer value proposition focus with detailed input from Board and Executives to ensure offering to customers enhanced. - Pets Club data helping us understand how our customers are shopping. 	<ul style="list-style-type: none"> - Engagement informs our responses to the key issues impacting our customers, including selecting products and seeking advice to care for their pets, convenience and price. - Decisions on price investment during the year have been made with customers in mind. - Decisions to improve product innovation, including newness in accessories and new food ranges (such as Ruff's Recipes) have also been taken with customer views and insight in mind. - Investing further in what matters for customers, including our distribution centre to provide fulfilment for customers in store and online shopping. - Customers are also being carefully considered as part of the implementation of the CMA Market Investigation remedies. - The development of our Pets Club loyalty club and 'Easy Repeat' development, pet expert advice and differentiated own brand products. - Customer and Practice Owner perspectives have been taken into account in the development of the new insurance offering and what will be important to both as we start to shape the proposition. <p>Looking ahead</p> <ul style="list-style-type: none"> - Loyalty and Personalisation - Omnichannel and app development - Own brand - Easy Repeat (subscriptions) - Expert pet care advice
<p>Lead Executive accountability</p>		
<p>Marketing Director</p>		

Charity and Community

FY26 priorities	Board and day to day engagement	Key results and decisions FY26
<p>Pet relinquishments</p> <p>Strategic partnerships with national rescues on mutual priorities</p> <p>Supporting local communities through volunteering</p> <p>Lead Executive accountability</p> <p>Veterinary Director</p>	<ul style="list-style-type: none"> - Through the Pets Foundation we engage with and support local and national charities across the UK. Supporting more rescue and rehoming organisations than any other grant funder, we have invaluable insight into the pet rescue sector in the UK. - The Chair of the Board and the Chair of the Sustainability Committee spent time with the Pets Foundation team on and off site with charity partners. - Attendance at industry events, including roundtables, conferences and Government events enables the Pets Foundation team and trustees to continually listen and engage with all key stakeholders in our sector. - Our Pets Foundation adoption centres provide a safe space for people to relinquish small pets they can no longer care for and our teams find loving homes for them. We remain the largest re-homing organisation for small pets in the UK. - All colleagues are given a day to volunteer each year at a cause of their choosing which supports our purpose of creating a better world for pets and the people who love them. Following a change in strategic priorities in FY26 2,033 hours have been donated which is short of the Sustainability Linked Loan target as noted on page 14. In total 52,000 hours have been donated in the last four years from across the business, including the Executive Management Team (EMT), these days help to connect colleagues at all levels of the business with local community issues. 	<ul style="list-style-type: none"> - Continued to gain insight from the sector on the key reasons for pet relinquishment, identifying alongside partners, how support can be given to pets and pet owners in need. As part of this, the Pets Foundation continued to support pet food collection points within our Pet care centres, donating food to local foodbanks. - Through continued dialogue with rescue and rehoming charities, we remain confident in our core mission. Their insight highlights the essential role of pet rescue provision when relinquishment cannot be avoided, supporting our commitment to sustained funding and to maintaining small animal adoption centres in our Pet care centres. <p>Looking ahead</p> <ul style="list-style-type: none"> - Ongoing support of pet rescues - Strategic partnerships and grants to keep pets with the people who love them - Community support led by our colleagues who know their communities best

Government and Industry Regulators

FY26 priorities	Board and day to day engagement	Key results and decisions FY26
<p>CMA Market Investigation</p> <p>Digital Markets, Competition and Consumers Act 2024 (DMCCA)</p> <p>Employment and business legislation and policy</p> <p>Animal welfare</p> <p>Veterinary legislation</p> <p>Health and safety</p> <p>Technology including AI</p> <p>Sustainability</p> <p>Lead Executive accountability</p> <p>Legal Director & Company Secretary</p>	<p>We engage through select MP meetings, official consultation responses to Government departments and select committees and hosting visits to veterinary practices or Pet care centres.</p> <ul style="list-style-type: none"> - Areas of priority include: - Responding to the Government's consultation on proposals for a new Veterinary Surgeons' Act (VSA). This is an important milestone, with proposals aimed at modernising regulation across the entire veterinary sector; - Engaging with Government on the Employment Rights Act to ensure this works as intended for colleagues as well as businesses; - Following and engaging on animal welfare specific legislation and working with bodies like the Animal Sentience Committee to feed back the expert view of Vets for Pets colleagues as policy is considered. - We also engage through our industry representatives including, the British Retail Consortium (BRC) and British Veterinary Association (BVA). We are represented on working groups including the climate action roadmap. <p>We engage on technological innovation such as AI and its impact on the future of work, operational efficiencies and customer experience.</p> <ul style="list-style-type: none"> - The CMA's Market Investigation into the veterinary services sector for household pets also continued to provide us with an opportunity to articulate and present the benefits of our unique joint venture model, through written responses, hearings and roundtables with the CMA team. We have represented our views and those of our Practice Owner at all relevant opportunities. 	<p>The Board have stayed close to the CMA Market Investigation and key decisions considering our engagement with the CMA, important updates and decision points in terms of our responses to the market investigation through to its conclusion. We are now planning how the CMA's remedies will be implemented in the business.</p> <ul style="list-style-type: none"> - We worked closely with the BRC in relation to the DMCCA implementation, inputting into guidance documents and through consultation. The outcomes achieved a more workable position for the business. A working group ensured that our processes, website and stores were updated in the relevant areas (for example, shelf edge labelling changes on unit pricing), to ensure legal compliance. - The Executive Management team have also considered the impact of the Employment Rights Act 2025 and the implementation roadmap. <p>Looking ahead</p> <ul style="list-style-type: none"> - Employment and business legislation and policy - Animal welfare legislation and consultations advancements - Veterinary legislation changes (VSA) - Technology including AI - CMA's final decision and remedies implementation

Investors

FY26 priorities	Board and day to day engagement	Key results and decisions FY26
<p>Providing context and clarity around the performance of the Retail and Vets business, alongside updating on key events throughout the year</p> <p>Lead Executive accountability</p> <p>Chief Executive Officer and Chief Financial Officer</p>	<p>The CEO, CFO and Investor Relations team are involved in ongoing interactions throughout the year via conference calls, meetings, small round table events, hosting site visits to our Pet care centres and vet practices, as well as attending investor conferences both in the UK and overseas.</p> <ul style="list-style-type: none">- The CEO, CFO and Investor Relations team have a positive, ongoing and transparent dialogue with our shareholder base and value feedback and insight which is then shared.- The Chair of the Board and Senior Independent Director have also met with investors during the year to discuss management changes and business performance. In addition, whilst the Chair was also performing the Interim Executive Chair role, the Senior Independent Director increased her level of investor engagement.- The board regularly receives updates on investor relations, which includes feedback from our principal shareholders to ensure that these views inform decision making throughout the year.	<p>Key issues that matter to shareholders included, explaining the reduction in profit guidance over the year, changes in leadership with the CEO departing in September and the future strategic direction of the business, the CMA's final decision and progress on Retail business performance since introducing the Retail Turnaround Plan.</p> <ul style="list-style-type: none">- The investor perspective has been taken into account by the Board in relation to their approach to capital allocation (including buyback) and dividend decisions. <p>Looking ahead</p> <ul style="list-style-type: none">- We will continue to keep investors informed of any significant strategic developments

Suppliers

FY26 priorities	Board and day to day engagement	Key results and decisions FY26
<p>Development of long-term partnerships</p> <p>Supplier agreements</p> <p>Focus on margin</p> <p>Supply chain security and technological innovation</p> <p>Growth and innovation opportunities</p> <p>Responsible product manufacturing and sourcing</p> <p>Supplier climate action programme maturity</p>	<ul style="list-style-type: none"> - A key focus of FY26 has been progressing towards stronger supplier partnerships, with an increased emphasis on longer-term agreements to support greater stability and align more closely to customer needs. - The Board receives regular feedback on substantive supplier and partner matters via the CEO, Chief Operating Officer (Retail) and Managing Director (Vets). Trading showcases provide platforms for Board members to engage with the trading team on key priorities and opportunities. - In September 2025, suppliers across retail, vets and GNFR attended a one-day event hosted by the CEO to receive an overview on strategy, digital developments and sustainability. - Key supplier meetings were hosted by our Managing Director (Vets), to reset and align priorities for FY27 onwards. 	<ul style="list-style-type: none"> - Building stronger relationships to manage short term issues and deliver our long-term strategy. - Our ongoing collaborative approach to delivering our sustainability commitments has resulted in a deeper understanding of our Scope 3 emissions. - Our supplier climate action programme continued to mature during the year, and we aim to improve the quality, efficiency and accessibility of our approach to engaging suppliers on climate-related data and action.
<p>Lead Executive accountability</p> <p>Chief Operating Officer (Retail) and Managing Director (Vets)</p>	<p>The supplier engagement strategy includes regular touchpoints including on-site at suppliers, at our Support Office and Pet care centres.</p> <ul style="list-style-type: none"> - Continued focus on our long-term partnership with Cranswick and continued investment in Good Dog Food Limited (Meatly), the cultivated meat pet food company. - Responsible sourcing and manufacturing in our supply chain from a human rights, raw materials and carbon and nature-based impacts perspective remains a key priority and the Sustainability Committee received updates throughout the year. - Our responsible sourcing handbook details our requirements from a raw material, climate action, packaging and human rights perspective. - Supplier Climate Action Programme supports supplier climate action and Pets progress on Scope 3 emissions. 	<p>Looking ahead</p> <ul style="list-style-type: none"> - Mutually beneficial partnerships which work for all parties - Supply chain security - Growth and innovation opportunities - Responsible product manufacturing and sourcing - Supply chain decarbonisation

Sustainability review

Our Better World Pledge

Strategy overview

We call our sustainability strategy 'Our Better World Pledge' and it articulates how we deliver our purpose 'to create a better world for pets and the people who love them'. FY26 was the third year of implementation of the refresh of this strategy and in the first half of the year, we continued to progress actions as planned. Sustainability remains a strategic priority for Pets at Home, however, in light of the continuing business performance challenges and cost savings undertaken, we have re-prioritised our sustainability initiatives, until such time as we are able to broaden the scope of initiatives again. One of the re-prioritisation measures included the annual bonus criteria not having a sustainability target for FY26. We remain proud of the progress that we have made across our initiatives and the core pillars of the strategy: Pets, People and Planet, will continue for the time being. Further details of this re-prioritisation is provided in the stakeholder engagement section on pages 8 to 13 and the 'looking ahead' on page 16.

Our strategic focus on sustainable pet food, advocating for pet welfare, and creating rewarding and sustainable careers in pet care for everyone, are good for the planet, pets and people but also integral to the business' financial sustainability. This alignment is key to driving engagement and action and ultimately achieving our goals.

Our revolving credit facility, agreed in March 2022, is linked to sustainability targets and is now in its fifth year. We have financial incentives (or penalties) to accelerate our work on pets, people and planet through targets focused on carbon reduction, supporting pets in need and community action. We did not anticipate meeting two of these targets this year due to a change in strategic priorities, but we have continued to meet the target on Scope 1 and 2 carbon emissions as summarised in the table below. More details on our sustainability linked loan (SLL) performance can be found in a separate summary available on the Pets at Home Group investor website.

Sustainability linked revolving credit facility: summary of FY26 performance against Sustainable Performance Targets (SPTs)

SPT	ESG Topic	SPT description	Measurement	FY26 target	FY26 actual	Achieved
SPT 1	Scope 1 and 2 carbon emissions performance	Location-based (Scope 1 and 2 tCO2e) intensity	Tonnes CO2e divided by Group statutory revenue	15.7	13.8	Yes
SPT 2	Lifelines pet charity scheme	Monies raised through the Pets club lifelines scheme	£m	£3.26m	£2.94m	No
SPT 3	Community volunteering	Total hours donated through 'Better World Pledge Days' programme	Hours	18,098	2,033	No

Sustainability strategy

To create a better world for pets and the people who love them

Planet

To make pet care environmentally sustainable.

By leading in sustainable pet food:

- Environmental impacts on carbon, land use, water and nature.
- Innovative, sustainable packaging.
- Nutritional needs met, affordably.

Highlights

- Over 314 complete own brand dog and cat food products have been carbon footprinted representing over 72% of complete own brand dog and cat food sales.
- Woodland Trust pet memory scheme has completed its fourth year, with over £1.2m donated to date, which has created, restored and protected over 9,800 acres of UK native woodland.
- Over 1000 colleagues, across 330 practices, have registered or engaged with our low flow anaesthetic programme, with 622 colleagues having completed the requisite course, making them low flow anaesthetic ambassadors. Our anaesthetic gas emissions have seen a 9% reduction in both emissions and volume versus FY25 and provided over £90,000 of grants to practices investing in lower flow anaesthesia equipment in FY26.
- FY26 was our first full year with solar panels in operation at the distribution centre. Throughout the year, solar power generation accounted for c. 20% of the building's electricity consumption. We are currently in the planning phase to install further solar panels at one of our Support Office locations.

Pets

To improve the life of every pet in the UK.

By being the leading advocate for pet welfare:

- Adopting the highest welfare and clinical standards for pets in our care.
- Providing pet owners with the best products, service and advice.
- Using our voice and expertise to advocate for pets.
- Supporting more rescue and rehoming organisations than any other grant funder.

Highlights

- Our charity the Pets Foundation, raised over £5.1m during FY26 and reached a cumulative total of over £65m of funds raised since forming in 2006.
- The Pets Club loyalty scheme raised 'lifelines' worth over £2.9m. 'Lifelines' are points earned through spending in our Pet care centres, vets or groomers that are then converted into vouchers and donated to local and national pet charities.
- Following the Support Office restructure, the Pets Foundation and 'Pet Expertise' training now sit within the Veterinary Services team, strengthening governance and ensuring pet welfare sits within a single specialist remit.
- Pet food collection points are in all stores, in partnership with the Blue Cross. These have contributed to Pets at Home donating over 5 million meals to pets in need since the initiative launched.

People

To be the best employer and developer of pet care talent.

By creating rewarding, sustainable careers in pet care for everyone:

- Continuous investment in pet care expertise.
- Compelling clinical careers and development opportunities.
- Colleagues fully representing our diverse communities.

Highlights

- Our vet graduate programme now has 256 graduates across both cohorts.
- We have over 1,400 colleagues at suitably qualified persons (SQP) level working in our Pet care centres and distribution centre.
- Over 5,200 colleagues have completed our nutritionist core training programme.
- Continued development of our diversity data, with increased data completion rates for Support Office and retail-based colleagues. Completion rates across the overall business (excluding practices) were 89.6%.

Looking ahead

As we look ahead to the year, the commitment to sustainability remains but with renewed priorities

Planet pillar

Progress towards our carbon emissions reduction ambition continues to depend, in part, on wider system-level change beyond our direct control. Ongoing geopolitical instability, economic uncertainty, inflationary pressures, supply chain disruption and energy security considerations all influence the pace and availability of low carbon solutions at scale. In this context, delivery of our longer-term targets is also shaped by factors such as the decarbonisation of the electricity grid, the development of low emissions technologies and charging infrastructure for heavy goods vehicles and the adoption of regenerative and more sustainable agricultural practices across global supply chains. While progress in these complex areas remains critical, we remain focused on taking action where we have the greatest opportunity to drive impact as the UK's leading pet care business.

Within our Planet pillar, we continue to prioritise opportunities across our own operations and broader value chain to reduce emissions. Our supplier climate action programme continued to mature during the year and we aim to improve the quality, efficiency and accessibility of our approach to engaging suppliers on climate-related data and action. Alongside this, we have continued to expand the carbon footprinting of our own brand complete cat and dog food products, representing one of our most material sources of Scope 3 emissions. By the end of FY26, 314 products had been carbon footprinted, providing robust product-level insights that are being used to inform new product development, listing decisions and the reformulation of existing ranges. These insights are also enabling us to begin equipping colleagues with the knowledge required to support pet owners who wish to take sustainability considerations into account alongside nutritional needs when making purchasing decisions.

Veterinary specific planet initiatives

Antimicrobial stewardship remains an area of ongoing focus following the launch of guidance to practices. During the year we progressed to the next stage of our internal reporting dashboard, with rollout to practices planned during FY27. We have also continued our multi-year, ground-breaking antimicrobial usage research project, in partnership with the Royal Veterinary College and VetCompass, which uses a blended qualitative and quantitative approach to support improved stewardship across our practices. In addition, we supported a Practice Owner with their research project into the use of antibiotics, which will be progressed into a published paper.

Pet pillar

We are continuing to contribute to charities through the lifelines scheme which allows Pets Club members who shop with us to earn lifelines which are converted into vouchers donated to local and national charities.

The Pets Foundation will continue to support pet welfare through fundraising and grant programmes. We will measure and report on the impact that donations from the Pets Foundation and other charitable activity has on pets and people.

We will also continue to improve standards in our pet supply chain.

People pillar

From a people perspective we continue to develop our market leading pet expertise and clinical programmes. We will continue to develop our clinical academy hubs and online offering to meet the needs of our clinical colleagues.

We are continuing our focus on increasing the representation of ethnic diversity amongst our colleagues to better connect with diverse pet owners and reflect the communities we operate in. Through the work we have done in developing and embedding inclusive recruitment processes and inclusive leadership education, we have seen another step forward ending the year with 4.1% ethnic representation across the Group, and 6.9% across Retail, Support Office and distribution.

Both of these figures demonstrate continued year on year increases in ethnic representation but also indicate we have more opportunities ahead. We will be continuing to monitor progress through our enhanced diversity data capture and reporting.

We will also continue to consider gender diversity at all levels across the Group. For the purposes of section 414C(8) of the Companies Act 2006, as at the end of FY26, the gender split of colleagues was as set out below:

	Male	Female	Non binary/prefer not to say/unknown
Directors of Pets at Home Group plc	4	3	0
Senior managers ¹	56	60	1
Total colleagues ²	4,103	13,292	223

1. Senior managers includes Executive Management Team and colleagues at functional director and head of level.
2. Includes colleagues employed by Group entities and Joint Venture veterinary practices.

The Sustainability Committee report (including our TCFD statement) is on pages 52 to 67.

Chief Financial Officer's review

The FY26 period represents the 52 weeks from 28 March 2025 to 26 March 2026. The comparative period represents the 52 weeks from 29 March 2024 to 27 March 2025.

The Group's results are shown as four segments that represent the size of the respective businesses and our internal reporting structures; Retail (includes products purchased online and in-store, pet sales, grooming services and legacy insurance commissions via our 3rd party arrangement), Vet Group (includes general practices and our veterinary telehealth business), Central (includes Group costs and finance expenses) and our Insurance business (includes start-up costs).

	FY26	FY25	YoY
Group statutory revenue (£m)	1,469.6	1,481.7 ¹	(0.8)%
Retail	1,292.9	1,306.4	(1.0)%
Vet Group	176.7	175.3	0.8%
Group consumer revenue [#] (£m)	1,981.0	1,961.5	1.0%
Retail	1,292.9	1,306.4	(1.0)%
Vet Group	688.1	655.1	5.0%
Group gross profit margin	45.7%	46.9%	c(120)bps
Retail	44.4%	46.1%	c(180)bps
Vet Group	55.7%	52.6%	c310bps
Group statutory PBT (£m)	86.5	120.6	(28.3)%
Group statutory PBT margin	5.9%	8.1%	c(230)bps
Group underlying PBT [#] (£m)	92.8	133.0	(30.2)%
Retail	30.8	72.9	(57.8)%
Vet Group	83.8	75.9	10.4%
Insurance	(5.2)	(0.4)	
Central	(16.6)	(15.4)	7.8%
Group underlying PBT margin [#]	6.3%	9.0%	c(270)bps
Retail	2.4%	5.6%	c(320)bps
Vet Group	47.4%	43.3%	c410bps
Statutory basic EPS (p)	13.8	19.0	(27.7)%
Underlying basic EPS [#] (p)	14.8	21.0	(29.7)%
Operating Costs (£m)	(569.1)	(558.3)	1.9%
Non-underlying items ² (£m)	(6.3)	(12.4)	(49.4)%
Free cash flow [#] (£m)	61.9	83.8	(26.1)%
Cash and cash equivalents (£m)	39.6	39.5	0.3%
Adjusted net (debt)/cash [#] (£m)	(19.4)	6.2	
Dividend (p)	7.4	13.0	(43.1)%
Number of			
Pet care centres	460	459	1
% of pet care centres with a vet practice	70%	68%	
Joint Venture vet practices	407	396	11
Company managed vet practices	48	52	(4)
Grooming salons	339	343	(4)

1. In the 52 week period ended 27 March 2025, £0.4m has been reclassified from cost of sales to revenue, this adjustment has been posted to aid comparability with the current year.

2. FY26 non-underlying items of £6.3m relates to the completion of restructuring the Group's Support Office functions. FY25 non-underlying items of £12.4m. £7.3m relating to our distribution network optimisation program, £4.1m relating to restructuring of certain support functions, £3.3m relating to the CMA investigation. Alongside this we had a disposal on investment gain of £2.3m which relates to the disposal of Pure Pet Food.

Alternative Performance Measures (APMs) are defined and reconciled to IFRS information, on pages 157 to 158.

Revenue

Group consumer revenue[#] grew 1.0% to £1.98bn, with Group statutory revenue declining 0.8% to £1.47bn

Consumer Revenue YoY Growth [#]	Q1 25	Q2 25	H1 25	Q3 25	Q4 25	H2 25	FY 25
Retail	(0.8)%	1.1%	0.1%	(2.4)%	(5.2)%	(3.7)%	(1.8)%
Vet Group	13.3%	12.6%	13.0%	14.2%	11.9%	13.0%	13.0%
Group	3.6%	4.7%	4.1%	2.3%	0.2%	1.2%	2.7%

Consumer Revenue YoY Growth [#]	Q1 26	Q2 26	H1 26	Q3 26	Q4 26	H2 26	FY 26
Retail	(2.8)%	(1.7)%	(2.3)%	(1.1)%	2.2%	0.4%	(1.0)%
Vet Group	7.1%	6.2%	6.7%	5.0%	1.3%	3.1%	5.0%
Group	0.5%	1.0%	0.7%	0.8%	1.9%	1.3%	1.0%

Vet Group consumer revenue[#] up 5.0% to £688.1m, with statutory revenue up 0.8% to £176.7m.

- Joint Venture consumer revenues[#] grew 6.3% to £619.8m with Joint Venture statutory revenues (fee income) up 4.9% to £108.4m.
- Company managed practice revenues decreased 3.0% to £51.1m, as we had 4 fewer YoY due to conversions from being Company managed to a Joint Venture practice.
- The Vet Connection (our telehealth business), generated revenue of £3.8m, down 3.5%.

Retail revenue (consumer[#] and statutory) down 1.0% to £1.29bn.

- Food sales of £805.0m were flat, volume momentum built through the year in part supported by price investment. Our own brands continue to perform well, delivering sales growth of c3%.
- Consumable accessories sales of £171.5m were down 1.6% as we saw a weak flea & worm season alongside annualising a very strong season in the prior year.
- Discretionary accessories sales of £265.1m, down 3.5%, looking ahead we expect performance to improve as this plays a key area of the Retail Turnaround Plan.

Gross margin

Group gross margin³ decreased YoY by c120bps to 45.7%. Retail adversely contributed c160bps towards the Group movement, with Vets Group improving the Group position by c40bps.

- Vet Group gross margin³ increased by c310bps to 55.7%. The main contributor being the growing contribution of Joint Venture fee income against a broadly fixed cost base, we also saw better profit conversion within our company managed practices even though sales declined in the period.
- Retail gross margin³ was 44.4%, a c180bps decline YoY, including c80bps from targeted price investment.

Operating costs

Operating costs⁴ grew 1.9% YoY, when excluding insurance start-up costs, they only grew 1.1%. Well within our previously stated guidance for operating costs to grow by no more than 5% in FY26.

(£m)	FY26	FY25	YoY
Group statutory revenue	1,469.6	1,481.7 ¹	(0.8)%
Selling and distribution expenses	451.7	442.9	2.0%
Administrative expenses	127.9	117.6	8.7%
Other Income	(16.8)	(14.6)	15.2%
Underlying operating costs	562.8	545.9	3.1%
Non-underlying items ²	6.3	12.4	(49.4)%
Operating costs	569.1	558.3	1.9%
<i>Underlying operating costs to sales ratio</i>	<i>38.3%</i>	<i>36.8%</i>	<i>c150bps</i>

3. Gross margin is calculated as gross profit as a percentage of revenue.

4. Operating costs are the sum of selling and distribution expenses, administrative expenses, other income and non-underlying items. These can be found on the consolidated income statement.

Cost remains a key pillar of our Retail Turnaround Plan, we successfully completed the program to reduce our Group overheads by c£20m as we simplify our business, FY27 will see a full year benefit from the program. Linked to this program £6.3m of non-underlying costs were incurred in FY26.

Alongside this we have ongoing productivity initiatives to help offset against external headwinds, productivity spans across procurement, lease renegotiations and distribution automation. We also implemented a leaner store operating model earlier in the year.

Finance expense

The net finance expense, including interest charged on lease liabilities, was £16.4m (FY25: £15.8m). Of this, £13.2m (FY25: £13.2m) related to interest expense on lease liabilities.

Profit before tax (PBT)

Group statutory PBT £86.5m decreased £34.1m with £6.3m of non-underlying costs incurred in the period vs £12.4m in the prior year.

Group underlying PBT[#] £92.8m (FY25: £133.0m), with Group underlying PBT margin⁴ of 6.3%, down c270bps YoY due to a reduction in Retail profit conversion. Vet Group positively contributed through stronger profit conversion and a growing contribution to Group performance.

- Vet Group statutory PBT was £82.8m with underlying PBT[#] of £83.8m which represents another year of strong profit growth (FY25: £75.9m) with underlying[#] PBT margin⁵ of 47.4% (FY25: 43.3%), driven by the continued strong sales performance across Joint Venture practices, which are leveraging a broadly flat cost base.
- Retail statutory PBT was £26.8m (FY25: £66.9m). Retail underlying PBT[#] was £30.8m (FY25: £72.9m) with underlying profit margin⁵ of 2.4% (FY25: 5.6%). Sales declined in the year with gross margins³ also reducing by c180bps YoY (see relevant section) against a broadly stable cost base.
- Underlying Central costs of £16.6m (FY25: £15.4m) includes payroll costs for Group functions, professional fees, and PLC related costs.
- Insurance start-up investment costs of £5.2m were incurred in period as we began building the team and the required technology infrastructure, set up costs are expected to be slightly higher in FY27.

(£m)	FY26	FY25	YoY
Group statutory PBT	86.5	120.6	(28.3)%
<i>Retail</i>	26.8	66.9	(59.9)%
<i>Vet Group</i>	82.8	75.9	9.1%
<i>Insurance</i>	(5.2)	(0.4)	
<i>Central</i>	(17.9)	(21.8)	(17.9)%
Group statutory PBT margin	5.9%	8.1%	c(230)bps
Non-underlying items ²	(6.3)	(12.4)	(49.4)%
Group underlying PBT[#]	92.8	133.0	(30.2)%
<i>Retail</i>	30.8	72.9	(57.8)%
<i>Vet Group</i>	83.8	75.9	10.4%
<i>Insurance</i>	(5.2)	(0.4)	
<i>Central</i>	(16.6)	(15.4)	7.8%
Group underlying PBT margin⁵	6.3%	9.0%	c(270)bps

5. Group underlying PBT margin is calculated as underlying profit before tax as a percentage of revenue.

Taxation, profit after tax & EPS

- Total tax expense was £23.4m for the period. The effective tax rate for the period is 26.9% (FY25 26.7%), which is higher than the UK corporation tax rate due to expenditure not allowable for tax relief.
- Statutory profit after tax decreased by 28.4% to £63.1m.
- Statutory basic earnings per share (EPS) 13.8 pence (FY25: 19.0 pence) and underlying basic EPS[#] 14.8 pence (FY25: 21.0 pence).

Working capital

The cash flow movement in working capital⁷ for FY26 was an outflow of £8.6m (FY25: £3.3m outflow).

- Inventories increased by £0.6m YoY (outflow), stock levels comparable to last year to support the Retail sales plan.
- Trade and other receivables decreased by £0.9m YoY (inflow) due to lower Retail debtors YoY.
- Trade and other payables have decreased by £4.7m YoY (outflow) due to Retail trade creditors.
- Provisions decreased by £4.2m YoY (outflow) due to the settlement of various property provisions.

Investment

Capex was £42.1m (FY25: £45.9m) down £3.9m YoY as capex investment remains at more normalised levels following peak investment in prior years. Investment remains focused on key areas of the business.

- New Pet care centres and refurbishments £30.6m (FY25: £27.9m)
- IT & Digital £8.5m (FY25: £12.1m)
- Vet Group Investment £0.9m (FY25 £0.7m)
- Distribution Centre £1.6m (FY25: £5.0m)
- Pets Insurance £0.4m (FY25: £nil)

Free cash flow[#]

Free cash flow[#] (FCF) was £61.9m (FY25: £83.8m).

- Vet Group FCF[#] £74.2m up £6.7m YoY due to strong Joint Venture consumer revenue[#] growth flowing into fee income.
- Retail FCF[#] £2.7m down £27.9m YoY due to lower underlying PBT[#] (£42.1m) with a lower tax charge and lower capex partially offsetting as we return to a normalised level of investment.

Free cash flow (£m) FY26	Group	Retail	Vet Group	Insurance	Central	Group YoY
Underlying PBT[#]	92.8	30.8	83.8	(5.2)	(16.6)	(40.2)
Interest (underlying)	16.4	13.5	(0.7)	0.1	3.5	0.6
Depreciation (underlying)	102.7	98.3	3.9	-	0.5	3.9
Leases	63.3	62.1	1.2	-	-	1.1
PPE & amortisation of assets	39.4	36.2	2.7	-	0.5	2.8
Underlying EBITDA	211.9	142.6	87.0	(5.1)	(12.6)	(35.7)
Impairment of investments	5.7	3.0	2.7	-	-	5.7
Share-based payment charge	4.5	-	-	-	4.5	(1.4)
Non-underlying cash costs	(6.3)	(4.0)	(1.0)	-	(1.3)	5.0
Lease payments ⁶	(81.8)	(81.0)	(0.8)	-	-	(1.7)
WCAP ⁷	(8.6)	(10.1)	1.9	0.3	(0.7)	(5.3)
Operating cash flow	125.4	50.5	89.8	(4.8)	(10.1)	(33.4)
Capex ⁸	(40.8)	(40.4)	-	(0.4)	-	7.6
Bank interest (net)	(1.3)	0.2	0.9	-	(2.4)	0.5
Tax	(16.2)	(7.6)	(16.5)	-	7.9	4.7
Purchase of own shares (employee share schemes)	(5.2)	-	-	-	(5.2)	(1.3)
Free Cash Flow	61.9	2.7	74.2	(5.2)	(9.8)	(21.9)

6. Lease payments are cash payments for the principal portion of the right-of-use lease liability, they also include interest paid on lease obligations, costs to acquire right-of-use assets and the right-of-use asset.

7. Working capital is the sum of YoY movements in trade and other receivables, inventories, trade and other payables, and provisions.

8. Capex is the net proceeds from the sale of property, plant and equipment less acquisition of property, plant and equipment and other intangible assets. It also includes investment capital contributions and proceeds from repayment of partner loans.

The cash generation above enables us to invest to grow our business as well as fund our equity dividend and share buyback programme. Our balance sheet remains robust, our closing adjusted net debt position[#] at the end of the period was £19.4m (cash £39.6m, debt £59.0m). This represents a leverage ratio of 0.1x underlying EBITDA.

Adjusted Net (Debt)/Cash (£m)	FY26	FY25
Opening adjusted net (debt)/cash[#]	6.2	8.8
Free cash flow [#]	61.9	83.8
Equity dividends paid	(58.7)	(59.7)
Equity dividends paid to non-controlling interests	(0.5)	-
Share buyback	(25.2)	(25.1)
Acquisitions	(2.7)	(2.3)
Disposals	(0.4)	0.7
Closing adjusted net (debt)/cash[#]	(19.4)	6.2
pre-IFRS 16 leverage	0.1x	0.0x

Capital allocation

Our capital allocation policy prioritises investing cash in areas that will expand the Group and deliver attractive returns, our dividend policy (targeting a payout of 50% of earnings per share over the medium term) and value-accretive opportunities including M&A (which are strategically aligned to expanding our platform in core and adjacent markets).

We will return to shareholders any surplus cash after these items, and it is the Board's intention to review this on an annual basis. We have completed £150m in share buybacks over the past four years, in total reducing the shares in issue by c10%. We are pleased to announce a further £50m buyback in FY27 which aligns to our refreshed capital allocation approach across buybacks and dividends.

Dividend

The Board has recommended a final dividend of 2.7 pence per share, taking the total dividend for the year to 7.4 pence per share (FY25 13.0 pence per share), which is rebased to 50% of EPS. The final dividend will be payable on 15 July 2026 to shareholders on the register at the close of trading on 5 June 2026.



Sarah Pollard
Chief Financial Officer
27 May 2026

Risk Management and Governance Overview

Effective risk management is fundamental to the delivery of the Group’s strategy, the protection of pet welfare, customers, colleagues and shareholders, and the creation of long-term sustainable value. During the year, the Board reviewed the Group’s principal risks to ensure they remain relevant, clearly articulated and aligned to the evolving internal and external risk landscape, and to determine the nature and extent of the risks the Group is willing to take in achieving its strategic objectives.

As part of this review, the Group simplified and evolved its principal risks and risk appetite assessments. This strengthened governance by sharpening focus on the most significant risks, improving clarity of ownership, and enhancing the linkage between strategy, risk appetite and internal controls, enabling more effective management and Board challenge. The directors of Pets at Home Group plc confirm that we have carried out an assessment of the emerging and principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity.

The Audit and Risk Committee supports the Board by providing oversight, challenge and assurance over the effectiveness of the Group’s risk management framework, internal controls and emerging risk profile.

The Group operates a three lines of defence model, underpinned by a consistent, Group-wide risk management process. Risks are identified through top-down and bottom-up processes and reviewed regularly by the Executive Management Team, the Audit and Risk Committee and the Board, alongside consideration of emerging risks and the effectiveness of mitigating actions.

The diagram below provides an overview of the Group’s risk governance framework and responsibilities.

<p>Top down Oversight, identification, assessment and mitigation of principal and corporate risks</p>	<p>Principal risks and uncertainties</p>	<p>Board Sets strategy Collectively responsible for the management of risk Sets tone from the top Sets risk appetite, risk tolerance and determines the nature and level of principal risks Horizon scans for emerging risks</p>		
	<p>Corporate risks</p>	<p>Executive Management Team (EMT) Collectively responsible for identifying and managing risk, and monitoring risk exposure</p>	<p>Audit and Risk Committee (ARC) Oversees the Group’s internal control and risk management frameworks Provide oversight and challenge to the assessment of principal, corporate, and emerging risks Advises the Board on risk appetite</p>	
<p>Bottom up Identification, assessment and mitigation of risk across key business areas</p>		<p>First line of defence</p>	<p>Second line of defence</p>	<p>Third line of defence</p>
	<p>Business risks</p>	<p>Operational senior management & risk champions Ensure risk management process is adhered to</p> <p>Management Committees Provide a strategic, operational and Group-wide lens to the management of corporate level risks</p>	<p>Business assurance functions Monitor compliance with policies and procedures and provide assurance over business controls to the management committees and the EMT</p> <p>Operational risk Monitor adherence with risk appetite framework implement risk management processes and risk framework improvements</p>	<p>Group Internal Audit Provides objective assurance to the Board and ARC on the effectiveness of the risk management framework Risk-based internal audit plan approved through a direct reporting line to the ARC Respond to new areas of risk or change and re-prioritise plan throughout the year</p>

Risk management process

During the year, the Group refreshed its risk management approach, streamlining principal risks to strengthen alignment to strategy and sharpen focus on what could fail under sustained pressure. Principal risks now provide a more efficient, clear top-down strategic lens, supported by linked corporate and operational risks owned by risk champions, enabling broader and more meaningful conversations across risk and opportunity. Horizon scanning is embedded within this structure to identify emerging risks and opportunities and inform strategic decision-making.

The Board has established a risk management and internal control framework to identify, assess, manage and monitor the principal and emerging risks facing the Group. The framework operates across the three lines of defence and is embedded within the Group’s governance arrangements.

Risks are identified and assessed using a standardised Group methodology, informed by top-down and bottom-up inputs during the annual strategy and business planning cycle. Executive Management Team members are accountable for the effective management of risks within their areas of responsibility, ensuring appropriate controls and mitigations are in place.

Risks are monitored through ongoing dialogue, supported by risk registers, key risk indicators and assurance from across the three lines of defence. The Board and Audit and Risk Committee review the effectiveness of the framework at least three times a year, including deep dives into principal and emerging risks.

Emerging risks and opportunities

Emerging risks are those that may have a significant medium to long-term impact on the Group, where the full nature, scale or likelihood is still developing. Emerging risks and opportunities are identified and monitored through the Group's risk management and horizon scanning process and are tracked to ensure appropriate management oversight. Priority emerging risks are reflected within the relevant principal risks. Emerging risks are elevated to principal risks when their potential impact, likelihood or velocity meets the Group's principal risk materiality thresholds.

Climate risks

Climate-related risks are embedded within the Group's risk management framework. Mitigating actions are recorded on the Group risk register and subject to ongoing monitoring through the Sustainability Committee, with oversight from the Audit and Risk Committee. Further detail on the Group's approach to climate risk and sustainability is set out in the Sustainability Review on pages 14 to 16.

Material controls

The Audit and Risk Committee has supported the Board in its review of the effectiveness of the Group's risk management and internal control framework, as part of the Board's overall oversight of the Group's internal control framework. The Committee received an update during the year on the design, implementation and enhancement of key internal controls.

As part of the Group's preparation for compliance with the UK Corporate Governance Code 2024, management has identified material controls, enhanced the risk and control framework, and agreed a proportionate assurance approach. Activity during the year focused on strengthening controls in key areas including key financial controls and operational non-financial controls including pet welfare and IT operational resilience.

As part of this, preparation for Provision 29, the Group is undertaking a pragmatic 'dry run' effectiveness assessment of material controls to test design and operating effectiveness. This work has focused on higher risk material controls with work concluding in June 2026. This work will guide the Group in understanding any key control weaknesses and inform the Board's future declaration on effectiveness. Control improvements will continue to be embedded ahead of the March 2027 compliance date. The Board will report on the effectiveness of material controls in the Annual Report for the period in which Provision 29 first applies, informed by the work described above.

Principal risks and uncertainties

Overview

Building on the refreshed approach, the Board undertook its annual review of principal risks to confirm those most relevant to the delivery of the Group's strategy and operating model. This resulted in a clearer and more focused set of principal risks, reduced from ten to seven, reflecting where sustained pressure could have the greatest impact on the Group.

As part of this review, Operational Resilience has been promoted to a principal risk in recognition of the increased likelihood and impact of severe disruption arising from geopolitical instability, supply chain volatility, cyber threats and growing technology dependence. Given the Group's integrated retail, veterinary and insurance model, disruption to critical services could materially affect customer trust, animal welfare and regulatory compliance and therefore warrants enhanced Board oversight.

Following this process, the Board agreed the principal risks adopted by the Group are:

1. Brand, Trust and Product & Clinical Safety
2. Customer Proposition, Competition and Execution
3. People, Culture and Clinical Capability
4. Technology, Data, AI and Cyber Security
5. Operational Resilience
6. Supply Chain, Responsible Sourcing and Sustainability
7. Financial, Regulatory and Partnership Exposure

The Board, with oversight from the Audit and Risk Committee, has continued to assess the nature and extent of these principal and emerging risks, including those that could threaten the Group's business model, future performance, solvency or liquidity. These risks reflect the integrated nature of the Group's retail, veterinary and insurance operations and the increasing interdependencies across people, technology, suppliers and partners and link through to our non-financial and sustainability information statement (NFSI) which can be found on page 27

Further detail on each principal risk, including mitigations and controls is set out in the following sections.

Linking to the Strategy

1. Improve product range instore and online (RTP – product)
2. Respond proactively and maintain discipline on pricing (RTP – price)
3. Improve execution across the Company (RTP – execution)
4. Reduce our costs and driving efficient service (RTP – cost)
5. Continue to grow capacity behind Vet Group joint venture model
6. Evolve our pet care centres with colleague expertise at the heart
7. Drive omnichannel nutrition share through own, owned and exclusive nutrition brands at all price points
8. Overhaul accessories to significantly improve value, pace of innovation and online growth
9. Create a better world for the pets and the people who love them
10. Launch and scale a differentiated insurance proposition
11. Automation and AI to enhance performance

Risk Profile

High: Significant exposure with potential for material disruption or impact

Medium: Moderate exposure with noticeable impact that may require management intervention

Low: Limited exposure with contained impact, manageable through normal business operations

Risk Appetite

High: Willing to accept higher levels of risk to achieve strategic objectives, provided risks are understood and managed

Medium: Willing to accept a balanced level of risk, with clear controls in place and active management

Low: Limited tolerance for risk; focus on minimising disruption and maintaining strong controls

Risk Trend

Increasing: risk exposure increasing, driven by external factors or emerging threats

Decreasing: risk exposure is reducing, reflecting effective mitigation, stronger controls, or a favorable environment

Stable: risk exposure remains broadly unchanged, with controls operating effectively

1. Brand, Trust and Product & Clinical Safety

Executive Owner: Chief Operating Officer/Managing Director

Link to Strategy: 1,2,3,4,5,6,7,8,9,10,11

Risk Profile: High

Risk Appetite: Low

Risk Trend: Stable

The Group's long-term success depends on maintaining the trust of customers, colleagues, regulators and other stakeholders, underpinned by high standards of animal welfare, product safety and clinical care. If not effectively managed, this risk could undermine the Group's integrated retail, veterinary and insurance operating model as any failure in the safety, quality or integrity of products, veterinary medicines, clinical services or data handling could result in harm to pets, regulatory intervention, loss of customer confidence and reputational damage.

Key Mitigations and Controls:

- Clear animal welfare and clinical governance frameworks aligned to regulatory and professional standards
- Product safety, quality assurance and recall processes across own-brand and third-party products
- Veterinary clinical oversight, audit and escalation arrangements and adherence to guidance
- Colleague training and culture aligned to pet welfare and customer care
- Active monitoring of customer feedback, complaints and incidents

Risk Appetite:

The Board has a low appetite for risks that could compromise animal welfare, product safety, clinical quality, data integrity or stakeholder trust. The Board has no tolerance for events that result in harm to pets, breaches of regulatory or professional standards, or material failures in product or clinical safety. While the inherent risk profile remains high due to the nature and scale of the Group's operations, the Board expects robust governance, controls and assurance to ensure incidents are prevented or rapidly identified, contained and remediated.

2. Customer Proposition, Competition and Execution

Executive Owner: Chief Executive Officer/Marketing Director

Link to Strategy: 1,2,3,4,6,7,8,9,11

Risk Profile: High

Risk Appetite: High

Risk Trend: Increasing

The Group operates in highly competitive retail, veterinary and insurance markets where customer expectations continue to evolve across value, convenience and service quality. The risk trend has increased as intensifying competition, pricing pressure and pace of change heighten the challenge of consistently innovating, differentiating and executing the Group's integrated omnichannel proposition. If not effectively managed, this could undermine the Group's integrated operating model and adversely impact growth, margins and customer loyalty.

Key Mitigations and Controls:

- Clear Group strategy and investment prioritisation
- Customer, product and pricing governance
- Robust programme and change management disciplines
- Phased delivery, piloting and operational readiness testing
- Monitoring of customer outcomes and experience

Risk Appetite:

The Board has a high appetite for strategic, competitive and transformation-related risks where these are intentionally taken to strengthen differentiation, accelerate growth and enhance the customer proposition. The Board recognises that sustained investment, innovation and change inherently increase execution risk; however, it expects these risks to be actively governed, sequenced and managed to protect customer outcomes, operational stability and financial discipline.

3. People, Culture and Clinical Capability

Executive Owner: People Director

Link to Strategy: 3,4,5,6,9,11

Risk Profile: Medium

Risk Appetite: Medium

Risk Trend: Stable

The Group's performance is highly dependent on attracting, retaining and developing skilled colleagues and veterinary professionals aligned to their values and clinical standards. If not effectively managed, this risk could undermine the Group's integrated retail, veterinary and insurance operating model as an inability to secure sufficient talent, maintain engagement or build leadership and specialist capability could impact service quality, resilience and strategic delivery.

Key Mitigations and Controls:

- Competitive reward, benefits and career development frameworks
- Clinical training, professional development and leadership programmes
- Engagement, wellbeing and inclusion initiatives
- Workforce planning and succession management
- Monitoring of engagement, turnover and vacancy levels

Risk Appetite:

The Board maintains a balanced appetite for people and capability risks, recognising that attracting, developing and retaining talent is essential to delivering strategy and maintaining service quality. The Board is prepared to accept measured levels of workforce turnover, skills gaps and capability development risk where these are actively managed through effective planning, development and engagement initiatives, and do not compromise clinical standards, customer outcomes or operational resilience.

4. Technology, Data, AI and Cyber Security

Executive Owner: Chief Information Officer

Link to Strategy: 2,3,4,6,10,11

Risk Profile: High

Risk Appetite: Medium

Risk Trend: Increasing

The Group relies on secure, resilient and well-governed technology, data and AI-enabled systems. The risk trend has increased due to the growing frequency and sophistication of cyber threats, heightened regulatory expectations around data, cyber security and AI governance, and increasing reliance on complex, interconnected and third-party platforms. AI and advanced data capabilities have been incorporated into this risk to reflect their expanding use across decision-making and operations, where weaknesses in data quality, model governance or ethical controls could amplify the impact of technology failures. If not effectively managed, technology failure, cyber-attack, data loss or misuse, weaknesses in AI governance or third-party dependency could disrupt operations, compromise sensitive information, impact regulatory compliance and damage the Group's reputation.

Key Mitigations and Controls:

- Group-wide technology, cyber and AI governance aligned to recognised standards
- Ongoing cyber security monitoring, testing, incident response and recovery capability
- Data protection, privacy and AI control frameworks
- IT service continuity and disaster recovery arrangements
- Third-party technology and data risk assessment and assurance

Risk Appetite:

The Board maintains a balanced appetite for technology, data and AI-related risks, recognising that secure and resilient digital capability is essential to delivering strategy, innovation and operational efficiency. The Board accepts measured risk from systems change, technology dependency and data-driven decision making, while maintaining low tolerance for cyber security incidents, data protection breaches, material system failures or unmanaged AI risks that could compromise customer trust, regulatory compliance or operational continuity.

5. Operational Resilience

Executive Owner: Chief Operating Officer/Managing Director

Link to Strategy: 1,2,3,4,5,6,7,8,9,10,11

Risk Profile: Medium

Risk Appetite: Low

Risk Trend: Increasing

This risk has been elevated to a principal risk to reflect the Group's increased focus on operational resilience and evolving regulatory and stakeholder expectation. The Group's ability to continue delivering critical retail, veterinary and support services during disruption is fundamental to customer trust and animal welfare. If not effectively managed, this risk could undermine the Group's integrated retail, veterinary and insurance operating model as a failure to design, embed and test effective operational resilience arrangements could limit the Group's ability to respond to and recover from severe but plausible operational shocks.

Key Mitigations and Controls:

- Group-wide operational resilience framework
- Identification of important business services and mapping of critical resources and dependencies
- Defined impact tolerances and scenario testing
- Embedded business continuity and crisis management arrangements
- Regular testing, assurance and Board-level oversight

Risk Appetite:

The Board has a low appetite for disruption to important business services that could impact animal, customer safety, regulatory compliance or trust, including availability of product and supply chain failures. The Board has no tolerance for failures that result in material harm to animal welfare or prolonged inability to deliver critical veterinary or customer services. Limited and time-bound disruption may be accepted where recovery is within defined impact tolerances and resilience plans perform as intended.

6. Supply Chain, Responsible Sourcing and Sustainability

Executive Owner: Chief Operating Officer /Managing Director

Link to Strategy: 1,3,4,7,8,9

Risk Profile: Low

Risk Appetite: Low

Risk Trend: Stable

The Board depends on complex global supply chains for products, veterinary medicines and services. If not effectively managed, this risk could undermine the Board's integrated retail, veterinary and insurance operating model as disruption, supplier failure or failure to meet responsible sourcing and sustainability commitments could impact on availability, cost, compliance and brand trust, while climate-related risks may affect long-term resilience.

Key Mitigations and Controls:

- Diversified sourcing and supplier risk management
- Responsible sourcing standards and modern slavery controls
- Climate transition planning and emissions reduction targets
- Monitoring of physical climate risks to operations and supply chains
- Engagement with suppliers on sustainability expectations

Risk Appetite:

The Board has a low appetite for supply chain disruption or supplier failure that could materially impact product availability, animal welfare, regulatory compliance or brand trust. The Board has no tolerance for breaches of responsible sourcing standards, modern slavery requirements or applicable laws and regulations. Controlled and time-bound disruption may be accepted where risks are mitigated through diversification, proactive supplier management and effective, tested contingency arrangements, supporting ongoing resilience including climate-related impacts.

7. Financial, Regulatory and Partnership Exposure

Executive Owner: Chief Financial Officer/Legal Director & Company Secretary

Executive Owner: Chief Operating Officer

Link to Strategy: 1,2,3,4,5,6,7,8,9,10,11

Risk Profile: Low

Risk Appetite: Low

Risk Trend: Stable

The Group is exposed to financial, regulatory and partnership risks arising from funding arrangements, market movements and reliance on insurers, practice owners and other strategic partners. If not effectively managed, this risk could undermine the Group's integrated retail, veterinary and insurance operating model as failure to maintain liquidity, comply with evolving regulatory requirements or effectively manage partner relationships could constrain growth and adversely impact financial performance.

Key Mitigations and Controls:

- Robust treasury, liquidity and capital management frameworks
- Financial forecasting, stress testing and monitoring exposures
- Legal, regulatory and compliance frameworks
- Ongoing horizon scanning for regulatory change
- Partner governance, due diligence and performance oversight

Risk Appetite:

The Board has a low appetite for financial, regulatory and partnership risks that could threaten liquidity, regulatory compliance, strategic flexibility or the effectiveness of its operating model. The Board has no tolerance for breaches of financial regulation, legal obligations or prudential liquidity requirements. Measured exposure to market movements and partner dependence may be accepted where risks are understood, actively managed and within approved financial and governance parameters.

Going Concern and Viability

In accordance with the UK Corporate Governance Code 2024 (the Code) the Directors assessed the prospects of the Company and potential threats to its resilience.

Approach to Going Concern and Viability

The Group and Company's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report. The financial position of the Group and Company, its cash flows, liquidity position and borrowing facilities are described in the Chief Financial Officer's review. The Group has developed a detailed strategic and business planning (SBP) process, which comprises a Strategic Plan containing financial projections for a 5 year period and covers assessment of markets, consumer demand and competition, and a Business Plan which forms a detailed near term one year plan for the upcoming financial year. The SBP process produces standard outputs in respect of the key financial performance metrics of the Group which deliver consolidated financial plans at both Group level and at a number of levels within the Group.

Short term

The Directors of the Group have prepared cash flow forecasts for a period of at least 12 months from the date of the approval of these financial statements which indicate that, despite taking account of reasonably possible downsides, the Group will have sufficient funds, through its revolving credit facility, to meet its liabilities as they fall due for that period.

Medium to longer term

The Strategic Plan is reviewed each year by the Board as part of the strategy review process. Once approved by the Board, the Strategic Plan is cascaded across the Group and provides the basis for setting all detailed financial budgets and strategic actions that are subsequently used by the Board to monitor performance. The SBP process covers a five-year period. The five-year plan provides a robust planning tool against which strategic decisions can be made in making their viability assessment.

Material uncertainties and assumptions

In preparing the forecasts for the Group, the Directors have carefully considered the impact of consumer confidence, geopolitical tensions and conflicts including emerging risks such as tariffs and global conflict, and the actual and potential impact on supply chains, as well as energy cost inflation on liquidity, potential cyber incidents and future performance. The Group has also considered the impact of climate change and the Task Force on Climate Related Financial Disclosures (TCFD) scenario analysis conducted in undertaking this assessment. The Group expects to be able to refinance external debt and renew committed facilities as they become due, which is the assumption made in the viability scenario modelling.

Risk management

The Group and Company's approach to risk management and risk governance, along with the principal risks and uncertainties, are set out on pages 22 to 25. The Board conclude that, given the level of headroom, none of the changes in the risk profiles, risk appetites or risk scores based on the likelihood and impact had a significant impact on the Group and Company's viability.

Sensitivity and stress testing

The Group has access to a revolving credit facility of £300.0m which expires on 30 September 2028 and a £19.0m reducing asset backed loan which expires on 27 March 2030. The Group had £40.0m drawn down against the revolving credit facility at 26 March 2026 and cash balances of £39.6m. The lowest level of headroom forecast over the next 12 months from the date of signing of the financial statements is in excess of £282.3m in the base case scenario. On a sensitised basis, the lowest level of headroom forecast over the next 12 months from the date of approving of the financial statements is £212.2m due to the removal of the dividend payments and share buy backs in the second half of the year in scenario 3.

The Group has been in compliance with all covenants applicable to this facility within the financial year and is forecast to continue to be in compliance for a period of 5 years from the date of signing of the financial statements.

A number of plausible downside scenarios of increasing severity were calculated compared to the base case forecast of profit and cash flow to assess headroom against facilities over the next 5 year period. These scenarios included:

- Scenario 1: Reduction on Group like-for-like sales growth assumptions of 1% in each year throughout the forecast period, but ordinary dividends continue to be paid.
- Scenario 2: Using scenario 1 outcomes and further impacted by a conflated risk impact of £81.3m on sales and £29.3m on PBT per annum (using specific financial risks taken from Group risk register with sales and PBT financial impact quantified), with dividends held at 7.4p per share per annum.
- Scenario 3: Group like-for-like sales growth at 0% in each year and a conflated risk impact of £196.7m on sales and £71.0m on PBT is applied (using the top risks from Group risk register in addition to additional unmitigated risks associated with the current conflict in the middle east in addition to potential cyber incidents with sales and PBT impact quantified), with dividends cut to nil to conserve cash.

Against these negative scenarios, adjusted projections showed no breach of covenants however they do become significantly tighter under scenario 3 which is considered to be a very extreme scenario. Further mitigating actions could also be taken in such scenarios should it be required, including reducing capital expenditure and certain operating costs.

Going Concern and Viability Statement

Despite net current liabilities of £131.5m at Group level and £759.5m in the Company, the Directors of Pets at Home Group Plc, having made appropriate enquiries including the principal risks and uncertainties on pages 22 to 25, consider that the Group and Company will have sufficient funds to continue to meet their liabilities for a period of at least 12 months from the date of approval of these financial statements and throughout the strategic planning horizon period of 5 years, and therefore, it is appropriate to adopt the Going Concern basis in preparing the Group consolidated financial statements and the Company only financial statements as at and for the period ended 26 March 2026.

Non-financial and sustainability information statement

Non-financial measures are an important part of our business. The table below constitutes the Company's non-financial and sustainability information statement as required by sections 414CA and 414CB of the Companies Act 2006. Our Sustainability Committee Report on page 52 to 54 and corporate website (<https://www.petsathomeplc.com/investors/>) contain non-financial information, including actions, to manage our environmental and social impact and look after our colleagues.

- Copies of our policies are available on our investor website: www.petsathomeplc.com
- Information relating to our business model is included on page 4
- Our non-financial KPIs are detailed on page 6
- Information relating to how the business manages risk is set out on pages 21 to 25

Risk	Relevant policies and documents		Impacts and metrics
Environmental – links to Principal Risk 6 on pages 22 - 25	Packaging Policy Environmental Policy TCFD statement and climate financial disclosures pages 55 - 67	Supplier Code of Conduct Responsible Sourcing Handbook Raw Materials Sourcing Policy	Impacts on climate, environment, deforestation in our operations, supply chains and product impacts Climate change risk management & mitigation
Colleagues – links to Principal Risk 3 on pages 22 to 25	Diversity and Inclusion Policy Whistleblowing Policy (Speak Up)	Health and Safety Policy Colleague Handbook Annual Report pages 11, 38 and 49	Culture, engagement, safety and wellbeing Pay and reward, training and development Diversity and Inclusion
Social matters – links to Principal Risks 6 & 7 on pages 22 - 25	Responsible Sourcing Handbook Anti-Bribery and Corruption Policy	Tax Strategy Pets Foundation Impact Report	Working with suppliers on supply chain ethics and environmental impact Community & charity impact Responsible business
Respect for human rights – links to Principal Risks 3 & 6 on pages 22 to 25	Human Rights Policy Supplier Code of Conduct	Whistleblowing Policy Modern Slavery Act Statement Annual Report pages 48	Human rights in our business & supply chains Supplier expectations Grievance mechanisms
Anti-corruption and anti-bribery matters – links to Principal Risks 6 & 7 on pages 22 to 25	Anti-Bribery and Corruption Policy Code of Ethics and Business Conduct	Responsible Sourcing Handbook Supplier Code of Conduct Annual Report page 36	

This Strategic Report has been approved by the Board and is signed on its behalf by:



Sarah Pollard
Chief Financial Officer
27 May 2026

Chair's Introduction to Governance

On behalf of the Board, I am pleased to present our Corporate Governance Report for the financial year ended 26 March 2026.

This was a year of significant change for the Group. Against a challenging external environment, the Board remained focussed on maintaining strong and effective governance while guiding the business through a period of leadership transition, operational restructuring and strategic reset. The Board's priority throughout the year was to ensure appropriate oversight, constructive challenge and continuity of leadership, while supporting management in addressing both immediate performance issues and longer-term strategic priorities.

Following the departure of the Chief Executive Officer in September 2025, the Board implemented interim leadership arrangements to ensure stability while an orderly and robust succession process was undertaken. As this arrangement involved the temporary combination of the roles of Chair and Chief Executive Officer, it resulted in a limited and time-bound departure from Provision 9 of the UK Corporate Governance Code (Code). The Board was clear that this arrangement was exceptional and time-limited, and that appropriate governance safeguards were required and put in place. These safeguards, including a revised division of responsibilities and enhanced independent oversight, are described in more detail in the Governance Report on pages 36 and 38.

The Board devoted significant time during the year to overseeing leadership succession and preparing the business for the next phase of its development. The appointments of James Bailey as Chief Executive Officer and Sarah Pollard as Chief Financial Officer, both effective shortly after the year end, reflect the Board's focus on ensuring strong, experienced leadership to drive performance and deliver the Group's strategy over the longer term.

Alongside leadership transition, the Board maintained close oversight of the Group's strategic and operational priorities. This included detailed scrutiny of the Retail Turnaround Plan, the restructuring of the Support Office functions, and the delivery risk associated with major transformation programmes. The Board also continued to focus on culture, colleague engagement and organisational capability during a period of change, recognising the importance of these factors to sustainable performance.

This year also saw continued oversight of external regulatory developments, most notably the conclusion of the CMA Market Investigation into the veterinary services sector. The Board engaged closely with this process and welcomed the CMA's final decision, which recognised important strengths in the Group's Joint Venture model – including the role it plays in supporting locally owned practices, maintaining clinical and operational autonomy for practice owners, and delivering value and accessibility for pet owners. While the detailed remedies are still being finalised and implemented, the Board believes that the CMA's conclusions provide greater clarity and certainty for the future operation of the sector, and a more stable framework within which veterinary professionals can continue to deliver high-quality care to pets and their owners.

Governance standards and best practice remained a key focus. The Board monitored developments under the Code and completed an internally facilitated Board and Committee performance review during the year. The review confirmed that the Board continues to operate effectively, with strong challenge and engagement, and identified areas of focus for the year ahead as the new executive leadership team takes shape.

I hope this report provides shareholders with a clear insight into how the Board has discharged its governance responsibilities during a year of transition, and how our governance arrangements support the long-term success of the Group. I look forward to welcoming shareholders to our 2026 Annual General Meeting at the Pets at Home Support Office on 9 July 2026 at 9:00am and to reporting further progress in the year ahead.



Ian Burke

Chair
27 May 2026

Board of Directors

Ian Burke

Chair

Interim Executive Chair (September 2025 – March 2026)

Appointment to the Board

2020

Skills and experience

Ian brings extensive board-level leadership experience from the leisure, retail and consumer services sectors, having held senior executive and Chair roles in both listed and private companies. He has significant experience leading complex organisations through periods of transition and transformation, and has a strong background in corporate governance, audit and remuneration matters gained through long-standing committee participation across multiple boards.

Ian served as Interim Executive Chair from September 2025 to March 2026, providing leadership continuity following the departure of the Chief Executive Officer and supporting the transition to the new CEO.

Current external appointments

None

Previous appointments

- Chair and Chief Executive Officer, **Rank Group Plc**
- Chief Executive Officer, **Thistle Hotels Plc**
- Chief Executive Officer, **Holmes Place Health Clubs**
- Non-Executive Chair, **Studio Retail Group Plc**
- Non-Executive Senior Independent Director, **intu properties Plc**
- Chair, **Vet Partners Holdings Ltd**
- Member of the Board of Governors, **Birmingham City University**

Contribution to the Board

As Chair, Ian leads the Board in setting its agenda, ensuring effective decision-making, and promoting a culture of openness and constructive challenge. He supports high standards of governance across the Group and brings considerable insight into consumer-facing businesses, large-scale operations and stakeholder engagement. His prior experience across audit and remuneration committees supports the Board's effective oversight of risk management, financial controls and executive remuneration.

Board Committee membership

Chair, **Nomination and Corporate Governance Committee**
Member, **Sustainability Committee**

Non-Executive Directors (NEDs)

Zarin Patel Senior Independent Non-Executive Director

Appointment to the Board

2021

Skills and experience

Zarin brings extensive financial, commercial and governance expertise, with particular strength in audit, risk management and systems of internal control. A qualified Chartered Accountant, she has held senior executive finance and operating roles within complex, highly regulated organisations, alongside a wide range of non-executive and committee leadership positions across the public and private sectors.

Her experience includes leading audit and risk oversight at listed companies and major public bodies, as well as contributing to environmental and social governance and sustainability governance.

Current external appointments

- Independent Non-Executive Director, Chair of the Audit and Risk Committee and a member of the Sustainability Committee, **Hays Plc**
- Trustee, **National Trust**

Previous appointments

- Senior Independent Director, Chair of the Audit and Risk Committee and member of the Remuneration Committee, **Anglian Water Services Limited**
- Independent Non-Executive Director and Chair of the Audit and Risk Committee, **HM Treasury**
- Independent member of the Audit and Risk Committee, **John Lewis Partnership Plc**
- Chief Financial Officer, **BBC**
- Chief Operating Officer, **The Grass Roots Group Plc**
- Non-Executive Director, **Post Office Limited**

Contribution to the Board

As Senior Independent Director, Zarin provides a strong independent voice within the Boardroom, supporting the Chair and acting as a key point of engagement for shareholders where required. She leads the Board's oversight of financial reporting, risk management and internal controls through her role as Chair of the Audit and Risk Committee, and brings rigorous challenge, sound judgement and deep experience to Board discussions. Her background in both executive leadership and non-executive roles supports effective decision-making and high standards of corporate governance.

Board Committee membership

Chair, **Audit and Risk Committee**

Member, **Remuneration Committee**

Member, **Nomination and Corporate Governance Committee**

Member, **Sustainability Committee**

Natalie-Jane Macdonald

Independent Non-Executive Director

Appointment to the Board

2023

Skills and experience

Natalie brings extensive strategic and operational leadership experience from the healthcare, social care and consumer services sectors. She has held senior executive roles in complex, highly regulated organisations, alongside a range of Chair and non-executive positions across healthcare provision, health insurance and consumer-focused services. Her background as a medical practitioner provides the Board with valuable insight into clinical governance, quality, safety and ethical decision-making, combined with deep experience of large-scale service delivery in multi-site businesses, organisational transformation and workforce engagement.

Current external appointments

- Chair, **Nuffield Health**
- Chair, **Voyage Care**
- Non-Executive Director, **Riverstone Living**
- Non-Executive Director, **The Unicorn Trust**

Previous appointments

- Lecturer in General Medicine and Clinical Pharmacology
- Head of Medical Ethics, **British Medical Association**
- Managing Director, **Bupa Health and Wellbeing**
- Chief Executive Officer, **Acorn Care and Education**
- Chief Executive Officer, **Sunrise Senior Living**
- Non-Executive Director, **Royal National Orthopaedic Hospital**
- Non-Executive Director, **PHIN**
- Non-Executive Director, **Which?**

Contribution to the Board

Natalie contributes significant insight into regulated healthcare environments, large-scale service operations in multi-site and consumer-facing businesses. She brings a strong focus on quality, safety, people and customer outcomes, alongside experience of managing complex stakeholder relationships. This supports effective Board oversight in areas including clinical standards, workforce, customer experience, sustainability and long-term value creation. She is the designated Non-Executive Director for workforce engagement.

Board Committee membership

Member, **Audit and Risk Committee**

Member, **Remuneration Committee**

Member, **Nomination and Corporate Governance Committee**

Member, **Sustainability Committee**

Roger Burnley

Independent Non-Executive Director

Appointment to the Board

2023

Skills and experience

Roger brings senior leadership experience from the UK retail, food and consumer services sectors, having held senior executive roles within some of the country's largest and most complex retail organisations. He has deep expertise in large-scale operations, supply chains, customer propositions and workforce management, alongside experience of leading businesses through periods of change in highly competitive markets.

Current external appointments

- Non-Executive Director, **Marks and Spencer Group Plc**
- Luminary Advisor, **Accenture**

Previous appointments

- Executive Director, **J Sainsbury Plc**
- Chief Executive Officer and Chief Operating Officer, **Asda Stores Limited**
- Advisor, **Bain & Company**
- Chair, **Finnebrogue Artisan**
- Chair, **Plate-Up Limited**

Contribution to the Board

Roger contributes strong insight into retail strategy, operational execution and food supply chains, drawn from extensive experience leading large, multi-site consumer businesses. He brings practical understanding of cost management, pricing, customer value and colleague engagement, supporting robust board challenge and effective oversight of performance, remuneration and long-term value creation.

Board Committee membership

Member, **Audit and Risk Committee**

Chair, **Remuneration Committee**

Member, **Nomination and Corporate Governance Committee**

Member, **Sustainability Committee**

Garret Turley

Independent Non-Executive Director

Appointment to the Board

2024

Skills and experience

Garret brings significant strategic, investment and leadership experience across the veterinary, healthcare and consumer services sectors. He has held senior roles encompassing private equity investment, executive leadership and board Chair positions, with particular experience supporting growth, transformation and governance in regulated and people-focused businesses.

His background combines commercial rigour with a strong understanding of professional services, healthcare delivery and long-term value creation.

Current external appointments

- Chair, **Blackrose Corporate Finance**
- Chair, **Koala Care Holdings Limited**
- Non-Executive Director, **Dunrogan Limited**
- Trustee, **Outside In**

Previous appointments

- Interim Executive Chair, **Avado PQ Limited**
- Partner, **August Equity LLP**
- Partner, **Bridges Fund Management Ltd**
- Managing Director, **Pet Doctors Ltd**
- Chair, **Dental Partners UK**
- Director, **Orla Healthcare Ltd**
- Director, **Quality Pet Care Ltd**
- Partner, **Hallmarq Veterinary Imaging Limited**

Contribution to the Board

Garret contributes deep insight into strategy, investment and growth within veterinary and healthcare businesses. His experience across private equity, executive leadership and board roles supports effective challenge on capital allocation, succession planning and long-term sustainability, strengthening the Board's oversight of strategy execution and capital deployment.

Board Committee membership

Member, **Nomination and Corporate Governance Committee**
Chair, **Sustainability Committee**

Executive Directors who served during the financial year

Mike Iddon

Former Chief Financial Officer

Appointment to the Board

2016

Stepped down from the Board

27 March 2026

Contribution to the Board

As Chief Financial Officer, Mike provided strong leadership on financial stewardship, internal controls, risk management and capital allocation. His deep experience of the retail sector and disciplined approach to financial governance supported effective Board decision-making and delivery of the Group's strategy through a period of market and regulatory challenge. Mike stepped down from the Board on 27 March 2026, following the end of the financial year, as part of the planned Chief Financial Officer succession.

Lyssa McGowan

Former Chief Executive Officer

Appointment to the Board

2022

Stepped down from the Board

18 September 2025

Contribution to the Board

As Chief Executive Officer, Lyssa led the Group during a period of significant change, working with the Board and Executive Management Team to manage operational and market challenges and to progress the Group's strategic priorities. She served on the Board during FY26 and left the business on 18 September 2025.

Executive Directors appointed after the end of the financial year

James Bailey

Chief Executive Officer

Appointment to the Board

30 March 2026

Skills and experience

James brings extensive senior leadership experience from the UK grocery and retail sector, with a strong track record in operational performance, customer proposition and digital transformation. Most recently, he served as Managing Director of Waitrose, where he led the business through a period of significant challenge, including the Covid-19 pandemic and subsequent inflationary pressures, delivering strong sales and profit performance.

He has deep experience of omni-channel retail, having overseen the relaunch of Waitrose.com following the business's transition away from the Ocado platform, alongside responsibility for large store estates, supply chains and colleague engagement. Earlier in his career, James held a number of senior roles over more than twenty years at J Sainsbury plc, including Grocery Buying Director, giving him strong commercial, buying and supplier-facing expertise.

James's experience aligns closely with the Group's strategic priorities, particularly the continued improvement of the retail business, operational execution and customer experience across both physical and digital channels.

Current external appointments

- Operating Partner, **Verlinvest**

Previous appointments

- Managing Director, **Waitrose**
- Held a number of senior roles over twenty years at **J Sainsbury plc**
- Advisor, **Localz Europe Ltd**
- Advisor, **HunWine Ltd**
- Advisor, **Well & Truly Ltd**

Sarah Pollard

Chief Financial Officer

Appointment to the Board

27 March 2026

Skills and experience

Sarah brings extensive financial leadership experience from highly competitive UK and international consumer sectors, with a strong track record in performance management, strategy and M&A, business transformation, risk and financial control. Most recently, she served as Chief Financial Officer of PZ Cussons plc, where she played a key role in navigating complex trading conditions and supporting the delivery of strategic and operational priorities.

Prior to this, Sarah was Finance Director at Birds Eye and subsequently Deputy Chief Financial Officer at their parent company Nomad Foods, providing her with significant experience of listed company reporting, investor engagement and international operations. Earlier in her career, she held senior finance leadership roles at Unilever, Tesco, PepsiCo and Diageo, building deep expertise across branded consumer goods, retail and global supply chains. Sarah qualified as an accountant with PwC in London.

Sarah's experience supports the Board's focus on growth, financial resilience, strong controls and disciplined capital allocation, and positions the Group well to continue delivering its omni-channel, consumer-centric strategy while creating sustainable value for shareholders and other stakeholders.

Current external appointments

None

Previous appointments

- Chief Financial Officer, **PZ Cussons Plc**
- Deputy Chief Financial Officer, **Nomad Foods**
- Finance Director, **Birds Eye**
- Held finance leadership roles at **Unilever Plc, Tesco Plc, PepsiCo Inc and Diageo Plc**
- Non-Executive Director, **Aunt Bessie's Ltd**

Leadership and purpose

Principal governance activities during the year

During the year the Board focused on a wide range of strategic, operational, financial and governance matters, including:

- Leadership, succession planning and continuity following the departure of the Chief Executive Officer, including oversight of interim leadership arrangements, the appointment of a permanent Chief Executive Officer and the planned transition of the Chief Financial Officer
- Development, review and execution of the Group's strategic priorities, including in-depth scrutiny of major transformation programmes and delivery risk
- Development and close oversight of the Retail Turnaround Plan following detailed analysis of the causes of retail underperformance, including agreement of clear priorities, cost actions and execution milestones to stabilise performance, improve execution and support a return to sustainable growth
- Business and functional performance, including retail, veterinary (including engagement with the Joint Venture Council), technology and data, investor relations, budgets, capital allocation and long-term financial planning
- Oversight of the restructuring of the Group's Support Office functions, including the implications for cost discipline, organisational capability and colleague engagement
- Sustainability and climate-related matters, including consideration of the Group's approach and priorities in light of organisational changes and the integration of sustainability responsibilities within the wider business
- Risk management and internal controls, including emerging and principal risks, reputational risk and corporate governance arrangements
- Financial statements, regulatory announcements and wider corporate reporting matters
- Competitor, customer and market developments
- Diversity, talent, capability, succession, development and planning matters, including in relation to the Board, Non-Executive Directors (NEDs) and the Executive Management Team
- Consideration of reports and recommendations from Board Committees
- Approval of significant capital expenditure, contracts, financing arrangements and treasury matters reserved to the Board
- Group culture, behaviours and colleague engagement
- Engagement with shareholders and wider stakeholders, including consideration of the impact of Board decisions on those stakeholders
- Political matters and public affairs
- Ongoing regulatory and public policy matters, including the CMA Market Investigation into the veterinary services sector and its potential implications for the Group and its Joint Venture practices
- Oversight of market-sensitive matters, including profit guidance, regulatory disclosures and the management of inside information
- Board and Committee performance review

Compliance with the UK Corporate Governance Code

The Governance Report outlines how the Board has applied the principles and complied with the provisions of the UK Corporate Governance Code 2024 (Code), together with the applicable requirements of the Disclosure Guidance and Transparency Rules (DTRs) and the UK Listing Rules (UKLR).

The Board is responsible for ensuring that the Group has appropriate governance frameworks in place to support compliance with the Code. The Board considers, that throughout the year, the Group has complied with the provisions of the Code, with the exception of Provision 9, which provides that the roles of Chair and Chief Executive Officer should not be exercised by the same individual.

Following the departure of the Company's former Chief Executive Officer on 18 September 2025, the Board appointed Ian Burke, the Non-Executive Chair, to act as Interim Executive Chair on a temporary basis to provide leadership continuity while an orderly succession process was undertaken, reflecting his experience, knowledge of the Group and existing leadership role. This resulted in a temporary departure from Provision 9 of the Code.

The Board recognised that this arrangement was not compliant with the Code and, accordingly, put in place additional governance safeguards, including a revised division of responsibilities between the Interim Executive Chair and the Senior Independent Director, which was approved by the Board, documented in writing and published on the Company's website.

Following the appointment of James Bailey as Chief Executive Officer with effect from 30 March 2026, these interim arrangements were concluded, with the Company returning to full compliance with the Code, and the standard separation of responsibilities between the Chair and the Chief Executive Officer was restored.

The Code is available on the FRC's website at [frc.org.uk](https://www.frc.org.uk).

Oversight of development and implementation of strategy

The Board oversees the development and implementation of the Group's strategic vision, in line with its objective to generate and preserve long-term value. During the year, time was devoted at Board meetings to reviewing the Group's strategy and strategic priorities.

The Board also regularly considered the principal risks and opportunities facing the business as part of its strategic discussions throughout the year.

Board meetings and attendance

The Board met formally seven times this year. In addition, ad hoc meetings of the Board and its Committees were convened as required to consider matters arising between scheduled meetings. Board meetings were preceded by Committee meetings and, in most cases, meetings lasted the majority of the day.

Board agendas are agreed in advance to ensure that key matters are considered at the appropriate time, with flexibility to add new or emerging issues, including significant strategic matters, as required. This process is led by the Chair in consultation with the Board and the Executive Management Team, supported by the Company Secretary.

All Directors receive papers in advance of meetings through a secure electronic board portal, supporting the timely provision of clear and comprehensive information. Board papers include a regular Board report from the Chief Executive Officer and Chief Financial Officer, providing updates on performance against the Group's key financial and strategic performance indicators. Performance against budget is reviewed monthly, with material variances explained, and forecasts are updated and considered regularly.

Members of the Executive Management Team and the wider senior leadership team are invited to present to the Board from time to time, enabling the NEDs to remain closely informed of developments across the Group. These sessions also provide valuable development opportunities for colleagues. It is important to the Group that all Directors understand external views of the Group. External perspectives are also considered, with the Director of Investor Relations, Strategy & FP&A providing regular updates on broker and shareholder feedback throughout the year.

Directors' conflicts of interest

The Company's Articles of Association give the Directors the power to consider and, if appropriate, authorise situations in which a Director's declared interests may conflict, or potentially conflict, with the interests of the Company. Procedures are in place at each meeting for Directors to declare and record any actual or potential conflicts that arise.

A register of declared conflicts is maintained by the Company Secretary and is reviewed by the Board at least annually. The Board has complied with these procedures during the year. No material conflicts of interest requiring disclosure, or related party transactions, were identified during the year.

	Board ^{2, 3}	Audit and Risk Committee ⁴	Nomination and Corporate Governance ⁵	Remuneration Committee ⁶	Sustainability Committee ⁷
Number of meetings	7	4	0	4	2
Director					
Ian Burke ¹	7/7	–	0/0	–	2/2
Zarin Patel	7/7	4/4	0/0	4/4	2/2
Roger Burnley	7/7	4/4	0/0	4/4	2/2
Natalie-Jane Macdonald	7/7	4/4	0/0	4/4	2/2
Garret Turley	7/7	–	0/0	–	2/2
Mike Iddon ²	7/7	–	–	–	2/2
Lyssa McGowan	4/4	–	–	–	1/1

1 Chair / Interim Executive Chair.

2 Sarah Pollard and James Bailey both attended the Board meeting on 26 March 2026 at the invitation of the Chair as observers.

3 In addition to its scheduled meetings, the Board held further ad hoc meetings during the year in connection with announcements relating to Board, senior management and Executive Management Team changes and business performance.

4 In addition to its scheduled meetings, the Audit and Risk Committee held further ad hoc meetings during the year to consider interim financial reporting, trading developments and associated audit and accounting matters. Although not formally appointed as members, the Chief Executive Officer, the Interim Executive Chair and the Chief Financial Officer attended meetings of the Audit and Risk Committee as observers at the invitation of the Chair.

5 During the financial year, the scheduled meetings of the Nomination and Corporate Governance Committee were postponed due to the senior leadership changes. The Nomination and Corporate Governance Committee met on five separate occasions, with all members present, to deal with succession matters relating to senior leadership and other annual business including the board performance review.

6 In addition to its scheduled meetings, the Remuneration Committee held further meetings during the year to consider matters arising from changes to Executive Management Team and Board membership, and the restructuring of the Group's Support Office functions. Although not formally appointed as members, the former Chief Executive Officer, the Interim Executive Chair and the Chief Financial Officer each attended at least one meeting during the year at the invitation of the Chair as observers.

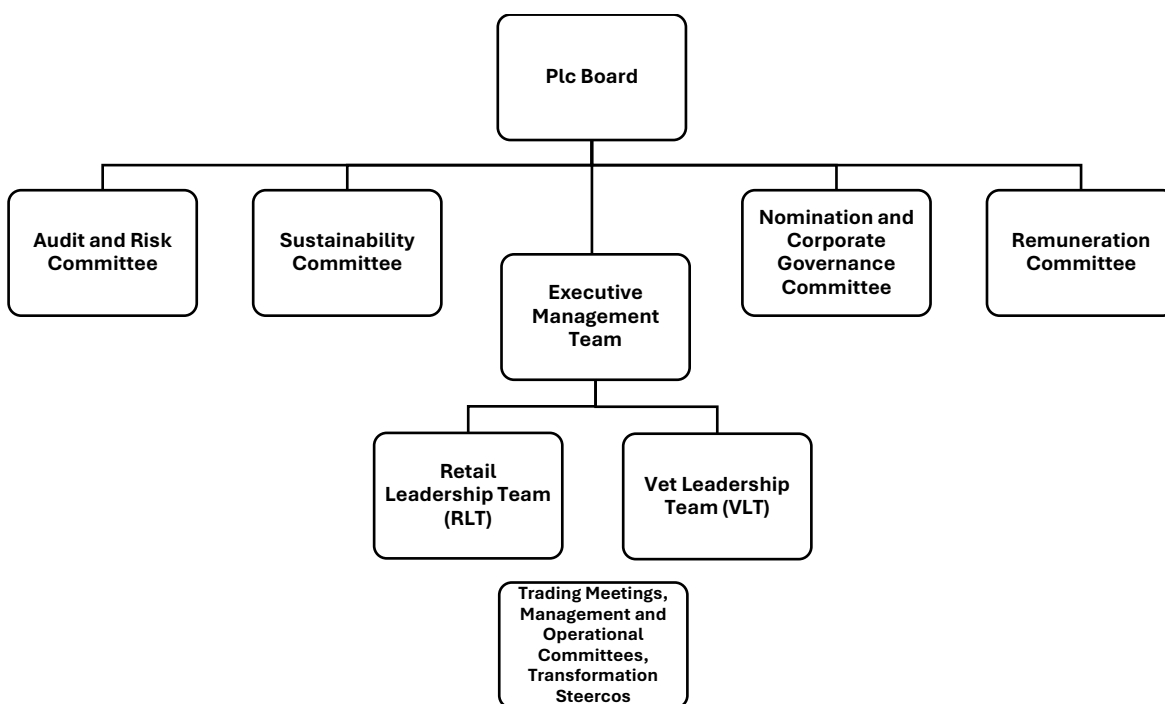
7 James Bailey and Sarah Pollard attended the final meeting of the Sustainability Committee for FY26 as observers at the invitation of the Chair.

Division of Responsibilities

How we are governed

Our governance structure

The Group's governance framework concerning the Board and Committees is outlined below. Reporting and information flow upwards through the management and committee structure to the Board, while decision-making authority is delegated down through the Committees and management structure.



The Board

The Company is led and controlled by the Board which is collectively responsible for the long-term sustainable success of the Group.

During the year, following the departure of Lyssa McGowan as Chief Executive Officer, Ian Burke, Non-Executive Chair, assumed the role of Interim Executive Chair to provide leadership continuity while the Board progressed an orderly succession process. This temporary arrangement resulted in the roles of Chair and Chief Executive Officer being combined on an interim basis.

The Board approved a revised division of responsibilities between the Interim Executive Chair and the Non-Executive Senior Independent Director to ensure appropriate balance, oversight and independent challenge were maintained. This arrangement was documented, approved by the Board and published on the Company's investor website.

Following the appointment of James Bailey as Chief Executive Officer with effect from 30 March 2026, the interim arrangements were concluded and the standard separation of responsibilities between the Chair and the Chief Executive Officer was restored, consistent with the UK Corporate Governance Code 2024 (Code).

Board changes

Lyssa McGowan left the business on 18 September 2025, having served as Chief Executive Officer since 2022.

Mike Iddon retired and stepped down from the Board, subsequent to the year end on 27 March 2026.

Board Committees

The Board has established four Board Committees to operate within a system of delegated authorities: Audit and Risk, Nomination and Corporate Governance, Remuneration, and Sustainability. Each Committee has written terms of reference which are approved by the Board and reviewed annually. During the year, the terms of reference for all Committees were reviewed for changes required by the UK Corporate Governance Code 2024 or otherwise. The terms of reference are available on request from the Company Secretary and on the Company's investor website: <https://investors.petsathome.com/investors/governance>.

Executive Management Team

In addition to the Board, the Group has the Executive Management Team comprised of the Chief Executive Officer, Chief Financial Officer, Retail Chief Operating Officer, Vet Business Managing Director and Chief Information Officer, supported by the Legal Director and Company Secretary, the People Director and the Director of Marketing. The composition of the Executive Management Team evolved during and following the year, reflecting the leadership transition described elsewhere in this Governance Report.

Senior leadership teams for the Retail and Vet divisions support the Executive Management Team with the execution of strategy and the management of risk and governance.

Management and operational committees:

Investment Committee

The Investment Committee assists the Board by overseeing the Group's stores and veterinary surgery rollout and development programme, ensuring that the Group's investment process is applied consistently, rigorously and effectively. The Committee is Chaired by the Chief Financial Officer and attended by the Chief Executive Officer and other members of the senior leadership team, including the Group Property Director. The Committee meets formally at least nine times a year.

The Committee's role includes considering and approving proposals for the acquisition of new premises for use by members of the Group, associated capital expenditure, lease renewals and alternative investment strategies for new Pet care centre formats. It also undertakes regular reviews of property investment criteria and considers proposals relating to the disposal of premises, including by way of sub-letting, assignment, surrender or relocation.

Matters approved by the Committee that fall within reserved expenditure thresholds are subject to full Board approval, with regular updates provided to the Board.

Health and Safety Committee

Health and safety is a key priority for the Board and senior management. The Board has established a Health and Safety Committee responsible for reviewing the Group's overall health and safety performance.

The Committee is Chaired by the Legal Director and Company Secretary, with the agenda led by the Group Head of Health and Safety. It is attended by key individuals from across the business with responsibility for certain areas of health and safety, including veterinary, retail, distribution and grooming operations.

The distribution centre has its own dedicated health and safety manager and a separate health and safety sub-committee, which meets regularly. The Group also has a designated health and safety manager and a team of health and safety advisors. The Group's health and safety policy is reviewed on a regular basis.

Pensions Committee

The Pensions Committee considers pension-related matters across the Group, including oversight of defined contribution pension arrangements and relevant regulatory and governance issues.

Pet Welfare Committee

The Pet Welfare Committee is established to provide leadership and oversight of the Group's approach to pet welfare and to maintain the Group's trusted voice on matters affecting pets. The Committee supports delivery of the Pet pillar of the Group's strategy, with a focus on achieving measurable improvements in pet welfare and reinforcing the Group's role as a leading advocate for pets.

Responsible Product Committee

The Responsible Product Committee oversees sustainability-related matters in the Group's supply chain, including ethical sourcing, product standards and related environmental and social considerations. This Committee met during the first half of FY26 but meetings were postponed and are currently under review following the restructure.

Climate Change and Waste Committee

The Climate Change and Waste Committee provides oversight of the Group's approach to climate change and waste-related matters. This includes consideration of the carbon and resource impacts of the Group's building infrastructure, such as energy use for heating and cooling, and investment in as renewable energy, on-site energy generation and energy efficiency initiatives. The Committee also considers the environmental impacts of logistics across the Group, including those arising from the Group's own fleet and third-party providers, as well as specific climate-related impacts within our veterinary business, such as anaesthetic gas usage and other clinical opportunities to reduce environmental impact. This Committee met during the first half of FY26 but meetings were postponed and are currently under review following the restructure.

Transformation Steering Committee

Transformation Steering Committees are established to provide oversight and direction for the Group's large-scale transformation programmes. Their responsibilities include ensuring that transformation initiatives align with the Group's long-term strategic objectives, that appropriate resources are allocated, and that key risks to successful delivery are identified and mitigated.

Internal control and risk management

The Board is responsible for the Group's system of internal control and for reviewing its effectiveness. During the year, the Board carried out an assessment of the Group's emerging and principal risks, including those that could threaten the Group's business model, future performance, solvency, liquidity or reputation as described on page 49.

Responsibility for the design, operation and monitoring of internal control and risk management systems is delegated by the Board to the Executive Management Team. These systems are based on an ongoing process of identifying, evaluating and managing principal, corporate, business and emerging risks, and include the risk management processes set out on pages 21 to 25 of the Strategic Report (Risk Management and Governance Overview).

The Board has concluded that the Group's system of internal control was effective throughout the year and up to the date of approval of the Annual Report. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide reasonable, but not absolute, assurance against material misstatement, loss, fraud or breaches of laws and regulations.

During the year, and notwithstanding this conclusion, the Board and Audit and Risk Committee continued to oversee a programme of enhancements to the Group's internal controls framework, reflecting the scale and complexity of the Group, organisational change during the year and evolving regulatory expectations.

These enhancements include the development and testing of an enhanced internal controls framework and supporting processes, to ensure the Group is well placed to comply with Provision 29 of the UK Corporate Governance Code ahead of the March 2027 compliance date.

The Board recognises the importance of robust information technology controls in supporting the Group's system of internal control. During the year, work progressed to strengthen aspects of the IT control environment, informed by internal audit activity and management review, with actions agreed and underway to enhance control design and consistency. Delivery of these actions will continue alongside the Group's broader internal controls enhancement programme, with oversight from the Audit and Risk Committee.

The principal internal controls relied upon during the year included:

- Strategic review in respect of the retail business, which took the form of the development of the Retail Turnaround Plan, led by the Interim Executive Chair with full Board oversight.
- The annual business planning and budget process, culminating in formal review and approval by the Board on 26 March 2026.
- Regular review of internal financial reporting by the Board, including comparisons of actual performance against budget and consideration of forecast outturn, with period-end financial statements prepared by the finance team and reviewed by the Chief Financial Officer.
- A formal authority and delegated approval framework for capital expenditure, under which the Chief Financial Officer approves capital investments and the Investment Committee reviews and approves investments relating to new Pet care centres and veterinary practices, with defined thresholds requiring full Board approval.
- An independent internal audit function, with its scope agreed with the Audit and Risk Committee, reporting to each meeting of the Committee throughout the year, and follow-up actions agreed and prioritised by management based on risk. Further details of the areas covered in the internal audit reports can be found in the Audit and Risk Committee Report on page 50.
- A clearly articulated delegated authority framework across the Group, including in respect of all purchasing activity, supported by systemic controls including a contract approval policy and appropriate segregation of duties.
- A schedule of matters reserved for the Board covering significant transactions and strategic or organisational change, supporting the Board's oversight of key risks and uncertainties. Further details are contained on page 49.
- Established Anti-Bribery and Corruption Policy and Code of Ethics and Business Conduct, as described below.
- Key information technology general controls and system access controls supporting financial reporting and operational processes.
- An effective fraud prevention and detection framework, which during the year was reviewed and further developed in response to the introduction of the new Failure to Prevent Fraud offence, with oversight from the Audit and Risk Committee.

Whistleblowing policy

The Group is committed to conducting its affairs in an open and responsible manner and to maintaining high standards of corporate governance, integrity and compliance. Creating an environment where concerns can be raised safely and at an early stage supports colleague welfare and helps protect the Group, its partners and stakeholders.

During the year, the Group's whistleblowing arrangements were refreshed and renamed Speak Up, to make their purpose clearer and more accessible to colleagues. The Speak Up policy encourages colleagues to raise concerns about potential wrongdoing, malpractice or breaches of law without fear of detriment or recrimination, provided concerns are raised in good faith. The policy explains how concerns may be raised confidentially and how they will be handled, with appropriate oversight.

In addition, the Group operates a Pet Promise Line, which is separate from Speak Up and is specifically designed to enable colleagues to raise concerns about pet welfare. This reflects the Group's commitment to ensuring that the welfare of pets in its care always comes first.

During the year, the Senior Leadership Team participated in an interactive session with Natalie-Jane MacDonald, Non-Executive Director for Colleague Engagement, focused on colleague listening, Speak Up arrangements and leaders' responsibilities in supporting a culture of openness and accountability.

Anti-Bribery and Corruption Policy

The Group adopts a zero-tolerance approach to bribery and corruption and supports colleagues in making decisions that reflect this stance. The Group's Anti-Bribery and Corruption Policy applies to all colleagues and extends to the Group's business dealings and transactions in all countries in which it operates.

The policy operates alongside the Group's Code of Ethics and Business Conduct, which is published on the Pets at Home Group investor website <https://www.petsathomeplc.com/sustainability/documents-policies/policies/>.

Colleagues receive training on bribery and corruption risks and controls as appropriate.

Share dealing code

The Company has adopted a share dealing code which applies to Directors, other Persons Discharging Managerial Responsibility and certain colleague insiders across the Group. Individuals subject to the code are responsible for ensuring that their connected persons also comply with its requirements.

Composition, Succession and Performance

Board composition

The UK Corporate Governance Code 2024 (the Code) recommends that at least half the Board of Directors of a UK-listed company, excluding the Chair, should comprise Non-Executive Directors determined by the Board to be independent in character and judgement and free from relationships or circumstances which may affect, or could appear to affect, the directors' judgement.

As at the date of this report, the Board consists of seven members, being the Non-Executive Chair, four other Non-Executive Directors and two Executive Directors. The biographies of the Directors can be found on pages 29 to 35.

During the financial year, the composition of the Board changed as described on page 28, with executive appointments taking effect after the year end.

The Board believes it has an appropriate balance of Executive and Non-Executive Directors, having regard to the size and nature of the business, and that the current Non-Executive Directors are independent in character and judgement. Each Director brings a different range of skills, knowledge and experience, and the Board considers that both individually and collectively, the Directors have the appropriate skills, experience, diversity of perspectives and commitment to lead the Group and to contribute effectively to the Board's work. The skills matrix for the Board on page 43 demonstrates the breadth of experience represented on the Board. More than half of the Directors are considered to be independent in accordance with the Code.

The Code also provides that, on appointment, the Chair of a company with a premium listing should meet the independence criteria set out in the Code. The Board considers that Ian Burke met the independence criteria at the time of his appointment as Chair in 2020.

During the year, he temporarily assumed executive responsibilities in his capacity as Chair, acting as Interim Executive Chair. Further detail on the governance arrangements implemented during this period is set out in the Chair's Introduction on page 28 and in the Nomination and Corporate Governance Committee Report.

Board effectiveness and performance

The Directors act collectively in the best interests of the Group through the Board and its Committees and devote sufficient time and attention to fulfil their duties effectively. The time commitments of each of the Non-Executive Directors are considered on an ongoing basis and reviewed formally at least annually, including when considering any additional roles or external appointments, to assess potential conflicts of interest and ensure there are no over-boarding concerns.

The Board is satisfied that the Chair and each of the Non-Executive Directors are able to devote sufficient time and attention to the Group's business to provide constructive challenge, effective oversight, strategic guidance and specialist advice. There were no material changes to Board members' external appointments during the year, other than routine updates as reflected in the individual biographies.

In line with the Code, the Board assesses and seeks to improve its effectiveness on an ongoing basis, recognising that effective Board performance is critical to the long-term success of the Group. During the year, the Board undertook an internally facilitated Board performance review, conducted in line with the Code, which covered the effectiveness of the Board and its Committees, individual contribution, and overall Board performance and dynamics. Further detail on the review process, outcomes and actions is included in the Nomination and Corporate Governance Committee Report on page 44.

Directors' induction and ongoing training

The Board considers effective induction and ongoing development to be critical to enabling Non-Executive Directors to provide effective oversight, influence and constructive challenge. All new Directors receive a full, formal and tailored induction on joining the Board, including meeting with the Executive Management Team and advisors, as appropriate.

The induction programme includes visits to the Group's stores, veterinary practices, Distribution centre and other key operational locations, together with training on the Group's strategy, core values, culture, and key environmental, social and governance matters, as well as the behaviours expected to support the Group's values.

Individual training and development needs are reviewed on a regular basis, and training is provided where a need is identified or requested. All Directors receive ongoing updates on matters relevant to the Group's business, including regulatory, governance and sector developments, to support informed decision-making and effective challenge.

The Board also has access to the Deloitte Academy training portal, and Directors have attended a range of training sessions throughout the year to support the continuous development of their skills and knowledge.

Appointment terms and election of Directors

All Directors have service agreements or letters of appointment in place. Further details of their terms are set out in the Directors' Remuneration Policy, which is available on pages 80 to 86.

The service agreements and letters of appointment are available for inspection at the Company's registered office during normal business hours. In accordance with the Code, all Directors stand for annual re-election by shareholders at each Annual General Meeting.

The Chair also liaises with Non-Executive Directors during the year as part of the Board's performance review process to assess and review their individual contributions, effectiveness and time commitment.

The skills and experience which each Non-Executive Director brings to the Board are set out in their biographies on pages 29 to 35, and in the Board Skills Matrix on page 43, demonstrating why their contribution is, and continues to be, important to the Group's long-term sustainable success.

Diversity and inclusion

The Board understands the importance of having a diverse membership and recognises that diversity encompasses not only gender but also background, ethnicity and experience.

The Group's diversity and inclusion aim is to increase representation across senior leadership, including the Board and Board Committees, so that decision-making better reflects the communities in which we live and work. While progress has been made, the Group recognises that representation at senior levels does not yet fully reflect this ambition. The Group is committed to removing barriers and ensuring equality of opportunity for all colleagues and applicants, regardless of personal characteristics or background, and to fostering an inclusive culture in which colleagues feel respected, supported and able to contribute fully.

Applications from candidates with a disability are given full and fair consideration and assessed on their skills and abilities. The Group takes all reasonable steps to support the training, development and employment of people with a disability and to ensure appropriate career development and promotion opportunities are available. Where a colleague becomes disabled, every effort is made to provide continuity of employment through reasonable adjustments or redeployment. The Group continues to be a member of the Business Disability Forum and Diversity in Retail.

The Nomination and Corporate Governance Committee monitors diversity across the Board and the Executive Management Team on an ongoing basis and considers diversity as an important element of succession planning and appointment decisions, alongside skills, experience and merit. The Board was considered during the year to have an appropriate mix of tenure, skills and experience. In line with the ethos across the business, the Board believes that appointments should be made on merit, while maintaining a diverse mix of experience, background, skills, knowledge and insight to support effective decision-making and long-term sustainable success. Further detail on diversity and inclusion across the Group is set out in the Sustainability Review on pages 14 to 16.

During the year, the Board continued to meet the Parker Review target on Board-level ethnic diversity, with at least one director from a minority ethnic background. The Board acknowledges that progress against the additional Parker Review target for senior leadership representation remains an area of focus, with representation currently below the Group's stated ambition.

The Board also considered the findings of the FTSE Women Leaders Review 2026, which reported that female representation on the Board stood at 33.3% at the data snapshot date of 31 October 2025. This reflected changes in Board composition during the year, including the departure of the Chief Executive Officer, and predates subsequent appointments. Following the appointment of Sarah Pollard after the financial year end, female representation on the Board returned to 42.7%, exceeding the recommended 40% target. The Company continues to meet the recommendation to have at least one woman in a senior Board position.

As at the relevant data snapshot date for UKLR reporting, the Company met two of the three Board diversity targets set out in UKLR 6.6.6(9).

The tables below set out the information required by UKLR 6.6.6R(10) in the prescribed format and reflect the position as at the Company's financial year end of 26 March 2026. The disclosures are based on voluntary self-identification.

Data was collected through voluntary self-reporting submissions, using a snapshot date of 31 October 2025 to align with the Group's submission to the FTSE Women Leaders Review and 31 December 2025 to align with the Group's submission to the Parker Review, or otherwise by way of individual confirmations. While the data is correct as at the financial year end, figures reported in those external benchmarking exercises may differ due to the application of different snapshot dates.

(1) Gender identity or sex

	Number of Board members ¹	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management ³	Percentage of executive management
Men	4	66.7%	2 ²	3	60%
Women	2	33.3%	1	2	40%
Not specified / prefer not to say	–	–	–	–	–

(2) Table for reporting on ethnic background

	Number of Board members ¹	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management ³	Percentage of executive management
White British or other White (including minority-white groups)	5	83.3%	2 ²	6	100%
Mixed/ Multiple ethnic groups	–	–	–	–	–
Asian/Asian British	–	–	–	–	–
Black/African/ Caribbean/ Black British	–	–	–	–	–
Other ethnic group	1	16.7%	1	–	–
Not specified/ prefer not to say	–	–	–	–	–

¹ Board members refers to those individuals in role as at the Company's financial year end of 26 March 2026.

² Ian Burke held the roles of Interim Executive Chair and Chair in a combined capacity and is therefore counted once.

³ Executive management comprises members of the Executive Management Team as at the financial year end and included Ian Burke in his capacity as Interim Executive Chair, Mike Iddon as Chief Financial Officer and the Company Secretary. It does not account for the appointments of James Bailey as Chief Executive Officer and Sarah Pollard as Chief Financial Officer made after the end of the financial year, nor the cessation of the interim arrangements under which Ian Burke reverted solely to Chair of the Board.

Succession

The Board has continued to focus on succession planning and the development of Group talent during the year, recognising the importance of robust succession pipelines in supporting long-term sustainable success. Further detail of the work undertaken by the Nomination and Corporate Governance Committee in this area is set out on page 44.

At the financial year end, one Director had tenure of between one and three years, and four Directors had tenure of over three years. This reflects the position as at the financial year end and excludes the subsequent appointments of Executive Directors, James Bailey and Sarah Pollard, on 30 March 2026 and 27 March 2026 respectively.

Board Skills Matrix

The Board Skills Matrix reflects the composition of the Board as at the date of this Annual Report and highlights the skills, experience and perspectives collectively available to the Board. The matrix is used by the Board and the Nomination and Corporate Governance Committee to support succession planning, Board performance reviews and future appointments.

	Director						
	Ian Burke	Zarin Patel	Roger Burnley	Natalie-Jane Macdonald	Garret Turley	James Bailey	Sarah Pollard
Pet Owner	✓	✗	✓	✓	✗	✓	✓
Expertise							
Accounting, Finance and Audit	✓	✓	✓	✗	✗	✓	✓
Risk Management	✓	✓	✓	✓	✗	✓	✓
Regulatory	✓	✓	✓	✓	✓	✗	✗
Governance	✓	✓	✓	✓	✓	✗	✓
Corporate Transactions (M&A)	✓	✓	✓	✓	✓	✗	✓
International (running a non UK Business)	✓	✓	✗	✗	✗	✗	✓
General Management (CEO)	✓	✓	✓	✓	✓	✓	✗
People and Culture	✓	✓	✓	✓	✓	✓	✓
General Retailing Experience	✓	✓	✓	✓	✗	✓	✓
Customer Service and Communications Experience	✗	✓	✓	✓	✗	✓	✗
Online Retailing Experience	✓	✓	✓	✓	✗	✓	✗
Marketing/Branding	✓	✓	✓	✓	✗	✓	✓
General Services	✓	✗	✓	✓	✓	✗	✗
Veterinary	✗	✗	✗	✗	✓	✗	✗
Healthcare	✗	✗	✗	✓	✓	✗	✗
Charity/Social Purpose	✓	✓	✓	✓	✓	✗	✗
Data	✗	✓	✓	✓	✗	✓	✓
Artificial Intelligence	✓	✓	✗	✗	✗	✗	✗
IT and Technology	✗	✓	✓	✗	✗	✗	✗
Omnichannel	✓	✓	✓	✓	✗	✓	✗
Strategic Leadership	✓	✓	✓	✓	✓	✓	✓
Vision and Mission	✓	✓	✓	✓	✓	✓	✓
Sustainability and Climate Change	✓	✓	✓	✓	✓	✓	✗
Transformation Leadership	✓	✓	✓	✓	✗	✓	✓
Chair of PLC Board	✓	✗	✗	✗	✗	✗	✗
Chair of PLC Board Committee	✓	✓	✓	✗	✓	✗	✗

Nomination and Corporate Governance Committee Report

Supporting the Board and Executive Leadership Through Change

Ian Burke

Chair, Nomination and Corporate Governance Committee

The role of the Committee

The Nomination and Corporate Governance Committee (the Committee) is responsible for leading the process for nominating suitable candidates for appointment to the Board and to key senior leadership roles, and for keeping the composition of the Board and its Committees under review. The Committee also oversees succession planning for the Board, the Executive Management Team and senior leadership, and supports the Board on corporate governance matters.

In carrying out its role, the Committee considers the size, structure and composition of the Board and its Committees, including the skills, experience independence, diversity and time commitment of Directors, alongside the leadership needs of the Group and the wider governance and operating environment. The Committee's terms of reference are reviewed annually and are available on the Pets at Home Group investor website <https://www.petsathomeplc.com/investors/corporate-governance/nomination-and-corporate-governance-committee/>.

Committee membership

I Chair the Committee. During the year, the Committee comprised the independent Non-Executive Directors (NEDs): Zarin Patel, Roger Burnley, Natalie-Jane Macdonald and Garret Turley.

During the financial year, the work of the Committee was undertaken outside of original scheduled meetings (which were postponed), to enable the Committee to react to the level of senior leadership and Board succession activity during the year.

Key activities this year

This was a year of significant leadership transition and governance focus. Alongside the specific succession activity described below, the Committee undertook a number of core governance activities to provide continuity, robustness and compliance during a period of change, including:

- Considering Board composition and how it may be enhanced, including in the context of succession planning and appointments.
- Reviewing Board and Committee performance and effectiveness, including conducting an internal performance review.
- Considering Directors' actual and potential conflicts of interest.
- Reviewing time commitments and capacity associated with NED roles.
- Considering regulatory and corporate governance responsibilities, including temporary non-compliance with the UK Corporate Governance Code 2024 (Code) arising from the Interim Executive Chair arrangements.

Board and executive succession

The Committee played a central role in overseeing and recommending a number of key leadership appointments:

Interim leadership arrangements - At the time of the departure of the former Chief Executive Officer in September 2025, the Committee recommended that Ian Burke assume the role of Interim Executive Chair on a temporary basis to provide leadership continuity. The Committee recognised that this arrangement was not compliant with Provision 9 of the Code and ensured that appropriate governance safeguards were put in place, including a revised division of responsibilities between the Interim Executive Chair and the Senior Independent Director, which was approved by the Board, documented and published.

Chief Executive Officer – Following the departure of the former Chief Executive Officer, the Committee oversaw the permanent CEO succession process. Zarin Patel, as Senior Independent Director, also played an important role in supporting this process by working closely with the other members of the Committee, in line with the revised division of responsibilities. In December 2025, the Committee recommended the appointment of James Bailey as Chief Executive Officer and Executive Director, with effect from 30 March 2026 following the year end. The Committee was satisfied that James has the experience, leadership capability and strategic insight required to lead the Group and deliver the next phase of the Group's strategy.

Chief Financial Officer succession – Following Mike Iddon's indication of his intention to retire, the Committee oversaw the CFO succession process. In September 2025, the Committee recommended the appointment of Sarah Pollard as Chief Financial Officer and Executive Director, with transition arrangements designed to support an orderly handover. Sarah was appointed to the Board on 27 March 2026 following the year end, with the transition carefully planned and overseen by the Committee.

Further detail on Board composition, independence and Director biographies is set out on pages 29 to 35 and 41 to 43.

Succession planning and talent development

Alongside the specific Board and Executive appointments described above, the Committee continued to consider the skills and capabilities required to deliver the Group's strategy and longer-term objectives at Board, Committee and Executive Management Team level. This included ongoing review and maintenance of succession plans for both the Board and the Executive Management Team to ensure resilience, continuity and effective leadership.

The Committee maintained an awareness of talent and succession considerations below Board and Executive Management Team level during the year, informed by Board discussions, particularly in the context of the period of leadership transition.

Board composition, independence and time commitment

The Committee kept Board composition under regular review during the year to ensure an appropriate balance of Executive Directors and NEDs, and a mix of skills, experience and perspectives aligned to the Group's strategy.

In accordance with the Code, the Committee considered that the Board continues to meet the Code's independence expectations. In particular, the Committee took into account the Chair's temporary assumption of executive responsibilities during the year, noting that this arrangement was appropriately disclosed and explained elsewhere in the Governance Report and that suitable governance safeguards were in place during the relevant period. The Committee also reviewed the time commitment of each of the NEDs, including external appointments, and was satisfied that all Directors were able to devote sufficient time and attention to their roles and that there were no over-boarding concerns.

Board performance and effectiveness

In line with the Code, the Board undertook an internally facilitated Board and Committee performance review during the year. The review consisted of a questionnaire completed by each Board member and considered the effectiveness of the Board and its Committees, individual contribution, Board dynamics and overall performance, including specific questions on capability, composition, stakeholders, Board dynamics and culture, the effectiveness of meetings and information flows, the operation of the Board's Committees, development and succession, strategy, performance and effectiveness, risk and opportunities and people. The review also included focused questions on the Board's handling of the transitional executive leadership changes and how effectively good governance was maintained while the roles of Chair and Chief Executive Officer were temporarily combined.

The Committee reviewed and discussed the outcomes of the review and was satisfied that the Board remains effective, with strong constructive challenge and engagement. The three main priorities identified following the review, included: increasing strategic focus for the Board, improving the quality of Board information and strengthening challenge, trust and openness.

Further detail on the review process and outcomes is set out in the Composition, Succession and Performance section of the Governance Report on page 41.

Diversity and inclusion

The Committee recognises the importance of diversity and inclusion in supporting effective decision-making and the Group's long-term sustainable success. Diversity is considered as an integral part of succession planning and appointment decisions, alongside skills, experience and merit.

During the year, the Board continued to meet the Parker Review target for Board-level ethnic diversity. Female representation on the Board, which temporarily reduced following changes in Board composition during the year, returned to above the recommended 40% target set by the FTSE Women Leaders Review following subsequent appointments. The Committee continues to monitor diversity across the Board and Executive Management Team and supports actions to strengthen the longer-term talent pipeline.

Further information on Board and senior leadership diversity is set out on page 42.

Conflicts of interest and governance matters

The Committee supports the Board in managing Directors' actual and potential conflicts of interest and has delegated authority to review and, where appropriate, authorise, conflicts in accordance with the Company's Articles of Association and applicable legal and governance requirements. A register of declared interests is maintained by the Company Secretary and is reviewed on a regular basis, with a formal review undertaken at least annually in advance of publication of the Annual Report. Procedures are in place to ensure that conflicts are declared as they arise, appropriately considered, documented and managed, and that Directors are able to participate in discussions and decision-making only where permitted by the Company's Articles and agreed governance arrangements.

The Committee also supports the Board in its annual consideration of the Conflicts of Interest Register, which is undertaken prior to the publication of the Annual Report. In addition, the Committee considers the independence of the NEDs, having regard to the criteria set out in the Code and the specific circumstances of the year.

The Board's overall view on independence is set out in the Governance Report, with further detail on Board composition, diversity and independence included in the Composition, Succession and Performance section of the Governance Report on pages 41 to 42.

Looking ahead

In FY27, the Committee will continue to focus on:

- Supporting the integration of newly appointed Board and Executive members;
- Maintaining robust succession planning at Board and Executive Management Team level;
- Ongoing review of Board composition, diversity and effectiveness; and
- Monitoring corporate governance developments and emerging best practice.

Our 2026 Annual General Meeting will take place on 9 July 2026 at 9am at the Company's office at Chester House, Epsom Avenue, Stanley Green Trading Estate, Handforth SK9 3RN. I will be available at the Annual General Meeting to answer any questions on the work of the Committee and I look forward to reporting on further progress in the year ahead.



Ian Burke
Chair, Nomination and Corporate Governance Committee
27 May 2026

Audit & Risk Committee Report

Chair's Introduction

I am pleased to report that the Audit and Risk Committee (the Committee) has continued to actively support the Board in overseeing the integrity of financial reporting, effectiveness of risk management and internal controls, and assurance from internal and external audit. This year has seen much change and the Committee has spent time challenging management to strengthen risk and strategic resilience in light of events, including underperformance in our Retail business. In particular risk profiles have been re-shaped to align better with the renewed focus on product innovation, price competitiveness, consumer centricity and execution. Business continuity plans have been refreshed and rehearsed and cyber controls strengthened, learning the lessons from cyber-attacks targeted at the retail sector in the past year.

The year ahead is also expected to be one of change with the reporting on the effectiveness of material financial and operating controls and the Committee will be focused on embedding a stronger control environment.

Committee Membership and Operation

All members are Independent Non-Executive Directors with relevant financial and sector experience. As Chair I am a Chartered Accountant with recent and relevant financial experience. Further details of Committee members and their experience can be found on pages 29 to 37.

Management and internal and external auditors attend meetings by invitation. Private sessions are held with external and internal auditors as well as the Head of Risk, and the Committee Chair maintains regular dialogue with Board and the Executive Management Team, the Company Secretary and General Counsel, the Head of Internal Audit and the Head of Risk. Actions are captured in the minutes and followed up in advance of the next meeting.

An internal Board performance review concluded that the board are considered effective. Further detail on the review process, outcomes and actions is included in the Nomination and Corporate Governance Committee Report on pages 44 to 45.

Further details on the division of Board responsibilities and the Committee's role in complying with the UK Corporate Governance Code are set out on page 36.

The full Terms of Reference for the Committee, which were last updated on 24 April 2025 can be found at <https://www.petsathomeplc.com/investors/corporate-governance/audit-risk-committee/>.

What we did during the year

The Committee met on four occasions during the financial year, in May 2025, September 2025, November 2025 and January 2026. The Committee has carried out its responsibilities as set out in the Terms of Reference, with each meeting having a distinct agenda to reflect the annual reporting cycle of the Group. The agenda is set into four key areas:

- Financial reporting
- Risk management systems and internal control
- External audit
- Internal audit

Financial Reporting

A primary responsibility of the Committee is monitoring the integrity of the financial statements to protect the interests of shareholders, including significant financial reporting issues, judgements, the sustainability disclosures and the development of the 'fair, balanced and understandable' and 'sufficiency of information' statement by the Board.

The Committee reviewed the Annual Report and Financial Statements for the period ended 26 March 2026, and the Interim Financial Statements for the period ended 9 October 2025, focusing on the integrity of financial statements and key areas of judgement and significant estimates. Papers prepared by management and challenge from our external auditors, Deloitte, supported the review, with emphasis on Key Audit Matters around the carrying value of retail goodwill, as well as Going Concern and Longer-Term Viability.

The Committee has reviewed the Going Concern and Longer-Term Viability review, significant matters detailed below and climate and sustainability reporting.

Other core areas of Committee scrutiny included:

Focus area	Ongoing focus or new this year
- Carrying value of goodwill allocated to Retail and Vet Group segments and Retail store profitability	- The carrying value of goodwill attributed to the Group of Retail Cash Generating Units (CGUs) and the Retail store profitability has received a higher focus this year due to Retail underperformance
- Retail supplier terms recognition	- Ongoing focus
- Non-underlying items policy and classification of non-underlying items within the Consolidated Income Statement	- Higher focus this year following audit feedback specifically around materiality thresholds for non-underlying items
- Joint Venture accounting including contributions to Joint Venture veterinary practices and recoverability of loans and investments	- Ongoing focus
- Recoverability of Retail investments	- New focus this year due to operational events within the investments
- Property provisions policy	- New focus on the policy this year following audit feedback
- Retail inventory provision	- Ongoing focus
- Appropriate disclosures of key estimates, judgments and sensitivities underpinning the results	- Ongoing focus
- Transparency of APMs and KPIs	- Ongoing focus. In order to simplify reporting the number of APMs has been reduced from ten to seven this year. This follows challenge from audit in relation to the number of APMs
- The Group's tax and treasury strategy and policies, and the Group's distributable reserves position in advance of the declaration of dividends	- Ongoing focus

During the year the Financial Reporting Council (FRC) Corporate Review team carried out a review of our Interim Report for the period ended 9 October 2025. The review was based solely on the Interim Report and did not benefit from detailed knowledge of our business or an understanding of the underlying transactions entered into. The review has not highlighted any questions or queries requiring a response, however there were two disclosure points raised for our attention in relation to goodwill impairment analysis, focused on the basis for the allocation of central costs between groups of CGUs and plausible sensitivities. We have improved the clarity of disclosures in our Annual Report and Financial Statements for the period ended 26 March 2026.

Going Concern and Longer-Term Viability

In considering viability the Committee reviewed the Group's strategic plan, testing thoroughly the sensitivities related to macro-economic pressures, normalisation of pet ownership, climate impacts and the combined impacts on our supply chain and energy costs as a consequence of the current conflict in the Middle East., The Committee recommended the adoption of the Going Concern basis and supported the Longer-Term Viability Statement.

Significant Matters

The Committee has assessed principal and emerging risks, and considers the following matters to be the key financial risks within the financial statements:

Matter	Nature of the risk	How the risk was addressed by the Committee
Carrying value of goodwill and Parent Company's investment in subsidiaries	<p>The Group holds a significant goodwill balance and the Company holds material investments in subsidiaries. Future profitability and cash flows are affected by competitive pressures in the pet sector, ongoing shifts in consumer behaviour, the advent of agentic AI shopping and wider macro-economic conditions. These factors create a risk that financial performance may not support the carrying value of goodwill and subsidiary investments.</p> <p>Reference to financial statements; note 1.16 on page 107 and note 13 on pages 121 to 123.</p>	<p>The Committee reviewed and challenged management's impairment testing process, including the allocation of goodwill to CGUs, key assumptions (cash flow forecasts, growth rates and discount rates), and supporting sensitivity analysis and appropriateness of sensitivities modelled including reasonably possible downside scenarios that could cause impairment. It also compared the Group's value-in-use calculations with market capitalisation. In doing so, the Committee considered external factors such as normalising pet ownership trends, consumer confidence, macro-economic conditions, supply chain and energy cost risk caused by the current Middle East conflict and relevant regulatory and sector developments.</p> <p>The Committee reviewed the external auditor's work and conclusions, including the assumptions tested and evidence obtained. The Committee is satisfied that no impairment charge is required to the Group's goodwill or the Company's investments in subsidiaries and that disclosures in the financial statements are appropriate, including disclosure amendments made in line with recommendations from the FRC.</p>
Accuracy of supplier income and rebates	<p>A proportion of supplier income arises from arrangements that do not align with the Group's financial year, as they operate on a calendar-year basis. As a result, part of the income is estimated using forecast volumes.</p> <p>Reference to financial statements; note 1.19 on pages 108 to 110.</p>	<p>The Committee reviewed and challenged management's supplier income recognition policy, including the judgements applied in estimating supplier income arrangements with non-coterminous year ends.</p> <p>The Committee reviewed the external auditor's work and conclusions, including the assumptions tested and evidence obtained. The Committee is satisfied that the supplier income recognised for the period is appropriate.</p>
Assessment of control over Joint Ventures	<p>Whether the level of an individual Joint Venture veterinary practice's indebtedness to the Group, particularly those with high levels of investment or indebtedness, implies that the Group has the practical ability to control the Joint Venture, which would result in the requirement to consolidate.</p> <p>Reference to financial statements; note 1.4 on page 104 and note 1.22 on page 111.</p>	<p>The Committee monitored the controls and processes governing financial support provided to Joint Venture veterinary practices, including the recoverability of related loans and investments. It also assessed whether practice indebtedness or other factors could indicate that the Group has practical ability to control requiring consolidation. The Committee concluded that the Group does not control the individual Joint Venture veterinary practices.</p>

Ensuring a Fair, Balanced and Understandable Annual Report

The Board is required to provide its opinion on whether it considers that the Group's Annual Report and Financial Statements for the period ended 26 March 2026, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy. During 2026 the Committee considered the many components of business performance to ensure it had a full understanding of the operations of the Group.

Key matters considered by the Committee include:

Reviewing, understanding and supporting the key judgements taken and estimates made and ensuring transparent disclosure.

Ensuring an appropriate balance of GAAP and non-GAAP financial measures with clear reconciliations and rational. To simplify reporting the number of APMs has been reduced from ten to seven.

- Considering each element of fair, balanced and understandable to ensure reporting was comprehensive, in compliance with accounting standards and other regulatory requirements.
- The Committee has concluded that the disclosures, as well as processes and controls underlying its production, were appropriate and recommended to the Board that the Annual Report and Financial Statements are fair, balanced, and understandable, while providing the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Climate and Sustainability Reporting

The Committee reviewed the climate-related financial disclosures (TCFD/CFD) and supported scenario analysis and worked with the Sustainability Committee to strengthen climate disclosures. Following improvements around the internal reporting process around GHG emission data the Committee have supported the decision not to have limited performance assurance over selected GHG emission metrics this year.

The Committee also reviewed developments in the UK SRS S1 S2 standards and next year will focus on assessing our readiness for reporting under the new standards.

Risk Management and Internal Controls

Risk management and the system of internal control are the responsibility of the Board. It ensures that there is a process in place to identify, assess and manage significant risks that may affect achievement of the Group's objectives and that the level and profile of such risks is acceptable (based on the Board's risk appetite).

The processes have been in place for the year under review and up to the date of approval of the Annual Report and Financial Statements.

The Committee provides oversight and challenge to the assessment of principal risks as set out on page 22. The Committee has continued to monitor and challenge the control environment of the Group including its general risk management, risk register and internal controls processes, as well as emerging and evolving risks considering the presence of key risk factors. This has included assessment of the likelihood and impact of principal risks materialising, and the management and mitigation to reduce the likelihood of their incidence or their impact. The Committee explores specific principal and corporate risks of the Group in detail, inviting the management team to discuss the risks, mitigations and further proposed actions.

In the year the Committee had enhanced focus on cyber security, business continuity and resilience, data privacy, ageing technology, health and safety and geopolitical tensions including the conflict in the Middle East.

The internal controls enhancement program progressed albeit much more slowly than anticipated as reductions in overheads impacted available resources. The Committee will oversee an acceleration of this work under our new CFO's leadership. Work continued on improving and embedding IT controls with first and second line oversight with a focus on data integrity and AI governance. The Committee has also reviewed the fraud effectiveness framework and the profit protection framework. The Vets new practice management system implementation was monitored, with additional independent assurance deployed where required. We have considered the new Failure to Prevent Fraud requirements and have strengthened our fraud policy which has been briefed to all colleagues and will be embedded into mandatory training across the business throughout the course of the next financial year.

Cyber security and data privacy continue to be key priorities for the Group, reflecting our increasingly digital retail operations and the evolving threat landscape within the UK retail space over the last 12 months. The Board maintains oversight of these risks through the Audit and Risk Committee supporting the investment in strengthening our cyber security controls, resilience and colleague awareness.

In light of the underperformance of our Retail business as reported on page 4 the Committee asked for an overhaul of the principal risks to ensure that they align much more closely with the strategy and recognise the root cause analysis of why Retail performance was impacted. The overhaul of the principal risks is complete with the new CEO and CFO tasked with re-framing the risk appetite, key risk metrics and strengthening resilience to an uncertain and constantly changing economic environment and consumer preferences. The Committee has also ensured there is an adequate process in place to identify emerging risks through the risk review process and challenges the impact assessment associated with these risks.

The Committee has reviewed health and safety performance reports twice in the year, including strategies and action plans developed by management. The Committee has also reviewed the effectiveness of the Group's whistleblowing procedures, and incident reports are reviewed regularly. Compliance with codes of conduct and culture and other key policies such as anti-bribery and corruption, anti-money laundering, and compliance with the Companies Act are conducted on an ongoing basis.

The Committee has continued to monitor the progress and delivery of major projects throughout the year including the roll out of the new practice management system within the Vet Group (Project Darwin).

The Board, through the Audit and Risk Committee, are satisfied that the internal control framework is effective but acknowledges that the work of Internal Audit has identified several control weaknesses which require remediation, along with a number of actions identified by Internal Audit which require refocus and re-prioritisation. The Internal Controls project is continuing to progress to enhance the risk management process and internal financial controls, which both the Board and Committee will continue to monitor in FY27.

Internal Audit

Internal Audit has reviewed its strategy to ensure relevance as it grows and enhances its capability. The Internal Audit strategy is to provide forward-looking, independent assurance that protects pets, safeguards customer's trust, and strengthens the Group's resilience, supporting the business to get it right first time.

Internal Audit reports directly to the Audit and Risk Committee and is co-sourced with PwC to provide specialist expertise. The Internal Audit plan for FY26 was amended following the Support Office restructure to align to an approved risk-based Internal Audit strategy, providing assurance over key operational, financial, compliance and governance risks. Formal reviews were completed covering payroll (with a specific focus on data protection), data governance, travel and expenses, and veterinary billing. These reviews resulted in clear, practical recommendations which will strengthen control design, improve data handling and compliance, and enhance consistency and transparency across key processes. All findings, outcomes and agreed actions were reported to the Committee. In addition to formal audit work, Internal Audit operated as a trusted assurance partner on several key projects including; the roll out of the new practice management system within the Vet Group, the new insurance proposition and the Retail Turnaround Plan, providing timely challenge and assurance through alternative mechanisms, providing iterative real-time feedback. Early engagement is supporting the identification and mitigation of risks during project delivery, contributing to improved control design, clearer governance arrangements, and reducing the need for retrospective remediation. Following recent cyber-attack incidents across the sector, Internal Audit also played a leading role in strengthening the Group's business continuity planning, enhancing preparedness, response arrangements, and organisational resilience. Internal Audit support has also been given to the Internal Controls team in providing independent testing of material controls during the dry run in March and to be completed in June 2026, ahead of Provision 29 compliance in March 2027. This overall approach has enabled the business to address risks proactively and embed effective controls at the outset, supporting improved delivery outcomes and promoting a strong culture of risk awareness.

The FY27 Internal Audit plan has been developed on a risk-based basis and is considered effective and deliverable within the resources available. While the plan enables the provision of meaningful assurance over priority risk areas, overall assurance coverage is necessarily limited by resource constraints and therefore does not extend to all potential areas of review. This limitation is actively managed through prioritisation, use of co-sourced support, contingency within the plan, and targeted follow-up work to confirm that agreed audit actions have been implemented effectively. The plan is reviewed every six months to consider the wider assurance landscape, including reliance on management controls, second-line activities and external assurance. This enables Internal Audit to re-prioritise coverage, adjust audit scope and timing where necessary, and deploy resources to areas of greatest risk and value.

Following its review of the effectiveness of the Internal Audit function, the Committee has concluded that the function remains effective. The Committee acknowledges, however, that assurance coverage is constrained by available resources (both within the Internal Audit team and the wider Group due to the recent Support Office restructure) and that, as a result, not all planned or potential areas of work can be progressed as originally envisaged. Assurance coverage, progress in implementing agreed recommendations, and the overall effectiveness of Internal Audit will continue to be kept under review.

External Audit and Auditor Independence

Following the audit tender conducted in 2024 Deloitte were initially appointed auditors for the financial year ended 27 March 2025 and were reappointed at the Company's AGM in 2025. Rachel Argyle has been the lead audit partner since initial appointment.

Deloitte's second-year audit provided enhanced analytics coverage. The Committee reviewed audit fees, independence, and quality indicators, including regulatory inspection findings.

The Committee considered the quality, effectiveness, independence, and objectivity of the external auditors through the review of all reports provided, regular contact and dialogue both during Committee meetings and separately without management. The Committee also considered the firm's Audit Quality Indicators such as experience of the audit team and their sector and PLC experience, reviewing FRC's Audit Quality Inspections, ICAEW reviews and firm wide Quality Management Systems. A formal audit effectiveness survey was conducted in Autumn 2025. Learnings from the first year audit have been built into the FY26 audit plan with a focus on improving processes following insights raised and developing a more efficient audit process.

Additional non-audit services provided by the auditors may impair their independence or give rise to a perception that their independence may be impaired. The Group has a policy in relation to the provision of non-audit services that is aligned with the FRC's 2024 Ethical Standard to provide further clarity over the type of work that is acceptable for the external auditors to conduct. The policy sets out the process required for approval and a cap to the total non-audit fees for permitted services (at 70% of the audit fee). The policy was last reviewed in the year ended 26 March 2026.

Audit and non-audit fees paid to Deloitte in the year were £1,724,000 and an analysis is presented in note 3 to the consolidated financial statements. Non-audit fees represent 5% of the audit fee. Non-audit services provided by the external auditors during the 2026 financial year comprised audit related assurance services, in the form of an independent review of the interim financial statements, and a financial covenant compliance certificate. Deloitte also provided assurance over selected ESG metrics in the preceding year which was not carried out in the current year following strengthening of internal controls around these metrics.

The Committee concluded that the provision of such services was appropriate given that they were closely related to the work performed in the external audit process and, for reason of effectiveness and efficiency, it was considered advantageous to engage the external auditors due to their knowledge and expertise.

Resolutions to re-appoint Deloitte as auditor and to authorise the Directors to agree their remuneration will be put to shareholders at the Annual General Meeting that will take place on 9 July 2026.

FY27 Priorities

The Committee will continue to carry out its responsibilities as set out in our terms of reference and particular areas of focus in FY27 will include:

- Monitoring emerging risks and ensuring that our principal risks and opportunities align to strategy
- Continued development of internal controls towards 2027 Provision 29 disclosure
- Annual fraud effectiveness review
- Continuing to monitor adequacy of business continuity plans and cyber controls
- Monitoring key projects such as the Retail Turnaround Plan
- Continued assurance over Vets practice management system implementation
- Assurance over our new Insurance business and its regulatory compliance framework as it launches in FY27
- Maturing and embedding stronger data privacy frameworks as data continues to underpin our omnichannel performance
- Assuring our responsible AI frameworks are operating as intended as AI deployment commences at pace
- Alignment of internal audit plan to principal risks, business priorities and key strategic decisions
- Evolving sustainability reporting to align to the new SRS S1 and S2 standards

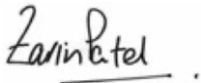
Audit Committees and the External Audit: Minimum Standard

The Committee confirms that for the year ended 26 March 2026, it has complied with the Audit Committees and the External Audit Minimum Standard (the Standard). Elsewhere in this report we have explained how significant issues and accounting policies are considered, how independence and objectivity is assessed and how audit quality is actively monitored.

Further Engagement

I look forward to seeing you at the 2026 AGM and if you wish to discuss any aspect of this report, please contact me via our Company Secretary, Ms. Lesley Lazenby at companysecretary@petsathome.co.uk.

On behalf of the Audit and Risk Committee



Zarin Patel
Chair, Audit and Risk Committee
27 May 2026

Sustainability Committee Report

Streamlining our priorities on planet, pets and people

Garret Turley

Chair of the Sustainability Committee

What we did in FY26

- Considered the people aspects of the strategy and progress against relevant targets, including training and diversity (with a focus on ethnicity)
- Considered progress made by the Pets Foundation
- Reviewed the business' long term sustainability targets, including in respect of carbon footprinting, packaging and engagement with suppliers
- Continued work to improve pet welfare and standards in our supply chain
- Debated the environmental impact of parasiticides
- Agreed a streamlined set of sustainability priorities, taking into account the recent challenges in business performance

What we will do in FY27

We will undertake further review of the risks, scenarios and materiality assessment as we continue to develop our sustainability strategy and reporting processes, whilst working towards resubmission of our Science Based Targets initiative (SBTi) targets, incorporating Forest, Land and Agriculture (FLAG) climate targets.

Focus on our streamlined sustainability priorities including:

- Continuation of the anaesthetic ambassador programme
- Working on parasiticides
- Simplifying our flexible plastics programme
- Continuing the flexible textiles programme
- Continuing our partnership with Woodland Trust
- Continuing all required reporting including on Scope 1, Scope 2 and Scope 3 emissions, together with our own brand carbon footprinting work
- Keeping the sustainability priorities of the business under review during the year

Introduction and strategic approach

I am pleased to present, on the behalf of the Sustainability Committee, our report on our activity for the year ending 26 March 2026.

The Committee oversees the governance of our sustainability strategy 'Our Better World Pledge' which has been in place for five years. Our strategic approach to sustainability is organised around three pillars of Planet, Pets and People where the Group has material impact and creates value. We believe these pillars are the right way to approach our responsibilities and align with our Group purpose, to create a better world for pets and the people who love them.

In relation to the Planet pillar, the strategy continues to be focussed on the Group's response to the climate emergency and the increasing concerns around bio-diversity loss. This cuts across all areas of the business, particularly the impacts of pet care products which make up the vast majority of the Group's Scope 3 emissions. The delivery of the SBTi-approved carbon reduction targets and the transition to the 2040 net zero target are a key focus area.

Pet welfare continues to be a central part of the Committee's focus, with particular focus this year on aspects of the pet supply chain and working closely with our pet suppliers. The work of the Pets Foundation also supports pets in many ways, including its grant programme for local and national charities.

The Committee's focus on people includes the approach to assessing human rights risks across the operations and supply chains and to diversity and inclusion. Training and development are another key aspect of the People pillar.

The Committee established three operational management committees five years ago (as detailed on page 39) to support Our Better World Pledge strategy. The management committees continued to meet in the early part of FY26 however meetings were paused whilst the Support Office restructure took place. The structure of the management committees is currently under review, with the intention to recommence some form of sustainability operational management committee(s) in FY27.

Following the Support Office restructure and cost saving exercise, the Board considered a revised set of priorities on sustainability for the time being, taking account of the reduction in the sustainability team headcount and budget. The priorities are largely as detailed above in the focus for FY27 section. Sustainability remains of importance to the business and the strategy will be kept under review during the financial year.

Committee membership

The Sustainability Committee is Chaired by Garret Turley. Acknowledging the importance of Sustainability to the Group, all five additional Non-Executive Board members have been selected to attend the meetings. The CEO and CFO are also members of the Sustainability Committee. In addition, Lesley Lazenby, Legal Director & Company Secretary, attends in her capacity as executive member with responsibility for sustainability, post the restructure. Colleagues with responsibility for the activities under each pillar attend meetings as needed.

The Sustainability Committee agreed to change its meeting frequency from three meetings to two each year, with the Pet and People pillars of the strategy being covered at the dedicated Committee meetings and then time was allocated to two main Board meetings to cover the Planet pillar. The frequency of meetings is also under review following the Support Office restructure.

A. Strategic progress

In addition to the focus on pet welfare, during the year the Committee has reviewed a number of topics central to the delivery of the Sustainability strategy:

Focus on sustainable pet food

- Pet food continues to be a core focus within our eight net zero transition priorities, reflecting both its non-discretionary nature for pet owners and its carbon and nature-related impacts. As at the end of FY26, 314 of our own brand complete cat and dog food products have been carbon footprinted, representing 72% of our own brand complete cat and dog food net sales. These insights are being used to inform reformulation activity, product development and range decisions. Building on this progress, sustainability considerations within pet food have been embedded into colleague nutrition training, supporting more informed discussions with pet owners who wish to factor environmental considerations into their nutrition choices.
- We continue to hold our investment in Meatly (Good Dog Food Limited), the cultivated meat pet food company.

Antimicrobial Stewardship

- Antimicrobial stewardship remains an area of ongoing focus following the rollout of Practice guidance. During the year, we progressed to the next stage of our internal reporting dashboard, with Practice rollout planned in FY27. We also continued our multi-year antimicrobial usage research partnership with the Royal Veterinary College and VetCompass, and supported a Practice Owner research project on antibiotic use, that is being progressed to publication.

Pet Governance

- The Committee received a detailed update from the Veterinary Services Director (VSD) on Pet Governance, including the continued review and strategic assessment of our pet supply. Following restructuring across the business, all elements of pet supply now sit within Vet Services, supporting clear governance, consistent oversight and an enhanced focus on our welfare-first approach. Key elements of the governance framework are being embedded across the business, including a robust review of colleague training and ongoing licensing discussions with relevant authorities. The Committee will continue to receive regular updates on this important area.

Current progress against the 12 strategic targets during FY26 is as set out below:

2028 OBWP Sustainability Target	FY26 update
Planet Targets	
1. All priority Own Brand (OB) complete petfood products carbon footprinted Enabler for Net Zero target	314 own brand products carbon footprinted (72% of Own Brand sales)
2. All priority suppliers to have established carbon maturity plans in place and 50% to have reached leadership category Key priority for Net Zero target	Our supplier climate programme is maturing with the aim to improve engagement quality, efficiency and accessibility
3. 100% priority raw materials sustainable and packaging recyclable Key priority for Net Zero target 5	92% direct soy, 100% palm oil and 92% of timber in own brand products are sourced to an independent standard 85% of own brand packaging is now recyclable
4. 15,000 acres woodland created/restored (FY22 base)	Over 9,800 acres created, restored and protected cumulatively
5. By 2030 achieve a 42% reduction in Scopes 1, 2 and 3 vs a 2020 base on the journey to reaching Net Zero by 2040	FY26 Scope 1 and 2 CO2e emissions have reduced by 26% vs FY20 FY25 Scope 3 emissions decreased by 5% vs FY20 (we report Scope 3 emissions a year in arrears)
Pet Targets	
6. Demonstrate how we have improved pet welfare in the UK through advocacy	Engaged fully and represented our practice owner views on the specifics of a new Veterinary Surgeons Act and the urgent need for reform
7. Demonstrate how our products, services and advice support the health of the nation's pets	Through our Clinical Academy, we provide industry leading training that supports ongoing clinical professional development and strengthens the quality of pet care delivered nationwide. All welfare and pet expertise training now sits within Veterinary Services, ensuring consistent delivery of expert, evidence led education to our store colleagues. This year's range reviews also prioritised pet safety, including the development of quick release cat collars
8. Help 500,000 pets through our charity work Existing target area updated to reflect impact on pets	Over 100,000 pets positively impacted through grants, food banks and stock donations

9. Educate 300,000 children in responsible pet ownership	Over 80,000 children attended My Pet Pals and Beaver/Scout workshops in FY26
People Targets	
10. Maximise pet care training investment and opportunity creation	1,400 SQPs, 5,200 trained to Nutritionist Core level, 806 Stylists (78% of Groom Room colleagues) 99 bursaries offered to students (revised award criteria FY26), as well as voluntary placement opportunities at our veterinary practices
11. Reflect the diversity of the communities we operate in, achieving 12%** representation of people from ethnic minorities ** Note: excludes Vets due to low data completion rates, at present 15.5%	Total ethnic diversity representation 6.9% (excluding vets) Colleague data completion rate 89.6%
12. Donate 50,000 colleague hours to support community organisations (FY23 base)	52,000 hours have been donated in the last four years from across the business

B. Governance and Controls

Governance and controls continue to be reviewed in relation to the strategy. The latest Terms of Reference for the Committee can be found on the Pets at Home Group investor website.



Garret Turley
Chair of the Sustainability Committee
27 May 2026

TCFD Statement

Introduction

Pets at Home recognise that the climate emergency poses risks and opportunities to our strategy and operations. To that end, sustainability and climate change is featured as a principal risk within our Annual Report (see page 25). Pets at Home is required to comply with the reporting recommendations of the TCFD (as set out in Listing Rule LR 6.6.6R (8)). This report also meets the requirements for Pets at Home to comply with CFD, a part of the Companies Act.

In this section, we outline our approach to climate-related risks and opportunities, which our scenario analysis concludes will likely present over the long term which we define as between 5 and 20 years.

Our disclosures are consistent with the TCFD's four elements, and its 11 recommended disclosures, in line with the TCFD 'Guidance for All Sectors' (LR 6.6.6R (8)). Please see the table below for a cross-reference index of these requirements and where to find them.

Reporting boundaries and 'Net Zero' definition

Whilst we follow the GHG Protocol to calculate our GHG emissions, to encompass our unique business model, Pets at Home Group deviates from the standard guidance on defining reporting boundaries for reporting of Scope 1, 2 and 3 carbon dioxide equivalents (CO₂e). In addition to taking an operational control boundary for our retail business, we include our Joint Venture veterinary practices into our reporting boundary. This also differs from our accounting approach which is detailed in the critical accounting judgements in note 1.22 on page 111.

The decision was made that Joint Venture veterinary practices would also be in scope of emissions reporting as there are no separate meters installed for vet practices which are located within the same building envelope as retail units. This same rule was applied to standalone Joint Venture practices to ensure consistency of approach.

Where used across this statement and all other areas of corporate reporting the term 'Net Zero' refers to our SBTi approved, 2040 target. i.e. we commit to reduce absolute Scope 1, Scope 2 market based and all Scope 3 GHG emissions by 2040 from a 2020 base year.

TCFD Index

TCFD elements	TCFD recommended disclosures	Cross-reference (page numbers)
Governance	(a) Board oversight	56
	(b) Management's role	56
Strategy	(a) Climate-related risks and opportunities	57-61
	(b) Impact on the organisation's business, strategy and financial planning	58, 62
	(c) Resilience of the organisation's strategy	62
Risk management	(a) Risk identification and assessment processes	63
	(b) Risk management process	63
	(c) Integration into overall risk management	63
Metrics and targets	(a) Climate-related metrics in line with strategy and risk management process	64
	(b) Scope 1, 2 and 3 GHG metrics and related risks	65 – 66
	(c) Climate-related targets and performance against targets	66 - 67

Governance

Disclosure requirement	Description of progress
a) Describe the Board's oversight of climate-related risks and opportunities	<p>The Board led by the Chair, Ian Burke, has ultimate responsibility for the Group sustainability and climate change strategy and ensuring that it creates mutual value for stakeholders. Oversight of climate change strategy is a matter reserved for the Board, via the Sustainability Committee. Oversight and management of climate-related risks and opportunities occur at several levels in the organisation. At every level the reporting lines flow up to the Board.</p> <ul style="list-style-type: none"> - The Sustainability Committee comprises all Non-Executive Directors and the Chief Executive Officer and Chief Financial Officer, and is Chaired by a Non-Executive director. This Board has a standing sustainability item on every agenda. The Committee meets at least two times a year and receives a written update on climate change and environmental matters during the year and an in-depth review on an annual basis. The in-depth review includes a progress update against the 2030 and 2040 carbon reduction targets vs a 2020 base. Climate-related skills and experience are included in the skills matrix of the Board included in the Annual Report on page 43. The Board provides challenge to the Executive Management Team on progress against the goals and targets of the climate strategy and ensures the Group has an effective risk management system in place. This is principally governed via two main Committees: the Audit and Risk Committee and the Sustainability Committee. - Climate change has been made a standing agenda item at every Board meeting since December 2022.

Disclosure requirement	Description of progress
b) Describe Management's role in assessing/managing climate-related risks and opportunities	<p>The Chief Executive Officer has overall responsibility for climate change and sustainability topics.</p> <ul style="list-style-type: none"> - The Chief Executive Officer is supported by the Legal Director & Company Secretary and Executive Management Team to develop and implement the strategy through a number of management committees. Each committee is Chaired by a Director. Our Better World Pledge (OBWP) strategy includes climate strategy as a key pillar. Progress towards delivering this strategy is discussed and updated at the Executive Management Team meeting on a regular basis. - In FY24 and FY25 our remuneration policy included linking an element of remuneration to sustainability-related objectives, 10% of possible bonuses for C-Suite, Directors and Managers is linked to the performance milestones of the Group against 12 Sustainability metrics, 5 of which related to climate change. In FY26, the sustainability-related targets were removed from the bonus as it was felt they were well embedded. <p>As shown in chart one, the management of climate change projects is the responsibility of two principal committees:</p> <ol style="list-style-type: none"> 1. The Climate Change and Waste Committee met every six to eight weeks during the first half of the year and is responsible for developing and implementing the business strategy relating to operational environmental impact, including the vet business. This includes Scope 1 and 2 energy and carbon emissions for buildings, transport logistics, and waste management. 2. The Responsible Products Committee also met every six to eight weeks during the first half of the year and is responsible for developing the strategy for managing the value chain environmental and ethical impacts of our products. This includes human rights, circularity and waste, packaging, raw materials, and Scope 3 emissions of product ingredients, manufacturing, use and disposal. <p>Each committee is responsible for climate-related risk mitigation, idea generation, operational delivery, project management, KPI development, and progress tracking.</p> <p>As noted in the Chair's introduction, meetings of the above operational management committees were paused during the Support Office restructure and further meetings along with the committee structure is under review.</p>

Chart One: Oversight and Management of Climate Related Risks and Opportunities				
Board	Plc Board. Responsible for the overall leadership of the Group including matters of Governance, Reputation, Environmental and Social Sustainability			
	Sustainability Committee. Reviews and monitors the Group's approach to Environmental, Social and Governance topics. Climate change is a key component of this.		Audit and Risk Committee. Reviews and monitors the Group's Risk Management Framework which includes climate-related risks. Oversight of internal and external financial and non financial climate-related information.	
Management	Executive Management Team. Responsible for identifying climate-related risks within their business function and delivering the Climate Strategy.			
	CEO. Accountable to the Board for the implementation of the Climate Strategy.	CFO. Accountable to the Board for integrating climate-related metrics and targets into business decision making and reporting.	Legal Director. Responsible for Climate Strategy development.	Head of Internal Audit. Provides objective assurance to the Board and Audit and Risk Committee on the effectiveness of the Risk Management Framework.
	Climate Change and Waste Committee. Responsible for consideration of climate related risks and opportunities that impact our business operations (during first half of the year).		Responsible Products Committee. Responsible for climate-related risks and opportunities that impact products and broader supply chains (during first half of the year).	
Other	Group Risk Manager and Business Risk Champions. Consider climate-related risks and opportunities that impact the operations and strategic priorities within their relevant business area.			

The chart above shows the key committees, forums and individuals with responsibility for climate-related matters. All of these committees and individuals report up to the Board. Escalation procedures are in place to enable responsibilities to be met.

Strategy

Strategic overview and context

Our business purpose is 'to create a better world for pets and the people who love them'. Sustainability is placed at the heart of our vision 'to build the world's best pet care platform'. Our sustainability strategy ensures that we are prioritising actions that will make a material impact and create a commercial advantage. Within the 'Planet' pillar of our sustainability strategy we are focused around the delivery of our Science Based Targets initiative (SBTi) approved near-term (2030) and long-term net zero (2040) emissions reduction targets. We have a goal 'to make pet care environmentally sustainable' and plan to achieve this by prioritising making pet food sustainable, which is the most important and complex of our carbon reduction pathways. Making pet care environmentally sustainable is our strategy to manage and mitigate climate risks and develop climate resilience over the long term. In addition, we see environmentally sustainable pet care as an opportunity to be leading and gain commercial advantage, through increased customer revenue and market share from Pets at Home leading the market for environmentally sustainable pet care, in a warming world. We assessed three customised scenarios, each rooted in prevailing scientific evidence (see: information box 1), and during a series of internal workshops reviewed climate-related impacts across our short, medium, and long-term time horizons (see information box 3). These time frames have been selected because of the alignment with our business processes, cycles, strategic goals and SBTi approved emissions reductions targets (see information box 2).

The detailed scenario analysis was performed in 2022 and identified the high-level risks which were subjected to materiality review and discussed with the Board. A full refresh has not been performed this year, however financial risks are based on the most up to date information and the risks highlighted are still considered to be the most appropriate.

These scenarios were selected because they were connected to the key elements of our business that drive our financial performance: the operation of our UK retail and vet estate and supporting logistics infrastructure, the supply chains for the pet care products that we sell through our omnichannel platforms and the long-term sustainability of pet ownership in a warming world which could impact pet numbers, pet breeds being better or less well suited and changing health factors. We have grouped the risks into three over-arching categories under which the high-level risks now sit: 'physical risks,' 'transition risks' and 'declining pet ownership in a warming world'. The first two sit together under our Group principal risk of Sustainability and Climate Change, the third is categorised as an emerging risk. We will undertake further review of the risks, scenarios and materiality assessment as we continue to develop our sustainability strategy and reporting processes, whilst working towards resubmission of our SBTi targets, incorporating FLAG.

These risks and our analysis are summarised in information box 3.

Information box 1 – a qualitative scenario analysis was conducted in 2022, this information box summarises the underlying assumptions used to develop these scenarios

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters and assumptions
Physical and transition scenarios	Full Value Chain	1.5°C	Action taken has achieved the aims set out in the 2015 Paris Agreement to limit climate change to below 1.5°C of pre-industrial levels, but with significant shifts in policy, cost and consumer behaviours. The scenario was developed by incorporating scenarios which are rooted in prevailing scientific evidence. Specifically: Representative Concentration Pathway (RCP) 2.6 Shared Socioeconomic Pathway (SSP) 1 PRI Inevitable Policy Response (IPR): 1.5C Required Policy Scenario
Physical and transition scenarios	Full Value Chain	2°C	Not much has changed from today. Some action has been taken, but it is very much business as usual. Uncertainty increases, and impacts of a changing climate manifest themselves in vulnerable parts of the world. The scenario was developed by incorporating scenarios which are rooted in prevailing scientific evidence. Specifically: RCP 4.5 SSP 2 PRI IPR: Forecast Policy Scenario
Physical and transition scenarios	Full Value Chain	3°C	Economies around the world have continued to be powered by fossil fuels. As a result, the planet is in crisis and well past the point of no return by 2030. Global warming has accelerated and changes in climate are all around, tangible and, in some cases, catastrophic. The scenario was developed by incorporating scenarios which are rooted in prevailing scientific evidence. Specifically: RCP 6.0 SSP 5

The following time horizons have been used:

Information box 2 – time horizons

Time period	Years	Reason
Short	0 to 2 years	Aligns to our business financial forecasting cycle
Medium	2 to 5 years	Aligns to our strategic planning cycle
Long	5 to 20 years	Longer term captures the transition and physical risks and opportunities and aligns to our long-term carbon reduction targets

Information box 3 – risk summary

Risk	Time frame			Scenario		
	Short Term 0–2 years	Medium Term 2–5 years	Long Term 5–20 years	1.5/2°C	3°C	
Physical	Unlikely	Unlikely	Likely	Probability:	Low	Moderate
				Impact:	Minor	Moderate
Transition	Unlikely	Unlikely	Likely	Probability:	Moderate	Low
				Impact:	Major	Minor
Declining pet ownership in a warming world	Unlikely	Unlikely	Likely	Probability:	N/A	Emerging
				Impact:	see page 60	

The impact of these climate-related risks on our businesses and strategy are further disclosed in the following tables. Our initial assessment has identified that in the long term there could be material financial impacts which have been included in the risk summaries below.

TCFD Strategy Disclosure requirement sections a and b: Description of climate-related risks and opportunities identified and their impact on business, strategy and financial planning.

1. Physical risk – Category: Chronic. 3°C scenario

Description of risk:	Business impact:	Proximity:	Risk management and mitigation actions:
<p>Cost of repair and/or loss of revenue from assets and supply chain disruption.</p> <p>Extreme weather events affecting continuity of own operations, supply of products and sales (stores, distribution centres, veterinary practices) and disrupting supply chain sourcing (raw material sourcing and supplier operations).</p>	<p>Modelling of our UK sites indicates that the vast majority are not located in areas of flood risk. While we have observed weather events increase in severity and frequency over recent years, operational impacts have been limited and further incidents in the short and medium term can be managed within the framework and cost of existing controls.</p> <p>The majority of our pet food is sourced from the UK. Initial assessment of raw material and manufacturing exposure to risk of extreme weather events in the short and medium term is assessed as low. Further work is required to understand long-term impacts on UK farming and raw material availability.</p> <p>Our accessories ranges are predominantly sourced overseas. Initial assessment of raw material and manufacturing exposure to risk of extreme weather in the short and medium term is assessed as low. Further work is required to understand long-term weather-related impacts from the 2030s onwards.</p>	<p>Long term (five to 20 years)</p> <p>Risk rating before mitigation: Probability: Moderate Financial Impact: Moderate</p> <p>Across the short/medium term business impacts are expected to be low. However, in a 3°C scenario we expect these impacts to increase in the long term and our broader supply chains could be vulnerable.</p>	<ul style="list-style-type: none"> - Ongoing assessment of climate-related weather vulnerabilities in relation to our operations, suppliers and raw materials. - Sites identified as particularly high flood risk have flood risk alerts, risk assessments and reinforcements, as well as Flash Flood Insurance if deemed necessary. - Monitoring the frequency and severity of climate-related weather events. - Regular review of business continuity plans for the distribution centre. - Conducting climate risk reviews proactively ahead of decisions to locate new operational infrastructure or select new suppliers. - Continuing to strengthen our long-standing relationships with key suppliers and freight partners. - Maintaining sourcing location flexibility, across the medium to long term, to switch supply lines away from areas of emerging risk, including review of weather-related risk when new sourcing locations are being considered.

2. Transition Risk – Categories: Regulatory requirements and reputation. 1.5°C scenario

Description of risk:	Business impact:	Proximity:	Risk management and mitigation actions:
<p>Increase in the cost of doing business.</p> <p>Operational and value chain decarbonisation – inability to efficiently transition our value chain and products and services to low carbon models.</p> <p>Possible introduction of more stringent environmental regulation has the potential to increase the cost of production and operational flexibility, as carbon costs become increasingly internalised.</p>	<p>Increased operating costs relating to the transition to a low carbon economy e.g. higher energy costs, changes in production costs, and direct and indirect carbon taxation, most likely via carbon pricing initiatives such as CBAM e.g. meat tax on pet food. Other food and farming regulations relating to sustainability being implemented in Europe as part of the Green Deal.</p> <p>Capital investments relating to uncertainty and nascent development of low carbon technology e.g., alternative fuels for distribution vehicles. Market competition and unpredictable costs relating to delivery of our carbon transition plan, particularly in relation to the availability and demand for new products and services e.g. high quality carbon removal opportunities.</p> <p>Products and services not transitioned quickly enough to low carbon models to meet consumer shift in preference to lower impact pet food and low carbon accessory products resulting in loss of revenue and reputational damage.</p>	<p>Long term (five to 20 years)</p> <p>Risk rating before mitigation: Probability: Moderate Financial Impact: Moderate – Major</p>	<ul style="list-style-type: none"> - Business case – capital allocation to invest in operational infrastructure to reduce operational carbon, such as the investment in a solar array at our Stafford Distribution centre and potential further rollout of solar panels within the estate. - Long-term supplier partnerships to enable collaboration and investment in innovative R&D solutions. - R&D investment to develop the market for animal-meat alternatives through our investment in Good Dog Food Limited ('Meatly'). - Pet food strategy – mitigation of meat protein tax could include passing it on to customers to incentivise switching to lower carbon options. - Supplier engagement underway to decarbonise supply chain.

3. Emerging risk - Declining pet ownership in a warming world – Category: Market. 3°C scenario

Description of risk:	Business impact:	Proximity:	Risk management and mitigation actions:
<p>Emerging.</p> <p>Pet ownership – changes in pet ownership, over the long term driven by potential cost increases of pet care, due to the manifestation of physical and transitional risks.</p> <p>Changes in consumer attitudes to pet ownership, where owning a pet may be viewed as irresponsible in a warming world.</p> <p>We recognise that there could be the opportunity of increased customer revenue and market share from Pets at Home leading the market for environmentally sustainable pet care, but it is not possible to measure, therefore it is not included in this analysis.</p>	<p>The implicit and explicit price of carbon drives up prices and general living costs are squeezed. At the same time pet ownership becomes socially unacceptable as consumers seek to reduce their environmental impact and pets are seen as a luxury and climate burden. In this scenario, pet numbers fall as fewer consumers opt for pet ownership.</p>	<p>Long term (five to 20 years)</p> <p>Risk rating before mitigation: Probability: Low Financial Impact: Moderate</p> <p>Pet ownership has historically been resilient to economic and social factors, this seems unlikely to change over the next 10 years. Market insight on pet ownership and trends offers early signals to changes. Our experience suggests these will be gradual over time.</p> <p>This risk is monitored via the Group watch list of emerging risks, where the timeline, impact or potential mitigation is not yet clear.</p>	<ul style="list-style-type: none"> - Our strategy is to make pet care environmentally sustainable, thereby neutralising potential consumer concerns that pet ownership is socially unacceptable. - Strategic investment in priority areas such as pet food to identify lower carbon ingredients and manufacturing processes that meet consumer expectations. - Ongoing long-term monitoring of consumer and societal attitudes to pet ownership. - Regular monitoring of consumer and market trends to identify shifts in behaviour to which we can respond. - Frequent planned range reviews to respond to change in consumer preferences. - Championing the benefits that pets bring to our lives, e.g., enhanced wellbeing via consolidation of existing research.

Financial Planning

Climate related risks and opportunities are considered within financial planning. We have analysed the risks in the short to medium term and have carried out financial quantification of the potential impact over the long term (five to 20 years). We have not completed quantification on risk 3 above 'declining pet ownership in a warming world' due to the very low probability of this risk as described in the risk summary above. The financial quantification that we have completed, on risk 1 and 2, is shown in information box 6, with note that future improvements in methodologies are likely to lead to more certainty around this analysis. This analysis has been built into the Going Concern assessment detailed in note 1.3 on pages 103-104 and the goodwill impairment testing in note 13 on pages 121-123.

Information box 4 – Materiality assessment

Climate action and pet food sustainability continue to be material topics, as referenced in our viability statement on page 26.

ESG	Importance to Pets at Home	Importance to stakeholders	Total importance score	Status	
1	Pet's physical and emotional health	5	5	10	=
2	Pet food sustainability	5	5	10	=
3	Talent and development	5	5	10	=
4	Business ethics, governance and risk	4	5	9	=
5	Data privacy, security and ethics	5	4	9	=
6	Customer service	5	4	9	=
7	Product quality and safety	5	4	9	=
8	Accessible and affordable pet care	5	4	9	=
9	Pet's role in society	5	4	9	=
10	Diversity and inclusion	5	4	9	=
11	Sustainability of pet ownership	4	4	8	=
12	Climate action	3	5	8	=
13	Human health, wellbeing and safety	5	3	8	=
14	Protecting nature	4	4	8	▲
15	Sustainable sourcing	4	4	8	▲
16	Community contribution	5	2	7	=
17	Waste and circularity	3	3	6	=
18	Sustainability of product packaging	3	3	6	=
19	Labour practices and Human Rights	2	3	5	=
20	Animal welfare impacts of product production	2	2	4	=

Information box 5 – Financial impact assumptions

Risk	Reason
Extreme	>£20m on sales revenue
	> £7.6m Profit Before Tax (PBT)
Major	> £5m < £20m on sales revenue
	>£2m < £7.6m PBT
Moderate	>£1m <£5m on sales revenue
	>£0.4m < £2m PBT
Minor	>£0.2m < £1m on sales revenue
	>£0.1m <£0.4m PBT

Information box 6 – Financial quantification summary

Area/scope	Risk/opportunity category	Risk modelled	Potential long-term impact on our business, before mitigating actions	Quantification of impact	Targets in place to manage this risk
Direct carbon emissions	Transitional risk: policy and legislation	Carbon tax on Scope 1 & 2 location-based emissions Carbon tax rates used are low £14, Medium £36 and High £60	Potential PBT impact within operating costs of £0.2m to £0.8m (modelled using FY30 forecast emissions)	Minor - Moderate	– Scope 1 and 2 reduction targets
UK property estate	Physical risk: managing infrastructure and operations in extreme weather	Flood and extreme weather risk	Potential PBT impact within operating costs of < £1m	Moderate	n/a
Animal protein	Transitional risk: policy and legislation	Carbon tax on animal protein included as an ingredient in pet food own brand and supplier branded Carbon tax rates used are Low £14, Medium £36 and High £60	Potential PBT impact within cost of sales of £1.5m to £6.2m* (modelled using FY26 sales data)	Moderate-Major	– Scope 3 reduction targets – Own brand pet food products carbon footprinted – Supplier engagement

*The analysis on the impact of a carbon tax on animal protein assumes that this obligation is all passed onto Pets at Home and is not fully or partially borne by producers, suppliers or consumers. This calculation has been made using FY26 data.

TCFD strategy disclosure requirement section c:

Describe the resilience of your strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

Our materiality assessment identifies sustainable pet food and climate action among the top sustainability topics to address.

The scenario planning work was used to develop our understanding of the impact on our identified physical, transitional and emerging risks and this has informed our strategic response to ensure that we are developing a resilient strategy. Our sustainability strategy 'Our Better World Pledge' prioritises reduction of our Scope 3 emissions, and within that, pet food as the largest impact area and a non-discretionary purchase for pet owners.

Our strategic response to the physical risks focuses on monitoring. Our UK based operations present a lower risk of extreme weather events and our supply chain locations remain flexible in the long term, which provides resilience to the most extreme (3°C) scenario. Within the supply chain the majority of our pet food suppliers are UK based and this remains our strategy.

The impacts of a lower warming scenario (1.5°C) on our transitional risks are higher as more change and investment are required to enable the temperature increases to be contained at lower levels. Our strategic response is to ensure a smooth transition as we work with our suppliers to decarbonise supply chains and products and as we invest in areas of technological potential to support the long-term transition (such as cultivated meat). Strategic resilience can be ensured through working consistently towards the long-term goals often before our customers are demanding changes to products. We have been investing in our operational decarbonisation for many years, purchasing renewable energy since 2017 and investing in LEDs and buildings' energy management systems. As we make new investments our strategy is to consider how we can do this in a carbon efficient way, for example our new distribution centre in Stafford does not use natural gas and we have invested in solar panels which were operational from October 2024. We acknowledge that there remains uncertainty on the speed of progress required to meet challenges that will enable Pets at Home to mitigate the transitional risks. These are not unique to our business which is why we collaborate across our industry and supply chains to accelerate change. For example the decarbonisation of heavy goods vehicles, the adoption of regenerative, more sustainable agricultural practices and robust primary Scope 3 data.

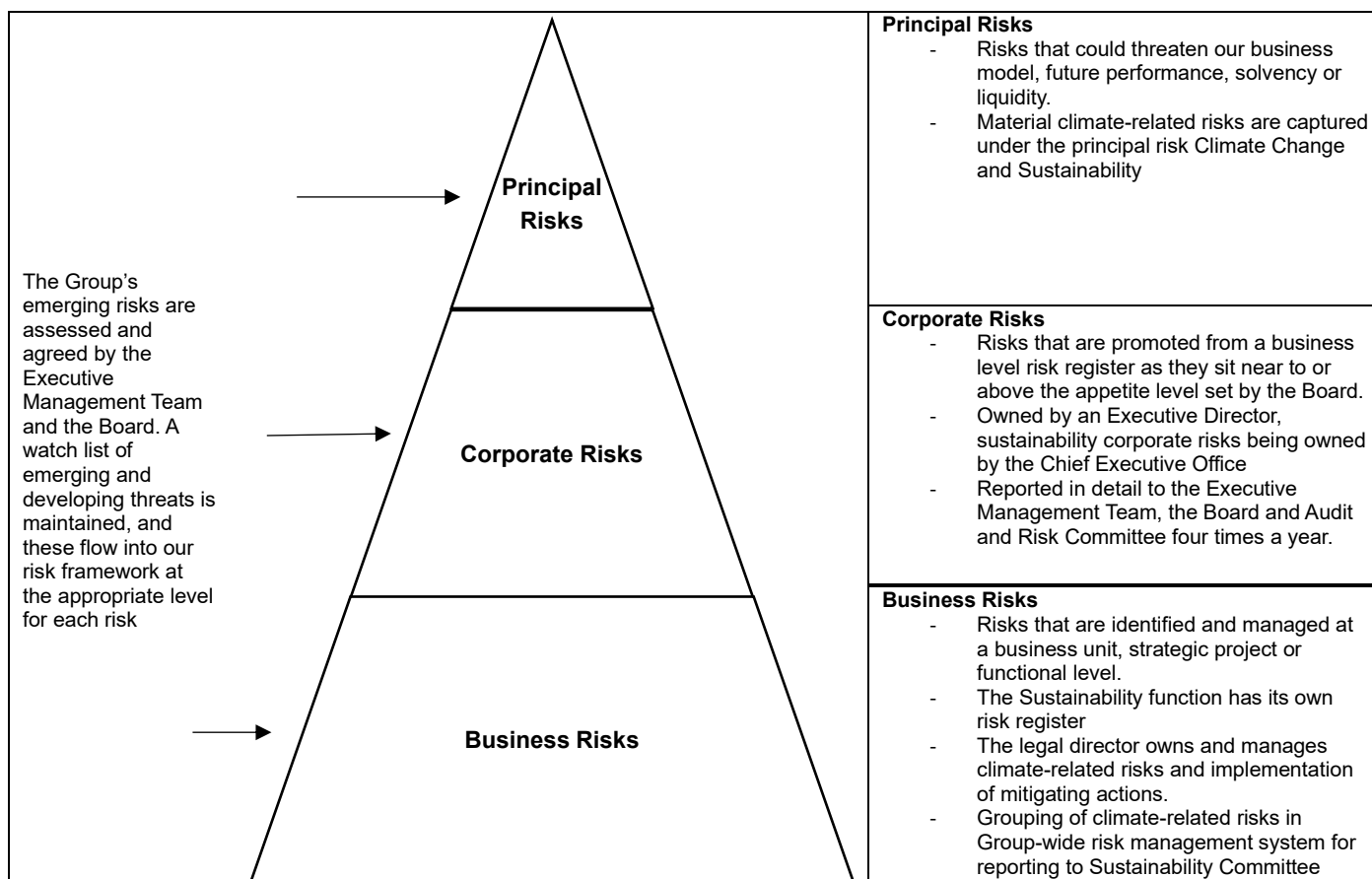
Our emerging risk around declining pet ownership in a warming world is addressed through the goal of the planet pillar of our sustainability strategy which is 'to make pet care environmentally sustainable' and builds resilience through reducing the environmental impact of owning pets and reducing the likelihood of pet ownership as being viewed as a luxury.

We continue to review our strategic approach to ensure it aligns to the prevailing scientific advice and best practice.

Risk Management

Disclosure requirement	Description/progress
a) Describe the processes for identifying and assessing climate-related risks.	<p>The initial process for identifying climate risks for TCFD took place through a series of scenario planning workshops. These included detailed horizon scanning briefings and then consideration of the implication through the eyes of the key stakeholders of the business (pet, customer, vet, store manager, supplier) in three different global warming scenarios (see information box 1). This led to the eight high level risks and opportunities to be created. This process and its outcomes were reviewed by the Executive Management Team and the Sustainability Committee. These eight high level risks and opportunities have been refined and consolidated into the three sustainability risks that sit under the principal risk of sustainability and climate change. On an ongoing basis risks are identified through the risk management system. At a business level this happens using the risk champions who include sustainability risks as part of their risk assessment for their respective areas of the business. On an annual basis overall sustainability materiality assessment is reviewed, and this includes detailed consideration of established and emerging topics.</p> <p>These risks are assessed using the corporate standardised risk scoring methodology which includes measurement of likelihood and impact. This produces a gross risk score before mitigating actions. This aids the escalation and consolidation of risks into a corporate view. See the risk framework on page 21 of this Annual Report.</p> <p>The reporting landscape has developed significantly during 2026 with the publication of Sustainability Reporting Standards S1 & S2. Mandatory implementation for UK Listed companies is expected to be implemented by the FCA for financial years starting on or after 1 January 2027. We will undertake further review of the risks, scenarios and materiality assessment as we continue to develop our sustainability strategy and reporting processes, whilst working towards resubmission of our SBTi targets, incorporating FLAG.</p>
b) Describe the processes for managing climate-related risks.	<p>The climate-related risks are managed using our corporate risk management framework. Each risk has a gross and net score, and a target score where the risk is not within appetite. Mitigating actions are then monitored for expected remediation of the risk and progress towards the target score. This mitigation strategy assigns owners and timescales to each action. Progress against the strategy is updated and reported to the Executive Management Team and the Audit and Risk Committee four times a year (although this frequency of reporting has not taken place in FY26 due to the Support Office restructure). In addition, our climate risks, along with other sustainability risks, regularly at Sustainability Committee meetings.</p> <p>Examples of risk mitigation and management exercised for transition risks include engaging suppliers to commit to having carbon reduction plans in place by 2028.</p>
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into overall risk management.	<p>The chart below demonstrates how Pets at Home's climate-related risks are fully integrated into our overall risk management approach. Climate-related risks are identified, assessed, and managed through the corporate risk management approach which classifies risks as business, corporate or principal risks. Our ability to identify, assess and effectively manage current and emerging risks is critical in ensuring the continued success of our business.</p>

Risk Management Framework



Metrics and targets

Disclosure requirement	Description/progress
a) Disclose the metrics used to assess climate-related risks and opportunities in line with its strategy and risk management process.	<p>We report annually on our progress against our 12 sustainability targets, as detailed in our Sustainability Committee Report. The five climate-related sustainability targets and metrics are also included on pages 66 - 67 in table 3 in section c).</p> <p>We have considered developing an internal price for carbon for investment appraisals but this has not been progressed as investments are being successfully assessed using our existing hurdle rates. We are already using this product level data to inform future range developments and reformulations without the need for an internal price for carbon. We will continue to keep a watching brief on the usefulness of the tool of carbon pricing.</p> <p>In terms of our emerging risk 'declining pet ownership in a warming world' we do not measure specific metrics and instead address this risk through:</p> <ul style="list-style-type: none"> - As part of strategy reviews long-term monitoring of consumer and societal attitudes to pet ownership. - During the year monitoring of consumer and market trends to identify shifts in behaviour to which we can respond.
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<p>Pets at Home has measured and disclosed our Scope 1 and 2 CO₂e emissions since FY14. Trend data from FY17 is updated and reported annually and included in table 1.</p> <p>Scope 1 and 2 emissions and related risks</p> <p>Investment in carbon reduction and on-site energy generation initiatives continued during FY26. The year marked the first full year of operation of the solar panels installed at our distribution centre, which generated approximately 20% of the site's electricity consumption. In addition, we are currently in the planning phase to install further solar panels at one of our Support Office locations.</p> <p>Our anaesthetic gas stewardship programme continued to deliver emissions reductions during FY26. The year saw a 9% reduction in both emissions and volume compared with FY25, building on a 10% reduction in emissions and a 3% reduction in volume achieved in the prior year. To further support progress across the sector, we provided over £90,000 in grants to veterinary practices investing in lower-flow anaesthesia equipment during the year.</p> <p>Our absolute location-based carbon emissions have reduced year on year by 13% and our intensity-based performance has improved year on year to 13.8 tCO₂e, relative to £1,470m Group statutory revenue.</p> <p>Within Scope 1 emissions, reductions were achieved across all emission sources during the year, with the exception of generator usage. Emissions from generators increased as a result of a temporary disruption to the local electricity distribution network at one of our Pet care centres, which necessitated the use of generator support to ensure continuity of operations. F-gas emissions decreased by 56% year on year, driven by the replacement and installation of new air-conditioning units in more than 20 stores during FY26. This programme reduced the number of units experiencing issues that required refrigerant top-ups.</p> <p>Emissions from our logistics fleet continued to reduce and benefited from the use of electric vehicles for warehousing & maintenance around our distribution centre.</p> <p>Scope 2 electricity consumption remained relatively stable during the year, increasing by just 1% year on year despite growth in the Group's property footprint. Reflecting the continued decarbonisation of the national grid and associated reductions in emission factors, overall electricity-related emissions decreased by 14% compared with the prior year.</p> <p>We continue to purchase renewable energy so our market-based emissions performance remains at 0 tCO₂e.</p> <p>Our performance over the longer term demonstrates the importance of carbon reduction to our business. Since 2017 our sales revenue has grown by 76% and our absolute emissions have reduced by 47% as shown in table 1. However, significant on-going reductions in our Scope 1 and 2 emissions are dependent on the continued decarbonisation of the national grid and the adoption of lower impact HGVs enabled by technological advancements and national infrastructural investment.</p> <p>The basis of reporting document covering our Scope 1 and 2 emissions and the limited Scope 3 categories (colleague travel, third party logistics and electricity transmission and distribution losses) is available on our website.</p>
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<p>Scope 3 emissions and related risks</p> <p>We continue to focus on improving the accuracy, robustness and transparency of our Scope 3 emissions. Each year, we review the data sources, assumptions and methodologies used to ensure our emissions reflect the best available information and evolving best practice. The chart below summarises our Scope 3 emissions by category for FY25 and provides context against our base year.</p> <p>Since the FY20 base year, overall Scope 3 emissions have reduced by 5% while Group statutory revenue has increased by 40% from £1,059m to £1,482m (FY25). Changes at a category level reflect a combination of improved methodologies, updated emission factors and shifts in business activity.</p> <p>Category one, which includes emissions associated with purchased goods and services, has decreased relative to the FY20 baseline by 11%. The main factor in the incremental reduction versus the previous reporting year was emissions from vet supplies. Although spend on vet supplies increased, emissions for pharmaceutical products decreased materially between FY24 and FY25. Overall emissions across food, accessories and animals remained broadly consistent with the previous reporting year, with reductions in dog and cat food tonnages offset by increased emission factors.</p> <p>Category twelve, end of life treatment of sold products, has seen a 17% reduction in emissions compared to the previous reporting year. This was driven primarily by reductions in packaging tonnage, particularly wood and paper/cardboard packaging. Our packaging team continues to work closely with suppliers and product teams in response to Extended Producer Responsibility (EPR) legislation, focusing on reducing packaging volumes where feasible and increasing the proportion of recycled content across our product range.</p> <p>Our progress during FY26</p> <p>Our Scope 3 analysis has enabled us to prioritise our areas of focus in the purchased goods and services category. Our analysis has demonstrated that within this category, our most carbon-intensive product area is pet food and product manufacturing, which has led us to work with the suppliers who constitute the top 80% of our emissions.</p> <p>We are actively working towards an aligned industry approach to measure supplier-specific emissions as this is the most effective way to track emissions reductions within our own supply chain. However, in the absence of a universally recognised approach, we have continued to request suppliers to disclose emissions data through the environmental impact disclosure system 'Manufacture 2030' or to complete our own supplier carbon survey. In FY27, we will not be requesting disclosure through Manufacture 2030 and only using our own surveys. We are now starting to engage</p>

directly with our strategically important suppliers to understand their carbon reduction roadmaps (see Table 3 for our targets and progress).

Scope 3 Category	Category (Cat) and Description	FY20 ¹ (Base) tCO ₂ e	FY24 tCO ₂	FY25 tCO ₂ e	% Change from FY20 Base	% of Overall emissions
1	Cat 1 Purchased goods and services	767,892	710,810	682,096	-11%	84.1%
9	Cat 9 Downstream transportation	33,157	36,131	30,658	-8%	3.8%
4	Cat 4 Upstream transportation	19,306	37,138	34,762	80%	4.4%
12	Cat 12 End of life sold products	10,323	40,272	33,555	225%	4.1%
2	Cat 2 Capital goods	2,205	9,124	12,262	456%	1.5%
3	Cat 3 Fuel and energy-related activity	5,231	5,659	6,003	15%	0.7%
7	Cat 7 Employee commuting	5,893	9,729	4,451	-24%	0.5%
11	Cat 11 Use of sold products	10,382	7,462	6,379	-39%	0.8%
6	Cat 6 Business travel	1,109	1,240	1,024	-8%	0.1%
5	Cat 5 Operational waste	368	374	121	-67%	0.01%
Total Scope 3 emissions		855,866	857,939	811,311	-5%	100%

1. FY20 scope 3 emissions data has been updated to reflect an assumed level of hire car emissions (equal to FY25 values) as our data has matured.

Carbon reporting summary

Table 1: Scope 1 & 2 carbon emissions ten year performance tonnes CO₂e emissions

		Tonnes CO ₂ e emissions										
		FY17	FY18	FY19	FY20 ¹	FY21	FY22	FY23	FY24	FY25	FY26	FY26 vs FY17
Emissions	Scope 1	9,619	9,649	8,431	12,085	11,337	12,558	12,115	12,632	10,229	8,988	-7%
	Scope 2 (location based)	28,840	21,584	17,066	15,133	13,616	12,610	11,980	12,718	13,031	11,229	-61%
	Total	38,459	31,233	25,497	27,218	24,953	25,168	24,095	25,350	23,260	20,217	-47%
	% change	-6.6%	-18.8%	-18.4%	6.7%	-8.3%	0.9%	-4.3%	-5.2%	-8.2%	-13.1%	
Group statutory revenue	£m	834	899	961	1,059	1,143	1,318	1,404	1,480	1,482	1,470	76%
	% change	5.2%	7.8%	6.9%	10.2%	7.9%	15.3%	6.5%	5.4%	0.1%	-0.8%	
	Normalisation /Intensity	46.1	34.7	26.5	25.7	21.8	19.1	17.2	17.1	15.7	13.8	-70%
	% change	-11.2%	-24.7%	-23.6%	-3.1%	-15.1%	-12.5%	-10.1%	-0.2%	-8.4%	-12.4%	

1. Data: Anaesthetics & fugitive emissions are included from year FY20 onwards.

Table 2: Scopes 1, 2 and 3 carbon emissions summary

Metric	Target	FY26 Performance	FY25 Performance	Base year Performance FY20
Scope 1 and 2 GHG Emissions				
Direct emissions from operations (Scope 1) (tonnes CO2e)	–	8,988	10,229	12,085
Location-based indirect energy emissions from operations (Scope 2) (tonnes CO2e)	–	11,229	13,031	15,133
Total location-based Scope 1 and 2 emissions (tonnes CO2e)	42% reduction by 2030 (vs FY20 base year)	20,217: 26% reduction against base year	23,260: 15% reduction against base year	27,218
Market-based indirect energy emissions from operations (Scope 2) (tonnes CO2e) ³	–	–	–	677
Total market-based Scope 1 and 2 emissions (tonnes CO2e)	–	8,988	10,229	12,762
Total location-based emissions per £m Group revenue (tonnes CO2e per £m Group revenue)	–	13.8	15.7	25.7
Scope 1 and Scope 2 kWh	–	88,213,319 ⁴	91,241,352	94,638,109
Scope 3 GHG Emissions ¹				
Total Scope 3 GHG emissions (tonnes CO2e) ²	42% reduction by 2030 (vs FY20 base year)	n/a (1)	811,311	855,866 ⁵

1. Scope 3 GHG emissions have been updated using FY25 data. FY26 Scope 3 data will be calculated during the coming financial year, as permitted by the GHG protocol.
2. Scope 3 emissions relating to employee travel, third party logistics and electricity transmission and distribution losses have not been separately stated in our carbon emission summary because they were misinterpreted as representing the full Scope 3 emissions. For transparency the emissions from these sources in FY26 are included here. Employee travel 524 tonnes CO2e (FY25 836 tCO2e); third party logistics 6,062 tCO2e (FY25 5,947 tCO2e). Fuel and energy-related activities 5,886 tCO2e of which electricity transmission and distribution losses 1,193 tCO2e (FY25 6,003 and 1,156 tCO2e).
3. Pets at Home operations are UK-based except for an office in Hong Kong. Therefore 13t CO2e representing less than 0.1% Scope 1 and 2 emissions and kWh usage was from outside of the UK and not included in this reporting.
4. Excluded from the kWh total in Table 2 is electricity generation via solar at Stafford DC : 919,070 kWh for own use and 165,530 exported to the grid.
5. FY20 scope 3 emissions data has been updated to reflect an assumed level of hire car emissions (equal to FY25 values) as our data has matured

Metrics and Targets

Disclosure requirement	Description/progress					
c) Describe the targets used to manage climate-related risks and opportunities and performance against targets.	Table 3 Targets and metrics used to manage climate-related risks and opportunities					
	Sustainability Target area	Metric	Target	Baseline FY20	FY25	FY26
	Carbon emissions	Absolute Scope 1 and 2 GHG emissions tCO2e (location based)	42% reduction in Scope 1 and 2 emissions by 2030 from a 2020 base year 90% reduction in Scope 1 and 2 emissions by 2040 from a 2020 base year	27,218	23,260	20,217
		Absolute scope 3 emissions tCO2e	42% reduction in scope 3 emissions by 2030 from a 2020 base year 90% reduction in scope 3 emissions by 2040 from a 2020 base year	855,866 ¹	811,311	N/A
	% of Group electricity contract renewable		100%	n/a	100%	100%
Pet food carbon footprinting	Number of own brand complete cat and dog food products footprinted	By 2028 100% of priority own brand complete cat and dog food products footprinted	n/a	250, representing 65%+ of own brand sales	314, representing 72% of own brand sales	

Supplier engagement	Absolute number and % of total retail and vet supplier spend of priority suppliers registered with M2030, with carbon reduction plans in place and in leadership positions	By 2028 all priority suppliers will have carbon reduction plans in place and 50% to have received leadership status	Our supplier climate action programme continued to mature during the year, supporting a more efficient and accessible approach to engaging suppliers on climate-related data and action.
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Deforestation	Direct soy in own brand products sourced to an independent standard	100% by 2028	n/a	69%	92%
	Palm oil in own brand products sourced to an independent standard	100% by 2028	n/a	100%	100%
	Timber in own brand products sourced to an independent standard	100% by 2028	n/a	90%	92%
Biodiversity	Number of acres of woodland restored, protected and created	15,000 acres by 2028 cumulatively	n/a	8,000	9,800

1. FY20 scope 3 emissions data has been updated to reflect an assumed level of hire car emissions (equal to FY25 values) as our data has matured

We also identify other opportunities to align our targets to climate reduction goals. For example, our revolving credit facility with HSBC acting as sustainability coordinator, agreed in March 2022, is linked to sustainability targets. One of the three targets is climate related and tracks our carbon emissions intensity (Scope 1 CO2e emissions and Scope 2 CO2 location based emissions).

Looking ahead

Financial quantification work to date has been updated in the areas identified as potentially having the most material impacts. While our quantification disclosure uses the most robust data points that we have, we recognise that the methodology for quantifying risk will continue to develop over time as our data and modelling improves.

Despite our progress there remain challenges that face businesses like ours to the delivery of our emissions reduction targets. For example the development of battery technology and supporting charging infrastructure for heavy goods vehicles, the adoption of regenerative and more sustainable agricultural practices and robust, consistently applied emissions calculations and consumer communication on embedded carbon in products.

Directors Remuneration Report

Remuneration strategy to support long term success

Roger Burnley

Chair of the Remuneration Committee

1. Introduction

On behalf of the Remuneration Committee, I am pleased to present our Directors' Remuneration Report (DRR) for the financial year ending 26 March 2026. In a challenging year for the business, the Committee has taken care to ensure that its approach to all remuneration matters supports future, long-term success. FY26 was a Remuneration Policy review year, and an approach consistent with supporting future long-term success has been maintained.

Business performance for the year has been challenging but profit has been delivered in line with our latest guidance. Group underlying PBT* attributable to equity shareholders of the parent of £92.0m was achieved for FY26 (£133.0m in FY25). Looking forward the Committee is fully focussed on ensuring remuneration across the business best supports future success, for all stakeholders.

During the year, our share price declined c23.5% from £2.36 to £1.81, during the same period the retail sector performed at +4.1% and the wider market at +7.2%. A combination of profit downgrades due to Retail underperformance, the ongoing CMA Market Investigation, a subdued pet care market and an uncertain economic backdrop impacted sentiment.

During the year the Committee was also asked to consider and duly approve the remuneration arrangements relating to the departure of the previous CEO, appointment of an Interim Executive Chair and retirement of the CFO, as well as those relating to the appointment of their successors. Further detail on their remuneration arrangements is included in this DRR.

2. Membership and Responsibilities

Committee members are independent Non-Executive Directors and members during the year, in addition to the details of their attendance at meetings, are set out on page 37. The Terms of Reference for the Committee can be found at <https://www.petsathomeplc.com/investors/corporate-governance/remuneration-committee/>.

The Remuneration Policy approved at the 2023 AGM (Policy) has remained in force during the year and can be viewed at <https://www.petsathomeplc.com/media/4ufhixlm/annual-report-2023.pdf>. During the year the Committee undertook a comprehensive review of Policy. The new Remuneration Policy will be put to shareholders for approval at the 2026 AGM and is set out in full on pages 80 to 86.

3. What we did during the year

3.1 Our Colleagues

We continue to invest in our total reward proposition to attract and retain talent in highly competitive retail and veterinary service markets.

Investment in Base Pay

In December 2025, the business began a programme to reshape the Support Office with the objective of reducing addressable Support Office spend by £20m to support long-term business sustainability. With executive sponsorship in place and specialist working groups established, the programme covered both people and non-people costs and is designed to improve efficiency by streamlining ways of working, reducing duplication and leveraging technology, while maintaining service continuity. Throughout the programme, the business has been guided by clear principles including putting people first, acting fairly and transparently, retaining key talent where possible and ensuring decisions protect delivery to our stores, practices, clients and customers, always putting pets first.

Alongside the proposed changes the business committed to continuing to invest in both base pay and training, with an investment of £9.4m into pay across almost 7,000 retail hourly and salaried colleagues and £510,000 into new and bespoke training, reflecting that the commitment to upskilling and progression is not changing.

The average increase in base pay for colleagues, including promotions, was 5% across the UK workforce in FY26. In March 2025, we increased our hourly store and grooming pay rates to a starting rate of £12.21 (6.7% vs March 2024).

- The average base pay increase for Support Office colleagues was 4% in FY26.

Colleague Share Ownership

- We continued our investment in colleague share ownership awarding circa 2,500 colleagues an award of free shares (the restricted stock plan ('RSP')).
- Over 5,750 colleagues received access to awards which vested under our 2022 RSP.
- The 2022 SAYE scheme also matured but was unfortunately under water.

Pension

No changes were made to our colleague pension contribution rates in FY26.

Bonus

Where relevant, colleagues will be awarded their annual bonus in respect of FY26 aligned to the scheme rules, per the usual timeline.

Well-being

We continue to prioritise and promote colleague well-being alongside our strong partnerships with both the Retail Trust and Vet Life. Following organisational change during FY26, including Support Office restructuring and the absence of a colleague bonus, additional focus was placed on emotional well-being and access to timely support.

Continued access to independent, confidential support through established partnerships with the Retail Trust and Vetlife, supporting colleagues across retail and veterinary environments.

- Launched Text PAWS, providing accessible support to colleagues across Pets. 131 conversations since launch in September. The most common themes were stress (64%), low mood (56%), relationship concerns (35%), loneliness (14%), grief (10%) and financial difficulties (8%).
- The Vetlife Helpline received 6,481 contacts during the year, averaging 18 contacts per day. Of these, 233 contacts were referred for mental health support and 96 new applications were made to Vetlife Financial Support.
- While no funding was allocated for Mental Health First Aid training during FY26, interest remained strong, with a waiting list of over 20 colleagues from veterinary practices. A refreshed approach to mental health first aid training will be launched in FY27.
- The Pets at Home Colleague Hardship Fund continues to provide confidential, short-term financial support to colleagues. During FY26, the hardship fund supported 76 colleagues, providing financial assistance totalling £76,164.

Colleague Recognition and Engagement

- Peer-to-Peer recognition is encouraged for colleagues who live the Pets at Home values through their work. During FY26, £39,910 has been given to colleagues through the 'Colleague of the Month', 'Team of the Quarter' and 'Leader of the Quarter' initiatives, as well as circa 2,500 e-cards.
- Instant award vouchers totalling over £259,000 were given to colleagues in recognition of their work to spend on Your Reward Hub. Your Reward Hub hosts a wealth of information about the different benefits which are offered as part of colleagues' total reward package. In FY26, colleagues saved circa £179,000 on their everyday online and instore shopping through vouchers and savings on Your Reward Hub. We also continued to offer our colleague discount of 20% off all products online and instore and 30% off our own branded products instore.

3.2 Executive Remuneration

In light of the context set out above, the Committee made the following decisions in respect of Executive remuneration during FY26.

Base Salary

In line with the Support Office pay review outlined above, the pay review dates for the CEO and CFO were at the start of the financial year where they received a 1.5% increase. In addition, the Non-Executive Director fees were increased by 1.5%.

Pension

There were no changes to the pension contribution rates in FY26. Executive Directors already receive an employer pension contribution capped at the Company contribution rate provided to the majority of colleagues in the Support Office functions. Currently this is up to 6.5% of base salary and consistent with rates at other retailers.

Bonus

The Executive Directors were assessed against a defined criteria of 50% Retail: Profit Before Tax (underlying PBT) and/or 50% Vets: Profit Before Tax (underlying PBT). The maximum bonus opportunity in respect of FY26 for the CEO was 170% of base salary and 150% of base salary for the CFO. Formulaic targets were set in May 2025 against a budget that was agreed to be ambitious and stretching. In light of the business context set out above, the Committee carefully considered and determined that the formulaic outcome was appropriate and reflected the strong performance of the Vet Business and underperformance of the Retail business. Only the former CFO was eligible for payment of a bonus in respect of FY26 as set out on page 71.

LTIP

As noted in last year's DRR, the Committee exercised its discretion to approve the vesting of the RSP awards granted to the Executive Directors in 2022. The vested shares remain subject to a two-year vesting holding requirement.

The Committee also approved the grant of a one-off exceptional award to the new CFO shortly after her appointment equal to 100% of salary to facilitate her recruitment and provide her with an immediate incentive and close shareholder alignment. Vesting will be subject to the holistic underpin that allows the Committee to take into account factors including overall financial performance, the shareholder experience, performance against strategic imperatives and any serious reputational damage.

4. Revised Remuneration Policy and implementation in respect of FY27

During FY26, the Committee carried out a thorough review of the Directors' Remuneration Policy to ensure it remains appropriate and relevant in light of the Group's strategy, business priorities and external environment. This included careful consideration of market practice, shareholder feedback and the wider experience of colleagues across the Group.

The Committee has taken the opportunity to assess whether the policy continues to provide the right balance between simplicity, transparency and a clear link between pay and performance. The Committee's overarching objective remains to support long-term sustainable success by rewarding delivery against strategic priorities, while retaining the flexibility to exercise judgement where outcomes would otherwise not reflect the underlying performance of the business.

The outcome of the policy review work has led the Committee and Board to the conclusion that whilst a number of elements of the structure of the current Policy remain fit for purpose, a change to the Long Term Incentive Plan (LTIP) vehicle is needed to support the strategic aims of the Company.

Long-term incentives

The Company's current long-term incentive vehicle is a Restricted Stock Plan (RSP), which was introduced by the business in 2017. Pets at Home was an early adopter of restricted share awards, and the RSP has played an important role in promoting long-term share ownership, alignment with shareholders and leadership retention through periods of significant change. However, market practice has continued to evolve. Having considered approaches adopted across the UK listed market and by relevant comparators, and having reflected on shareholder feedback, the Committee concluded that a performance-based long-term incentive is now more appropriate.

The move to a PSP strengthens the explicit link between executive reward and the delivery of sustained long-term performance. In particular, the change is intended to:

- reinforce a strong focus on performance and execution at a time of operational reset and strategic delivery;
- align more closely with prevailing UK market practice and investor expectations; and
- ensure that long-term reward outcomes are clearly dependent on measurable value creation.

Given the recent performance of the Company and strategic aim to drive performance across the business, in particular to support the retail turnaround plan and also recruitment, the Board and Committee propose moving to a Performance Share Plan (PSP) approach, under which annual share awards will be made subject to stretching performance conditions.

It is proposed that the normal award limit under the Policy will be 250% of base salary. It is intended that the implementation of the new PSP in the first year of the Policy would be an award of 250% of base salary for the CEO and 200% of base salary for the CFO.

The vesting of awards will be subject to stretching three-year performance conditions. Performance measures will be selected to reflect the Group's strategic priorities and long-term resilience, with an appropriate balance of profitability, cash generation and sustainable business outcomes. Awards in FY27 (subject to shareholder approval of the revised Policy) to be based on a combination of relative TSR (vs retail sector peers) and absolute EPS growth targets.

Following the three-year performance period, awards will be subject to a further two-year holding period.

Base Salary

The Committee approved an annual pay review of 2.5% for the CEO, effective from the start of FY27. The wider workforce pay review is 4.1%. The Committee also agreed that the Non-Executive Director fees would be increased by 2.5% for FY27.

Pension

No changes to the pension scheme are proposed for the Executive Directors in FY27.

Bonus

The maximum bonus opportunity for the Executive Directors in FY27 shall continue at 170% for CEO and 150% for the CFO. Further details relating to the bonus design are set out in the Statement of Implementation on page 76.

LTIP

As we move into FY27, as referenced above the Committee has reviewed the Remuneration Policy and it will be put to shareholders for approval at the AGM on 9 July. Any relevant grants will be made after this date.

5. Closing Remarks

During a demanding year, the Committee has worked to balance affordability and restraint with the necessity of recognising performance, supporting retention, and maintaining clear alignment with shareholder interests. This process involved making several complex decisions and trade-offs, all thoroughly considered. Furthermore, the Committee initiated the three-year review of the Remuneration Policy to ensure its continued effectiveness and alignment with the Group's strategy; the revised policy is scheduled for shareholder approval at the 2026 AGM and is included on pages 80 to 86.

Actions implemented during FY26 have enabled the business to address immediate challenges and safeguard the foundations for long-term value creation. The Committee consistently evaluated the impact of decisions on both colleagues and shareholders, acknowledging the difficulties experienced across the Group during the year. Moving forward, the Committee remains committed to ensuring that the remuneration framework fosters sustainable growth and adapts in accordance with the Group's strategic priorities and stakeholder expectations.

The Committee believes that the revised Policy and the introduction of a PSP from FY27 provide a clear, robust and market-aligned framework for executive remuneration. It supports a strong performance culture, reinforces accountability and aligns leadership reward with the delivery of long-term value for shareholders and other stakeholders.

We hope that you find this report helpful and welcome any feedback. We look forward to your support of the resolution for approval of the revised remuneration policy and the Directors' Remuneration Report at our AGM on 9 July 2026.



Roger Burnley
Chair of the Remuneration Committee
27 May 2026

Annual Report on Remuneration

a) Directors' remuneration – report on implementation for the year ended 26 March 2026

This section of the report sets out how the Policy has been applied in the financial year being reported on.

The information presented from this section up until the relevant note on page 73 represents the audited section of this report.

b) Single total figure of remuneration for Executive Directors for the year ended 26 March 2026

The following table sets out the total remuneration for Executive Directors for the year ended 26 March 2026. All payments are in line with the Policy.

Director	Base salary (£)	Benefits (£)	Pension (£)	Total fixed pay (£) ¹	Annual bonus (£)	Long-term incentives (£)	Total variable pay (£)	Total (£)
FY26								
Lyssa McGowan ⁴	307,581	5,426	19,993	333,000	-	- ⁷	-	333,000
Mike Iddon	445,791	12,285	28,977	487,053	267,474 ⁹	179,677 ³	447,151	934,204
Ian Burke ⁵	229,110	-	-	229,110	-	-	-	229,110
Sarah Pollard ⁶	7,307	177	-	7,484	-	-	-	7,484
FY25								
Lyssa McGowan	630,315	8,716 ⁸	40,971	680,002	-	376,174 ²	376,174	1,056,176
Mike Iddon	439,202	12,273	28,548	480,023	-	199,437 ²	199,437	679,460

1. Base salary, benefits and pension contributions have been calculated using actual amounts received during the financial year.
2. The 2022 RSP vested in May 2025 for the Executive Directors following the Committee assessment of the discretionary underpin applicable to the plan and vesting being based on holistic performance. The figure in the table above is based on the share options granted multiplied by £2.24, being the average market value over the last quarter of FY25.
3. The 2023 RSP will vest in May 2026 for the Executive Directors following the Committee assessment of the discretionary underpin applicable to the plan and vesting being based on holistic performance. The figure in the table above is based on the share options granted multiplied by £2.02 being the average market value over the last quarter of FY26.
4. Remuneration for Lyssa McGowan included in this section relates to her role as CEO from 28 March 2025 to 18 September 2025.
5. Remuneration for Ian Burke included in this section relates to his role as Interim Executive Chair from 18 September 2025 to 26 March 2026.
6. Remuneration for Sarah Pollard included in this section relates to her role as CFO from 23 March 2026 to 26 March 2026.
7. Lyssa McGowan's 2023 RSP award of 167,775 shares was forfeited on 3 October 2025 upon departure from the business.
8. Lyssa McGowan's FY25 benefits have been updated to reflect taxable benefits in kind not previously included.
9. In line with Remuneration Policy 1/3 of annual bonus will be subject to the Deferred Share Bonus Plan.

Base salary

The gross taxable amount received during the relevant financial year excluding payments in lieu of pension (see below).

Benefits

The gross taxable value of benefits received during the relevant financial year and principally includes company car (or cash equivalent) and Private Healthcare Insurance (PHI) where applicable.

Pension

The amount of pension contributed including the gross cash value of any payment in lieu of pension received during FY26.

Executive Directors received an employer pension contribution worth a maximum of 6.5% of their base salary, in line with the majority of Support Office colleagues as required by Provision 38 of the Code. A taxable cash payment in lieu of pension contribution was paid if the Executive Director reached the annual pension allowance.

Annual bonus

The amount earned in respect of the relevant financial year.

Long-term incentives

The amount earned by the Executive Directors in respect of the relevant financial year. Details of how this was calculated are set out in the footnotes above.

Annual bonus

In FY26, an annual bonus was available to Executive Directors subject to meeting defined criteria of 50% Retail: attributable to equity shareholders Profit Before Tax (underlying PBT) of the parent and/or attributable to equity shareholders 50% Vets: Profit Before Tax (underlying PBT) of the parent.

The maximum bonus opportunity in respect of FY26 for the CEO was 170% of base salary and 150% of base salary for the CFO. Neither the previous CEO or Interim Executive Chair during the year were eligible for a bonus in FY26.

Performance was assessed against the above Retail: Profit Before Tax (underlying PBT) and/or Vets Business: Profit Before Tax (underlying PBT). Profit Before Tax (underlying PBT) attributable to equity shareholders of the parent for the 52 week period ended 26 March 2026 was £92.0m, and the Committee determined that the formulaic outcome required for the minimum Trigger 1 bonus for Retail had not been met and the formulaic outcome required for the minimum Trigger 1 bonus for the Vet Business had been met and achieved Trigger 5 bonus.

The table below shows the targets set and the achieved pay out levels for Executive Directors:

Performance Measures	Target			Achieved	
	% Weighting	Minimum	Maximum	Total	%
Retail underlying PBT (£)	50.0	£37.1m	£59.7m	£30.8m	0.0
Vet Business underlying PBT (£)	50.0	£66.0m	£80.8m	£83.0m	100.0
Total	100.0				50.0

The minimum target is set at Trigger 1 (threshold, 20% achievement) and the maximum target at Trigger 5 (100% achievement), with staged increments on a straight-line basis at Trigger levels 2, 3 and 4 in between.

In order to achieve full pay-out, the Committee had set ambitious and stretching targets that required the individuals to deliver performance which significantly exceeded business expectations.

The Committee considered whether the bonus target for Retail PBT and/or Vet Business PBT had been reached at the minimum threshold. In the light of the business performance as set out above and in the Chair's letter on pages 68 to 70, the Committee was comfortable that the formulaic outturn for Retail PBT and/or Vet Business PBT was appropriate. No adjustments were therefore made to the formulaic bonus targets and consequently, the bonus outturn in relation to FY26, will be 50% for the relevant Executive Director and any colleagues in the bonus scheme. As a consequence, the outgoing CFO will receive a bonus payment of £267,474, of which one-third is deferred into shares.

Long-term incentive plans (LTIP)

2023 RSP award

Awards granted under the 2023 RSP to eligible Executive Directors will vest in May 2026. The awards were granted in accordance with the policy in place at this time, which included a TSR financial underpin. As the current Policy replaced the Total Shareholder Return (TSR) underpin with a holistic underpin, the Committee exercised discretion to bring the vesting assessment of the 2023 RSP award in line with the Policy and therefore to vest the 2023 RSP awards for eligible Executive Directors. In assessing whether the holistic underpin had been achieved, the Committee considered overall financial performance, the shareholder experience, performance against strategic imperatives and any serious reputational damage. After careful consideration of the performance of the business over the award's vesting period (including PBT, revenue, dividend per share, buybacks, and strategic developments such as the transformation of the distribution network and transition to the pet care platform), the Committee concluded that the underpin had been achieved and that it was appropriate for the award to vest. The shares will remain subject to a two-year post vest holding period.

c) Total Single Figure Remuneration (TSFR) for Non-Executive Directors for the year ended 26 March 2026

The following table sets out the TSFR for Non-Executive Directors and the Chair of the Board for the year ended 26 March 2026.

Director	Basic fees (£)	Additional fees (£)	Remuneration Committee Chair fee (£)	Audit and Risk Committee Chair fee (£)	Sustainability Committee Chair fee (£)	Colleague Engagement Non-Executive Directors fee (£)	Total Single Figure FY26 (£)	Total Single Figure FY25 (£)
Ian Burke ²	224,011	–	–	–	–	–	224,011	220,700
Zarin Patel	56,028	10,150 ¹	–	11,267	–	–	77,445	76,300
Roger Burnley	56,028	–	11,267	–	–	–	67,295	66,300
Natalie-Jane Macdonald	56,028	–	–	–	–	11,267	67,295	66,300
Garret Turley	56,028	–	–	–	11,267	–	67,295	47,175

Note: Fees in the above table have been pro-rated for appointments which have covered a proportion of the financial year.

- The additional fee paid to Zarin Patel is in respect of her position as Senior Independent Director.
- Ian Burke's fees are for the full financial year and have not been prorated to consider his time as Interim Executive Chair. TSFR prorated to role as Non-Executive Director from 28 March 2025 to 17 September 2025 was £106,836.

d) Scheme interests awarded during the financial year

In FY26 Executive Directors received RSP awards in line with the Policy as follows:

Executive Director	Date of award	Number of shares awarded under the RSP	Value of shares at grant	Grant price of RSP awards	% of salary for total awards	Performance period end date
Lyssa McGowan	6 June 2025	242,889	639,770	Nil cost awards	100%	6 June 2028
Mike Iddon	6 June 2025	126,933	334,342	Nil cost awards	75%	6 June 2028
Sarah Pollard	26 March 2026	268,362	475,000	Nil cost awards	100%	26 March 2029

Awards granted in FY26, on 6 June 2025, as restricted shares based on a percentage of salary and the value is divided by the executed share price on 6 June 2025, being £2.63.

Award granted to Sarah Pollard as part of the RSP scheme in FY26, on 26 March 2026, based on a percentage of salary and the value is divided by the executed share price on 26 March 2026 which was £1.77.

Award granted to Lyssa McGowan, on 6 June 2025, were forfeited on 3 October 2025 upon departure from the business.

e) Payments for loss of office

Lyssa McGowan ceased to be a director and Chief Executive Officer of the Company on 18 September 2025 (the Termination Date). In line with her service agreement and the Directors' Remuneration Policy, she received the following payments in the FY26 financial year post 18 September 2025:

Pay in lieu of notice (£)	Pay in lieu of benefits (£)	Company car benefit (£)	Total (£)
332,188	49,828	5,404	387,420

f) Payments to past Directors

No payments to past Directors were made during the financial year.

g) Statement of Directors' shareholding and share interests

The Committee believes that colleague share ownership is an important means to support long-term commitment to the Company and the alignment of colleague interests with those of shareholders. Executive Directors are subject to a shareholding requirement of 200% of base salary, which should be built up over a period of five years. Under the Policy applicable during FY26, Executive Directors have been subject to a post cessation shareholding requirement of 200% of salary for one year and 100% of salary for two years. The Committee reviews share ownership levels annually. Current shareholding levels for Directors are set out in the table below:

Director	Shareholding as a % of salary	Number of shares			
		Shares owned outright at 26 March 2026	Interests in share incentive schemes, awarded without performance conditions at 26 March 2026	Interests in share incentive schemes, awarded subject to performance conditions at 26 March 2026	Shares owned outright as 27 March 2025
Lyssa McGowan ¹	25%	161,856	70,054	629,969	74,619
James Bailey	–	–	–	–	–
Mike Iddon	229%	577,600	7,386	328,923	509,634
Sarah Pollard	–	–	268,362	–	–
Ian Burke	–	72,693	–	–	47,900
Zarin Patel	–	31,799	–	–	30,000
Roger Burnley	–	4,850	–	–	–
Natalie Jane Macdonald	–	–	–	–	–
Garret Turley	–	21,349	–	–	21,349

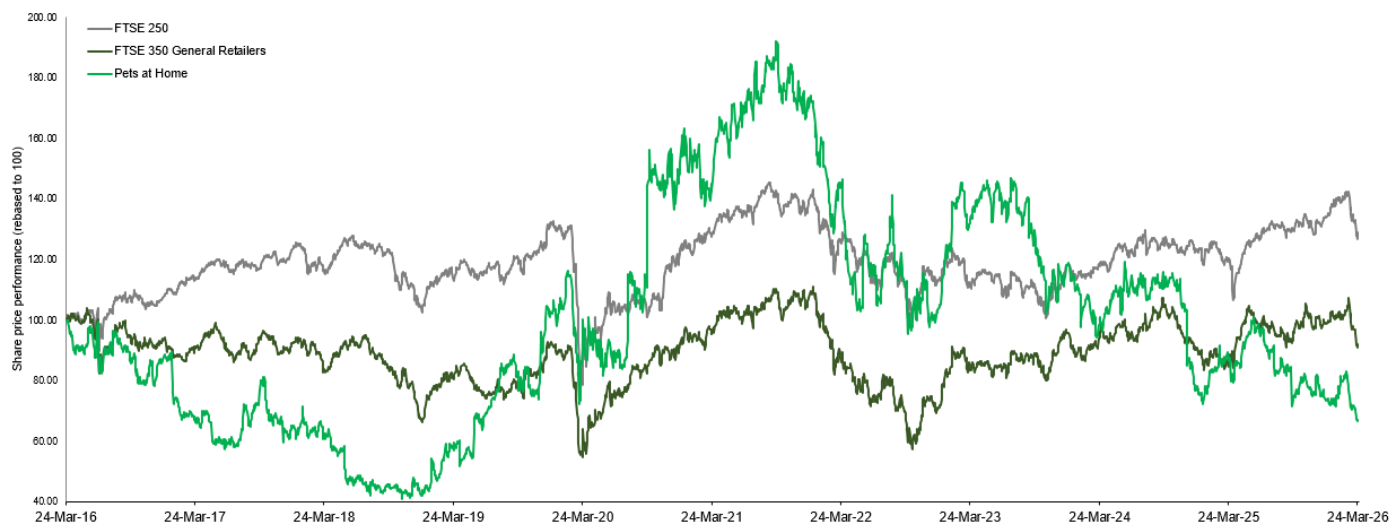
1. Lyssa McGowan's information is correct as of 18 September 2025, although she remains subject to a two-year holding period, she is no longer required to notify of any further purchases.

There have been no changes to the shareholdings noted above between 26 March 2026 and 26 May 2026. Shareholding as a % of salary has been calculated using the executed share price on 26 March 2026 of £1.77.

This represents the end of the audited section of the report.

h) TSR performance chart

The Company's shares were admitted to the premium listing segment of the Official List maintained by the UK Financial Conduct Authority and to trading on the London Stock Exchange plc's main market for listed securities on 17 March 2014. The chart below shows performance for the past ten years until the end of FY26. The FTSE 250 and FTSE 350 General Retailers indexes include Pets at Home.



CEO		FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26 ¹
CEO total single figure remuneration (£)	IB ²	-	-	-	-	-	-	-	-	-	229,110
	LM ³	-	-	-	-	-	-	1,237,366	652,098	1,056,176 ¹¹	333,000
	PP ⁴	-	-	930,298	1,599,710 ⁵	2,140,916	1,831,435	101,135	-	-	-
	IK ⁶	662,087	575,953	122,037	-	-	-	-	-	-	-
	NW ⁷	129,696	-	-	-	-	-	-	-	-	-
Annual bonus pay-out (as % of maximum opportunity)	IB	-	-	-	-	-	-	-	-	-	-
	LM	-	-	-	-	-	-	71.7 ⁸	-	-	-
	PP	-	-	75.8	100.0	100.0	90.4	-	-	-	-
	IK	20.4	- ⁹	-	-	-	-	-	-	-	-
	NW	-	-	-	-	-	-	-	-	-	-
Long-term incentive vesting (as % of maximum opportunity)	IB	-	-	-	-	-	-	-	-	-	-
	LM	-	-	-	-	-	-	-	-	100.0	-
	PP	-	-	16.8	100.0	100.0	100.0	-	-	-	-
	IK	16.8 ¹⁰	-	-	-	-	-	-	-	-	-
	NW	-	-	-	-	-	-	-	-	-	-

LM – Lyssa McGowan PP – Peter Pritchard IK – Ian Kellett NW – Nick Wood IB - Ian Burke

- In FY26, the single figure of remuneration related to the period of 28 March 2025 to 26 March 2026.
- Remuneration for Ian Burke included in this section relates to his role as Interim Executive Chair from 18 September 2025 to 26 March 2026.
- Remuneration for Lyssa McGowan included in this section relates to her role as CEO from 28 March 2025 to 18 September 2025.
- Peter Pritchard was appointed on 27 April 2018 therefore his single figure remuneration as CEO for 2018/19 reflects this partial year of service in role. His FY20 single figure includes the full value of his total 2017 RSP award which vested on a phased basis in line with the Policy, 50% in July 2020, and 25% in each of years four and five. The true value will vary due to the phased release over the three years and was subject to the share price at the time. Peter's FY21 single figure includes the full value of his total 2018 RSP award which vested on a phased basis, 50% May 2021, 15% May 2022 and 25% May 2023.
- The FY20 single figure has been adjusted since the FY20 Annual Report was issued to include the 2017 RSP award which vested based on the performance period of FY20 as opposed to the grant awarded in FY20 as previously disclosed.
- Ian Kellett was appointed on 4 April 2016 and stepped down from his role on 27 April 2018 before leaving the Group effective 31 May 2018.
- Nick Wood resigned as an Executive Director on 4 April 2016, however, he continued in the business until 1 July 2016. His payment in FY17 relates to the period from 1 April 2016 to 1 July 2016.
- Lyssa McGowan's bonus outturn was prorated by length of employment, therefore the bonus outturn of 75.9% was reduced to reflect her time in employment during the FY24 bonus year.
- Ian Kellett waived his bonus for FY18.
- Shares were awarded on 17 March 2014 under the Co-Investment Plan. Based on performance in the period March 2014 to March 2017 the performance conditions for these shares were measured in 2017 and the Committee determined that 16.8% of the awards would vest. The vested award became exercisable in equal tranches, subject to continued employment, between May 2017 and March 2019.
- Lyssa McGowan's FY25 benefits have been updated to reflect taxable benefits in kind not previously included, this has in turn increased the Total Single Figure Remuneration.

i) Percentage change in Directors' remuneration

The table below sets out the increase in total remuneration of Directors and that of all colleagues for FY26.

		LM	MI	SP	IB	ZP	RB	NM	GT	SD	AA	All Colleagues
FY25-26	% Change in base salary	1.5	1.5	N/A	1.5	1.5	1.5	1.5	1.5	N/A	N/A	5.0
	% Change in bonus earned	0	100	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100
	% Change in benefits	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	None
FY24-25	% Change in base salary	0	0	N/A	0	0	0	0	0	0	0	5.1
	% Change in bonus earned	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-100
	% Change in benefits	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	None
FY23-24	% Change in base salary	5.0	3.5	N/A	3.5	19.3	24.4	N/A	N/A	3.7	N/A	8.8
	% Change in bonus earned	-100	-100	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-78.0
	% Change in benefits	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	None
FY22-23	% Change in base salary	N/A	3.5	N/A	0	0	N/A	N/A	N/A	0	N/A	9.4
	% Change in bonus earned	N/A	-10.3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	17.2
	% Change in benefits	N/A	-17.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	None
FY21-22	% Change in base salary	N/A	10.8	N/A	N/A	N/A	N/A	N/A	N/A	0	N/A	7.3
	% Change in bonus earned	N/A	44.7	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-5.7
	% Change in benefits	N/A	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	None

LM – Lyssa McGowan MI – Mike Iddon IB – Ian Burke ZP – Zarin Patel RB – Roger Burnley NM – Natalie-Jane Macdonald GT – Garret Turley
SD – Susan Dawson AA – Angelique Augereau

- Garret Turley was appointed during FY26 and therefore no annual change is shown.
- Susan Dawson and Angelique Augereau stepped down from the Board during FY25 and therefore no annual change is shown.
- All colleague information is presented by comparing the average annual bonus paid in FY24 to the average annual bonus paid in FY26 and includes all colleagues who started throughout FY26.

j) Relative importance of the spend on pay

The following table shows the relationship between underlying PBT, distributions to shareholders and the total remuneration paid to all colleagues.

	FY26 £m	FY25 £m
Underlying PBT attributable to the equity holders of the parent	92.0	133.0
Returned to shareholders:		
Dividend (-1.7%)	58.7	59.7
Share Buyback (0.4%)	25.2	25.1
Payments to colleagues:		
Wages and salaries	282.6	288.1
% Change FY25-26	-1.9%	

k) Our CEO pay ratio

This is our seventh year of reporting the CEO pay ratio in line with Code requirements. The table below sets out the CEO's single total remuneration compared with the median, lower quartile and upper quartile of the colleague population. Remuneration has been calculated on the same basis under Option A of the Companies (Miscellaneous Reporting) Regulations 2018 in line with the majority of FTSE businesses. As CEO pay is weighted more heavily towards variable elements, the ratio can vary significantly from year to year. This year's figure also reflects changes in the CEO role and, in line with the reporting requirements, includes all payments relating to that role, including any payments made on leaving the business.

		Ratio			
		CEO	25th percentile	Median	75th percentile
FY26 (Option A)	Total Single Figure Remuneration £	950,161	34:1	28:1	22:1
FY25 (Option A)	Total Single Figure Remuneration £	1,048,233	45:1	37:1	28:1
FY24 (Option A)	Total Single Figure Remuneration £	652,098	29:1	24:1	18:1
FY23 (Option A)	Total Single Figure Remuneration £	1,338,502	59:1	50:1	38:1
FY22 (Option A)	Total Single Figure Remuneration £	1,831,435	88:1	72:1	52:1
FY21 (Option A)	Total Single Figure Remuneration £	2,140,916	106:1	88:1	69:1
FY20 (Option A)	Total Single Figure Remuneration £	1,599,710	90:1	78:1	59:1

Note: Ratios rounded to the nearest whole number.

- The FY26 Total Single Figure Remuneration (TSFR) value has been calculated using the data required by the Regulations.

l) Consideration of wider colleague pay

Our culture and colleague engagement

Pets at Home's culture and levels of colleague engagement remain a key differentiator in attracting and retaining talent across the Group. During FY26, we continued to invest in our total reward proposition, including competitive pay, training and development. We also strengthened our focus on wellbeing and access to confidential support, particularly during a period of organisational change, and continued to recognise and celebrate colleagues through a range of long-service and peer-to-peer initiatives. We use colleague feedback and listening activities to understand what matters most to our colleagues and to support a positive working experience. Further details relating to the Board's activities regarding monitoring culture are included on page 8.

Gender Pay Gap report

Due to additional verification undertaken this year to ensure the accuracy and completeness of our data, our Gender Pay Gap report has not been finalised at the time of publication of this Annual Report. We remain committed to transparency and will publish our Gender Pay Gap reporting as soon as this enhanced validation process is complete.

Supporting gender equality remains a key priority for the organisation. We are committed to creating an inclusive workplace where women are supported to thrive and progress in their careers. Initiatives such as flexible working arrangements are actively promoted across the business, enabling colleagues to balance their professional and personal responsibilities and supporting career development at all stages.

The FTSE Women Leaders Review again recognised our high representation of women at executive level and although our ranking lowered this year to 9th in the retail sector, we maintained a good position.

m) Non-Executive Directors – letters of appointment

Details of the Non-Executive Directors' letters of appointment are contained in the Policy and can be viewed at <https://www.petsathomeplc.com/about-us/leadership/board-of-directors/>

Statement of implementation for FY27

This section provides an overview of how the Committee is proposing to implement our Policy in FY27.

Base salary

The date for the pay review for the Executive Directors was aligned to the review date for all colleagues in March this year and the Committee approved an annual pay review of 2.5% for the CEO, effective from the start of FY27. The wider workforce pay review was 4.1%.

When reviewing the Executive Directors' base pay, the Committee will continue to benchmark against relative market comparisons to ensure that the package is considered competitive and does not pose a risk to retention and succession planning, whilst at the same time taking into consideration the salary increase to the broader colleague population and external impacts on the business. The Committee may over time approve salary increases that are ahead of the wider colleague population, if this is indicated by a significant gap in market benchmark.

Benefits

The Committee sets benefits in line with the Policy and there are no proposed changes to the benefits policy for FY27 other than anticipated standard inflationary increases on premiums.

Pensions

Executive Directors already receive a Company pension contribution capped at the rate provided to colleagues in Support Office functions.

Currently this is up to 6.5% of base salary and consistent with pension contribution rates paid by other retailers. The Company continues to actively review the employer contribution rate to the tier two pension scheme members which includes our retail hourly paid colleagues.

Annual bonus

The maximum annual bonus opportunity for Executive Directors in respect of FY27 will continue at 170% for the CEO and to 150% for the CFO under the new Remuneration Policy. A third of bonus will be awarded in shares in line with the Bonus Deferral Policy. The shares will not be released until a two-year holding period is complete. This will continue to remain in place in FY27. We believe this will support in maintaining the alignment of executive and shareholder interests.

For FY27, the bonus will be based on underlying PBT with targets split equally between the Vet and Retail divisions. Although the Committee consider Normalised Pre Tax Free Cash Flow and sustainability to remain important, the Committee considers it appropriate that for FY26, Executive Directors and other colleagues have a simple set of targets which encourage them to maximise shared resources, work together to drive overall performance and to have a metric that colleagues can contribute to directly. The targets are considered commercially sensitive and will be disclosed in the FY27 Annual Report.

As with previous years, the Committee retains discretion to determine the annual bonus outcome to ensure the formulaic outcome is a fair reflection of underlying performance and the broader stakeholder experience. Any annual bonus paid is also subject to malus and clawback provisions which provides the Committee with the ability to take back amounts previously paid out for a period of up to two years under certain circumstances, including misstatement and misconduct.

Long-term incentive awards

It is proposed that awards under the PSP will be made in FY27 following the preliminary results announcement and following the AGM at 250% of salary for the CEO and 200% of salary for the CFO in line with the Policy and subject to TSR and EPS targets. For the avoidance of doubt, EPS in relation to the PSP scheme refers to underlying EPS. The three-year vesting schedule and two-year post-vest holding period will apply to these awards.

SAYE

The SAYE scheme has been discontinued to ensure alignment with our reward strategy of prioritising investment in base pay. This decision was taken because the cost of operating the scheme was disproportionate to the number of active colleagues participating, making investment in base pay a more effective use of resources. Furthermore, this approach reflects colleague feedback received through our recent benefits survey, highlighting a preference for enhancements to base pay over the continuation of the SAYE scheme.

Non-Executive Director remuneration

The fees paid to the Non-Executive Directors will continue to be reviewed in line with the annual pay reviews for all other colleagues in April each financial year and benchmarked against relative market comparisons to see whether there have been any changes in the market and to establish if the fees need a further adjustment. The Chair and Non-Executive Directors basic fees were increased by 2.5% with effect from 27 March 2026, to ensure that this fee does not fall behind market benchmarks. All other fees have not increased from FY26.

The table below shows the Non-Executive Director fee structure for FY27:

	FY27 £
Chair (all inclusive fee)	229,611
Basic Non-Executive Director Fee	57,429
Senior Independent Director Fee	10,150
Board Committee Chair Fee	11,267
Non-Executive Directors responsible for colleague engagement fee	11,267

There are no fees paid for membership of Board Committees.

Remuneration Committee

Shareholder context for the Committee's activities

During the year, the Committee received independent advice on executive remuneration matters from WTW, who was appointed by the Committee. WTW is a member of the Remuneration Consultants Group (RCG) and, as such, voluntarily operates under the code of conduct in relation to executive remuneration consulting in the UK. The Committee has reviewed the advice provided by WTW during the year and is comfortable that it has been objective and independent. Total fees received by WTW in relation to the remuneration advice provided to the Committee during FY26 amounted to £111,517 (FY25: £107,039) based on the required time commitment.

During FY26 the Committee also received support from Travers Smith LLP, who was appointed by the Company Secretary, on the terms of the discretionary share plans. The Committee, based on its experience, is satisfied that the legal advice it received from Travers Smith LLP, a law firm regulated by the Solicitors Regulation Authority, was objective and independent.

Committee membership and meetings

The Directors listed below in the table served on the Committee during the year. The Committee met three times during FY26, plus additional ad hoc calls, and the Committee members' attendance is also shown in the table below:

Member	Period from	Period to	Meetings attended
Roger Burnley	28 March 2025	26 March 2026	4/4
Zarin Patel	28 March 2025	26 March 2026	4/4
Natalie-Jane Macdonald	28 March 2025	26 March 2026	4/4

The individuals listed in the table below, none of whom were Committee members, attended at least part of a meeting by invitation during the year.

Attendee	Position
Lyssa McGowan	CEO
Mike Iddon	CFO
Lucy Williams	Chief People and Legal Officer
Emma Wells	Head of Reward
Victoria Hill	People Director
Katherine Pauling	Head of Payroll and Reward
Lesley Lazenby	Company Secretary
Ian Burke	Chair of the Board/ Interim Executive Chair
Garret Turley	Non-Executive Director
Andrew Porteous	Director of Investor Relations, Strategy & FP&A
Alex Little	WTW
Paul Townsend	WTW

None of the individuals were involved in making decisions at meetings regarding their own compensation.

Governance

The Board and the Committee consider that, throughout FY26 and up to the date of this report, the Company has complied with the provisions of the UK Corporate Governance Code relating to Directors' remuneration.

Shareholder voting

At the Annual General Meeting on 11 July 2024, the total number of shares in issue with voting rights was 458,441,054. The resolution to approve the Directors Remuneration Report (DRR) received the following votes from shareholders:

To approve the Directors' Remuneration Report for the year ended 27 March 2025 and 2023 Remuneration Policy	2023 Policy Votes	FY25 DRR Votes
Votes for ¹	327,218,238	311,849,486
% ²	90.17%	93.80%
Votes against	35,658,683	20,621,969
%	9.83%	6.20%
Votes total	362,876,921	332,471,475
% of issued share capital ³	75.18%	72.52%
Votes withheld ⁴	23,804	857,035

1. Votes 'for' include discretionary votes.
2. Percentages above are rounded to two decimal places.
3. Issued share capital at meeting date: 458,441,054.
4. A vote withheld is not a vote in law and is not counted in the calculation of the proportion of votes 'for' and 'against' a resolution.

Annual General Meeting

As set out in my statement on pages 68 to 70, our Directors' Remuneration Report will be subject to an advisory vote at our AGM to be held on 9 July 2026.

Looking forward to FY27

Remuneration Policy and approach

During FY26, the Committee kept the Directors' Remuneration Policy under close review to ensure it remained appropriate and relevant in light of the Group's strategy, business priorities and external environment. This included careful consideration of market practice, shareholder feedback and the wider experience of colleagues across the Group.

The Committee's overarching objective remains to support long-term sustainable success by rewarding delivery against strategic priorities.

The revised Remuneration Policy will be presented to shareholders for approval at the 2026 AGM.

Key elements of remuneration for FY27

Base salary

Executive Director salaries will continue to be reviewed annually, taking into account individual performance, scope of role, market benchmarks and affordability. In doing so, the Committee remains mindful of pay outcomes across the wider colleague population, business performance and the broader economic context.

Pension

Pension contributions for Executive Directors will remain aligned with the wider UK workforce and capped at 6.5% of base salary.

Annual bonus

The annual bonus continues to be a key mechanism for aligning executive reward with the delivery of in-year priorities.

For FY27, the maximum bonus opportunity will remain unchanged at 170% of salary for the CEO and 150% of salary for the CFO, with one-third of any earned bonus deferred into shares for a period of two years.

Performance measures will continue to be against a defined criteria of 50% Retail: attributable to equity shareholders Profit Before Tax (underlying PBT) of the parent and/or 50% Vets: attributable to equity shareholders Profit Before Tax (underlying PBT) of the parent but to include an underpin of Group underlying PBT. The Committee believes this profit-based approach strengthens alignment between incentive outcomes and the delivery of sustainable Group profitability.

Long-term incentives – transition from Restricted Stock Plan (RSP) to Performance Share Plan (PSP)

As described in the Committee Chair's introduction, following a review during FY26, the Committee has decided that from FY27 the Company will transition its long-term incentive arrangement for Executive Directors from the Restricted Stock Plan (RSP) to a Performance Share Plan (PSP), subject to approval of the new Policy by shareholders at the forthcoming AGM.

It is intended to make awards under the PSP of 250% of base salary for the CEO and 200% of base salary for the CFO, which will be subject to stretching three-year performance conditions: based on relative TSR vs a peer group of retail and listed Veterinary peers and absolute EPS growth as follows:

Vesting	TSR	EPS	Total
Below Threshold	0%	0%	0%
Threshold	25%	25%	25%
Stretch	100%	100%	100

EPS	FY26 (Base)	Absolute Threshold	Stretch	3-year CAGR Threshold	Stretch
	14.8	16.9	21.4	5%	13%

As with all incentive arrangements, the Committee will retain discretion to ensure that outcomes appropriately reflect overall business performance, the shareholder experience and the wider stakeholder context.

Shareholding guidelines

Executive Directors will continue to be subject to meaningful shareholding requirements. In line with Investment Association guidelines, Executive Directors are expected to retain the lower of 2x salary (or their actual shareholding, if lower) for two years following cessation of employment in respect of shares awarded under the policy.

Alignment with colleagues and shareholders

In considering remuneration outcomes for Executive Directors, the Committee will continue to take into account business performance, the experience of shareholders and pay outcomes across the wider colleague population. This approach supports fairness, builds trust and ensures that executive pay remains proportionate and aligned with what matters most to the long-term success of Pets at Home.

Closing remarks

The Committee believes that the revised Policy and the introduction of a PSP from FY27 provide a clear, robust and market-aligned framework for executive remuneration. It supports a strong performance culture, reinforces accountability and aligns leadership reward with the delivery of long-term value for shareholders and other stakeholders.

The Committee thanks shareholders for their continued engagement and looks forward to ongoing dialogue as the business continues through its next phase of delivery and growth.

Approved by the Board and signed on behalf of the Board.



Roger Burnley
Chair of the Remuneration Committee
 27 May 2026

Directors' Remuneration Policy 2026

Introduction and context

The Directors' Remuneration Policy has been reviewed during FY26 as part of the scheduled three-year policy cycle. The policy has been designed to support the long-term sustainable success of the Group, while aligning the interests of Executive Directors with those of shareholders and colleagues.

In undertaking the review, the Remuneration Committee has considered:

- The evolving external environment
- The Group's strategic priorities
- Shareholder feedback
- Market practice across comparable UK-listed companies

The Committee's overarching objective remains to ensure that remuneration:

- Is closely linked to performance
- Supports the delivery of strategy
- Is fair, proportionate and transparent

The revised policy will be put to shareholders for approval at the Annual General Meeting in July 2026 and will become effective on the date it is approved.

Policy overview

Fixed pay elements

Purpose and link to strategy	Operation	Maximum opportunity	Changes
Base salary			
The company provides competitive salaries suitable to attract and retain individuals of the right calibre to develop and execute the business strategy	<ul style="list-style-type: none"> • Base salaries are paid in cash and are pensionable. • Base salaries will be reviewed annually by the Remuneration Committee. Any changes will usually take effect from 1 April in line with the wider management and salaried colleague group. The Committee takes into consideration a number of factors when setting salaries, including (but not limited to): <ul style="list-style-type: none"> ○ Size and scope of the individual's responsibilities; ○ The individual's skills, experience and performance; ○ Typical salary levels for comparable roles within appropriate pay comparators, including practice for retail companies and the broader FTSE 250; and ○ Pay and conditions elsewhere in the Group 	<ul style="list-style-type: none"> • Whilst there is no maximum salary level, any increases will normally be broadly in line with the wider colleague population. • Higher increases may be made under certain circumstances, at the Committee's discretion. For example, this may include: increase in the scope and/or responsibility of the individual's role; and development of the individual within the role. 	No changes
Benefits			
The Company provides colleagues with market competitive benefits suitable to attract and retain individuals of the right calibre to develop and execute the business strategy	<ul style="list-style-type: none"> • The Company provides a range of benefits, which may include: <ul style="list-style-type: none"> ○ a company car (or cash equivalent) ○ life assurance ○ permanent health insurance ○ private medical insurance • These benefits are not pensionable. • Other benefits may be offered from time to time, if considered appropriate by the Committee and consistent with the Company's overriding purpose for offering such benefits. • The Company may also meet any reasonable home working and/or certain mobility costs, such as relocation support, expatriate allowances, temporary living and transportation expenses in line with the prevailing home working and/or mobility policies and practice for other senior executives. 	<ul style="list-style-type: none"> • The cost to the Company of providing other benefits may vary depending on, for example, market practice and the cost of insuring certain benefits. • The Committee keeps the level of benefit provision under regular review. 	No changes
Pension			
To provide colleagues with an allowance for retirement planning.	<ul style="list-style-type: none"> • Pension contributions are made to either the Group Pension Plan, or to personal pension schemes, or cash allowances in lieu of contributions are paid. 	<ul style="list-style-type: none"> • The employer contribution level for all current and any future external hire or internally promoted Executive Director is provided to the majority of colleagues in central support office functions from time to time (currently 6.5%). 	No changes

Variable pay elements

Purpose and link to strategy	Operation	Maximum opportunity	Performance measures	Changes
Annual Bonus				
To incentivise the delivery of our business plan on an annual basis. To reward performance against key performance indicators which are critical to the delivery of our business strategy	<ul style="list-style-type: none"> • Delivery will normally be in cash and is not pensionable. • Performance measures are set annually and pay-out levels are determined by the Committee after the year-end, based on performance against those targets during the relevant financial year. • The Committee may amend the performance targets and measures during the relevant financial year if events occur which result in the original targets and measures no longer being a fair measure of performance. • The Committee may amend formulaic bonus outcomes if they do not reflect the wider shareholder experience over the period or the performance of the Executive Director in delivery of the business strategy and results. • Malus and clawback provisions apply to these awards in circumstances as set out on page 86 of the Policy. • Change of control provisions apply as set out on page 84 of the Policy. <p>Leaver provisions apply as set out on page 84 of the Policy</p>	<ul style="list-style-type: none"> • The maximum bonus opportunity shall be 170% of base salary for the CEO and 150% of base salary for the CFO provided 1/3 of any bonus achieved will be paid in shares (or share awards) and subject to a two-year holding period. 	<ul style="list-style-type: none"> • Each year, the Committee determines the measures and weightings within the following parameters: <ul style="list-style-type: none"> ◦ At least 75% of the annual bonus will be based on financial performance measures; and ◦ No more than 25% of the annual bonus will be based on performance against nonfinancial measures, including for example, individual and strategic objectives, which may include ESG metrics. • The Committee ensures that targets are appropriately stretching in the context of the business plan and that there is an appropriate balance between incentivising Executive Directors to meet financial targets for the year and to deliver specific non-financial goals. This balance allows the Committee to effectively reward performance against the key elements of our strategy. • The performance metrics for the annual bonus for the Executive Directors are set out retrospectively within the Annual Report. • The Committee has discretion to amend formulaic bonus outcomes if they do not reflect the wider shareholder experience over the period or the performance of the Executive Director in delivery of the business strategy and results. Where discretion is applied this will be summarised within the Annual Report. 	No changes
Long-term incentives				
To align long-term incentives with the company's strategic objectives by rewarding sustained performance that drives shareholder value.	<ul style="list-style-type: none"> • Awards will be made under the PSP annually. • Additional shares (or cash) may be awarded in lieu of dividends on any shares which vest, which would have been paid during the vesting period and, in the case of a vested but unexercised award, the holding period. • Malus and clawback provisions apply to these awards in circumstances as set out on page 86 of the Policy. • Change of control provisions apply as set out on page 84 of the Policy. • Leaver provisions apply as set out on page 84 of the Policy 	<ul style="list-style-type: none"> • The maximum value of performance shares that may be awarded is 300% of salary with the intention that awards at this level will be limited to exceptional circumstances. • The FY27 PSP awards will be granted at 250% of base salary for the CEO and 200% of base salary for the CFO. • All PSP awards will be subject to a 3-year performance period and a two-year holding period. 	<ul style="list-style-type: none"> • Vesting of the PSP awards will be subject to achieving stretching performance targets which may include Total Shareholder Return and Adjusted EPS targets. • The Committee ensures that targets are appropriately stretching in the context of the business plan. 	As described in the Committee Chair's introduction, the Committee have determined to move to awards of performance shares from the previous restricted shares approach.

Chair and Non-Executive Directors' Remuneration Policy

Purpose and link to strategy	Operation	Maximum opportunity	Changes
To attract and retain high calibre individuals by offering market competitive fee arrangements.	<ul style="list-style-type: none"> • Non-Executive Directors receive a basic fee in respect of their Board duties. • Further fees are paid to Non-Executive Directors in respect of Deputy Chair of the Board and/or chairship of Board Committees. • The Non-Executive Chair receives an all-inclusive fee for the role. • The remuneration of the Non-Executive Chair is set by the Remuneration Committee, whilst the Board as a whole is responsible for determining Non-Executive Director fees. These fees are the sole element of Non-Executive remuneration and they are not eligible for incentive awards, pensions or other benefits. • Fees are typically reviewed annually. • Expenses incurred in the performance of Non-Executive duties for the Company may be reimbursed or paid for directly by the Company, as appropriate, including any tax due on the benefits 	<ul style="list-style-type: none"> • Current fee levels can be found on page 77. • Fees are set at a level which is considered appropriate to attract and retain the calibre of individual required by the Company. • The Company's Articles of Association provide that the total aggregate remuneration paid to the Non-Executive Chair and the NEDs will be within the limits set by shareholders. 	No changes

Shareholding and post-cessation shareholding requirements

Executive Directors are required to build and maintain a meaningful shareholding in the Company of 200% of base salary which should be built up over a period of 5 years in order to align their interests with those of shareholders.

Post-cessation, Executive Directors are required to retain shareholdings equivalent to the lower of 200% of their base salary or their actual shareholding at date of cessation.

Legacy matters

The Committee will honour remuneration related commitments to former, current and future Executive and Non-Executive Directors (including the exercise of any discretions available to the Committee in relation to such commitments) where the terms were agreed prior to them becoming a Director (provided that, in the opinion of the Committee, the payment was not in consideration for the individual becoming an Executive Director or Non-Executive Director of the Company) and/or where the terms were agreed and commitments made in accordance with the previous Remuneration Policy approved by the Company's shareholders. For these purposes, payments include the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are agreed at the time the award is granted. This includes allowing the vesting of outstanding awards under the CSOP, PSP, RSP and DSBP, the terms of which are detailed in the previous policy that was approved by shareholders at the Company's AGM in July 2023.

Remuneration Committee discretion

The Committee may exercise its discretion to: (i) determine the size of the annual bonus and restricted share plan awards granted to Executive Directors; (ii) set the performance measures and targets attaching to the annual bonus and restricted share plan awards granted to Executive Directors; (iii) amend such performance measures and targets if events occur which result in the original measures and targets no longer being a fair measure of performance; (iv) override the formulaic outcomes of such performance measures and targets to ensure that payments under the annual bonus plan and restricted stock plan reflect the underlying performance of the business or of the Executive Director concerned; (v) decide whether and to what extent dividend equivalents should apply to awards under the deferred share bonus arrangements and/or the restricted stock plan; (vi) apply malus and clawback; (vii) adjust the shares subject to the deferred share bonus arrangements, the restricted stock plan awards in the event of a variation of the Company's share capital (or similar corporate event); (viii) apply the holding period; (ix) apply the leaver provisions; and (x) apply the change of control provisions. In addition, the Committee may exercise its discretion in order to make such other non-material decisions affecting the Executive Directors' awards in order to facilitate the administration of the annual bonus plan, RSP, PSP and DSBP respectively. Any and all decisions will be made within policy maxima and in accordance with the applicable plan rules. Use of discretion will be disclosed in the relevant Directors' Remuneration Report.

Remuneration arrangements throughout the company

The Policy for our Executive Directors is designed in line with the remuneration philosophy and principles that underpin remuneration for the wider Company. The Company believes in having a consistent approach to remuneration rather than designing alternative plans for our Executive Directors. All our reward arrangements are built around the common objectives and principles outlined below:

- **Aligned incentives** – A meaningful proportion of remuneration is based on performance. Individuals are incentivised towards consistent financial and non-financial business goals and objectives, in addition to appropriate individual goals.
- **Transparency** – our Policy seeks to reflect our culture and values in being open and transparent about our reward offering at all levels in our organisation, from how we operate reward in our supply chain and stores, right through to our Support Offices.

Recruitment policy

The following table sets out the various components which would be considered for inclusion in the remuneration package for the appointment of an Executive Director and the approach to be adopted by the Committee in respect of each component and which remain unchanged from the previous Policy.

Element	Policy and operation	
Overall	The Committee's approach when considering the overall remuneration arrangements in the recruitment of a member of the Board from an external party is to take account of the Executive Director's remuneration package in their prior role, the market positioning of the remuneration package, and not to pay more than necessary to facilitate the recruitment of the individual.	Where an Executive Director is appointed from within the business, in addition to considering the matters detailed for external candidates, the normal policy of the Company is that any legacy arrangements would be honoured in line with the original terms and conditions as set out under legacy matters above.
Fixed elements (base salary, pension and other benefits)	We recognise that salary levels drive other elements of the package and would therefore seek to pay a salary which is competitive, but no more than necessary to secure the individual. The Executive Director would be eligible to participate in our benefit and pension plans, including coverage under all Executive Director and colleague pension and benefit programmes in accordance with the terms and conditions of such plans, as may be amended by the Company from time to time. The maximum level of opportunity will be no greater than that set out in the Policy Table above i.e. in line with the rate provided to the majority of our salaried colleagues, unless the Executive Director is appointed from within the business, in which case the rate will be as set out for incumbent Executive Directors in the Policy Table above.	The Company may meet certain mobility costs, including relocation support, expatriate allowances, temporary living and transportation expenses in line with the prevailing mobility policy and practice for senior executives.
Short term incentives	The individual will be eligible to participate in the annual bonus plan, in accordance with the rules and terms of the plan in operation at the time. The maximum level of opportunity will be no greater than that set out in the Policy Table above (i.e. 170% of base salary for the CEO and 150% for the CFO).	
Long term incentives	The individual will be eligible to participate in the PSP, in accordance with the rules and terms of the plan in operation at the time.	The maximum level of opportunity will be no greater than that set out in the Policy Table above.
Buy-out awards	<ul style="list-style-type: none"> – The Committee will consider what buy-out awards (if any) are reasonably necessary to facilitate the recruitment of a new Executive Director in all circumstances. This includes an assessment of the awards which would be forfeited on leaving their current employer. – The Committee will seek to structure any buy-out awards such that overall they are no more generous in terms of quantum or vesting period than the awards due to be forfeited. – In determining the quantum and structure of these commitments, the Committee will seek to provide broadly equivalent value and replicate, as far as practicable, the timing and performance requirements of the awards forfeited. 	<ul style="list-style-type: none"> – Buy-out awards, if used, will be granted using the Company's existing Long Term Incentive Plans to the extent possible, although awards may also be granted outside of these plans if necessary and as permitted under the Listing Rules. – In the case of an internal hire, any outstanding awards made in relation to the previous role will be allowed to pay out according to their original terms as set out under legacy matters on page 82. – If promotion is part way through the year, an additional top-up award may be made to bring the Executive Director's opportunity to a level that is appropriate in the circumstances.

Service contracts and loss of office arrangements

The Committee's policy on service contracts and termination arrangements for Executive Directors are above. In principle, it is the Committee's policy that there should be no element of reward for failure. The Committee's approach when considering payments in the event of a loss of office is to take account of the individual circumstances, including the reason for the loss of office, Company and individual performance, contractual obligations of both parties as well as share plan and pension scheme rules. For the avoidance of doubt, Non-Executive Directors will not receive compensation for loss of office.

The key employment terms and conditions of the current Executive Directors, as stipulated in their service contracts, are set out below: The Committee retains discretion to ensure that outcomes are fair and proportionate.

Element	Policy and operation	
Notice period	– The service contract for new Executive Directors provides for a notice period from both the Company and the individual of six months.	<ul style="list-style-type: none"> – New Executive Directors will be appointed on service contracts that have a notice period of not more than 12 months for both the Company and the individual. – The Committee considers this policy provides an appropriate balance between the need to retain the services of key individuals for the benefit of the business and the need to limit the potential liabilities of the Company in the event of termination.
Contractual payments	<ul style="list-style-type: none"> – Executive Directors' service contracts allow for termination with contractual notice from the Company or termination by way of payment in lieu of notice (PILON), at the Company's discretion. Payment in lieu of notice would be made where circumstances dictate that the Executive Directors' services are not required for their full notice period. – Neither notice nor PILON will be given in the event of gross misconduct. 	<ul style="list-style-type: none"> – Payment in lieu of notice will be limited to base salary and contractual benefits for the relevant notice period. – There is no contractual entitlement to a payment under the annual bonus in respect of the notice period. – Service contracts allow for mitigation if the individual finds alternative employment
Short term incentives	<ul style="list-style-type: none"> – The Committee's policy is not to award an annual incentive for any portion of the notice period not served. – Where an Executive Director leaves office after the end of a performance year but before the payment is made, the executive will remain eligible for an annual bonus for that performance year, 	– Where an Executive Director leaves office during a performance year, any bonus would be at the Committee's absolute discretion and would take into account performance and the time served during the period.

	subject to the normal assessment of performance achieved over the period.	<ul style="list-style-type: none"> – No bonus will be paid in the event of gross misconduct. – Where an Executive Director holds shares pursuant to a deferred share bonus arrangement, the shares will be retained upon a loss of office event but the holding period will continue to apply (unless the Committee determines otherwise in its absolute discretion). – Deferred shares that are subject to a holding period will still count towards the Company's post-cessation shareholding policy (in force from time to time).
Long term incentives	<ul style="list-style-type: none"> – The treatment of unvested PSP awards is governed by the rules of the PSP, which are summarised below: – Under the PSP, the default position is for both vested (to the extent not yet exercised) and unvested awards to lapse upon a loss of office event. – Where an individual is determined to be a 'good leaver' (which includes for reasons of death, proven ill health or disability and such other 'good leaver' reason as the Committee may determine) the Committee may allow vested awards (to the extent not yet exercised) to be retained and unvested awards to continue to subsist until the relevant vesting date(s), subject to satisfaction of the performance conditions and prorated for time served. 	<ul style="list-style-type: none"> – Alternatively, the Committee may, at its discretion, allow unvested awards to vest at an earlier date, having regard to the achievement of performance conditions to that date and the period of time that has passed since the date of grant. The Committee may choose to apply no reduction in the amount vesting if it is considered appropriate given the particular circumstances. – Either way, vested PSP awards (or the shares acquired upon the exercise of vested PSP awards) will continue to be subject to a two-year holding period upon a loss of office event (unless the Committee determines otherwise in its absolute discretion). – Vested (but unexercised) awards under the PSP, will count towards the Company's post-cessation shareholding policy (in force from time to time), including vested PSP awards (or shares acquired upon the exercise of vested PSP awards) that are subject to a holding period.
Change in control	<ul style="list-style-type: none"> – The Committee's policy is that service contracts should not provide for additional compensation on severance as a result of a change in control. – Under the PSP, the Committee will determine whether and to what extent awards shall vest, taking into account all relevant factors including Company performance, the period of time elapsed since the date of grant and the interests of our shareholders. 	<ul style="list-style-type: none"> – Under the PSP, any holding periods applicable to vested awards (including awards that vest early because of the change of control) will fall away on/immediately prior to the change of control. – Under any deferred share bonus arrangements, any holding periods applicable to deferred shares will fall away on/immediately prior to a change of control.

External appointments

The Company recognises that Executive Directors may be invited to serve as Non-Executive Directors of other organisations.

Any external appointments must:

- Be approved by the Board
- Not conflict with the interests of the Company

Fees received in respect of external appointments may be retained by the Executive Director.

Chair and Non-Executive Directors

The remuneration of the Chair and Non-Executive Directors is determined by the Board. They are initially appointed for a period of three years, subject to annual review and notice. Their appointment is in line with the UK Code, all Directors will seek annual reappointment by shareholders at the AGM.

Their appointment terms are three months' notice by either the Company or the Non-Executive Director. Non-Executive Directors and the Chair of the Board are not entitled to compensation on leaving the Board. Expiry of current terms are referenced in the Non-Executive Directors' Terms of appointment detailed in this report. Service contracts and letters of appointment for all Directors are available for inspection by any person at our registered office in Handforth, Cheshire. They will also be available for inspection during the 30 minutes prior to the start of our AGM.

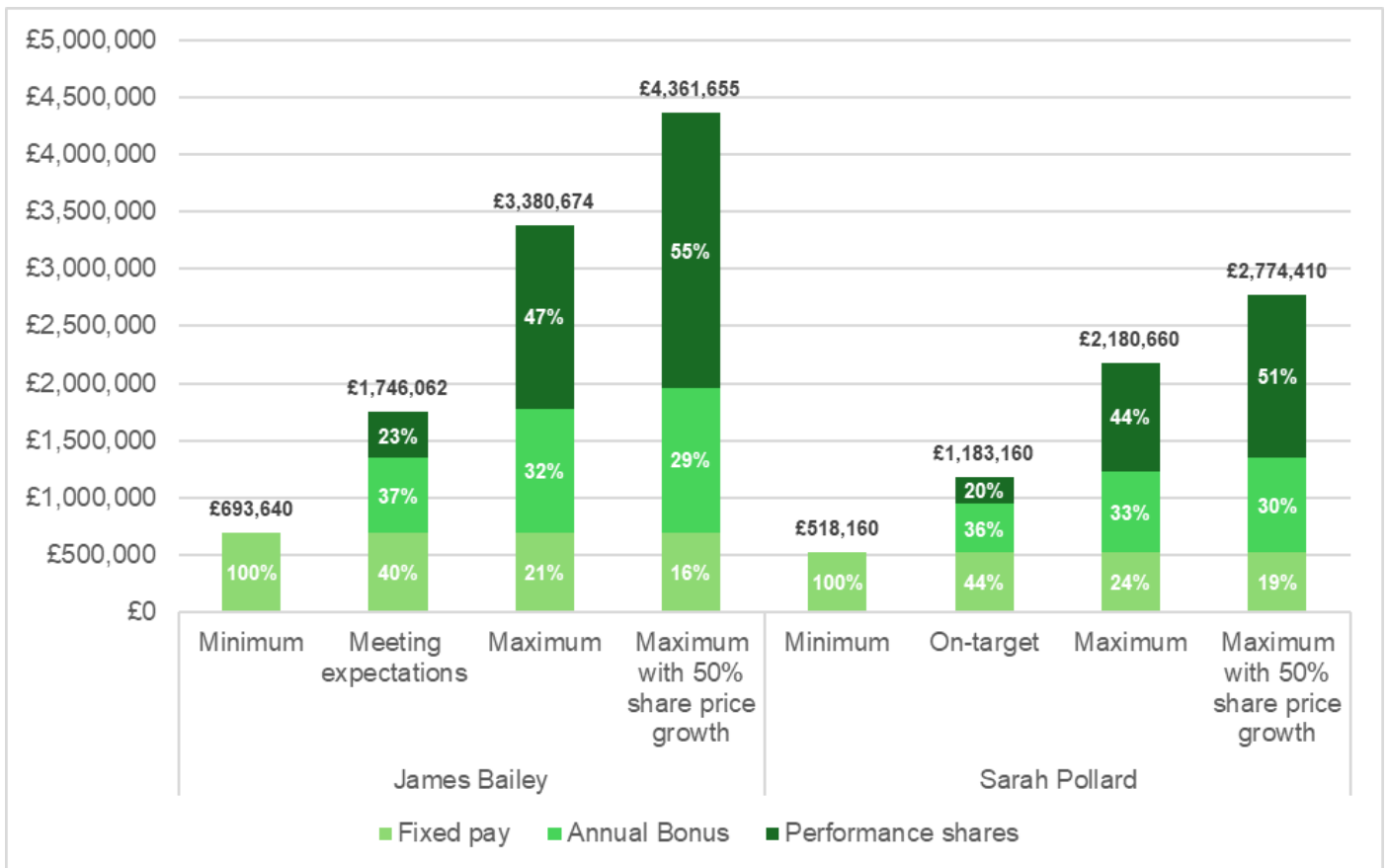
Their remuneration:

- Consists of fees only
- Does not include performance-related elements or pension provision
- Is reviewed periodically with reference to market practice

The Chair and Non-Executive Directors do not participate in the Company's incentive plans.

Illustration of the Remuneration Policy

Our remuneration arrangements have been designed to ensure that a significant proportion of pay is dependent on the delivery of stretching short-term and long-term performance targets, aligned with the creation of sustainable shareholder value. The Committee considers the level of remuneration that may be received under different performance outcomes to ensure that this is appropriate in the context of the performance delivered and the value added for shareholders. The charts below provide illustrative values of the potential remuneration packages for Executive Directors in FY27 under three assumed performance scenarios and including an example of the impact on PSP, should the share price increase by 50%.



Scenario	Assumptions
Fixed pay	
All performance scenarios	<ul style="list-style-type: none"> - Consists of total fixed pay, including base salary, benefits and pension - Base salary – excludes any potential salary increase not yet awarded - Benefits – amount estimated to be received by each Executive Director in FY27 (assumed for this purpose equal to prior CFO benefits figure for FY26) - Pension – based on the FY27 6.5% contribution levels
Variable pay	
Minimum performance	<ul style="list-style-type: none"> - No pay out under the annual bonus - No vesting under the PSP
Meeting expectations	<ul style="list-style-type: none"> - 60% of the maximum pay-out under the annual bonus (i.e. 102% of salary for the CEO and 90% of salary for the CFO) - 25% vesting under the PSP (i.e. 62.5% of salary for CEO and 50% of salary for CFO)
Maximum performance	<ul style="list-style-type: none"> - 100% of the maximum pay-out under the annual bonus (i.e. 170% of salary for the CEO and 150% of salary for the CFO) - 100% vesting under the PSP (i.e. 250% of salary for CEO and 200% of salary for CFO)
Impact of 50% share price increase over the period	- As per the maximum performance scenario but the value of PSP and deferred bonus increased by 50%

Consideration of conditions elsewhere in the Company

In determining Executive Director remuneration, the Committee takes into account pay and conditions across the wider colleague population.

In particular, the Committee considers:

- Average salary increases across the business
- Bonus outcomes for colleagues
- The overall affordability of reward decisions

This helps to ensure alignment, fairness and consistency across the Group.

Consideration of shareholders' views

The Committee values ongoing engagement with shareholders and takes their views into account when setting remuneration policy.

During the FY26 review, the Committee:

- Considered feedback received through extensive shareholder engagement
- Reviewed guidance and evolving market practice
- Ensured that the proposed policy reflects shareholder expectations

The introduction of the PSP from FY27 reflects this engagement, particularly the desire for a stronger performance linkage.

Minor amendments

The 2026 policy includes a number of minor amendments to improve clarity and reflect current practice.

These include:

- Updated references to the Performance Share Plan (PSP)
- Minor drafting changes to improve transparency
- Alignment with updated governance guidance

Malus and clawback

Variable remuneration remains subject to malus and clawback provisions.

These provisions permit the Committee to:

- Reduce awards prior to vesting (malus)
- Recover amounts post-payment (clawback)

where appropriate, including in cases of:

- Material misstatement
- Misconduct
- Failure of risk management

Consideration of colleague pay

When determining Executive Director remuneration, the Committee takes into account:

- Pay and conditions across the wider colleague population
- Overall affordability
- Fairness and consistency

This ensures alignment between executive reward and the broader colleague experience.

Directors' Report

The Directors are pleased to share the following Directors' Report for FY26. As permitted by section 414C(11) of the Companies Act 2006 (Companies Act), a number of sections of this report have been presented elsewhere in the Annual Report and Financial Statements, where the context provides clearer disclosure. Any such information has not been replicated in this report and appropriate cross references are provided below.

Information located in the Strategic Report:

- Principal activities – pages 2 to 4
- Matters of strategic significance and future developments – pages 2 to 6
- Profits, dividends and shareholder returns – pages 17 to 20
- Stakeholder engagement – pages 7 to 13

Information located in the Governance Section:

- Directors during FY26 and up the date of this report – page 29 to 35 and 36 to 37
- Board and Group diversity policies – page 42 and 45
- Colleague information relating to colleague numbers, diversity statistics, listening and engagement, share plans and remuneration, disability information – page 7, 14 to 16, 24, 36, 41 to 43, and 68 to 79
- Corporate Governance Code statement – page 36
- Internal controls and risk management arrangements – pages 21 to 22, 39 to 40 and 42 to 46
- Information relating to greenhouse gas emissions – pages 64 to 66
- AGM information – page 45
- Key policies (Anti-Bribery and Corruption, Modern Slavery, Speak Up) – page 40
- Conflicts of interest and related party transactions – page 37

Information located in the Financial Statements:

- Financial instruments information – Note 23
- Dividend waivers – Note 9
- Share capital – Note 22
- Acquisition of own shares – Note 22

Additional information

Branches outside the UK

The Company has no branches outside the UK.

Political donations

The Group made no political donations and incurred no political expenditure during the year (FY25: nil). It remains the Company's policy not to make political donations or to incur political expenditure. However, given the breadth of the definitions of political donations and expenditure under the Companies Act, the Board is seeking shareholder authority as a precautionary measure to avoid any inadvertent technical breach. The Board has no intention of using this authority.

CMA Market Investigation

During the year, the Group continued to engage constructively with the CMA Market Investigation into the veterinary services sector. Further detail on the Board's oversight of the investigation and the implications of its conclusions for the Group and the wider sector is set out in the Governance and Strategic sections of this Annual Report.

Shareholder information

Information provided to the Company pursuant to the Disclosure Guidance and Transparency Rules (DTRs) is published on a Regulatory Information Service and on the Company's website. As at 31 March 2026, the following information had been received, in accordance with DTR 5.1.2R, from holders of notifiable interests in the Company's issued share capital. These figures represent holdings as at the date of notification to the Company and may have changed subsequently.

Name of Shareholder	Number of Ordinary Shares as at 31 March 2026	Percentage of issued share capital (%)	Nature of holding (Direct/Indirect)
Neuberger Berman	46,696,636	10.42	Indirect
Fidelity Management & Research	40,701,201	9.08	Indirect
Schroder Investment Management	32,456,427	7.24	Indirect
Blackrock	27,561,994	6.15	Indirect
Vanguard Group	24,815,081	5.54	Indirect
Norbel Inversiones SL	23,835,129	5.32	Indirect
Tweedy Browne	20,697,287	4.62	Indirect
Dimensional Fund Advisors	18,579,635	4.14	Indirect
Marathon Asset Management	18,206,641	4.06	Indirect
Allianz Global Investors	11,600,345	2.59	Indirect

Share buyback

During the financial year, the Company purchased and cancelled 11,206,460 ordinary shares of 1p each in the capital of the Company as part of its share buyback programme, which was undertaken in two tranches. The shares acquired represented an aggregate nominal value of £2.23. All shares acquired during the year were cancelled and no shares were held in treasury at any time. At the end of the financial year, the Company's issued share capital comprised 448,284,594 ordinary shares of 1p each.

Significant agreements with change of control provisions

The only significant agreements to which the Company is a party that take effect, alter or terminate upon a change of control, are as follows:

- The Group has a senior revolving credit facility with a total facility amount of £300m. This senior facilities agreement expires on 30 September 2028 and contains customary prepayment, cancellation and default provisions including, if required by a lender, mandatory prepayment of all utilisations provided by that lender upon the sale of all or substantially all of the business and assets of the Group or a change of control. In addition, the Group has a £23.3m loan facility to fund the purchase of capital items which expires on 27 March 2030 and mirrors the terms of the senior facilities agreement.
- The Company's subsidiary, Companion Care (Services) Ltd (CCSL), has an existing £26.2m facility agreement with Santander for a reducing basis (non-revolving) loan facility with a three-year availability period. CCSL also has an agreement with Lloyds Bank plc providing facilities of up to £35m and, along with Vets4Pets Limited (V4P), a further facility with HSBC UK Bank plc providing facilities of up to £10m. Both the HSBC and Lloyds facilities are capable of being reborrowed and contain provisions that vary the maximum facility limits over their respective availability periods. The Lloyds facilities were amended and restated in July 2025 to July 2028, and the HSBC facilities were amended and restated in September 2025 to September 2028.
- Pursuant to certain of the vet business facility agreements, CCSL and V4P provide guarantees in respect of a certain fixed proportion of the outstanding facility loans provided to the joint venture practices which borrow under the facility. The facility agreements contain customary prepayment, cancellation and default provisions which include the event of a change of control (direct or indirect) of CCSL or V4P.

Director insurance and indemnities

As permitted by the Company's Articles of Association (Articles) and the Companies Act, the Company maintains Directors' and Officers' liability insurance cover for its Directors and officers (and those of other Group companies), renewed during the year and in force at the date of this report. Each Director and officer also has the benefit of a qualifying indemnity, as defined by section 236 of the Companies Act, in force during the year. An indemnity deed is entered into by a Director at the time of their appointment to the Board. No amounts were paid under these indemnities or insurances during the year other than insurance premiums.

Directors' information to auditors

In accordance with section 418 of the Companies Act, each Director who held office at the date of the approval of this Report (whose names and functions are listed in the Board of Directors on pages 29 to 35) confirms that, so far as they are aware, there is no relevant audit information of which the Group's auditor is unaware, and each Director has taken all of the steps that he or she ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Research and development

The Veterinary Services team remains firmly committed to antimicrobial stewardship to protect animal and public health and to address antimicrobial resistance. The RVC VetCompass research project concluded during the year, with results demonstrating that participation was associated with reduced use of restricted antimicrobials. Building on these findings, work is underway to develop a prescribing dashboard to support effective governance at both practice and Group level.

The Group continues to share anonymised clinical data with VetCompass to enable ongoing research that benefits the wider veterinary profession. In addition, the Group's continued membership of the Responsible Use of Medicines in Companion Animal & Equine Alliance (RUMA CA&E) supports active participation in initiatives that promote responsible antibiotic use, as well as wider advocacy to improve animal welfare and support the development of veterinary and pet care professionals.

The CMA Market Investigation concluded during the year, following extensive engagement with the CMA and ongoing support for practices, with the final remedies aligning with the Group's focus on strong governance, transparency and a patient-first culture.

During the year, consultation on reform of the Veterinary Surgeons Act 1966 was launched, and the Group engaged extensively with veterinary surgeons and registered veterinary nurses across the business to inform its response, while also contributing to VSA reform panel discussions at London Vet Show. As champions of the veterinary nurse role, and alongside continued support for protection of the Royal Veterinary Nurse (RVN) title, the Group launched its RVN Skills programme in May 2025.

To date, four modules have been delivered, focused on Schedule 3 legislation and key clinical topics, including minor surgical procedures and consulting skills, enabling RVNs to maximise their role within the scope of current legislation. The programme will continue into FY27, with three further clinical modules planned. In parallel, the Group remains committed to engaging with the digital future of veterinary care and has participated in RCVS-led roundtable discussions exploring the role of artificial intelligence in the profession.

In addition, the relationship with and support of Meatly continued, as noted on page 13.

Director changes, powers of directors and the articles of association

The appointment and removal of directors are governed by the Company's Articles of Association (Articles), the UK Corporate Governance Code 2024 and the Companies Act. Subject to the Articles, the Companies Act and any directions given by shareholders by special resolution, the directors may exercise all of the powers of the Company. In accordance with the Companies Act, the Articles may be amended by a special resolution of the shareholders. No changes were made to the Articles during the year.

Disclosures required under the UK Listing Rules (UKLR)

In accordance with UKLR 6.6.1R(1), the information required to be disclosed under UKLR 6.6.1R and UKLR 6.6.6R is included on the following pages of the Annual Report:

Disclosure	Page number
Long term incentive schemes	71 to 79 and 80 to 86
Significant contracts	88
Dividend waivers	Note 9
Statement of capitalised interest	n/a
Climate related financial disclosures consistent with TCFD	55 to 67

Post balance sheet events

There are no post balance sheet events that are non-adjusting and require disclosure.

Approved by the Board and signed on its behalf



Lesley Lazenby
Legal Director & Company Secretary
27 May 2026

Statement of Directors' Responsibilities in Respect of the Annual Report and the Financial Statements

The Directors are responsible for preparing the Annual Report and the Group and Parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare the Group and Parent Company financial statements in each financial year. Under that law they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards (UK-adopted IFRS) in conformity with the requirements of the Companies Act 2006 and have elected to prepare the Parent Company financial statements under FRS 101 Reduced Disclosure Framework and applicable law.

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

In preparing the Parent Company financial statements, the Directors are required to:

Select suitable accounting policies and then apply them consistently;

- Make judgements and estimates that are reasonable and prudent;
- State whether Financial Reporting Standard 101 Reduced Disclosure Framework has been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the Going Concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the Group financial statements, International Accounting Standard 1 requires that directors:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRS Accounting Standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- Make an assessment of the Group's ability to continue as a Going Concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006.

They are responsible for 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Disclosure Guidance and Transparency Rules (DTR) 4.1.16R and 4.1.14R, the financial statements will form part of the annual financial report prepared under DTR 4.1.17R and 4.1.18R using the single electronic reporting format in accordance with the FCA's structured digital reporting requirements set out in the DTRs.

The auditor's report on these financial statements provides no assurance over the structured digital reporting format or whether the Annual Report has been prepared in accordance with those requirements.


Responsibility statement of the Directors in respect of the Annual Financial Report

We confirm that to the best of our knowledge:

- The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- The Strategic Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Report and 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.

Approved by the Board and signed on its behalf by:



James Bailey
Chief Executive Officer
27 May 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PETS AT HOME GROUP PLC

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of Pets at Home Group plc (the 'parent company') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 26 March 2026 and of the group's profit for the 52 week period then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 *Reduced Disclosure Framework*; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Consolidated Income Statement;
- the Consolidated Statement of Comprehensive Income;
- the Consolidated Balance Sheet;
- the Consolidated Statement of Changes in Equity;
- the Consolidated Statement of Cash Flows;
- the related notes 1 to 28 of the consolidated financial statements;
- the Parent Company Balance Sheet;
- the Parent Company Statement of Changes in Equity; and
- the related notes C1 to C10 for the parent company financial statements.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and United Kingdom adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 *Reduced Disclosure Framework* (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the group and the parent company for the 52 week period are disclosed in note 3 to the financial statements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the group or the parent company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



3. Summary of our audit approach

Key audit matters

The key audit matters that we identified in the current period were:

- Accuracy of retail supplier income recognition
- Impairment of goodwill in the retail group of Cash Generating Unit's ("CGUs")

Within this report, key audit matters are identified as follows:

-  Newly identified
-  Similar level of risk

Materiality	The materiality that we used for the group financial statements was £4.2 million (2025: £6.1 million) which was determined on the basis of profit before tax.
Scoping	We performed audits of the entire financial information across three reporting components, which resulted in 99% (2025: 99%) of group revenue and 99% (2025: 96%) of the profit before tax being subject to audit procedures. All audit work was performed by the group audit team.
Significant changes in our approach	Our key audit matter in relation to the goodwill impairment of the retail group of CGUs is new in the period as a result of performance of the retail business over the period.

4. Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of the group's financing facilities including the nature of facilities, repayment terms, covenants and expected renewal of financing arrangements;
- assessment of the group's balance sheet position and ability to settle debts as they fall due;
- assessment of the assumptions used in the Board approved forecasts by reference to historical performance, the impact of macroeconomic uncertainty, and other supporting evidence such as market data;
- recalculating the amount of headroom in the forecasts (in liquidity terms and against the relevant covenant limits);
- assessing the appropriateness of the sensitivity analysis performed by management; and
- assessing the appropriateness of the disclosures made in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the reporting on how the group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

5. Key audit matters

The key audit matters communicated below are matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and included the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included 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.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Accuracy of retail supplier income recognition

Key audit matter description	<p>As described in note 1.19 the group receives income from suppliers in connection with the purchase of goods for resale, which is recognised on an accruals basis and therefore held on balance sheet within accrued income as explained in note 1.19. This income arises in a number of different forms, with the most significant element being in relation to retail supplier income, which includes arrangements that are typically not coterminous with the group's financial period, instead running alongside the calendar year, meaning there is an element which is estimated based on forecast volumes and trading activity. This is also included in the significant matters and judgements considered by the Audit and Risk Committee as noted on page 48.</p> <p>Therefore, management judgement is required in determining the value of supplier income to be recognised in the non-coterminous period as this is based on forecast supplier spend</p>
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which is impacted by the group's financial performance.

We have therefore identified a key audit matter as the accuracy of supplier income, specifically the element which is non-coterminous with the group's period-end.

How the scope of our audit responded to the key audit matter

We have performed the following procedures to address this key audit matter:

- challenged the basis for the recognition of the supplier income recorded in the non-coterminous period by performing the following procedures for a sample of suppliers:
 - o obtained a sample of supplier agreements and latest correspondence to examine the terms and conditions associated with the supplier income forecast for calendar year 2026 to challenge whether the amounts recognised for the non-coterminous periods are appropriate, based on the terms therein; and
 - o assessed the level of income forecast for calendar year 2026 recognised by reference to historical volumes and amounts achieved in the calendar year to date; and
- assessed whether the related disclosures in the financial statements were appropriate.

Key observations

Based on our procedures performed, we are satisfied that the supplier income recognised during the period ended 26 March 2026 is appropriate.

5.2. Impairment of goodwill in the retail group of CGUs 

Key audit matter description

Under IAS 36 Impairment of Assets, goodwill must be assessed for impairment annually. Included in the Business model on page 4 the Board of Directors discuss the performance of the Retail sector, its underperformance in the year and the subsequent Retail Turnaround Plan that was introduced to stabilise and rebuild momentum in the retail division. The Audit & Risk Committee highlight this as a significant matter in their report on page 48 and the challenge over management's assessment. Given the challenging market backdrop the risk over impairment of goodwill is increased, given the uncertainty of estimating future market performance.

Management has evaluated the performance of this group of CGUs in preparing its impairment review of the retail group of CGUs and on page 48 the Audit and Risk Committee describe their review and challenge of the analysis.

As described in Note 13 to the Financial Statements, the goodwill associated with the retail group of CGUs is £586.1 million (2025: £586.1 million).

The recoverable amount of the retail group of CGUs net assets was assessed with reference to management's estimate of the value in use of the group of CGUs. This requires estimates, including significant assumptions regarding future cash flows and discount rates. The cash flow forecasts are derived from the group's business plan, which considers variables such as future price expectations, volume assumptions, margins, inflation and long term growth rates.

Our focus for this key audit matter is the key assumptions that drive earnings, in particular management's future cash flows for revenue and operating costs, and forecasted gross margins. These are primarily derived from inputs such as estimated pricing, costs and future demand in the retail end markets.

The group's accounting policy is disclosed in Note 1.11 to the Financial Statements. This is considered a key source of estimation uncertainty by the directors with further detail in Note 1.22. Details of the impairment review are set out in Note 13.

How the scope of our audit responded to the key audit matter

To address the risk of impairment of goodwill within the Retail group of CGUs our procedures were as follows:

- We obtained an understanding of the relevant controls over goodwill impairment calculations and forecasts;

- We assessed the clerical accuracy of management's impairment model, and whether the impairment methodology applied by management was acceptable under IAS 36 Impairment of Assets;
- We evaluated the historical accuracy of management's forecasts;
- We evaluated management's forecasts where our challenge of assumptions used by management included:
 - Comparison of key assumptions over future price expectations, volumes, margins, inflation and operating costs to recent performance trends and external market data;
 - With the involvement of our valuations specialists, evaluation of the methodology applied in calculating the discount rate and long term growth rate; and
 - Evaluation of the robustness of management's sensitivity analysis, alongside our own reasonably possible downside sensitivities derived using the historical performance of the business;
- We evaluated management's disclosures against the requirements of IAS 36.

Key observations	Based on our procedures we concluded that the key assumptions made by management in performing its impairment review over the retail group of CGUs are reasonable and the associated disclosures are appropriate.
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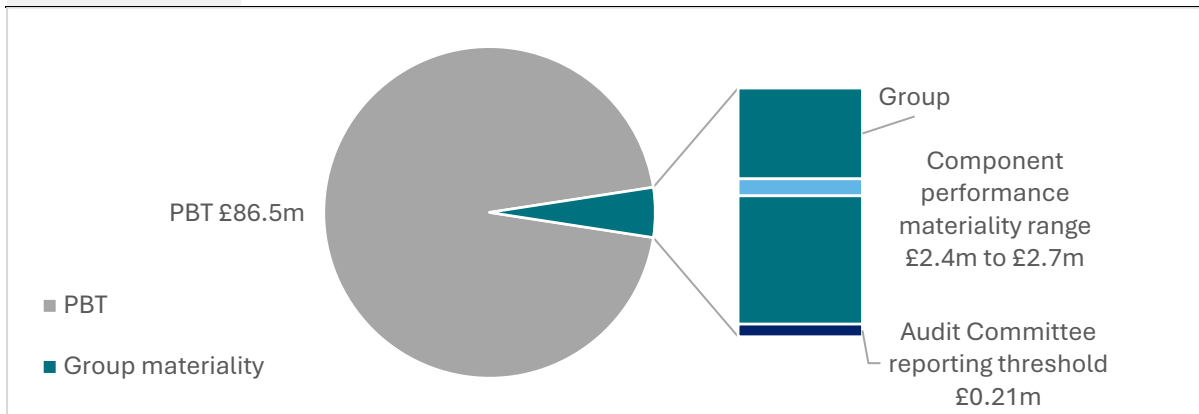
6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent company financial statements
Materiality	£4.2 million (2025: £6.1 million)	£3.8 million (2025: £5.5 million)
Basis for determining materiality	4.9% of profit before tax (2025: 5.1% of profit before tax).	1% of the parent company's net assets (capped at 90% of group materiality). (2025: 1% of the parent company's net assets, capped at 90% of group materiality).
Rationale for the benchmark applied	We have used profit before tax for determining materiality. This is considered to be a key benchmark as this metric is important to the users of the financial statements (investors and analysts being the key users for a listed entity) because it portrays the performance of the business and hence its ability to pay a return on investment to the investors.	The parent company is a holding company for the group and pays external dividends to shareholders, therefore we have determined net assets to be the appropriate basis.



6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent company financial statements
Performance materiality	70% (2025: 70%) of group materiality	70% (2025: 70%) of parent company materiality

Basis and rationale for determining performance materiality	<p>In determining performance materiality, we considered the following factors:</p> <ul style="list-style-type: none"> - our risk assessment, including our assessment of the group’s overall control environment, and that we were unable to place reliance on the internal controls for the purposes of our audit; - consideration of the wider macroeconomic environment and changes in senior leadership; and - the low level of corrected and uncorrected misstatements identified in the prior period audit.
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6.3. Error reporting threshold

We agreed with the Audit and Risk Committee that we would report to them all audit differences in excess of £0.2 million (2025: £0.3 million), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit and Risk Committee on disclosure matters that we identify when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1. Identification and scoping of components

Our group audit was scoped by obtaining an understanding of the group and its environment, including group-wide controls, assessing the risks of material misstatement at the group level and by developing an appropriate audit plan for each significant account. We assessed the qualitative and quantitative characteristics of each financial statement line item and considered the relative contribution of each component to these line items in determining which components would be subject to audit procedures.

The group is structured so that it has three reporting units, as described in Note 2. We have identified our components at this level. We performed audits of the entire financial information for all reporting components, that together represent 99% (2025: 99%) of group revenue and 99% (2025: 96%) of the group’s profit or loss before tax.

All audit work was performed by the UK group audit team.

The component performance materialities used by the audit team ranged between £2.4 million to £2.7 million (2025: £2.1 million to £3.8 million).

At a group level, we audited the consolidation and any related adjustments.

7.2. Our consideration of the control environment

The group uses a number of IT systems and applications across the business and we worked with our IT specialists to obtain an understanding of the general IT controls for relevant systems. Following this, we focused our testing on the two core financial systems that underpin the reporting components. A number of IT control deficiencies have been identified during the course of our audit work.

We have also obtained an understanding of the relevant business process controls across a number of areas, including revenue, supplier income, financial reporting processes and goodwill impairment.

Deficiencies identified in the IT controls are yet to be remediated, therefore we adopted a fully substantive audit approach and did not plan to rely upon controls.

The group continues to invest time in addressing our observations on IT and entity level controls. In doing so, management monitors the resolution of these points with oversight from the Audit and Risk Committee, as explained in the Audit and Risk Committee Report on pages 46 – 51, which includes consideration of developments in control in the context of the FRC guidance and changes to the Corporate Governance Code.

7.3. Our consideration of climate-related risks

In planning our audit, we have considered the potential impact of climate change on the group’s business and its financial statements.

We have obtained management’s climate-related risk assessment and held discussions with those charged with governance to understand the process of identifying climate-related risks, the determination of mitigating actions and the impact on the group’s financial statements. As noted on page 22, the Directors have considered the impact of climate change, particularly in the context of the risks identified in the TCFD disclosures on pages 55 to 67 and the principal risks on pages 22 to 25, noting the group is exposed to the impacts of climate change on its business and operations.

Our procedures were performed with the involvement of our ESG specialist team and included reading disclosures in the Sustainability Review to consider whether they are materially consistent with the financial statements and our knowledge obtained in the audit.

8. Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of the directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the 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 the directors either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- the group's own assessment of the risks that irregularities may occur either as a result of fraud or error that was approved by the board;
- results of our enquiries of management, internal audit, the directors and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the group's sector;
- any matters we identified having obtained and reviewed the group's documentation of their policies and procedures relating to:
 - o identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - o the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and relevant internal specialists, including tax, valuations and IT specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the accuracy of retail supplier income recognition.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Listing Rules, pensions legislation and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included the competition and anti-bribery laws, data protection laws, employment law, advertising standards, environmental and health and safety regulations.

11.2. Audit response to risks identified

As a result of performing the above, we identified accuracy of retail supplier income recognition as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

13. Corporate Governance Statement

The UK Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the group's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 26;
- the directors' explanation as to its assessment of the group's prospects, the period this assessment covers and why the period is appropriate set out on page 26;
- the directors' statement on fair, balanced and understandable set out on page 90;
- the board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 21 - 22;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 46; and
- the section describing the work of the Audit and Risk Committee set out on pages 46 - 51.

14. Matters on which we are required to report by exception

14.1. Adequacy of explanations received and accounting records

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

- we have not received all the information and explanations we require for our audit; or

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made or the part of the directors' remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

15. Other matters which we are required to address

15.1. Auditor tenure

Following the recommendation of the Audit and Risk Committee, we were appointed by the Board of Directors at the Annual General Meeting on 11 July 2024 to audit the financial statements for the 52 week period ending 27 March 2025 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is two 52 week periods, covering the 52 week periods ended 27 March 2025 to 26 March 2026.

15.2. Consistency of the audit report with the additional report to the Audit and Risk Committee

Our audit opinion is consistent with the additional report to the Audit and Risk Committee we are required to provide in accordance with ISAs (UK).

16. Use of our report

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.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.15R – DTR 4.1.18R, these financial statements form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.



Rachel Argyle (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Manchester, United Kingdom
27 May 2026

Consolidated Income Statement

		52 week period ended 26 March 2026			52 week period ended 27 March 2025 (restated) ¹		
	Note	Underlying trading £m	Non-underlying items (note 3) £m	Total £m	Underlying trading £m	Non-underlying items (note 3) £m	Total £m
Revenue	2	1,469.6	–	1,469.6	1,481.7	–	1,481.7
Cost of sales		(797.6)	–	(797.6)	(787.0)	–	(787.0)
Gross profit		672.0	–	672.0	694.7	–	694.7
Selling and distribution expenses		(451.7)	–	(451.7)	(442.9)	(8.3)	(451.2)
Administrative expenses	3	(127.9)	(6.3)	(134.2)	(117.6)	(6.4)	(124.0)
Other income	3	16.8	–	16.8	14.6	2.3	16.9
Operating profit	2	109.2	(6.3)	102.9	148.8	(12.4)	136.4
Financial income	6	2.6	–	2.6	2.9	–	2.9
Financial expense	7	(19.0)	–	(19.0)	(18.7)	–	(18.7)
Net financing expense		(16.4)	–	(16.4)	(15.8)	–	(15.8)
Profit before tax		92.8	(6.3)	86.5	133.0	(12.4)	120.6
Taxation	8	(25.0)	1.6	(23.4)	(35.5)	3.1	(32.4)
Profit for the period		67.8	(4.7)	63.1	97.5	(9.3)	88.2
Attributable to:							
Equity shareholders of the parent		67.2	(4.7)	62.5	97.5	(9.3)	88.2
Non-controlling interests (NCI)		0.6	-	0.6	–	–	–

¹In the 52 week period ended 27 March 2025, £0.4m has been reclassified from cost of sales to revenue, this adjustment has been posted to aid comparability with the current year.

Basic and diluted earnings per share attributable to equity shareholders of the Company:

	Note	52 week period ended 26 March 2026	52 week period ended 27 March 2025
Equity holders of the parent – basic	5	13.8p	19.0p
Equity holders of the parent – diluted	5	13.6p	18.8p

Dividends paid and proposed are disclosed in note 9.

Consolidated Statement of Comprehensive Income

	Note	52 week period ended 26 March 2026 £m	52 week period ended 27 March 2025 £m
Profit for the period		63.1	88.2
Other comprehensive income			
<i>Items that are or may be recycled subsequently into profit or loss:</i>			
Foreign exchange translation differences		0.1	-
Effective portion of changes in fair value of cash flow hedges	22	2.6	0.6
Net change in fair value of cash flow hedges reclassified to profit or loss	22	(0.8)	0.1
Other comprehensive income for the period, before income tax		1.9	0.7
Deferred tax on other comprehensive income	15,22	(0.6)	-
Other comprehensive income for the period, net of income tax		1.3	0.7
Total comprehensive income for the period		64.4	88.9

The notes on pages 103 to 151 form an integral part of these consolidated financial statements.

Consolidated Balance Sheet

	Note	At 26 March 2026 £m	At 27 March 2025 £m
Non-current assets			
Property, plant and equipment	11	168.3	161.7
Right-of-use assets	12	283.0	284.6
Intangible assets	13	981.7	985.1
Other financial assets	16	13.5	15.0
		1,446.5	1,446.4
Current assets			
Inventories	14	107.5	106.9
Income tax receivable		–	0.2
Trade and other receivables	17	61.1	63.8
Cash and cash equivalents	18	39.6	39.5
		208.2	210.4
Total assets		1,654.7	1,656.8
Current liabilities			
Trade and other payables	20	(252.8)	(255.6)
Income tax payable		(3.1)	–
Other interest-bearing loans and borrowings	19	(4.7)	(4.7)
Lease liabilities	12	(76.1)	(78.5)
Provisions	21	(2.5)	(5.1)
Derivative financial liabilities	16	(0.5)	(1.7)
		(339.7)	(345.6)
Non-current liabilities			
Other interest-bearing loans and borrowings	19	(53.2)	(26.7)
Lease liabilities	12	(262.7)	(269.8)
Provisions	21	(5.5)	(3.9)
Deferred tax liabilities	15	(20.5)	(17.6)
		(341.9)	(318.0)
Total liabilities		(681.6)	(663.6)
Net assets		973.1	993.2
Equity attributable to equity holders of the parent			
Ordinary share capital	22	4.5	4.6
Consolidation reserve		(372.0)	(372.0)
Merger reserve		113.3	113.3
Translation reserve	22	(0.1)	(0.1)
Capital redemption reserve		0.5	0.4
Cash flow hedging reserve	22	0.8	(1.2)
Retained earnings	22	1,226.0	1,248.2
Non-controlling interest reserve		0.1	–
Total equity		973.1	993.2

The consolidated financial statements were authorised for issue by the Board of Directors on 27 May 2026.

On behalf of the Board:



Sarah Pollard
Chief Financial Officer
27 May 2026

Company number: 08885072

The notes on pages 103 to 151 form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

	Share capital £m	Consolidation reserve £m	Merger reserve £m	Cash flow hedging reserve £m	Translation reserve £m	Capital redemption reserve £m	Retained earnings £m	Non- Controlling Interest reserve £m	Total equity £m
Balance at 27 March 2025	4.6	(372.0)	113.3	(1.2)	(0.1)	0.4	1,248.2	–	993.2
Total comprehensive income for the period									
Profit for the period	–	–	–	–	–	–	62.5	0.6	63.1
Other comprehensive income (note 22)	–	–	–	1.3	–	–	–	–	1.3
Total comprehensive income for the period	–	–	–	1.3	–	–	62.5	0.6	64.4
Hedging gains and losses reclassified to inventory	–	–	–	0.4	–	–	–	–	0.4
Deferred tax on hedging gains and losses	–	–	–	0.3	–	–	–	–	0.3
Total hedging gains and losses reclassified to inventory	–	–	–	0.7	–	–	–	–	0.7
Transactions with owners, recorded directly in equity									
Equity dividends paid	–	–	–	–	–	–	(58.7)	–	(58.7)
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	(0.5)	(0.5)
Share based payment charge	–	–	–	–	–	–	4.5	–	4.5
Deferred tax movement on IFRS 2 reserve	–	–	–	–	–	–	(0.1)	–	(0.1)
Share buyback	(0.1)	–	–	–	–	0.1	(25.2)	–	(25.2)
Purchase of own shares	–	–	–	–	–	–	(5.2)	–	(5.2)
Total contributions by and distributions to owners	(0.1)	–	–	–	–	0.1	(84.7)	(0.5)	(85.2)
Balance at 26 March 2026	4.5	(372.0)	113.3	0.8	(0.1)	0.5	1,226.0	0.1	973.1

	Share capital £m	Consolidation reserve £m	Merger reserve £m	Cash flow hedging reserve £m	Translation reserve £m	Capital redemption reserve £m	Retained earnings £m	Total equity £m
Balance at 28 March 2024	4.7	(372.0)	113.3	(0.5)	(0.1)	0.3	1,242.8	988.5
Total comprehensive income for the period								
Profit for the period	–	–	–	–	–	–	88.2	88.2
Other comprehensive income (note 22)	–	–	–	0.7	–	–	–	0.7
Total comprehensive income for the period	–	–	–	0.7	–	–	88.2	88.9
Hedging gains and losses reclassified to inventory	–	–	–	(1.6)	–	–	–	(1.6)
Deferred tax on hedging gains and losses	–	–	–	0.2	–	–	–	0.2
Total hedging gains and losses reclassified to inventory	–	–	–	(1.4)	–	–	–	(1.4)
Transactions with owners, recorded directly in equity								
Equity dividends paid	–	–	–	–	–	–	(59.7)	(59.7)
Share based payment charge	–	–	–	–	–	–	5.9	5.9
Share buyback	(0.1)	–	–	–	–	0.1	(25.1)	(25.1)
Purchase of own shares	–	–	–	–	–	–	(3.9)	(3.9)
Total contributions by and distributions to owners	(0.1)	–	–	–	–	0.1	(82.8)	(82.8)
Balance at 27 March 2025	4.6	(372.0)	113.3	(1.2)	(0.1)	0.4	1,248.2	993.2

Consolidated Statement of Cash Flows

	Note	52 week period ended 26 March 2026 £m	52 week period ended 27 March 2025 £m
Cash flows from operating activities			
Profit for the period		63.1	88.2
<i>Adjustments for:</i>			
Depreciation and amortisation	11,12,13	102.7	102.2
Impairment of investments and capital contributions made to vet practices	3	5.7	–
Non underlying profit on disposal		–	(2.3)
Financial income	6	(2.6)	(2.9)
Financial expense	7	19.0	18.7
Share-based payment charges	3	4.5	5.9
Taxation	8	23.4	32.4
		215.8	242.2
Decrease/(increase) in trade and other receivables		0.9	(0.9)
Increase in inventories		(0.6)	(9.4)
(Decrease)/increase in trade and other payables		(4.7)	10.7
Decrease in provisions		(4.2)	(3.7)
Movement in working capital		(8.6)	(3.3)
Tax paid		(16.2)	(20.9)
Net cash flow from operating activities		191.0	218.0
Cash flows from investing activities			
Acquisitions of other investments		–	(1.0)
Proceeds from the sale of other investments		–	2.3
Investment capital contributions		–	(0.9)
Proceeds from repayment of initial partner loans		0.9	1.5
Interest received		2.5	3.0
Costs to acquire right-of-use assets		(1.1)	(0.4)
Acquisition of subsidiaries, net of cash acquired	10	(2.7)	(1.3)
Disposal of subsidiaries, net of cash disposed		(0.4)	(1.6)
Acquisition of property, plant and equipment and other intangible assets		(41.7)	(49.0)
Net cash used in investing activities		(42.5)	(47.4)
Cash flows from financing activities			
Equity dividends paid	9	(58.7)	(59.7)
Dividends paid to non-controlling interests		(0.5)	–
Repayment of borrowings	23	(59.3)	(75.0)
Loan drawdown	23	85.0	60.0
Cash payments for the principal portion of the right-of-use lease liability		(66.7)	(66.5)
Purchase of own shares		(5.2)	(3.9)
Share buyback		(25.2)	(25.1)
Interest paid		(3.8)	(4.8)
Interest paid on lease obligations		(14.0)	(13.2)
Net cash used in financing activities		(148.4)	(188.2)
Net increase/(decrease) in cash and cash equivalents		0.1	(17.6)
Cash and cash equivalents at beginning of period	18	39.5	57.1
Cash and cash equivalents at end of period	18	39.6	39.5

The notes on pages 103 to 151 form an integral part of these financial statements.

Notes to the consolidated financial statements

Pets at Home Group Plc (the Company) is a company incorporated in the United Kingdom and registered in England and Wales and its registered office is Epsom Avenue, Stanley Green, Handforth, Cheshire, SK9 3RN.

1 Accounting policies

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these consolidated financial statements.

1.1 Basis of preparation

The Group financial statements of Pets at Home Group Plc have been prepared in accordance with UK-adopted international accounting standards (UK-adopted IFRS) and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The Parent Company financial statements have been prepared in accordance with FRS 101 Reduced Disclosure Framework (FRS 101) for all periods presented, under the historical cost convention, and in accordance with the Companies Act and other applicable law.

As permitted by FRS 101, the Parent Company has taken advantage of the disclosure exemptions available under that standard in relation to standards not yet effective and presentation of a cash flow statement. The accounting policies adopted for the Parent Company are otherwise consistent with those used for the Group as set out within this note. The Company has also taken advantage of the following disclosure exemptions under FRS 101:

- The requirement of paragraphs 91-99 of IFRS 13 'Fair Value Measurement'
- The requirement of IFRS 7 'Financial Instruments: Disclosure'
- The requirements of 45 (b) and 46-52 of IFRS 2 'Share-based payments'
- The requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

On publishing the Parent Company financial statements here together with the Group financial statements, the Company has also taken advantage of the exemption provided under section 408 of the Companies Act 2006 not to publish its individual income statement and related notes that form a part of these approved Financial Statements.

New standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) becoming effective during the 52 week period ended 26 March 2026 have not had a material impact on the Group's financial statements, these include IAS 8 amendments and IAS 1 amendments on current/non-current classification of liabilities.

The OECD Pillar Two GloBE model rules introduce a global minimum corporation tax rate of 15% applicable to multinational enterprise groups with global revenue over €750m. Pillar Two legislation was substantively enacted on 20 June 2023 in the UK, the jurisdiction in which the Group's ultimate Parent Company is incorporated and came into effect from 1 January 2024. The Group has performed an assessment of the Group's potential exposure to Pillar Two income taxes and does not expect a material potential tax liability in respect of Pillar Two top up taxes. The Group applies the mandatory temporary exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

1.2 Measurement convention

The consolidated financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments, financial instruments classified as fair value through the profit or loss.

1.3 Going concern

The Group and Company's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report. The financial position of the Group and Company, its cash flows, liquidity position and borrowing facilities are described in the Chief Financial Officer's review. In addition, note 23 to the financial statements includes the Group and Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

The Directors of the Group have prepared cash flow forecasts for a period of at least 12 months from the date of the approval of these financial statements which indicate that, despite taking account of reasonably possible downsides, the Group will have sufficient funds, through its revolving credit facility, to meet its liabilities as they fall due for that period.

In preparing the forecasts for the Group, the Directors have carefully considered the impact of market performance consumer confidence, climate change, geopolitical tensions and the actual and potential impact on supply chains, as well as energy cost inflation on liquidity and future performance.

The Group has access to a revolving credit facility of £300.0m which expires on 30 September 2028 and a £19.0m reducing asset backed loan which expires on 27 March 2030. The Group has £40.0m drawn down against the revolving credit facility at 26 March 2026 and cash balances of £39.6m. The lowest level of headroom forecast over the next 12 months from the date of signing of the financial statements is in excess of £282.3m in the base case scenario. On a sensitised basis, the lowest level of headroom forecast over the next 12 months from the date of approving of the financial statements is £212.2m due to the removal of the dividend payment and share buybacks in the second half of the year in scenario 3.

The Group has been in compliance with all covenants applicable to this facility within the financial year and is forecast to continue to be in compliance for 12 months from the date of signing of the financial statements.

A number of plausible downside scenarios of increasing severity were calculated compared to the base case forecast of profit and cash flow to assess headroom against facilities for the next 12 months. These scenarios included:

Notes to the consolidated financial statements (continued)

1 Accounting policies (continued)

1.3 Going concern (continued)

- Scenario 1: Reduction on Group like-for-like sales growth assumptions of 1% in each year throughout the forecast period, but ordinary dividends continue to be paid.
- Scenario 2: Using scenario 1 outcomes and further impacted by a conflated risk impact of £81.3m on sales and £29.3m on PBT per annum (using specific financial risks taken from Group risk register with sales and PBT financial impact quantified), with dividends held at 7.4p per share per annum.
- Scenario 3: Group like-for-like sales growth at 0% in each year and a conflated risk impact of £196.7m on sales and £71.0m on PBT is applied (using the top risks from Group risk register in addition to potential unmitigated risks associated with the current conflict in the middle east in addition to potential cyber incidents with sales and PBT impact quantified), with dividends cut to nil to conserve cash.

Against these negative scenarios, adjusted projections showed no breach of covenants however they do become significantly tighter under scenario 3 which is considered to be a very extreme scenario. Further mitigating actions could also be taken in such scenarios should it be required, including reducing capital expenditure and certain operating costs.

Despite net current liabilities of £131.5m in the Group and £759.5m in the Company, the Directors of Pets at Home Group Plc, having made appropriate enquiries including the principal risks and uncertainties on pages 21 to 25 of the Annual Report, consider that the Group and Company will have sufficient funds to continue to meet their liabilities for a period of at least 12 months from the date of approval of these financial statements and that, therefore, it is appropriate to adopt the going concern basis in preparing the Group consolidated financial statements and the Company only financial statements as at and for the period ended 26 March 2026.

1.4 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

The Group and Company operate an Employee Benefit Trust (EBT) for the purposes of acquiring shares to fund share awards made to employees. The EBT is deemed to be a subsidiary of the Group and Company as Pets at Home Group Plc is considered to be the ultimate controlling party for accounting purposes. The assets and liabilities of this trust have been included in the consolidated financial information. The cost of purchasing own shares held by the EBT is accounted for in retained earnings.

Investment in Joint Venture veterinary practices

The Group has a number of non-participatory shareholdings in veterinary practice companies, which are considered Joint Venture partnerships. The veterinary practices were established under terms that require mutual agreement between the Group and the Joint Venture Partner, and do not give the Group power over decision making, nor joint control, to affect its exposure to, or the extent of, the returns from its involvement with the practices and therefore are not consolidated in these financial statements. Further, the Group is not entitled to profits, losses, or any surplus on winding up or disposal of the Joint Venture veterinary practices, and as such no participatory interest is recognised. The Group's category of shareholding in the Joint Venture veterinary practices entitles the Group to charge management fees for support services provided. For further details see notes 1.22, 16, 17 and 27. The Group's shares are non-participatory, and therefore the Group does not share in any profits, losses or other distribution of value from the Joint Venture company; the investments are held at cost less impairment, which is deemed to be their carrying value as explained further in note 16.

1.5 Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the period where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from this translation of foreign operations are reported as an item of other comprehensive income and accumulated in the translation reserve or non-controlling interest, as the case may be.

Functional currency

The consolidated financial statements are presented in sterling which is the functional currency of the Parent Company and the presentational currency of the Group and Company, these have been rounded to the nearest £0.1m.

1.6 Classification of financial instruments issued by the Group

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. These are recognised initially at fair value. Subsequent recognition is measured in accordance with the substance of the contractual agreement.

1.7 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, other interest-bearing loans and borrowings, and trade and other payables.

Notes to the consolidated financial statements (continued)

1 Accounting policies (continued)

1.7 Non-derivative financial instruments (continued)

Trade and other receivables

Trade receivables are recognised initially at their transaction price and other receivables are initially recognised at fair value. Subsequent to initial recognition they are both measured at amortised cost using the effective interest method, less any expected credit loss.

Trade and other payables

Trade payables and other payables are initially recognised at fair value. Subsequent to initial recognition they are both measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purposes of the cash flow statement and are only offset for balance sheet purposes where the offsetting criteria are met.

Other interest-bearing loans and borrowings

Interest-bearing borrowings are recognised initially at fair value, net of attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

Investments in equity

Investments in equity are initially and subsequently measured at fair value through profit or loss ('FVTPL'), with changes recognised in the profit or loss. As disclosed in note 1.6: Classification of financial instruments issued by the Group.

1.8 Derivative financial instruments and hedging

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in the hedging reserve. Any ineffective portion of the hedge is recognised immediately in the income statement.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains and losses that were recognised directly in equity are reclassified into profit or loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss, i.e. when interest income or expense is recognised.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve and the cost of hedging is included directly in the initial cost of the non-financial item when it is recognised. For all other hedging forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect the profit or loss.

For cash flow hedges, other than those covered by the preceding two policy statements, the associated cumulative gain or loss is removed from equity and recognised in the income statement in the same period or periods during which the hedged forecast transaction affects profit or loss.

When a hedging instrument expires or is sold, terminated or exercised, or the entity revokes designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised in the income statement immediately.

1.9 Intra-group financial instruments

Financial guarantee contracts issued to guarantee the indebtedness of companies within the Group are accounted for in accordance with 'IFRS 9 - Financial Instruments'. These guarantees are initially recognised at fair value and subsequently measured at the higher of:

- The amount of the expected credit loss ('ECL') determined in accordance with the ECL model under IFRS 9, and
- The amount initially recognised, less any cumulative income recognised in accordance with IFRS 15.

1.10 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land and assets under construction are not depreciated. The estimated useful lives are as follows:

Freehold property	– 50 years
Fixtures, fittings, tools and equipment	– 3 to 20 years
Leasehold improvements	– the term of the lease

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

The impact of climate change, particularly in the context of risks identified in the TCFD scenario analysis have been considered and no material impact on the carrying value, useful lives or residual values have been identified.

Notes to the consolidated financial statements (continued)

1 Accounting policies (continued)

1.11 Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Customer lists are valued based on the forecast net present value of the future economic relationship with those customers, adjusted for forecast retention rates. Technology based 'know how' assets are valued based on the expected cost to reproduce or replace the asset, adjusted for the functional or economic obsolescence, if present and measurable. Software is stated at cost less accumulated amortisation.

Amortisation is charged to the income statement on a straight-line basis over the estimated useful life of an asset. The estimated useful lives are as follows:

Software	– 2 to 7 years
Customer lists	– 10 years
Technology based know-how	– 10 years

Amortisation methods, useful lives and residual values are reviewed at each balance sheet date.

Expenditure on Software as a Service ('SaaS') customisation and configuration that is distinct from access to the cloud software can only be capitalised to the extent it gives rise to an asset, i.e. where the Group has the power to obtain the future economic benefits and can restrict others' access to those benefits, otherwise such expenditure in relation to developing SaaS for use is expensed.

The impact of climate change, particularly in the context of risks identified in the TCFD scenario analysis have been considered and no material impact on the carrying value, useful lives or residual values have been identified.

1.12 Leases

On completion of a lease, the Group recognises a right-of-use asset, representing its right to use the underlying asset and a lease liability, representing its obligation to make lease payments. The lease liability is measured at the present value of the lease payments over the term of the lease, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate. This rate is adjusted to take into account the risk associated with the length of the lease. Lease payments will include any fixed payments, including as a result of stepped rent increases.

The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the lease commencement date and any lease incentives received or premiums paid.

The Group has lease contracts in relation to property and equipment. There are recognition exemptions for low-value assets and short-term leases with a lease term of 12 months or less. Any leases under a short-term licence agreement are excluded as they fall into the lease term of 12 months or less. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the term of the lease. The total value of leases where the Group has taken a recognition exemption is disclosed in note 12.

The Group has a small number of leases where it is an intermediate lessor. For these leases, it accounts for the interest in the head lease and sub-lease separately. It assesses the lease classification of the sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

The Group currently receives rental income from related Joint Venture veterinary practices which are located within the Group's retail stores. These rental incomes are disclosed in note 3. Under IFRS16, the lease classification of sub-leases is assessed by reference to the right-of-use asset under the head lease rather than the underlying asset. This rental income is presented in other income in the Consolidated Income Statement.

Right-of-use assets may be impaired if the lease becomes onerous. Impairment costs would be charged to administrative expenses if this occurred.

1.13 Business combinations

Business combinations are accounted for by applying the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

Acquisitions on or after 26 March 2010

For acquisitions on or after 26 March 2010, the Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss. Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured, and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss. If contingent consideration is payable and is dependent on future employment, it is recognised as an expense over the relevant period as a cost of continuing employment. There can be significant timing difference between the charges that are recorded in the Consolidated Income Statement to reflect movements in the fair value of the liability and the actual cash payments made to settle the liability.

On settlement of the liability, the part of each payment relating to the original estimate of the fair value of the contingent consideration on acquisition is reported within investing activities in the cash flow statement and the part relating to the increase in the liability since the acquisition is reported within operating cash flows. Any contingent deferred consideration receivable is recognised at fair value.

Notes to the consolidated financial statements (continued)

1 Accounting policies (continued)

1.13 Business combinations (continued)

On acquisition, the identifiable assets acquired and liabilities assumed are recognised at their acquisition-date fair values. On consolidation, all intra-group balances, transactions, income and expenses are eliminated in full. Non-controlling interests represent the equity in subsidiaries not attributable to the owners of the parent. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, any non-controlling interests, and recognises any retained interest at fair value. Any resulting gain or loss is recognised in profit or loss.

Acquisitions prior to 26 March 2010 (date of adoption of IFRS)

IFRS1 grants certain exemptions from the full requirements of Adopted IFRS for first time adopters. In respect of acquisitions prior to 26 March 2010, goodwill is included on the basis of its deemed cost.

1.14 Investments

Investments in associates and joint ventures are carried in the Consolidated Balance Sheet at cost and of their post-acquisition retained profits or losses and other comprehensive income together with any goodwill arising on the acquisition. The Group recognises the assets, liabilities, revenue and expenses of joint operations in accordance with its rights and obligations.

Assessment of control with regard to Joint Ventures is disclosed in 1.22: Accounting estimates and judgements

1.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the weighted average cost principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition, less rebates and discounts.

Provision is made against specific inventory lines where market conditions identify an issue in recovering the full cost of that Stock Keeping Unit ('SKU'). The provision focuses on the age of inventory and the length of time it is expected to take to sell and applies a progressive provision against the gross inventory based on the numbers of days' stock on hand. Where necessary, further specific provision is made against inventory lines, where the calculated provision is not deemed sufficient to carry the inventory at net realisable value.

To the extent that the ageing profile of gross inventory as calculated by this provision methodology results in a material provision, it will be disclosed as an estimate that may have an impact on subsequent periods. To the extent this is material, it will be disclosed in note 1.22.

1.16 Impairment excluding inventories

Financial assets (including receivables)

Measurement of Expected Credit Losses ('ECLs') and definition of default

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 Group 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.

The definition of default is applicable to intercompany and related party receivables but not relevant to trade receivables where the lifetime expected credit loss is considered. The Group considers Joint Venture receivables (operating loans) to be in default when the individual underlying veterinary practice is significantly under-performing against its business plan, assessed based on future cashflow forecasts for the individual practices which utilise consistent assumptions across all practices. These assumptions consider historical repayment performance, current financial position of the related parties, and forward-looking macroeconomic information relevant to JV's ability to meet its obligations. Any shortfall in repayment of the Joint Venture loans and receivables following the 10-year forecast period are considered to be in default as repayment is expected during this time. Loss given default is also determined based on the forecast shortfall amount. Those within the performing credit risk category are deemed to have low credit risk. Practices categorised within the in default credit risk categories are those considered to be in default based on their cashflow forecast. Significant increase in credit risk is not applicable to Joint Venture operating loans due to the on-demand payment terms.

Initial set up loans are considered in default if they cannot be settled within one day of year end. These loans have no set repayment date but are expected to be recovered within 15 years. There is no significant increase in credit risk of any practice which has an operating loan as these are considered to be on demand, as defined above. All other loans are considered to be performing and have low credit risk.

The Group considers other intercompany and related party assets to be in default when the entity does not have the forecast future funds available to repay the balance, if recalled.

Write-offs

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 indicated by JV practice performance or in advance of an acquisition of a veterinary practice. Details of these provisions are explained in note 16.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

The recoverable amount of an asset or cash-generating unit as defined by IAS 36 is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated post-tax future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit').

Notes to the consolidated financial statements (continued)

1 Accounting policies (continued)

1.16 Impairment excluding inventories (continued)

The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units ('CGUs'). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.17 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based payments

A number of employees of the Company's subsidiaries (including Directors) receive an element of remuneration in the form of share-based payments, whereby employees render services in exchange for shares in Pets at Home Group Plc or rights over shares.

Share-based payments are measured at fair value at the date of grant. The fair value of transactions involving the granting of shares is determined by the share price at the date of grant. The fair value of transactions involving the granting of share options is calculated based on a binomial model. In valuing share-based payments, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Pets at Home Group Plc ('market conditions').

The cost of share-based payments is recognised, together with a corresponding increase in equity, on a straight-line basis over the vesting period based on the Company's estimate of how many of the awards will eventually vest. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied. Where the terms of a share-based payment award are modified, as a minimum, an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of the modification.

Where a share-based payment award is cancelled, it is treated as if it had vested on the date of cancellation and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification to the original award, as described in the previous paragraph. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Employee Benefit Trust

The assets and liabilities of the Employee Benefit Trust ('EBT') have been included in the Group and Company accounts. The assets of the EBT are held separately from those of the Company. Neither the purchase nor sale of own shares leads to a gain or loss being recognised in the Group consolidated statement of comprehensive income.

Investments in the Company's own shares held by the EBT are presented as a deduction from reserves and the number of such shares is deducted from the number of shares in issue when calculating the diluted earnings per share. The trustees of the holdings of Pets at Home Group Plc shares under the Pets at Home Group Employee Benefit Trust have waived or otherwise foregone any and all dividends paid.

1.18 Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, which can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

1.19 Revenue and cost of sales

Revenue represents the total amount receivable for goods and services, net of discounts, coupons, returns and excluding value added tax, sold in the ordinary course of business, and arises substantially from activities in the United Kingdom.

Revenue is recognised when the Group transfers control of goods or services to a customer at the amount to which the Group expects to be entitled, and substantially all of the Group's performance obligations have been fulfilled. Depending on whether certain criteria are met, revenue is recognised either over time, in a manner that best reflects the Group's performance, or at a point in time, when control of the goods or services is transferred to the customer.

Notes to the consolidated financial statements (continued)

1 Accounting policies (continued)

1.19 Revenue and cost of sales (continued)

Sale of goods in-store and online

Retail revenue from the sale of goods is recorded net of value added tax, colleague discounts, coupons, vouchers, returns and the free element of multi-save transactions. Sale of goods represents food and accessories sold in-store and online, with revenue recognised at the point in time the customer obtains control of the goods and substantially all of the Group's performance obligations have been fulfilled, which is when the transaction is completed in-store and at point of delivery to the customer for online orders. Revenue is adjusted to account for estimates for anticipated returns and a provision is recognised within trade and other payables. Estimates for anticipated returns are calculated using past data for both in-store and online transactions. No separate asset has been recognised (with no corresponding adjustment to cost of sales) in relation to the value of products to be recovered from the customer as the products are not always in a resaleable condition.

Gift vouchers and cards

Revenue from the sale of gift vouchers and cards is deferred until the voucher is redeemed, at which point performance obligations have been fulfilled. In line with IFRS 15 the value of revenue deferred is based on expected redemption rates. The Group continues to assess the appropriateness of the expected redemption rates against actual redemptions.

Pets Club loyalty scheme

Under the Pets Club loyalty scheme, points are earned by customers upon the purchase of goods and services. These points can be converted by nominated charities into gift cards for redemption against goods and services in-store and online. The sales value of the points earned under the Pets Club scheme are treated as deferred income; the sales are only recognised once the points have been redeemed by the charities, at which point performance obligations have been fulfilled. The points do not expire and have no value to the customer.

Subscription orders

Revenue for subscription orders is recognised at the point of delivery of each incremental order to the customer at which point performance obligations have been fulfilled. Subscription services primarily relate to the repeat order of products sold online and in-store.

Provision of services

Revenue from the provision of services is recorded net of value added tax, colleague discounts, coupons and discount vouchers. Provision of services represents veterinary group income, grooming revenue and insurance commissions, with revenue recognised upon provision of the service to the customer at the point at which the Group has substantially fulfilled its performance obligations.

i) Veterinary Group income

Veterinary Group income represents revenue recognised at a point in time from the provision of veterinary services from Company Managed veterinary practices and income from the provision of administrative support services to Joint Venture veterinary practices. Revenue received for the provision of veterinary services is recognised at the point of provision of the service and is recognised net of value added tax, colleague discounts, coupons and vouchers. Fee income received from the Joint Venture veterinary practice companies for administrative support services is recognised in the period the services relate to and recorded net of value added tax. Fee income received from Joint Venture companies in relation to network purchasing arrangements is recognised as the contractual commitments are fulfilled to create an entitlement to the revenue. The Group also receives revenue in relation to business development for the Joint Venture companies and recognises this within operating income.

The Group launched the new 'Complete Care Health' plans in June 2023, which offered a more comprehensive package of services available to customers adding discretionary elements such as clinic visits and telehealth services. Now that sufficient data is available to assess the membership usage of the component parts of the health plans, we have reviewed the point at which we consider the treatment/services have been provided. Revenue is recognised in line with specific performance obligations of the plan as they are completed in line with the contract. The majority of these are met at a point in time, with the remainder over time and have been assessed based on the nature of the individual components.

Under the previous application of the policy, revenue from care plans was deferred and recognised at the point at which treatment and/or services were provided against the plan at an amount that reflected the consideration to which the entity expected to be entitled in exchange for those goods or services. Once the plan had expired, any unutilised deferred revenue was recognised as revenue.

Revenue from 'Vac4Life' plans is deferred when payment is received and then recognised in reducing proportions over the first three years of the plan when vaccinations/boosters are provided.

Revenue derived from the veterinary telehealth business ('TVC') is recognised over time on a pro-rated basis over the period the customers have access to the telehealth service through subscriptions.

Rental income received from in-store Joint Venture veterinary practices is disclosed within note 3 and is categorised as other income.

ii) Grooming revenue

Grooming revenue is recognised net of value added tax, colleague discounts, coupons and vouchers, at the point of provision of the service to the customer. Deposits received are deferred until the grooming service has been performed.

iii) Insurance commissions

Insurance commissions are recognised over time on a pro-rated basis over the period the insurance policy relates to.

Accrued income

Accrued income relates to income in relation to fees from Joint Venture veterinary practices, and supplier and promotional income from suppliers which has not yet been invoiced. Accrued income has been classified as current as it is expected to be invoiced and received within 12 months of the period end. Supplier income is recognised on an accruals basis, based on the expected entitlement that has been earned up to the balance sheet date for each relevant supplier contract.

Notes to the consolidated financial statements (continued)

1 Accounting policies (continued)

1.19 Revenue and cost of sales (continued)

Cost of sales

Cost of sales includes costs of goods sold and other directly attributable costs, promotional income and rebate income received from suppliers, including costs to deliver administrative support services to Joint Venture veterinary practices and costs to deliver grooming services. Supplier early payment discounts are also included within cost of sales; these are offered from certain inventory suppliers based on payment of invoices within a certain time frame resulting in a percentage discount to reduce cost of sales.

Supplier and promotional income

A number of different types of supplier income are negotiated with suppliers via the joint business planning process in connection with the purchase of goods for resale, the largest of which being supplier income and promotional income, which are explained below. The supplier income arrangements are typically not coterminous with the Group's financial period, instead running alongside the calendar year. Such income is only recognised when there is reasonable certainty that the conditions for recognition have been met by the Group, and the income can be measured reliably based on the terms of the contract. Where the income is directly related to inventory, it is recognised as a credit within gross margin to cost of sales. To the extent that the rebate relates to unsold stock purchases it is recognised as a reduction in the cost of inventory. Where the income is in relation to a distinct service, it is recognised as other income.

Supplier and promotional income is recognised on an accruals basis, based on the expected entitlement that has been earned up to the balance sheet date for each relevant supplier contract. The accrued incentives, rebates and discounts receivable at period end are included within trade and other receivables.

Given the presence of the joint business plans, on the basis of the historic recoverability of accrued balances, and as amounts are typically agreed with suppliers prior to recognition, supplier income is not considered to be an area of significant estimation that could impact on the following financial year.

Supplier income

Supplier income comprises three main elements:

1. Fixed percentage-based income: These relate largely to volumetric rebates based on the joint business plan agreements with suppliers. The income accrued is based on the Group's latest forecast volumes and the latest contract agreed with the supplier. Income is not recognised until the Group has reasonable certainty that the joint business agreement will be fulfilled, with the amount of income accrued regularly reassessed and remeasured throughout the contractual period, based on actual performance against the joint business plan.
2. Fixed lump sum income: These are typically guaranteed lump sum payments made by the supplier and are not based on volume. Fixed lump sum income is usually predicated on confirmation of a supplier contract and typically includes performance conditions upon the Group, such as marketing and promotional campaigns. These amounts are recognised periodically when contractual milestones have been met such as the promotion being run or marketing in-store.
3. Growth income: These are tiered volumetric rebates relating to growth targets agreed with the supplier in the joint business planning process. These are retrospective rebates based on sales volumes or purchased volumes. Income is recognised to the extent that it is reasonably certain that the conditions will be achieved, with such certainty increasing in the latter part of the calendar year.

Promotional income

Promotional income relates to supplier funded rebates specific to promotional activity run in agreement between the Group and its suppliers. Rebates are agreed at an individual inventory article level for agreed periods of time and are systemically calculated based on article sales information. No estimation is applied in calculating the promotional income receivable.

1.20 Finance income and expenses

Financing expenses

Financing expenses comprise interest payable under the effective interest rate method, incorporating amortisation of loan arrangement fees, interest on lease liabilities and non-underlying interest on lease liabilities.

Financing income

Financing income comprises interest receivable on funds invested and other interest receivable. Interest receivable is recognised in profit or loss as it accrues, using the effective interest method.

1.21 Taxation

Tax on the profit or loss for the period 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, in which case it is recognised in equity.

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Notes to the consolidated financial statements (continued)

1 Accounting policies (continued)

1.22 Accounting estimates and judgements

The preparation of consolidated financial statements in conformity with UK adopted IFRS requires management to make judgements, estimates and assumptions concerning the future that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These judgements are based on historical experience and management's best knowledge at the time and the actual results may ultimately differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical accounting judgements

Assessment of control with regard to Joint Ventures

The assessment of control with regard to Joint Ventures is considered to be a critical accounting judgement. The Group has assessed, and continually assesses, whether the level of an individual Joint Venture veterinary practice's indebtedness to the Group, particularly those with high levels of indebtedness, implies that the Group has the practical ability to control the Joint Venture, which would result in the requirement to consolidate. In making this judgement, the Group reviewed the terms of the Joint Venture agreement and the question of practical ability, as a provider of working capital to control the activities of the practice. This included consideration of barriers to the Group's ability to exercise such practical or other control which include difficulty in replacing Joint Venture Partners due to the shortage of veterinarians in the UK and reputational damage within the veterinary network should the Group attempt to exercise control, as well as potential barriers to the Joint Venture Partner exercising their own power over the activities of the practice. We note that under the terms of the Joint Venture agreement, the partners run their practices with complete operational and clinical freedom. The Group is satisfied that on the balance of evidence from the Group's experience as shareholder and provider of working capital support to the practices, it does not have the current ability to exercise control over those practices to which operating loans are advanced, and therefore non-consolidation is appropriate.

Key sources of estimation uncertainty

Impairment of retail goodwill and other indefinite life intangibles

The carrying amount of goodwill allocated to the retail group of CGUs is assessed for impairment annually. The carrying amount is determined based on the value in use. Certain key assumptions and inputs within forecasted cash flows used to calculate the value in use of the retail group of CGUs are considered to be a key source of estimation uncertainty. The value in use of the retail group of CGUs is determined using cash flow projections from the approved business and strategic plans over a period of five years which are then extrapolated based on estimated long-term growth rates applicable to the markets in which the CGUs operate. The cash flow projections are discounted based on a post-tax weighted average cost of capital.

Estimation uncertainty arises due to changing economic and market factors as well as the business performance challenges being addressed in the ongoing Retail Turnaround Plan (as explained on page 4 of the Annual Report) which have resulted in increased forecasting uncertainty and sensitivity to reasonably possible changes in certain key assumptions. Refer to note 13 for further details on the key assumptions and sensitivities which are considered to be a key source of estimation uncertainty.

There are no other significant estimates or assumptions which would cause a material change to the carrying value of asset and liabilities within the next 12 months.

1.23 Dividends

Final dividends are recognised in the Group's financial statements as a liability in the period in which the dividends are approved by shareholders such that the Company is obliged to pay the dividend. Interim equity dividends are recognised in the period in which they are paid.

1.24 Non-underlying items

Income or costs considered by the Directors to be non-underlying are disclosed separately to facilitate year-on-year comparison of the underlying trade of the business. Non-underlying costs are considered by the Directors to be those not arising from normal business operations, which are infrequent, not expected to recur in the foreseeable future, and significant in amount.

1.25 Alternative Performance Measures

The Directors measure the performance of the Group based on a range of financial measures, including measures not recognised by UK-adopted IFRS. These Alternative Performance Measures may not be directly comparable with other companies' Alternative Performance Measures and the Directors do not intend these to be a substitute for, or superior to, IFRS measures. Further information can be found in the Glossary on page 157.

1.26 New standards and amendments issued but not yet effective

New standards and interpretations that are in issue but not yet effective are listed below:

IFRS 18: Presentation and Disclosure in Financial Statements.

Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments.

With the exception of the adoption of IFRS 18, the adoption of the above standards and interpretations is not expected to lead to any changes to the Group's accounting policies nor have any other material impact on the financial position or performance of the Group.

IFRS 18 'Presentation and Disclosure in Financial Statements' is effective from 1 January 2027. The standard will replace IAS 1 Presentation of Financial Statements and introduces changes to the presentation of financial performance. IFRS 18 introduces defined categories of income and expenses (operating, investing and financing), new mandatory subtotals and requirements for the disclosure of management-defined performance measures (MPMs). While IFRS 18 is expected to affect future periods, the Group is still assessing its impact. There is no effect on current year presentation due to its future effective date. Adoption is planned for the 52 weeks ending 25 March 2027.

2 Segmental reporting

The Group has four strategic business units, Retail, Vet Group, Insurance and Central. These business units, with the exception of the new Insurance segment, are consistent with those reported in the 52 week period ended 27 March 2025. The Group's operating segments are based on the internal management structure and internal management reports, which are reviewed by the Executive Directors on a periodic basis. The Executive Directors are considered to be the Chief Operating Decision Makers. The Group is a pet care business with the strategic advantage of being able to provide products, services and advice, addressing all pet owners' needs. The strategic business units offer different products and services, are managed separately and require different operational and marketing strategies.

Notes to the consolidated financial statements (continued)

2 Segmental reporting (continued)

The operations of the Retail reporting segment comprise the retailing of pet products purchased online and in-store, pet sales, grooming services and insurance commissions via our 3rd party arrangement (these are separate from operations in the insurance segment). The operations of the Vet Group reporting segment comprise General Practice and the veterinary telehealth business. Insurance includes costs incurred as part of the Group's new insurance venture for pet insurance. Central includes group costs and finance expenses.

The following summary describes the operations in each of the Group's reportable segments. Performance is measured based on segment underlying operating profit, as included in the management reports that are reviewed by the Executive Directors. These internal reports are prepared in accordance with IFRS accounting policies consistent with these financial statements. All material operations of the reportable segments are carried out in the UK and all revenue is from external customers. A large proportion of revenue recognised within the Vet Group relates to fee income from Joint Venture veterinary practices which are considered to be related parties. Further information regarding these related party transactions is disclosed in note 27.

	52 week period ended 26 March 2026				
	Retail £m	Vet Group £m	Insurance ¹ £m	Central £m	Total £m
Income statement					
Revenue	1,292.9	176.7	–	–	1,469.6
Gross profit	573.5	98.5	–	–	672.0
Depreciation and amortisation	(98.3)	(3.9)	–	(0.5)	(102.7)
Underlying operating profit/(loss)	44.3	83.1	(5.1)	(13.1)	109.2
Non-underlying items	(4.0)	(1.0)	–	(1.3)	(6.3)
Operating profit/(loss)	40.3	82.1	(5.1)	(14.4)	102.9
Net financing expense	(13.5)	0.7	(0.1)	(3.5)	(16.4)
Profit/(loss) before tax	26.8	82.8	(5.2)	(17.9)	86.5
Non-underlying items	4.0	1.0	–	1.3	6.3
Underlying profit/(loss) before tax	30.8	83.8	(5.2)	(16.6)	92.8
Attributable to:					
Equity shareholders of the parent	30.8	83.0	(5.2)	(16.6)	92.0
Non-controlling interests	–	0.8	–	–	0.8

Non-underlying operating expenses in the periods ended 26 March 2026 and 27 March 2025 are explained in note 3.

	52 week period ended 27 March 2025				
	Retail £m	Vet Group £m	Insurance ¹ £m	Central £m	Total £m
Income statement					
Revenue	1,306.4	175.3	–	–	1,481.7
Gross profit	602.4	92.3	–	–	694.7
Depreciation and amortisation	(97.4)	(4.3)	–	(0.5)	(102.2)
Underlying operating profit/(loss)	85.8	75.1	(0.4)	(11.7)	148.8
Non-underlying items	(6.0)	–	–	(6.4)	(12.4)
Operating profit/(loss)	79.8	75.1	(0.4)	(18.1)	136.4
Net financing expense	(12.9)	0.8	–	(3.7)	(15.8)
Profit/(loss) before tax	66.9	75.9	(0.4)	(21.8)	120.6
Non-underlying items	6.0	–	–	6.4	12.4
Underlying profit/(loss) before tax	72.9	75.9	(0.4)	(15.4)	133.0

¹The insurance business segment presented in the tables above relates to the Group's insurance venture and includes costs incurred in the periods ended 26 March 2026 and 27 March 2025. Expenses for the 52 week period ended 27 March 2025 have been reclassified from central costs.

	52 week period ended 26 March 2026		
	Retail £m	Vet Group £m	Total £m
Segmental revenue analysis by revenue stream			
Retail – Food	805.0	–	805.0
Retail – Accessories	436.6	–	436.6
Retail – Services	51.3	–	51.3
Vet Group – Joint Venture fee income	–	108.4	108.4
Vet Group – Company Managed veterinary practices	–	51.1	51.1
Vet Group – Other income	–	13.4	13.4
Vet Group – Veterinary telehealth services	–	3.8	3.8
Total	1,292.9	176.7	1,469.6

Notes to the consolidated financial statements (continued)

2 Segmental reporting (continued)

	52 week period ended 27 March 2025		
Segmental revenue analysis by revenue stream	Retail £m	Vet Group £m	Total £m
Retail – Food	804.2	–	804.2
Retail – Accessories	449.2	–	449.2
Retail – Services	53.0	–	53.0
Vet Group – Joint Venture fee income	–	103.4	103.4
Vet Group – Company Managed veterinary practices	–	52.5	52.5
Vet Group – Other income	–	15.4	15.4
Vet Group – Veterinary telehealth services	–	4.0	4.0
Total	1,306.4	175.3	1,481.7

3 Expenses

Included in operating profit are the following:

	52 week period ended 26 March 2026 £m	52 week period ended 27 March 2025 £m
Non-underlying items		
Costs relating to the implementation of the new Distribution Centre		
Provisions for retention and relocation bonuses for colleagues at existing Distribution Centres	–	0.4
Dual running costs of operating new and existing Distribution Centres	–	1.9
Depreciation of right-of-use assets	–	3.4
Onerous lease provision	–	1.6
	–	7.3
Store redundancy costs	–	1.0
Total included within selling and distribution expenses	–	8.3
Group restructure and legal settlement costs	5.9	3.1
Property costs associated with group restructure	0.4	–
Legal costs associated with the CMA review	–	3.3
Total included within administrative expenses	6.3	6.4
Included within other income - disposal of investment	-	(2.3)
Total non-underlying cost within operating profit	6.3	12.4
Underlying items		
Depreciation of property, plant and equipment	31.8	28.5
Amortisation of intangible assets	7.6	8.1
Depreciation of right-of-use assets	63.3	62.2
Share-based payment charges	4.5	5.9
Impairment of investments (note 16)	3.0	–
Impairment of capital contributions made to vet practices	2.7	–
<i>Other income</i>		
Rental income from sub-leasing right-of-use assets to third parties	(0.1)	(0.2)
Rental and other occupancy income from related parties	(13.7)	(13.0)
Supplier funding and backhaul-related income	(3.0)	(1.6)
Non-underlying items in operating profit		
<i>Group restructure and legal settlement costs</i>		

On 25 November 2025, the Group announced a restructuring of its Support Office functions, the impact of which primarily relates to redundancy payments, notice period obligations, outplacement support and settlement agreements.

- Non-underlying Group restructure costs in the 52 week period ended 26 March 2026 were £6.3m, primarily relating to redundancy payments and legal settlement costs of £5.9m, together with property costs from an office closure of £0.4m arising from a central one-off group-wide redundancy programme. The process was a significant operational change for the Group, outside of the ordinary course of business and has now concluded with no further costs expected.

3 Expenses (continued)

Non-underlying items in operating profit (continued)

Stafford Distribution Centre

During the 52 week period ended 27 March 2025, the Group incurred a number of costs in the process of bringing into operation a new Distribution Centre to replace the existing legacy Distribution Centres. The process was a significant operational change for the Group, outside of the ordinary course of business and has now concluded. As part of the transition, the Group incurred £7.3m operational costs which it has classified as non-underlying.

- £0.4m relates to costs for retention bonuses for colleagues at the existing Distribution Centres to remain employed by the Group until the point at which the sites closed.
- £1.9m relates to costs incurred whilst the legacy Distribution Centres and the new Distribution Centres were both in operation.
- £3.4m in relation to depreciation of the right-of-use assets for the legacy which includes £1.7m in relation to accelerated depreciation of the legacy site.
- All operations ceased at the legacy site before the 27 March 2025. At this date the remaining right of use asset of the legacy site was fully impaired (£1.7m included in the number above) and an onerous lease provision of £1.6m was created in relation to the remaining lease associated costs.

Additional non-underlying charges made during the 52 weeks ending 27 March 2025 related to:

- Store redundancy costs of £1.0m related to the expected store redundancy costs following the announcement of the store colleague operating model simplification process.
- Legal costs associated with the CMA review totalled £3.3m.
- Disposal of investment in Pure Pet Food Limited resulted in a profit on disposal of £2.3m within retail which was recognised in other income.

Auditor's remuneration

	52 week period ended 26 March 2026 £m	52 week period ended 27 March 2025 £m
Audit of the Parent Company financial statements	–	–
<i>Amounts receivable by the Company's auditor and its associates in respect of:</i>		
Audit of financial statements of subsidiaries pursuant to legislation ¹	1.8	1.5
Review of interim financial statements	0.1	0.1
Other assurance services (sustainability assurance)	–	0.1
	1.9	1.7

¹£0.1m in relation to audit of the financial statements from the 52 week period ended 26 March relates to additional costs for the audit of the financial statements for the 52 week period ended 27 March 2025..

4 Colleague numbers and costs

The average number of persons employed by the Group (including Directors) during the period, analysed by category, was as follows:

	52 week period ended 26 March 2026 Number	52 week period ended 27 March 2025 Number
Sales and distribution – FTE	6,237	6,830
Administration – FTE	1,121	1,075
	7,358	7,905
Sales and distribution – total	9,889	10,493
Administration – total	1,151	1,104
	11,040	11,597

The aggregate payroll costs of these persons were as follows:

	52 week period ended 26 March 2026 £m	52 week period ended 27 March 2025 £m
Wages and salaries	282.6	288.1
Social security costs	31.0	24.5
Contributions to defined contribution pension plans	9.8	10.9
	323.4	323.5

Notes to the consolidated financial statements (continued)

4 Colleague numbers and costs (continued)

Remuneration of Directors and Executive Management Team

	52 week period ended 26 March 2026 £m	52 week period ended 27 March 2025 £m
Executive Directors' short-term employee benefits	1.4	1.2
Non-Executive Directors' short-term employee benefits	0.5	0.5
Executive Directors' share-based payments	0.9	0.6
Executive Directors' post-employment benefits	–	0.1
Total Directors' remuneration	2.8	2.4
Executive Management Team short-term employee benefits	3.2	3.1
Executive Management Team share-based payments	1.1	0.9
Executive Management Team post-employment benefits	0.2	0.2
Total Executive Management Team remuneration	4.5	4.2

In the opinion of the Board, the key management as defined under revised IAS 24 Related Party Disclosures are the Executive Directors, Non-Executive Directors and the Executive Management Team. Executive Directors' emoluments are also included within the Executive Management Team emoluments disclosed above. There are no further amounts, other than those noted above, receivable under long term incentive schemes by the Directors or Executive Management team.

The number of directors who received pensions contributions in the 52 week period ended 26 March 2026 is four for executive directors (two in the 52 week period ended 27 March 2025) and nine in the executive management team (eight in the 52 week period ended 27 March 2025).

5 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

	52 week period ended 26 March 2026		52 week period ended 27 March 2025	
	Underlying trading	After non- underlying items	Underlying trading	After non- underlying items
Profit attributable to equity shareholders of the parent (£m)	67.2	62.5	97.5	88.2
Basic weighted average number of shares	454.4	454.4	463.5	463.5
Dilutive potential ordinary shares	4.7	4.7	5.0	5.0
Diluted weighted average number of shares	459.1	459.1	468.5	468.5
Basic earnings per share	14.8p	13.8p	21.0p	19.0p
Diluted earnings per share	14.6p	13.6p	20.8p	18.8p

6 Finance income

	52 week period ended 26 March 2026 £m	52 week period ended 27 March 2025 £m
Interest receivable on loans to Joint Venture veterinary practices	0.3	0.5
Other interest receivable	2.3	2.4
Total finance income	2.6	2.9

7 Finance expense

	52 week period ended 26 March 2026 £m	52 week period ended 27 March 2025 £m
Bank loans at effective interest rate	4.2	4.7
Amortisation of debt issue costs	0.8	0.8
Underlying interest expense on lease liability	14.0	13.2
Total finance expense	19.0	18.7

Notes to the consolidated financial statements (continued)

8 Taxation

Recognised in the income statement

	52 week period ended 26 March 2026 £m	52 week period ended 27 March 2025 £m
Current tax expense		
Current period	20.2	23.2
Adjustments in respect of prior periods	0.9	(3.9)
Current tax expense	21.1	19.3
Deferred tax expense		
Origination and reversal of temporary differences	4.3	7.8
Adjustments in respect of prior periods	(2.0)	5.3
Deferred tax expense	2.3	13.1
Total tax expense	23.4	32.4

The UK corporation tax standard rate for the period was 25% (2025: 25%). Deferred tax at 26 March 2026 has been calculated based on the rate of 25% which is the rate at which the majority of items are expected to reverse.

Deferred tax recognised in comprehensive income

	52 week period ended 26 March 2026 £m	52 week period ended 27 March 2025 £m
Deferred tax on changes in fair value of cash flow hedges (note 22)	(0.6)	-

Reconciliation of effective tax rate

	52 week period ended 26 March 2026			52 week period ended 27 March 2025		
	Underlying trading £m	Non-underlying items £m	Total £m	Underlying trading £m	Non- underlying items £m	Total £m
Profit for the period	67.8	(4.7)	63.1	97.5	(9.3)	88.2
Total tax expense/(credit)	25.0	(1.6)	23.4	35.5	(3.1)	32.4
Profit excluding taxation	92.8	(6.3)	86.5	133.0	(12.4)	120.6
Tax using the UK corporation tax rate for the period of 25%	23.2	(1.6)	21.6	33.3	(3.1)	30.2
Depreciation on expenditure not eligible for tax relief	0.5	-	0.5	0.8	-	0.8
Expenditure not eligible for tax relief	2.4	-	2.4	-	-	-
Adjustments in respect of prior periods	(1.1)	-	(1.1)	1.4	-	1.4
Total tax expense	25.0	(1.6)	23.4	35.5	(3.1)	32.4

The UK corporation tax standard rate for the 52 week period ended 26 March 2026 was 25% (52 week period ended 27 March 2025: 25%). The effective tax rate before non-underlying items for the 52 week period ended 26 March 2026 was 26.9% (52 week period ended 27 March 2025: 26.7%).

The effective tax rate after non-underlying items for the 52 week period ended 26 March 2026 was 27.1% (52 week period ended 27 March 2025: 26.8%).

9 Dividends paid and proposed

	Group and Company	
	52 week period ended 26 March 2026 £m	52 week period ended 27 March 2025 £m
<i>Declared and paid during the period</i>		
Final dividend of 8.3p per share (2024: 8.3p per share)	37.7	38.4
Interim dividend of 4.7p per share (2025: 4.7p per share)	21.0	21.3
<i>Proposed for approval by shareholders at the AGM</i>		
Final dividend of 2.7p per share (2025: 8.3p per share)	12.1	38.1

The trustees of the following holdings of Pets at Home Group Plc shares under the Pets at Home Group Employee Benefit Trust have waived or otherwise foregone any and all dividends paid in relation to the periods ended 26 March 2026 and 27 March 2025 and to be paid at any time in the future (subject to the exceptions in the relevant trust deed) on its respective shares for the time being comprised in the trust funds:

Computershare Nominees (Channel Islands) Limited (holding at 26 March 2026: 6,003,064 shares; holding at 27 March 2025: 5,670,000 shares).

Notes to the consolidated financial statements (continued)

10 Business combinations

In the 52 week period ended 26 March 2026, the Group has acquired 100% of the 'A' shares of ten veterinary practices which were previously accounted for as Joint Venture veterinary practices. These practices were previously accounted for as Joint Venture veterinary practices as the Group only held 100% of the non-participatory 'B' ordinary shares, equating to 50% of the total shares. Acquisition of all or the majority of the 'A' shares has led to the control and consolidation of these practices. The primary reason for the business combination is to hold these practices as company-owned until a suitable Joint Venture Partner is found at which point the intention is to convert them into Joint Venture partnerships. A detailed explanation for the basis of consolidation can be found in note 1.4.

Up to the date of acquisition and in the comparative period being the 52 week period ending 27 March 2025, these entities listed below were all accounted for as a Joint Venture veterinary practice where the Group held 100% of the non-participatory 'B' ordinary shares. Acquisition of the 'A' shares has led to the control and consolidation of these practices on the dates below, leading to control from the date of acquisition and consolidation from that date forward.

Subsidiaries acquired in the 52 week period ended 26 March 2026

	Principal activity	Date of acquisition	Proportion of voting equity instruments acquired	Total proportion of voting equity instruments owned following the acquisition	Cash consideration transferred £m
Companion Care (Stockport) Limited	Veterinary practice	03/04/2025	15%	65%	0.4
Walkden Vets4Pets Limited	Veterinary practice	29/05/2025	50%	100%	–
Rayleigh Vets4Pets Limited	Veterinary practice	09/06/2025	50%	100%	0.1
Companion Care (Cardiff) Limited	Veterinary practice	07/07/2025	50%	100%	–
Longton Vets4Pets Limited	Veterinary practice	08/08/2025	32%	82%	1.1
Watford Vets4Pets Limited	Veterinary practice	16/09/2025	50%	100%	0.1
Sheffield Wadsley Bridge Vets4Pets Limited	Veterinary practice	24/11/2025	50%	100%	0.1
Portishead Vets4Pets Limited	Veterinary practice	09/12/2025	50%	100%	0.1
Bristol Longwell Green Vets4Pets Limited	Veterinary practice	17/12/2025	25%	75%	–
Swinton Vets4Pets Limited	Veterinary practice	24/12/2025	50%	100%	0.8

In the 52 week period ended 27 March 2025, the Group acquired 100% of the 'A' shares of eight veterinary practices which were previously accounted for as Joint Venture veterinary practices. These practices were previously accounted for as Joint Venture veterinary practices as the Group only held 100% of the non-participatory 'B' ordinary shares, equating to 50% of the total shares. Acquisition of all or the majority of the 'A' shares has led to the control and consolidation of these practices. The primary reason for the business combination is to hold these practices as company-owned until a suitable Joint Venture Partner is found at which point the intention is to convert them into Joint Venture partnerships. A detailed explanation for the basis of consolidation can be found in note 1.4.

Assets acquired and liabilities recognised at the date of acquisition

On acquisition, assets and liabilities are revalued to fair value. Pre-existing arrangements between the Group and acquired Joint Venture veterinary practice are not considered part of the business combination and have been removed from the fair values of assets and liabilities recognised on acquisition. During the 52 week period ended 26 March 2026, £1.9m of operating loans which were deemed to be in default were written off as an expense in advance of the acquisition of the 'A' shares (52 week period ended 27 March 2025: £1.7m) which led to the control and consolidation of these practices. The group acquired £0.4m of cash and cash equivalents from the practices (52 week period ended 27 March 2025 debt of £0.5m). The fair value of net assets of acquisitions during the year is shown below.

	26 March 2026 £m	27 March 2025 £m
Current assets		
Cash and cash equivalents	0.4	0.2
Trade and other receivables	0.4	0.1
Inventories	0.1	0.2
Non-current assets		
Tangible fixed assets	1.6	0.3
Current liabilities		
Overdrafts	–	(0.7)
Bank loans	(0.3)	–
Trade and other payables	(0.8)	–
Net assets	1.4	0.1

Notes to the consolidated financial statements (continued)

10 Business combinations (continued)

Subsidiaries acquired in the 52 week period ended 27 March 2025

	Principal activity	Date of acquisition	Proportion of voting equity instruments acquired	Total proportion of voting equity instruments owned following the acquisition	Cash consideration transferred £m
Lichfield Vets4Pets Limited	Veterinary practice	04/04/2024	50%	100%	0.1
Bishop's Stortford Vets4Pets Limited	Veterinary practice	02/04/2024	50%	100%	–
Trafford Park Vets4pets Limited	Veterinary practice	04/04/2024	50%	100%	0.1
Merthyr Tydfil Vets4Pets Limited	Veterinary practice	17/10/2024	50%	100%	–
Llanrumney Vets4Pets Limited	Veterinary practice	25/10/2024	50%	100%	0.5
Companion Care (Scarborough) Limited	Veterinary practice	25/10/2024	50%	100%	0.2
Warminster Vets4Pets Limited	Veterinary practice	24/01/2025	50%	100%	0.2
Bath Vets4Pets Limited	Veterinary practice	24/01/2025	50%	100%	0.2

Goodwill arising on acquisition

	26 March 2026 £m	27 March 2025 £m
Consideration	3.1	0.8
Less: Fair value of assets acquired	(1.4)	(0.1)
Goodwill arising on acquisition	1.7	0.7
Carrying value of goodwill	1.7	0.7

The cash outflow on acquisition £3.1m (2025: £0.8m), net of cash acquired £0.4m (2025: net overdraft of £0.5m) amounted to £2.7m (2025: £1.3m) and is presented within investing activities in the consolidated cash flow statement.

The consideration shown within the table above relates to both consideration for the purchase of 'A' shares and cash settlement of 'A' shareholder Joint Venture Partner loans, which were repaid to the 'A' shareholder at the point of acquisition.

The goodwill acquired on the purchase of the ten (2025: eight) Joint Venture veterinary practices has been allocated to the Vet Group of CGUs and relates to expected future cashflows from combining operations.

Disposal of subsidiaries

In the 52 week period ended 26 March 2026, the Group has disposed of all held 'A' shares of thirteen veterinary practices which are now accounted for as Joint Venture veterinary practices. These practices are accounted for as Joint Venture veterinary practices as the Group holds 100% of the non-participatory 'B' ordinary shares, equating to 50% of the total shares. The group recognised a gain on disposal of these practices of £0.4m (2025: £0.7m loss) in cost of sales and disposed of cash and cash equivalents of £2.5m (2025: £2.2m).

11 Property, plant and equipment

	Freehold property £m	Leasehold improvements £m	Fixtures, fittings, tools and equipment £m	Assets under construction £m	Total £m
Cost					
Balance at 27 March 2025	2.4	85.1	357.9	3.9	449.3
Additions	–	6.4	30.6	1.2	38.2
On acquisition (note 10)	0.1	1.1	0.4	–	1.6
Brought into use	–	–	3.9	(3.9)	–
Disposals	(0.2)	(2.8)	(2.7)	–	(5.7)
Balance at 26 March 2026	2.3	89.8	390.1	1.2	483.4
Depreciation					
Balance at 27 March 2025	0.4	39.6	247.6	–	287.6
Depreciation charge for the period	–	5.6	26.2	–	31.8
Disposals	(0.1)	(2.0)	(2.2)	–	(4.3)
Balance at 26 March 2026	0.3	43.2	271.6	–	315.1
Net book value					
At 27 March 2025	2.0	45.5	110.3	3.9	161.7
At 26 March 2026	2.0	46.6	118.5	1.2	168.3

Notes to the consolidated financial statements (continued)

11 Property, plant and equipment (continued)

	Freehold property £m	Leasehold improvements £m	Fixtures, fittings, tools and equipment £m	Assets under construction £m	Total £m
Cost					
Balance at 28 March 2024	2.4	82.5	345.4	14.4	444.7
Additions	–	9.8	25.9	3.9	39.6
On acquisition (note 10)	–	1.2	0.8	–	2.0
Transfers ¹	–	–	(5.7)	–	(5.7)
Brought into use	–	–	14.4	(14.4)	–
Disposals	–	(8.4)	(22.9)	–	(31.3)
Balance at 27 March 2025	2.4	85.1	357.9	3.9	449.3
Depreciation					
Balance at 28 March 2024	0.4	41.5	244.7	–	286.6
Depreciation charge for the period	–	5.3	23.2	–	28.5
Transfers ¹	–	–	1.7	–	1.7
On acquisition	–	0.8	0.9	–	1.7
Disposals	–	(8.0)	(22.9)	–	(30.9)
Balance at 27 March 2025	0.4	39.6	247.6	–	287.6
Net book value					
At 28 March 2024	2.0	41.0	100.7	14.4	158.1
At 27 March 2025	2.0	45.5	110.3	3.9	161.7

¹ The transfers balance of £5.7m cost and £1.7m accumulated depreciation is in relation to assets previously categorised within fixtures, fittings, tools and equipment being transferred to software within intangibles.

Refer to Note 13 for details of impairment testing carried out over property, plant and equipment.

12 Leases

As lessee

The majority of the Group's trading stores, standalone veterinary practices, distribution centres and support offices are leased under operating leases with remaining lease terms of between 1 and 20 years. The Group also has a number of non-property operating leases relating to vehicle, equipment and material handling equipment with remaining lease terms of between 1 and 6 years.

Right-of-use assets

	Property £m	Equipment £m	Total £m
Cost			
Balance at 27 March 2025	649.0	19.9	668.9
Additions	53.6	9.7	63.3
Disposals	(20.0)	(9.1)	(29.1)
Balance at 26 March 2026	682.6	20.5	703.1
Depreciation			
Balance at 27 March 2025	373.6	10.7	384.3
Depreciation charge for the period	58.8	4.5	63.3
Disposals	(18.6)	(8.9)	(27.5)
Balance at 26 March 2026	413.8	6.3	420.1
Net book value			
At 27 March 2025	275.4	9.2	284.6
At 26 March 2026	268.8	14.2	283.0

The costs relating to leases for which the Group applied the practical expedient described in paragraph 5a of IFRS 16 (leases with a contract term of less than 12 months) amounted to £0.5m in the 52 week period ended 26 March 2026 (27 March 2025: £0.0m).

Notes to the consolidated financial statements (continued)

12 Leases (continued)

	Property £m	Equipment £m	Total £m
Cost			
Balance at 28 March 2024	640.5	22.2	662.7
Additions	24.6	6.3	30.9
Disposals	(16.1)	(8.6)	(24.7)
Balance at 27 March 2025	649.0	19.9	668.9
Depreciation			
Balance at 28 March 2024	327.8	15.6	343.4
Depreciation charge for the period ¹	61.9	3.7	65.6
Disposals	(16.1)	(8.6)	(24.7)
Balance at 27 March 2025	373.6	10.7	384.3
Net book value			
At 28 March 2024	312.7	6.6	319.3
At 27 March 2025	275.4	9.2	284.6

¹The depreciation charge for the period includes £1.7m in relation to an impairment charge recognised during the year. See note 3 for further disclosure.

The following table sets out the maturity analysis of lease payments, showing the undiscounted lease payments to be paid after the reporting date:

Maturity analysis – contractual undiscounted cash flows

	At 26 March 2026 £m	At 27 March 2025 £m
Less than one year	76.1	78.5
Between one and three years	124.7	124.9
Between three and five years	79.3	77.8
Between five and ten years	92.5	83.1
More than ten years	30.5	35.7
Total undiscounted lease liabilities	403.1	400.0
Carrying value of lease liabilities included in the statement of financial position		
Current	76.1	78.5
Non-current	262.7	269.8

Sublet leases (included in the above)

Less than one year	1.2	1.2
Between one and three years	2.4	2.4
Between three and five years	2.4	2.4
Between five and ten years	5.1	6.3
More than ten years	2.0	3.0
Total undiscounted lease liabilities	13.1	15.3

For the lease liabilities at 26 March 2026 a 0.1% change in the discount rate used would have increased the carrying value of lease liabilities by £1.1m (27 March 2025: £0.3m).

In relation to new leases and lease extensions entered into by the Group during the period, these are discounted at the rate implicit in the lease which ranges from 5.2% to 6.1% depending on the length of the lease and reflect the impact of increases to the Bank of England base rate during the period.

Surplus and short term leases

The Group has a small number of surplus leases on properties from which it no longer trades. A small number of these properties are currently vacant or the sublet is not for the full term of the lease and there is deemed to be a risk on the sublet. These leases are included within the lease balances disclosed on the face of the balance sheet and a related provision has been made for other property costs relating to these properties in note 21.

The Group has a small number of short term leases on properties from which it no longer trades, or a subsection of a trading retail store. These properties are sublet to third parties at contracted rates and are accounted for within trade and other receivables.

In line with IAS 36, the carrying value of the right-of-use asset is assessed for indicators of impairment and an impairment charge will be recognised where management believes there is a risk of default or where the property remained vacant for a period of time. As part of this review the Group has assessed the ability to sub-lease the property and the right-of-use asset has been written down to £nil where the Group considered a sublease unlikely.

Refer to Note 13 for details of impairment testing carried out over right-of-use assets.

Notes to the consolidated financial statements (continued)

13 Intangible assets

	Goodwill £m	Customer lists and 'know-how' £m	Software £m	Software under construction £m	Total £m
Cost					
Balance at 27 March 2025	959.4	6.4	84.0	0.2	1,050.0
Additions	1.7	–	3.5	0.4	5.6
Disposals	(1.3)	(1.1)	-	–	(2.4)
Balance at 26 March 2026	959.8	5.3	87.5	0.6	1,053.2
Amortisation					
Balance at 27 March 2025	0.1	1.8	63.0	–	64.9
Amortisation charge for the period	-	0.1	7.5	–	7.6
Disposals	-	(0.6)	(0.4)	–	(1.0)
Balance at 26 March 2026	0.1	1.3	70.1	–	71.5
Net book value					
At 27 March 2025	959.3	4.6	21.0	0.2	985.1
At 26 March 2026	959.7	4.0	17.4	0.6	981.7

	Goodwill £m	Customer lists and 'know-how' £m	Software £m	Software under construction £m	Total £m
Cost					
Balance at 28 March 2024	959.5	6.6	80.1	0.2	1,046.4
Additions	0.7	–	6.3	–	7.0
Transfers ¹	–	–	5.7	–	5.7
Impaired	(0.2)	–	–	–	(0.2)
Disposals	(0.6)	(0.2)	(8.1)	–	(8.9)
Balance at 27 March 2025	959.4	6.4	84.0	0.2	1,050.0
Amortisation					
Balance at 28 March 2024	0.1	1.7	64.9	–	66.7
Amortisation charge for the period	–	0.2	7.9	–	8.1
Transfers ¹	–	–	(1.7)	–	(1.7)
Disposals	–	(0.1)	(8.1)	–	(8.2)
Balance at 27 March 2025	0.1	1.8	63.0	–	64.9
Net book value					
At 28 March 2024	959.4	4.9	15.2	0.2	979.7
At 27 March 2025	959.3	4.6	21.0	0.2	985.1

¹ The transfers balance of £5.7m and £1.7m accumulated depreciation is in relation to assets previously categorised within fixtures, fittings, tools and equipment being transferred to software within intangibles.

Amortisation of intangible assets is posted within selling and distribution expenses and administrative expenses in the consolidated income statement.

Impairment testing

The Group reviews individual cash generating units ('CGUs') such as stores for indicators of impairment by comparing the net cash flows generated at a store level against the carrying value of assets including property, plant and equipment, right of use assets and other intangible assets. Key operational metrics are also considered as part of this review. As at the 26 March 2026, no material triggers of impairment have been identified at an individual CGU level, when considered either individually or combined.

Cash-generating units

For impairment testing of other intangible assets, property, plant and equipment and right of use assets, the Group treats each store as a separate cash-generating unit ('CGU') as 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.

Distribution costs and online sales are apportioned to stores because there is a clear link between the costs and online sale and the store such as 'click and collect'. Within the Vet Group, each Company Managed veterinary practice is considered to be a separate CGU in addition to the veterinary telehealth business, hereafter disclosed as The Vet Connection ('TVC'). The Joint Venture veterinary practices are collectively considered to be one CGU due to the structure of the agreements with the Company.

Goodwill generated from an acquisition is allocated to groups of CGUs at an operating segment level as shown in the table below as this represents the lowest level at which goodwill is monitored by management.

Notes to the consolidated financial statements (continued)

13 Intangible assets (continued)

Within the Retail operating segment, the group of CGUs comprises the body of stores, online operations and grooming operations. Within the Vet Group operating segment, the group of CGUs comprises the Joint Venture veterinary practices, Company Managed veterinary practices and TVC.

Within the Vet Group goodwill balance shown below is £4.2m relating to the Company Managed veterinary practices. The goodwill is allocated to individual practices and assessed annually for impairment.

As at 26 March 2026 and 27 March 2025, the Group is deemed to have two groups of CGUs as follows:

	Goodwill	
	At 26 March 2026 £m	At 27 March 2025 £m
Retail	586.1	586.1
Vet Group	373.6	373.2
Total	959.7	959.3

The recoverable amount of the CGU has been calculated with reference to its value in use. The key assumptions of this calculation are shown below:

	52 week period ended 26 March 2026		52 week period ended 27 March 2025	
	Retail	Vet Group	Retail	Vet Group
Period on which management approved forecasts are based (years)	5	5	5	5
Growth rate applied beyond approved forecast period	2%	2%	2%	2%
Discount rate (pre-tax)	10%	14%	12%	13%
Revenue compound annual growth rate ('CAGR')	3%	4%	5%	5%
Gross profit margin (average over next 5 years)	43%	59%	45%	58%
Operating cost annual growth rate ('CAGR')	3%	3%	5%	4%

The goodwill is considered to have an indefinite useful economic life and the recoverable amount is determined based on 'value-in-use' calculations. The key assumptions used in estimating the value in use calculations were:

Forecasted cash flows - These calculations use a post-tax cash flow projection based on a five-year strategic plan approved by the Board, rebased to reflect the actual trading in the 52 week period ending 26 March 2026 and the detailed business plan for the 52 week period ending 25 March 2027. The model has been adjusted to remove all cash flows associated with business units which the Group has a strategic intention to invest capital in, but has not yet done so (for example stores or practices yet to open, but within the planning horizon), thus ensuring that the future cash flows used in modelling for the impairment review exclude any cash flows where the investment is yet to take place, in accordance with the requirements of IAS 36 to exclude capital expenditure to improve asset performance. Contributions from and costs associated with new stores and veterinary practices which are already operational at the impairment test date are included in the cash flows. Central costs relate to corporate costs associated with being a public listed company, finance expenses and costs which cannot be directly attributed to any division of the Group and have been allocated on an equal basis to the Vet Group and Retail segment. This is a change in allocation methodology since the prior reporting period, where costs were allocated proportionate to the asset base. The previous allocation is no longer considered the most appropriate methodology to reflect the allocation of resources to which the central cashflows relate. Both divisions are deemed to carry equal weighting within the Group's strategic delivery and now share one combined support office.

Other than the change in allocation of central cash flows, this approach is consistent with impairment reviews carried out in the 2025 financial statements.

The Retail forecast assumptions reflect continual innovation and our deep understanding of our customers, incorporating assumptions based on past experience of the industry, products and markets in which the CGU or group of CGUs operate, in order to generate the detailed assumptions used in the annual budget setting process, and five year strategic planning process. The Vet Group forecast assumptions are based on a deep understanding of the maturity profile of the practices and their performance, incorporating assumptions based on past experience of the industry, services and markets in which the CGU operates in order to generate the detailed assumptions used in the annual budget setting process, and five year strategic planning process. The projections are based on all available information. The Group reviews individual CGUs such as stores and groups of veterinary practices for indicators of impairment.

A different set of assumptions may be more appropriate in future years depending on changes in the macro-economic environment and the sector in which each CGU operates. The Group has considered key risk factors such as the continuing issues throughout our global supply chains, geopolitical uncertainty, climate change, consumer confidence and disposable income. The Group has continued to assess the possible long term impacts of the likely levels of tariffs that may be applied by the USA and retaliatory measures from countries where our supply chains are located, as well as the reasonably possible impact on supply chains due to global conflict.

Long-term growth rates - The Directors have assumed a growth rate projection beyond the projection period of 2% for both groups of CGUs, which is lower than market growth rates based on past experience within the Group, taking into account the economic growth forecasts within the relevant industries.

Discount rates - The discount rates for the two groups of CGUs have been estimated based on past experience and the weighted average cost of capital is adjusted to reflect a market participant view specific to the risk of the sectors in which the groups of CGUs operate in. A post tax discount rate was used within the value in use calculation and adjustments made to calculate the pre-tax discount rate which is disclosed above in line with IAS 36 requirements.

Outcome and sensitivity analysis - The total recoverable amount in respect of goodwill for the groups of CGUs as assessed by the Directors using the above assumptions is greater than the carrying amount and therefore no impairment charge has been recorded in each period.

As part of the assessment, the Directors consider the impact of reasonably possible changes in key assumptions, including on a combined basis. These sensitivities have been selected based on the inherent business and market risks, and reflect recent retail trading performance challenges linked to the subdued market backdrop.

Notes to the consolidated financial statements (continued)

13 Intangible assets (continued)

The results presented below show the decrease in the value in use and the impact this could have on the carrying value.

Given the key source of estimation uncertainty specifically relating to impairment of goodwill (see note 1.22), and specifically relating to the Retail CGUs, a further sensitivity has been applied to the Retail assumptions to identify a reasonably possible downside scenario in which an impairment could be triggered.

	Key assumption	Decrease in	Impact on
		value in use	carrying value
		£m	£m
		Retail	Retail
1	Reduction of 1% in the growth rate applied beyond approved forecast period	(93)	-
2	Increase of 1% to the discount rate (pre-tax)	(129)	-
3	Reduction of 3% to the compound annual growth rate (CAGR) in revenue derived cashflows over the forecasted period compared to plan	(190)	-
4	A £10m (50%) shortfall in the Retail budgeted cost saving initiatives, along with a shortfall of 1.5% vs the revenue CAGR in the Retail budgeted plan from FY27-FY31, offset in part by a 50% reduction in discretionary brand marketing but otherwise unmitigated	(237)	(25)
5	Sensitivity 4 above with mitigating actions being a 1% reduction in operating costs as a response to the reduced revenue CAGR	(188)	-

The Directors consider the fourth scenario in the table above, which could result in an impairment of the carrying value of Retail goodwill, to be a severe but reasonably possible downside if left unmitigated. The sensitivity assumes medium term revenue performance below forecast market growth rates and below the growth rate of 2.0% applied beyond the approved forecast period, and that not all costs savings assumed are achieved notwithstanding further mitigating actions that could be taken to reduce costs and expenditure. This scenario would be driven by failure to achieve the forecasted trading performance and cost control which underpins the Retail Turnaround Plan, however acknowledges the ongoing challenging trading environment.

The fifth scenario above includes additional mitigating actions within the control of the Directors which could be taken to reduce operating costs if the combined circumstances in scenario four were to arise. The Directors consider the fifth scenario to represent a reasonably possible set of assumptions in the event of scenario four.

Within Vet Group, the directors consider that it is not reasonably possible for the assumptions to change so significantly as to eliminate the excess of the recoverable amount over the carrying value.

14 Inventories

	At 26 March 2026	At 27 March 2025
	£m	£m
Finished goods	107.5	106.9

The cost of inventories recognised as an expense and included in 'cost of sales' is £689.9m (52 week period ended 27 March 2025: £677.4m).

Inventory expensed to cost of sales includes the cost of the Stock Keeping Units ('SKUs') sold, supplier income, stock wastage and foreign exchange variances. At 26 March 2026 the inventory provision amounted to £4.3m (27 March 2025: £4.4m). The inventory provision is calculated by reference to the age of the SKU and the length of time it is expected to take to sell. The value of inventory against which an ageing provision is held is £10.7m (27 March 2025: £9.9m).

The provision percentages applied in calculating the provision are as follows:

- Discontinued stock greater than 365 days: 100%
- Current stock greater than 365 days with a use by date: 50%
- Current stock within 180 and 365 days with a use by date: 25%
- Greater than 180 days with no use by date: 25%

Included in the provision is an amount held to account for store stock losses during the period since which the SKU was last counted.

In the 52 week period ended 26 March 2026, the value of inventory written off to the income statement amounted to £9.1m (52 week period ended 27 March 2025: £10.1m).

Notes to the consolidated financial statements (continued)

15 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	At 26 March 2026			At 27 March 2025		
	Assets £m	Liabilities £m	Total £m	Assets £m	Liabilities £m	Total £m
Property, plant and equipment	–	(22.4)	(22.4)	–	(20.2)	(20.2)
Financial assets	0.1	(0.3)	(0.2)	0.4	–	0.4
Other short term temporary differences	1.6	(0.5)	1.1	2.9	(0.8)	2.1
Share based payments	1.0	–	1.0	0.1	–	0.1
Net deferred tax assets/(liabilities)	2.7	(23.2)	(20.5)	3.4	(21.0)	(17.6)

Movement in deferred tax during the period

	27 March 2025 £m	Recognised in income £m	Recognised in equity £m	26 March 2026 £m
Property, plant and equipment	(20.2)	(2.2)	–	(22.4)
Net financial assets/(liabilities)	0.4	–	(0.6)	(0.2)
Other short term timing differences	2.1	(1.0)	–	1.1
Share based payments	0.1	1.0	(0.1)	1.0
	(17.6)	(2.2)	(0.7)	(20.5)

Other short-term timing differences primarily relate to inventory provisions.

Movement in deferred tax during the prior period

	28 March 2024 £m	Recognised in income £m	Recognised in equity £m	27 March 2025 £m
Property, plant and equipment	(6.1)	(14.1)	–	(20.2)
Net financial assets	0.2	–	0.2	0.4
Other short term timing differences	1.1	1.0	–	2.1
Share based payments	0.1	–	–	0.1
	(4.7)	(13.1)	0.2	(17.6)

16 Other financial assets and liabilities

	At 26 March 2026 £m	At 27 March 2025 £m
Non-current - other financial assets		
Investments in Joint Venture veterinary practices	–	2.7
Loans to Joint Venture veterinary practices – initial set up loans	3.2	3.9
Other investments	–	3.0
Deferred fee income rebate in Joint Venture veterinary practices	3.4	1.5
Deferred consideration for veterinary practices acquisitions	3.2	–
Other receivables	3.7	3.9
	13.5	15.0

Investments in Joint Venture veterinary practices

Investments in Joint Venture veterinary practices represents capital contributions made to these practices to fund extensions and improvements to their practice residences. The carrying value of these investments is £nil (2025: £2.7m) following full impairment during the 52 week period ended 26 March 2026.

Loans to Joint Venture veterinary practices – initial set up loans

Loans to Joint Venture veterinary practices of £3.2m (2025: £3.9m) are provided to Joint Venture veterinary practice companies trading under the Companion Care, Vets4Pets or VetsforPets brands, in which the Group's share interest is non-participatory. These loans support their initial set up and working capital, and are held at carrying value. Under the terms of the loans provided to veterinary companies trading under the Companion Care, Vets4Pets or VetsforPets brands the loans attract varying interest rates between 2% and 3%. There is no set date for repayment of the loans due to the Group. The balances are shown net of an expected credit loss ('ECL') of £0.2m (2025: £0.4m).

Notes to the consolidated financial statements (continued)

16 Other financial assets and liabilities (continued)

Loans to Joint Venture veterinary practices – initial set up loans (continued)

	Gross loan value £m	Expected credit loss £m	Carrying value of loan £m
As at 27 March 2025	4.3	(0.4)	3.9
Net repayment and further advances	(0.9)	–	(0.9)
Provisions released during the period	–	0.2	0.2
As at 26 March 2026	3.4	(0.2)	3.2

Analysis of expected credit loss by risk category

The following table presents an analysis of the credit risk and credit impairment of initial set up loans held at amortised cost. The loans are categorised as performing, or in default in accordance with the policy set out in note 1.16. The loss allowance is calculated depending on the credit risk of each loan, the Group's expectations of future cash flow recoverability and practice age in accordance with the policy set out in note 1.16.

Credit risk	At 26 March 2026 £m	At 27 March 2025 £m
Performing	3.3	4.2
In default	0.1	0.1
Gross carrying amount	3.4	4.3
Loss allowance	(0.2)	(0.4)
Net carrying amount	3.2	3.9

The presentation of performing and in default loans has been revised to better align with the requirements of IFRS 9. Initial set up loans are considered in default if they cannot be settled within one day of year end. This has no impact on the estimated credit loss which is made based on the 10-year cashflow forecast.

Other investments

In the 52 week period ended 26 March 2026, the investment balances of £3.0m (2025: £3.0m) in relation to investments in Good Dog Food Limited ('Meatly') and Project Blu Limited were fully provided against. The impairments were recognised due to insufficient evidence to support the fair value of future cash flows to the Group, using either the market or income valuation approaches under IFRS 13. The impairment charge was recognised in administrative expenses in the income statement.

Deferred fee income rebate in Joint Venture veterinary practices

The rebate of £3.6m (2025: £1.7m) will be released as a deduction to fee income over a period of up to 10 years which represents the period of time the Group expects to receive economic benefits from enhanced fee income.

17 Trade and other receivables

	At 26 March 2026 £m	At 27 March 2025 £m
<i>Current assets</i>		
Trade receivables	16.7	13.2
Prepayments	14.1	12.1
Accrued income	15.4	16.2
Amounts owed by Joint Venture veterinary practices – operating loans	1.2	3.9
Amounts owed by Joint Venture veterinary practices – trading balances	6.7	14.3
Deferred fee income rebate in Joint Venture veterinary practices	0.1	0.2
Deferred consideration for veterinary practices acquisitions	2.6	3.2
Forward exchange contracts	0.9	–
Fuel forward contracts	0.6	0.2
Other receivables	2.8	0.5
	61.1	63.8

Trade and other receivables

The carrying amount of trade and other receivables approximates to the fair value. Supplier income is included within trade and other receivables; this has been invoiced where there is no legal right to offset.

The Group applied the simplified approach under IFRS 9 and default to lifetime expected credit loss based on historical data. The ECL is immaterial on the trade receivables balance for the 52 week period ended 26 March 2026 (52 week period ended 27 March 2025: immaterial).

Notes to the consolidated financial statements (continued)

17 Trade and other receivables (continued)

Amounts owed by Joint Venture veterinary practices

Amounts owed by Joint Venture veterinary practices represent trading balances and operating loans owed by Joint Venture veterinary practices to the Group.

The impairment of amounts owed by Joint Venture veterinary practices relating to trading balances are assessed in line with IFRS 9. As at 26 March 2026 and 27 March 2025, the impact of expected credit loss on these balances was deemed to be immaterial due to the short term nature of these balances and as such no provision has been made.

Operating loans are provided on a short-term monthly cycle to the extent that a practice requires additional funding above their external bank loan. Practices generate cash on a monthly basis which is applied to the repayment of brought forward operating loans. For immature practices, loan balances may increase due to operating requirements. Based on a projected cash flow forecast on a practice by practice basis, the funding is expected to be required for a number of years, however as cash is applied against opening loan balances, the Group's expectation is that the brought forward balance will be repaid in cash within 12 months. The loans have been classified as current on this basis and the Group has chosen not to charge interest on these balances, and they are initially recognised under IFRS 9 at their nominal value as the effect of discounting the expected cash flows based on the effective interest rate at the market rate of interest is not material. The loans advanced to the practices are interest free and either repayable on demand or repayable within 90 days of demand. No facility exists and the levels of loans are monitored in relation to review of the practices' performance against business plan and a number of financial and non-financial KPIs in accordance with the policy set out in note 1.16.

For those practices in default, a credit impairment charge is recognised under IFRS 9 taking into account the Group's expectations of future cash flow recoverability. For other practices, a credit impairment charge is recognised under IFRS 9, taking into account both the probability of loss and the loss proportion given default.

The balances above are shown net of allowances for expected credit losses held for operating loans of £0.4m (2025: £1.3m). The basis for this allowance and the movement in the period are set out below.

	Gross loan value £m	Expected credit loss £m	Carrying value of loan £m
As at 27 March 2025	5.2	(1.3)	3.9
Loans written off	(1.9)	–	(1.9)
Net repayment and further advances	(1.7)	–	(1.7)
Utilisation of provision	–	0.7	0.7
Provisions made during the period	–	0.2	0.2
As at 26 March 2026	1.6	(0.4)	1.2

During the 52 week period ended 26 March 2026, £1.9m of operating loans which were deemed to be in default were written off in advance of the acquisition of the 'A' shares (52 week period ended 27 March 2025: £1.7m) which led to the control and consolidation of these practices. Further details of these acquisitions are provided in note 10.

The Group continues to work with a number of Joint Venture Partners, where the partners choose to follow the Group's recommendations on remediation plans aimed at improving practice performance. Further details regarding credit risk are provided in note 1.16.

The following table presents an analysis of the credit risk and credit impairment of operating loans held at amortised cost. Based on their future cashflow forecast, loans are categorised as performing or in default. The loss allowance is calculated in accordance with the policy set out in note 1.16, depending on the credit risk of each loan.

Credit risk	At 26 March 2026 £m	At 27 March 2025 £m
Performing	–	–
In default	1.6	5.2
Gross carrying amount	1.6	5.2
Loss allowance	(0.4)	(1.3)
Net carrying amount	1.2	3.9

Operating loans are considered in default if they cannot be settled within one day of year end. This has no impact on the estimated credit loss which is made based on the 10-year cashflow forecast.

Should forecast cash flows, as defined by the risk criteria in note 1.16, decrease by 0.5% over the 10-year time horizon, this would lead to an increase in the required provision for operating loans of £nil (27 March 2025: £0.5m). This sensitivity is considered by management to represent a reasonably possible range of estimation uncertainty, based on the variance in current trading performance within these Joint Venture veterinary practices. The factors which give rise to the estimation uncertainty include macro-economic and industry specific factors, including the level of industry growth, as well as gross margin percentages achieved within the industry, which contain a number of factors including the availability of suitably qualified veterinary personnel. Further details are provided in note 27.

Notes to the consolidated financial statements (continued)

17 Trade and other receivables (continued)

Derivative financial assets and liabilities

Derivative financial assets and liabilities are held at fair value through profit or loss.

	At 26 March 2026 £m	At 27 March 2025 £m
Current assets		
Fuel forward contracts	0.6	–
Forward exchange contracts	0.9	0.2
	1.5	0.2
Current liabilities		
Forward exchange contracts	(0.5)	(1.7)
	(0.5)	(1.7)

Accrued income

Accrued income relates to income in relation to fees to Joint Venture veterinary practices and supplier and promotional income from suppliers which have not yet been invoiced. Accrued income is classified as current as it is expected to be invoiced and received within 12 months of the period end date. Supplier income is recognised on an accruals basis, based on the expected entitlement that has been earned up to the balance sheet date for each relevant supplier contract. As detailed in note 1.19, supplier income is recognised as a credit within gross margin to cost of sales and is outside of the scope of IFRS 15. Further detail of the Group's revenue recognition policy is provided in note 1.19.

18 Cash and cash equivalents

	At 26 March 2026 £m	At 27 March 2025 £m
Cash at bank	39.6	39.5

19 Other interest-bearing loans and borrowings

	At 26 March 2026 £m	At 27 March 2025 £m
Non-current liabilities		
Unsecured bank loans	38.9	8.1
Asset backed loans	14.3	18.6
Total	53.2	26.7

	At 26 March 2026 £m	At 27 March 2025 £m
Current liabilities		
Asset backed loans	4.7	4.7

Terms and debt repayment schedule

				Face value at 26 March 2026 £m	Carrying amount at 26 March 2026 £m	Face value at 27 March 2025 £m	Carrying amount at 27 March 2025 £m
	Currency	Nominal interest rate	Year of maturity				
Revolving credit facility	GBP	SONIA +1.35%	2028	40.0	38.9	10.0	8.1
Asset backed loan	GBP	SONIA +1.50%	2030	19.0	19.0	23.3	23.3
Total				59.0	57.9	33.3	31.4

The drawn amount on the £300.0m revolving credit facility was £40.0m at 26 March 2026 (drawn amount on the £300.0m revolving credit facility was £10.0m at 27 March 2025) and this amount is reviewed each month. Interest is charged at SONIA plus a margin based on leverage on a pre-IFRS 16 basis (adjusted net debt: EBITDA). The loan also has environmental, social and corporate governance ('ESG') linked metrics which will be reflected in the margin payable, which is +/- 5bps. Face value represents the principal value of the revolving credit facility. The facility is unsecured.

The asset backed loan agreement is to fund the purchase of capital items. As at 26 March 2026, the Group pledged property, plant and equipment amounting to £23.3m (2025: £23.3m) as collateral for the asset finance loan held with HSBC. Interest is charged on the drawn amount at SONIA plus 1.5%. The loan will be repaid in monthly repayments until maturity on 27 March 2030.

Notes to the consolidated financial statements (continued)

19 Other interest-bearing loans and borrowings (continued)

Interest-bearing borrowings are recognised initially at fair value, being the principal value of the loan net of attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at a carrying value, which represents the amortised cost of the loans using the effective interest method.

The analysis of repayments on the loans is as follows:

	At 26 March 2026 £m	At 27 March 2025 £m
Within one year or repayable on demand	4.7	4.7
Between one and three years	49.3	9.3
Between three and five years	5.0	19.3
Greater than five years	–	–
	59.0	33.3

The £40.0m revolving credit facility at 26 March 2026 is held by the Company. The £19.0m of asset backed loan is held by Pets at Home Limited, a 100% owned subsidiary company.

The Group's policy with regard to interest rate risk is to hedge the appropriate level of borrowings by entering into fixed rate agreements. Where the Group's forecast gross debt at the balance sheet date is no more than £100m, no interest rate hedging is required. Subsequently, as at 26 March 2026, there were no interest hedging derivatives held by the Group.

Analysis of changes in adjusted net cash/(debt)

	At 27 March 2025 £m	Cash flow £m	At 26 March 2026 £m
Cash and cash equivalents	39.5	0.1	39.6
Borrowings	(33.3)	(25.7)	(59.0)
Adjusted net cash/(debt)	6.2	(25.6)	(19.4)

20 Trade and other payables

	At 26 March 2026 £m	At 27 March 2025 £m
Current		
Trade payables	127.4	138.5
Accruals	82.8	66.8
Deferred income	5.1	6.5
Amounts owed to Joint Venture veterinary practices	10.1	14.9
Other payables including tax and social security	27.4	28.9
	252.8	255.6

Amounts owed to Joint Venture veterinary practices that relate to trading balances are interest free and repayable on demand.

Within accruals and deferred income above, contract liabilities under IFRS 15 of £0.4m (27 March 2025 and 28 March 2024: £0.4m) relate to advanced consideration received from customers in relation to gift vouchers, cards and points redeemable by charities. This revenue will be recognised as the vouchers, cards and points are redeemed, which is expected to be over the next two years from the balance sheet date.

Within accruals above, contract liabilities under IFRS 15 of £2.8m (27 March 2025: £1.8m) relate to advanced consideration received from customers in relation to online orders which have not yet been delivered. This revenue will be recognised as the online orders are delivered to customers, which is expected to be in less than one week from the balance sheet date.

Notes to the consolidated financial statements (continued)

21 Provisions

	Dilapidation provision £m	Closed stores provision £m	Provisions for exit and closure costs relating to Joint Venture veterinary practices £m	Provisions for legacy distribution centres and support offices £m	Provisions for distribution centres and support office reinstatement costs £m	Total £m
Balance at 27 March 2025	3.4	0.2	3.8	1.6	–	9.0
Provisions made during the period	1.1	0.6	–	–	3.5	5.2
Provisions utilised during the period	(3.0)	–	(1.2)	(1.5)	–	(5.7)
Provisions released	(0.3)	(0.2)	–	–	–	(0.5)
Balance at 26 March 2026	1.2	0.6	2.6	0.1	3.5	8.0

	At 26 March 2026 £m	At 27 March 2025 £m
Current	2.5	5.1
Non-current	5.5	3.9
	8.0	9.0

The dilapidations provision relates to the expected cost of repairs on leased properties at future lease expiry dates, all of which are expected to be within two years of the 26 March 2026, therefore the provision is not discounted. The timing of the utilisation of these provisions is variable depending on the expiry dates of the property leases concerned.

The closed stores provision relates to the rates, service charge and utilities payable on vacant stores. The timing of the utilisation of these provisions is variable dependent upon the lease expiry dates of the properties concerned, which vary between one and three years. Market conditions have an impact and hence the assumptions on future cash flows are reviewed regularly and revisions to the provision made where necessary.

The provisions for exit and closure costs relating to Joint Venture veterinary practices relate to expenses for any Joint Venture veterinary practices that the Group has bought out or has offered to buy out from Joint Venture Partners, and therefore which have been provided for under IAS 37. The timing of the utilisation of these provisions is variable dependent upon the lease expiry dates of the properties concerned, which vary between 2 and 13 years. Market conditions have a significant impact and hence the assumptions on future cash flows are reviewed regularly and revisions to the provisions made where necessary.

Provisions for legacy distribution centres and support offices includes provisions for legacy distribution centres and support offices which are due to be settled within the next twelve months and are therefore not discounted. In addition, provisions for distribution centres and support office reinstatement costs have been created for reinstatement costs which are expected to be due on exit of current leases for our existing distribution centre and support office. These provisions have been calculated based on our best estimate of future costs to be paid, discounted by rates between 5.4% and 6.1% depending on the length of the lease and reflect the impact of changes to the Bank of England base rate during the period.

22 Capital and reserves

Share capital

	Ordinary shares of 1p each	Share capital £m
At 28 March 2024	467,911,542	4.7
At 27 March 2025	459,491,054	4.6
At 26 March 2026	448,284,594	4.5

In the 52 week period ended 26 March 2026, the Company bought back and cancelled 11,206,460 (2.4%) ordinary shares for total consideration including stamp duty of £25.2m, at an average market value of 223 pence per share.

	Share capital 26 March 2026 £m	Share capital 27 March 2025 £m
At beginning of period	4.6	4.7
Nominal value of shares cancelled in year following purchase by the Group	(0.1)	(0.1)
On issue at period end - authorised	4.5	4.6

In the 52 week period ended 27 March 2025, the Company bought back and cancelled 8,420,488 (1.8%) ordinary shares for total consideration including stamp duty of £25.1m, at an average market value of 297 pence per share.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Notes to the consolidated financial statements (continued)

22 Capital and reserves (continued)

Consolidation and Merger reserves

The consolidation reserve and the merger reserve arose as a result of the creation of Pets at Home Group Plc ('Plc') and its purchase of the existing group of companies as part of the Initial Public Offering ('IPO') in 2014. As part of the IPO, a number of shares in Plc were issued in exchange for various instruments or cash. The premium arising on the issue was allocated between the share premium and merger reserve. A consolidation reserve was also created which reflected the difference between Plc reserves and the consolidated equity of PAH Lux S.a.r.l as part of the IPO in 2014.

Capital redemption reserve

The capital redemption reserve comprised the par value of shares purchased and cancelled as part of the share buyback programmes completed, this was 11.2m shares in the 52 week period ended 26 March 2026 (27 March 2025: 8.4m shares).

Translation reserve

The translation reserve comprises all foreign exchange differences arising since 21 November 2011, the date of incorporation of Pets at Home Asia Ltd where the functional currency differs from that of the rest of the Group.

Cash flow hedging reserve

The cash flow hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Non-controlling interest

Non-controlling interest represents the portion of equity in certain veterinary practice subsidiaries that is not attributable to the equity shareholders of the parent.

Included within the Group retained earnings is the Pets at Home Employee Benefit Trust ('EBT'). The EBT purchases shares to fund the share option schemes. As at 26 March 2026, the EBT held: 6,003,064 ordinary shares (2025: 5,670,000) with a cost of £20,300,595 (2025: £20,268,243). The average purchase value of these shares as at 26 March 2026 was 338.2 pence per share (2025: 357.5 pence per share).

Other comprehensive income 26 March 2026

	Translation reserve £m	Cash flow hedging reserve £m	Total other comprehensive income £m
Other comprehensive income	0.1	-	0.1
Effective portion of changes in fair value of cash flow hedges	-	2.6	2.6
Net change in fair value of cash flow hedges reclassified to profit or loss	-	(0.8)	(0.8)
Deferred tax on changes in fair value of cash flow hedges	-	(0.6)	(0.6)
Total other comprehensive income	0.1	1.2	1.3

27 March 2025

	Translation reserve £m	Cash flow hedging reserve £m	Total other comprehensive income £m
Other comprehensive income	-	-	-
Effective portion of changes in fair value of cash flow hedges	-	0.6	0.6
Net change in fair value of cash flow hedges reclassified to profit or loss	-	0.1	0.1
Total other comprehensive income	-	0.7	0.7

23 Financial instruments

Financial risk management

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

Risk management framework

Risk management in respect of financial risk is carried out by the Group Treasury function under policies approved by the Board of Directors. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board provides written principles through its Group Treasury Policy for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

The main objectives of the Group Treasury function are:

- To ensure shareholder and management expectations are managed on cash flow and earnings volatility resulting from financial market movements;
- To protect the expected cash flow and earnings from interest rate and foreign exchange fluctuations to within parameters acceptable to the Board and shareholders; and
- To control banking costs and service levels.

Notes to the consolidated financial statements (continued)

23 Financial instruments (continued)

Market risk

Foreign currency risk

The Group sources a significant level of purchases in foreign currency, in the region of US\$100m each financial year, and monitors its foreign currency requirements through short, medium and long-term cash flow forecasting. The value of purchases in US dollars fluctuates each year and the risk management policy has evolved with this increased risk.

At 26 March 2026, the Group's policy is to hedge up to 95% of the next 12 months and additionally up to 60% of the following six months out to 18 months forecast foreign exchange transactions, using foreign currency bank accounts and forward foreign exchange contracts. The transactions are deemed to be 'highly probable' and are based on historical knowledge and forecast purchase and sales projections.

The Group's exposure to foreign currency risk is as follows. This is based on the carrying amount for monetary financial instruments, except for derivatives which are based on notional amounts:

26 March 2026

	Euro £m	US Dollar £m	Total £m
Cash and cash equivalents	0.3	5.6	5.9
Trade payables	(1.0)	(4.5)	(5.5)
Forward exchange contracts (note 17)	(0.1)	0.5	0.4
Balance sheet exposure	(0.8)	1.6	0.8

27 March 2025

	Euro £m	US Dollar £m	Total £m
Cash and cash equivalents	1.1	–	1.1
Trade payables	(2.4)	(4.1)	(6.5)
Forward exchange contracts (note 17)	–	(1.5)	(1.5)
Balance sheet exposure	(1.3)	(5.6)	(6.9)

Sensitivity analysis

A 5% weakening of the following currencies against the pound sterling at the period end date in both years would have increased profit or loss or equity by the amounts shown below. This calculation is following the impact of hedging and assumes that the change occurred at the balance sheet date and had been applied to risk exposures existing at that date.

This analysis assumes that all other variables, in particular other exchange rates and interest rates, remain constant.

	Equity		Profit or loss	
	26 March 2026 £m	27 March 2025 £m	26 March 2026 £m	27 March 2025 £m
US Dollar	–	0.1	(0.1)	0.2
Euro	–	–	–	0.1

A 5% strengthening of the above currencies against the pound sterling in any period would have had the opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

Cash flow and fair value interest rate risk

The Group's interest rate risk arises from long-term borrowings. As at 26 March 2026 the Group had a revolving credit facility with a face value totalling £40.0m (2025: £10.0m) and an asset backed loan with a face value of £19.0m (2025: £23.3m). The Group's borrowings as at 26 March 2026 incur interest at a rate of 1.35% to 1.50% plus SONIA at the leverage prevalent in the period, which exposes the Group to cash flow interest rate risk. The analysis of loan repayments is detailed in note 19.

The Group's policy with regard to interest rate risk is to hedge the appropriate level of borrowings by entering into fixed rate agreements. As at 26 March 2026, the Group held no fixed rate swap agreements since the forecast level of outstanding debt for the next year was below the de-minimis hedging requirements as set out in the Group's Treasury Policy.

Notes to the consolidated financial statements (continued)

23 Financial instruments (continued)

Profile

At the balance sheet date the interest rate profile of the Group's interest-bearing financial instruments was:

	Book value At 26 March 2026 £m	Book value At 27 March 2025 £m
Variable rate instruments		
Financial liabilities (note 19)	59.0	33.3
Total financial liabilities	59.0	33.3

All borrowings bear a variable rate of interest based on SONIA. Subject to a de-minimis level, the Group policy is to hedge at least 70% of forecast loan balances.

Sensitivity analysis

A change of 50 basis points in interest rates at the period end date would have increased/(decreased) profit or loss by the amounts shown below. This calculation assumes that the change occurred at the balance sheet date and had been applied to risk exposures existing at that date.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant and considers the effect of financial instruments with variable interest rates and financial instruments at fair value through profit or loss. The analysis is performed on the same basis for the comparative period.

	At 26 March 2026 £m	At 27 March 2025 £m
Equity		
Increase	–	–
Decrease	–	–
Profit or loss		
Increase	0.3	0.2
Decrease	(0.3)	(0.2)

Credit risk

Financial risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers, investment securities and amounts due from Joint Venture veterinary practices. Credit risk also arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions. The Group ensures that the banks used for the financing of the revolving credit facilities and interest rate swap agreements have investment-grade credit ratings therefore there is low credit risk as there is low risk of lender default. This assessment of risk is performed on an ongoing basis.

The Group has in place certain guarantees over the bank loans taken out by a number of Joint Venture veterinary practice companies in which it holds an investment. Further details of these guarantees are disclosed in note 27. The performance of the Joint Venture veterinary practice companies is reviewed on an ongoing basis.

Exposure to credit risk

The Group's maximum exposure to credit risk, being the carrying amount of financial assets, is summarised in the table within the fair values section below.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Management prepares and monitors rolling forecasts of the Group's cash balances based on expected cash flows to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without risking damage to the Group's reputation. Covenants are monitored on a regular basis to ensure there is no risk or breach which would lead to an 'Event of Default' and compliance certificates are issued as required to the syndicate agent.

Notes to the consolidated financial statements (continued)

23 Financial instruments (continued)

The following are the contractual maturities of financial liabilities including estimates of interest payable based on SONIA rates at the end of the financial period:

Group 26 March 2026

	Carrying amount £m	Contractual cash flows £m	1 year or less £m	1 to 3 years £m	3 to 5 years £m	5 years and over £m
Non-derivative financial liabilities						
Bank loans (note 19)	57.9	59.0	4.7	49.3	5.0	–
Trade payables (note 20)	127.4	127.4	127.4	–	–	–
Lease liabilities (note 12)	338.8	403.1	76.1	124.7	79.3	123.0
Amounts owed to joint venture veterinary practices (note 20)	10.1	10.1	10.1	–	–	–
	534.2	599.6	218.3	174.0	84.3	123.0

27 March 2025

	Carrying amount £m	Contractual cash flows £m	1 year or less £m	1 to 3 years £m	3 to 5 years £m	5 years and over £m
Non-derivative financial liabilities						
Bank loans (note 19)	31.4	33.3	4.7	9.3	19.3	–
Trade payables (note 20)	138.5	138.5	138.5	–	–	–
Lease liabilities (note 12)	348.3	400.0	78.5	124.9	77.8	118.8
Amounts owed to joint venture veterinary practices (note 20)	14.9	14.9	14.9	–	–	–
	533.1	586.7	236.6	134.2	97.1	118.8

Liquidity risk and cash flow hedges

Cash flow hedges

The following table indicates the periods in which the cash flows associated with cash flow hedging instruments are expected to occur and to affect profit or loss:

Group 26 March 2026

	Carrying amount £m	Expected cash flows £m	1 year or less £m	1 to <2 years £m	2 to <5 years £m	5 years and over £m
<i>Fuel exchange contracts</i>						
Current assets (note 17)	0.6	0.6	0.6	–	–	–
<i>Forward exchange contracts:</i>						
Current assets (note 17)	0.9	0.9	0.9	–	–	–
Current liabilities (note 17)	(0.5)	(0.5)	(0.5)	–	–	–
	1.0	1.0	1.0	–	–	–

27 March 2025

	Carrying amount £m	Expected cash flows £m	1 year or less £m	1 to <2 years £m	2 to <5 years £m	5 years and over £m
<i>Forward exchange contracts:</i>						
Current assets (note 17)	0.2	0.2	0.2	–	–	–
Current liabilities (note 17)	(1.7)	(1.7)	(1.7)	–	–	–
	(1.5)	(1.5)	(1.5)	–	–	–

Fair values of financial instruments

Investments

The fair values of investments are considered to be their carrying value as the impact of discounting future cash flows has been assessed as not material and the investment is non-participatory.

Trade and other payables and receivables

The fair values of these items are considered to be their carrying value as the impact of discounting future cash flows has been assessed as not material.

Cash and cash equivalents

The fair value of cash and cash equivalents is its carrying amount where the cash is readily available. The fair value of short term deposits approximates to the carrying amount because of the short maturity of these instruments.

Amounts owed to Joint Venture veterinary practices

The fair value of amounts owed to Joint Venture veterinary practices are considered to be their carrying value as the impact of discounting future cash flows has been assessed as not material.

Notes to the consolidated financial statements (continued)

23 Financial instruments (continued)

Long term and short term borrowings

The fair value of bank loans and other loans approximates their carrying value as they have interest rates based on SONIA. The impact of credit risk has an immaterial impact on the fair value.

Short term deposits

The fair value of short term deposits is considered to be their carrying value as the balances are held in floating rate accounts where the interest rate is reset to market rates.

Derivative financial instruments

The fair values of forward exchange contracts and interest rate swap contracts are calculated by management based on external valuations received from the Group's bankers and are based on forward exchange rates and anticipated future interest yield respectively.

Fair values

The fair values of all financial assets and financial liabilities by class together with their carrying amounts shown in the balance sheet are as follows:

Fair value hierarchy

The table below shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The following tables show the fair values and carrying amounts of financial assets and liabilities as well as their fair value hierarchy. The tables do not include fair value detail for financial assets and liabilities not measured at fair value if their carrying value is a reasonable approximation of fair value.

26 March 2026

	Fair value – hedging instruments £m	Financial assets at amortised cost £m	Other financial liabilities £m	Total carrying amount £m
Carrying amount				
Financial assets measured at fair value				
Forward exchange contracts used for hedging (note 17)	0.9	–	–	0.9
Current fuel forward contracts used for hedging (note 17)	0.6	–	–	0.6
	1.5	–	–	1.5
Financial assets not measured at fair value				
Current trade and other receivables (note 17)	–	23.4	–	23.4
Amounts owed by Joint Venture veterinary practices – trading balance and operating loans (note 17)	–	7.9	–	7.9
Cash and cash equivalents (note 18)	–	39.6	–	39.6
Loans to Joint Venture veterinary practices – initial set up loans (note 16)	–	3.2	–	3.2
Non-current other receivables (note 16)	–	10.3	–	10.3
	–	84.4	–	84.4
Financial liabilities measured at fair value				
Forward exchange contracts used for hedging (note 17)	(0.5)	–	–	(0.5)
	(0.5)	–	–	(0.5)
Financial liabilities not measured at fair value				
Current lease liabilities (note 12)	–	–	(76.1)	(76.1)
Non-current lease liabilities (note 12)	–	–	(262.7)	(262.7)
Trade payables (note 20)	–	–	(127.4)	(127.4)
Amounts owed to Joint Venture veterinary practices (note 20)	–	–	(10.1)	(10.1)
Other interest-bearing loans and borrowings (note 19)	–	–	(57.9)	(57.9)
	–	–	(534.2)	(534.2)

Notes to the consolidated financial statements (continued)

23 Financial instruments (continued)

26 March 2026

Fair value	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets and liabilities measured at fair value				
Current fuel forward contracts used for hedging (note 17)		0.6		0.6
Current forward exchange contracts used for hedging (note 17)	–	0.9	–	0.9
Current Forward exchange contracts used for hedging (note 17)	–	(0.5)	–	(0.5)

27 March 2025

Carrying amount	Fair value – hedging instruments £m	FVTPL – equity instruments £m	Financial assets at amortised cost £m	Other financial liabilities £m	Total carrying amount £m
Financial assets measured at fair value					
Other investments (note 16) ¹	–	3.0	–	–	3.0
Forward exchange contracts used for hedging (note 17)	0.2	–	–	–	0.2
	0.2	3.0	–	–	3.2
Financial assets not measured at fair value					
Investments in Joint Venture veterinary practices (note 16)	–	–	2.7	–	2.7
Current trade and other receivables (note 17)	–	–	19.4	–	19.4
Amounts owed by Joint Venture veterinary practices – trading balance and operating loans (note 17)	–	–	18.2	–	18.2
Cash and cash equivalents (note 18)	–	–	39.5	–	39.5
Loans to Joint Venture veterinary practices – initial set up loans (note 16)	–	–	3.9	–	3.9
Non-current other receivables (note 16)	–	–	5.4	–	5.4
	–	–	89.1	–	89.1
Financial liabilities measured at fair value					
Forward exchange contracts used for hedging (note 17)	(1.7)	–	–	–	(1.7)
	(1.7)	–	–	–	(1.7)
Financial liabilities not measured at fair value					
Current lease liabilities (note 12)	–	–	–	(78.5)	(78.5)
Non-current lease liabilities (note 12)	–	–	–	(269.8)	(269.8)
Trade payables (note 20)	–	–	–	(138.5)	(138.5)
Amounts owed to Joint Venture veterinary practices (note 20)	–	–	–	(14.9)	(14.9)
Other interest-bearing loans and borrowings (note 19)	–	–	–	(31.4)	(31.4)
	–	–	–	(533.1)	(533.1)

27 March 2025

Fair value	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets and liabilities measured at fair value				
Other investments (note 16)	–	–	3.0	3.0
Forward exchange contracts used for hedging (note 17)	–	0.2	–	0.2
Forward exchange contracts used for hedging (note 17)	–	(1.7)	–	(1.7)

Measurement of fair values

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values at the balance sheet dates, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Forward exchange contracts and interest rate swaps	Market comparison technique – the fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions on similar instruments.	Not applicable	Not applicable
Other investments	The fair values of investments are considered to be their carrying value.	Forecasted cashflows. Any changes to the unobservable input would have an immaterial impact on the valuation.	Not applicable

Notes to the consolidated financial statements (continued)

23 Financial instruments (continued)

Changes in liabilities arising from financing activities
Group

	Loans and borrowings £m	Lease liabilities £m	Total £m
Balance at 27 March 2025 (note 12,19)	31.4	348.3	379.7
Changes from financing cash flows			
Repayment of borrowings	(59.3)	–	(59.3)
Loan drawdown	85.0	–	85.0
Interest payment of borrowings	(3.8)	–	(3.8)
Payment of lease liabilities	–	(80.7)	(80.7)
Total changes from financing cash flows	21.9	(80.7)	(58.8)
Other changes			
Interest expense on lease liabilities (note 7)	–	14.0	14.0
Interest expense on borrowings (note 7)	4.2	–	4.2
Amortisation of debt issue costs (note 7)	0.8	–	0.8
Additions to lease liabilities	–	57.2	57.2
Movement on accrued interest	(0.4)	–	(0.4)
Total other changes	4.6	71.2	75.8
Balance at 26 March 2026 (note 12, 19)	57.9	338.8	396.7

	Loans and borrowings £m	Lease liabilities £m	Total £m
Balance at 28 March 2024 (note 12,19)	45.5	380.8	426.3
Changes from financing cash flows			
Repayment of borrowings	(75.0)	–	(75.0)
Loan drawdown	60.0	–	60.0
Interest payment of borrowings	(3.8)	–	(3.8)
Payment of lease liabilities	–	(79.7)	(79.7)
Total changes from financing cash flows	(18.8)	(79.7)	(98.5)
Other changes			
Interest expense on lease liabilities (note 7)	–	13.2	13.2
Interest expense on borrowings (note 7)	4.7	–	4.7
Amortisation of debt issue costs (note 7)	0.8	–	0.8
Additions to lease liabilities	–	34.0	34.0
Movement on accrued interest	(0.8)	–	(0.8)
Total other changes	4.7	47.2	51.9
Balance at 27 March 2025 (note 12, 19)	31.4	348.3	379.7

	Cash flow hedge reserve	
	2026 £m	2025 £m
Foreign currency risk		
Inventory purchases	0.3	(1.1)
Commodity price risk		
Fuel purchases	0.5	–

	Commodity price risk		Foreign currency risk		Interest rate risk	
	Forward exchange contracts- fuel		Forward exchange contracts- inventory		Interest rate swaps	
	2026 £m	2025 £m	2026 £m	2025 £m	2026 £m	2025 £m
Nominal amount						
Carrying amount- asset (note 17)	0.6	–	0.9	0.2	–	–
Carrying amount- liability (note 17)	–	–	(0.5)	(1.7)	–	–
	–	–	–	–	–	–
<i>Changes in the value of hedging instrument recognised in OCI</i>						
Amount of hedging reserve transferred to cost of inventory	–	–	0.5	(1.6)	–	–
Net change in fair value of cash flow hedges reclassified to profit or loss	(0.7)	0.1	–	–	–	–

Notes to the consolidated financial statements (continued)

23 Financial instruments (continued)

The following table provides a reconciliation by risk category of hedging reserve and analysis of OCI items, net of tax, resulting from cash flow hedging accounting:

	26 March 2026 £m	27 March 2025 £m
Balance brought forward	(1.1)	(0.5)
<i>Changes in fair value</i>		
Foreign currency risk- inventory purchase	1.8	(0.7)
Commodity risk- fuel	0.7	(0.1)
Interest rate risk	–	–
Tax on movements on reserves during the year	(0.6)	0.2
Balance carried forward	0.8	(1.1)

Hedge accounting

Cash flow hedges

At 26 March 2026 and 27 March 2025, the Group held the following instruments to hedge exposures to changes in foreign currency. There were no instruments in relation to interest rate swaps as at 26 March 2026.

	Maturity			
	1-6 months 2026	6-12 months 2026	1-6 months 2025	6-12 months 2025
Foreign currency risk				
Forward exchange contracts				
Net exposure (£m)	38.6	30.4	51.4	33.0
Average GBP-USD forward contract rate	1.33	1.36	1.28	1.27
Average GBP-EUR forward contract rate	1.13	1.13	1.19	1.19
Interest rate risk				
Interest rate swaps				
Net exposure (£m)	–	–	–	–
Average fixed interest rate	–	–	–	–

Capital management

The Group's objectives when managing capital, which is deemed to be total equity plus total debt, are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, through the optimisation of the debt and equity balance, and to maintain a strong credit rating and headroom on financial covenants. The Group manages its capital structure and makes appropriate decisions in light of the current economic conditions and strategic objectives of the Group.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the Group. The funding requirements of the Group are met by the utilisation of external borrowings together with available cash, as detailed in note 19.

A key objective of the Group's capital management is to maintain compliance with the covenants set out in the revolving credit facility and to maintain a comfortable level of headroom over and above these requirements. Management have continued to measure and monitor covenant compliance throughout the period and the Group has complied with the requirements set.

Notes to the consolidated financial statements (continued)

24 Share-based payments

At 26 March 2026 and 27 March 2025, the Group has four share award plans, all of which are equity settled schemes.

1 Company Share Ownership Plan ('CSOP')

On 25 February 2014 the Company adopted the CSOP. Part I of the CSOP is tax approved under Schedule 4 to the Income Tax (Earnings and Pensions) Act 2003 and provides for the grant of tax approved options. Part II of the CSOP provides for the grant of unapproved options.

The tax approved options under Part I of the CSOP will be exercisable between the third and tenth anniversary of the date of grant, subject to continued employment with the Group. These awards will be granted with an exercise price equal to the market value of the shares at the grant date (as agreed with HMRC). No options have been granted under the plan since June 2016.

A summary of the movements in the scheme and outstanding options is outlined below.

	26 March 2026		27 March 2025	
	Number of options	Weighted average exercise price (p)	Number of options	Weighted average exercise price (p)
Outstanding at start of year	134,317	265.6	200,745	260.6
Exercised	(3,611)	265.6	(31,857)	262.6
Forfeit	(10,514)	260.3	(3,706)	265.2
Lapsed	(51,944)	274.4	(30,865)	236.0
Outstanding at end of year	68,248	259.7	134,317	265.6
Exercisable at the end of the year	68,248	259.7	134,317	265.6

For CSOP share options exercised during the period, the weighted average share price at the date of exercise was 269.8p (2025: 295.3p).

Options granted	26 March 2026		27 March 2025	
	Number of remaining contractual options	Weighted average contractual life (years)	Number of remaining contractual options	Weighted average contractual life (years)
December 2020	-	-	2,727	-
December 2021	-	-	49,630	-
December 2022	68,248	-	81,960	0.1
	68,248	-	134,317	0.1

2 Save As You Earn ('SAYE')

On 25 February 2014, the Company adopted the SAYE (which was registered with and self-certified with HMRC on 4 April 2015). The rules of the SAYE were adopted pursuant to Schedule 3 of the Income Tax (Earnings and Pensions) Act 2003 and provide for the grant of tax approved options. In previous years, the Company issued invitations under the rules of the SAYE which provided eligible colleagues with an opportunity to receive share options at a 20% discount to the market price. The maximum monthly savings were £500 per month. The options were granted once a year, and in normal circumstances they are not exercisable until completion of a savings period of 3 years, beginning on 1 December each year, and will then be exercisable for a period of six months following completion of the relevant savings period. During the 52 weeks ending 26 March 2026, SAYE was not offered to colleagues.

A summary of the movements in the scheme and outstanding options is summarised below:

	26 March 2026		27 March 2025	
	Number of options	Weighted average exercise price (p)	Number of options	Weighted average exercise price (p)
Outstanding at start of year	3,074,578	263.4	3,396,644	267.9
Granted	-	-	1,027,701	250.9
Exercised	(7,850)	229.3	(181,206)	231.2
Forfeit	(1,260,915)	257.0	(1,093,642)	268.8
Lapsed	(231,282)	377.3	(74,919)	265.6
Outstanding at end of year	1,574,531	253.3	3,074,578	264.1
Exercisable at the end of the year	770,616	243.7	198,348	401.8

For SAYE share options exercised during the period, the weighted average share price at the date of exercise was 267.3p (27 March 2025: 287.3p).

Notes to the consolidated financial statements (continued)

24 Share-based payments (continued)

2 Save As You Earn ('SAYE') (continued)

Options granted	26 March 2026		27 March 2025		Option price (p)
	Number of options	Weighted average remaining contractual life (years)	Number of remaining contractual options	Weighted average remaining contractual life (years)	
December 2020	-	-	9,420	(1.3)	229.3
December 2021	-	-	188,928	(0.3)	410.4
December 2022	770,616	(0.3)	1,292,468	0.7	243.7
December 2023	332,706	0.7	710,155	1.7	279.0
December 2024	471,209	1.7	873,607	2.7	250.9
	1,574,531	0.5	3,074,578	1.4	253.3

3 Restricted Stock Plan ('RSA')

On 20 July 2017 the Company adopted the RSA. Awards under the RSA were made on 20 July 2017 and annually thereafter and will be exercisable between the third and tenth anniversary of this date, subject to continued employment with the Group and the satisfaction of performance conditions. These awards are granted at nil cost.

Number of options	26 March 2026	27 March 2025
Outstanding at start of year	4,889,939	4,286,190
Granted	3,598,514	2,098,492
Forfeit	(1,048,758)	(809,477)
Exercised	(2,342,170)	(633,437)
Lapsed	(58,297)	(51,829)
Outstanding at end of year	5,039,228	4,889,939
Exercisable at the end of the year	260,197	306,662

4 Deferred Share Bonus Plan ('DSBP')

On 24 March 2022 the Company adopted the DSBP. Awards under the DSBP represent the deferral of the discretionary bonus awarded to eligible colleagues into shares. Awards under the DSBP will be exercisable between the second anniversary of the first day following the end of the year in respect of which the bonus in question is earned or would have been earned notwithstanding that it was deferred and the tenth anniversary of the date of grant. These awards are granted at nil cost. No awards were granted under the plan during the financial year.

Fair value of share awards

The expected volatility is based on historical volatility of a peer group of companies over a relevant period prior to award. The expected life is the average expected period to exercise, which has been taken as three years. The risk free rate of return is the yield on zero-coupon UK government bonds with a life equal to this expected life.

Options are valued using a Black-Scholes option-pricing model for the non-market based (EPS element) performance conditions and a Monte-Carlo simulation for the market-based (TSR element) performance conditions. Special provisions allow early exercise in the case of death, injury, disability, redundancy, retirement or because the Company which employs the option holder ceases to be part of the Group or in the event of a change in control, reconstruction or winding up of the Company.

Summary of share-based payment plans

The key assumptions used in the fair value of the awards were as follows:

	RSA		SAYE
	2026	2025	2024
At grant date			
Share price	200p	263p	314p
Exercise price	0p	0p	251p
Expected volatility	30%	30%	30%
Option life (years)	10	10	3
Expected dividend yield	2.00%	2.00%	2.00%
Risk free interest rate	n/a	n/a	4.00%
Weighted average fair value of options granted	200p	263p	112p

For both the RSA and DSBP awards, the fair value is the share price at the date of the grant so the risk free rate has no impact on the fair value calculation.

Notes to the consolidated financial statements (continued)

24 Share-based payments (continued)

Movements in awards under share-based payment schemes:

	CSOP 000	SAYE 000	RSA 000	DSBP 000	Total 000
Outstanding at start of year	134	3,075	4,890	105	8,204
Granted	-	-	3,599	-	3,599
Exercised	(4)	(8)	(1,049)	(105)	(1,166)
Forfeit	(10)	(1,261)	(2,342)	-	(3,613)
Lapsed	(52)	(231)	(59)	-	(342)
Outstanding at end of year	68	1,575	5,039	-	6,682
Weighted average exercise price	2.60	2.53	-	-	NA

The Group income statement charge recognised in respect of share-based payments for the 52 week period ended 26 March 2026 is £4.5m (52 week period ended 27 March 2025: £5.9m).

25 Commitments

Capital commitments

At 26 March 2026, the Group is committed to incur capital expenditure of £1.6m (27 March 2025: £1.1m). At 26 March 2026, the Group has a commitment to increase the loan funding to Joint Venture veterinary practices of £0.5m (27 March 2025: £0.2m). This increase in funding is written into the Joint Venture agreements and becomes payable when certain criteria are met.

26 Contingencies

Veterinary practices

During the period, the Group had in place certain guarantees over the bank loans taken out by a number of veterinary practice companies in which it holds an investment in non-participatory share capital. Under IFRS 9, the Group holds provision against a proportion of the guarantees where the practices are in default in accordance with the policy set out in note 1.16. At 26 March 2026, the total amount of bank overdrafts and loans guaranteed by the Group amounted to £4.9m (27 March 2025: £4.0m). The Group is a guarantor for the lease for veterinary practices that are not located within Pets at Home stores. The Group is also a guarantor to a small number of third parties where the lease has been reassigned.

Exemption from audit by parent guarantee

The wholly-owned subsidiaries with the exception of Pets at Home Limited, Companion Care (Services) Limited and Vets4Pets Limited are covered by a guarantee provided by Pets at Home Group Plc and are consequently entitled to an exemption under s479A from the requirement of the Act relating to the audit of individual accounts. Under this guarantee, the Group will guarantee all outstanding liabilities of these entities. No liability is expected to arise under the guarantee. The entities covered by this guarantee are disclosed in note 28.

27 Related parties

Key management personnel

Details of remuneration paid to key management personnel are set out in note 4.

Group ownership

The Group has no parent undertaking and is not controlled by another entity.

Joint Venture veterinary practice transactions

The Group has entered into a number of arrangements with third parties in respect of veterinary practices. These veterinary practices are deemed to be related parties due to the factors explained in note 1.4. Financial commitments provided to related party veterinary practices for funding are set out in note 25.

During the period, the Group had in place certain guarantees over the bank loans taken out by a number of veterinary practice companies in which it holds an investment in non-participatory share capital. At the end of the period, the total amount of bank overdrafts and loans guaranteed by the Group amounted to £4.9m (27 March 2025: £4.0m), as set out in note 26.

Notes to the consolidated financial statements (continued)

27 Related parties (continued)

The transactions entered into during the period and the balances outstanding at the end of the period are as follows:

	26 March 2026 £m	27 March 2025 £m
<i>Transactions</i>		
– Fees for services provided to Joint Venture veterinary practices (note 2)	108.4	103.4
– Rental and other occupancy charges to Joint Venture veterinary practices (note 3)	13.7	13.0
Total income from Joint Venture veterinary practices	122.1	116.4
<i>Balances</i>		
- Consideration for Joint Venture veterinary practices acquired (note 10)	3.1	0.8
Included within investments		
– Capital contributions for extensions and improvements of practices (note 16)	–	2.7
Included within trade and other receivables:		
– Operating loans		
– Gross value of operating loans	1.6	5.2
– Allowance for expected credit losses held for operating loans	(0.4)	(1.3)
Net operating loans (note 17)	1.2	3.9
Trading balances (note 17)	6.7	14.3
Deferred fee income rebate (note 16, note 17)	3.5	1.7
Deferred consideration (note 16, note 17)	5.8	3.2
Included within other financial assets and liabilities (note 16):		
Loans to Joint Venture veterinary practices – initial set up loans		
– Gross value of initial set up loans	3.4	4.3
– Allowance for expected credit losses held for initial set up loans	(0.2)	(0.4)
Net initial set up loans	3.2	3.9
Included within trade and other payables (note 20):		
Trading balance	(10.1)	(14.9)
Total amounts receivable from veterinary practices (before provisions)	10.9	13.8

Fees for services provided to related party veterinary practices are included within revenue and relate to charges for support services offered in such areas as clinical development, promotion and methods of operation as well as service activities including accountancy, legal and property. In accordance with IFRS 15, revenue in the 52 week period ended 26 March 2026 and the 52 week period ended 27 March 2025 excludes irrecoverable fee income from Joint Venture veterinary practices.

Funding for new practices represents the amounts advanced by the Group to support veterinary practice opening costs. The funding is short term and the related party Joint Venture veterinary practice draws down their own bank funding to settle these amounts outstanding with the Group shortly after opening.

Trading balances represent costs incurred and income received by the Group in relation to the services provided to the Joint Venture veterinary practices that have yet to be recharged.

Operating loans represent amounts advanced to related party Joint Venture veterinary practices to support their working capital requirements and longer term growth. The loans advanced to the practices are interest free and either repayable on demand or repayable within 90 days of demand. No facility exists and the levels of loans are monitored in relation to review of the practice's performance against business plan. Based on the projected cash flow forecast on a practice by practice basis, the funding is often expected to be required for a number of years. As practices generate cash on a monthly basis it is applied to the repayment of brought forward operating loans. For immature practices, loan balances may increase due to operating requirements. The balances above are shown net of allowances for expected credit losses held for operating loans of £0.4m (27 March 2025: £1.3m).

Loans to Joint Venture veterinary practices – initial set up loans are provided to Joint Venture veterinary practice companies trading under the Companion Care and Vets4Pets brands, in which the Group's share interest is non-participatory. These loans represent a long-term investment in the Joint Venture veterinary practice, supporting their initial set up and working capital, and are held at amortised cost under IFRS 9. The balances above are shown net of allowances for expected credit losses held for initial set up loans of £0.2m (27 March 2025: £0.4m).

In the 52 week period ended 26 March 2026, the value of loans written off recognised in the income statement amounted to £1.9m which relates to operating loans. In the 52 week period ended 27 March 2025 the value of loans written off recognised in the income statement amounted to £1.7m, which related to operating loans. At 26 March 2026, the Group had a commitment to increase the loan funding to Joint Venture veterinary practices of £0.5m (27 March 2025: £0.2m); this increase in funding is written into the Joint Venture agreements and becomes payable when certain criteria are met.

Deferred fee income rebate of £3.5m (25 March 2025: £1.7m) represents deferred rebates paid to JV practices to support their rebrand and expansion. The rebate will be released as a deduction to fee income over a period of up to 10 years which represents the period of time the Group expects to receive economic benefits from enhanced fee income.

The Group is a guarantor for the leases for veterinary practices that are not located within Pets at Home stores.

Notes to the consolidated financial statements (continued)

28 Investment in subsidiaries

Parent Company investments in subsidiaries at 26 March 2026 and 27 March 2025	Investments in subsidiaries £m
	936.2

Impairment testing

Management have conducted a full impairment review which has been undertaken on the Group's cash generating units of which the Company's investments form part. Management considers whether any impairment triggers existed by comparing the net assets value of the subsidiary to the carrying value of the investment. Management have concluded that under IAS 36, no impairment trigger has been identified with regard to the Company's investments in subsidiaries.

In the 52 week period ended 26 March 2026 the Group acquired 100% of the 'A' shares of 10 companies. These practices were previously accounted for as Joint Venture veterinary practices as the Group held 100% of the non-participatory 'B' ordinary shares. Acquisition of the 'A' shares has led to the control and consolidation of these companies. A detailed explanation for the basis of consolidation can be found in note 1.4. Further details of these acquisitions can be found in note 10.

Subsidiaries incorporated within the United Kingdom

The following subsidiaries, with the exception of Pets at Home Limited, Companion Care (Services) Limited and Vets4Pets Limited are covered by a guarantee provided by Pets at Home Group Plc and are consequently entitled to an exemption under s479A from the requirement of the Act relating to the audit of individual accounts. This exemption has been disclosed in note 26 above.

Registered office address

VetsDirect Limited: Dickson Minto, 16 Charlotte Square, Edinburgh, Scotland, EH2 4DF

The registered office of all the remaining companies incorporated within the United Kingdom for which the Group has an interest in the share capital is Epsom Avenue, Stanley Green, Handforth, Cheshire, England SK9 3RN.

Company	Registered number	Holding	Class of shares held	At 26 March 2026 %	At 27 March 2025 %
Brand Developments Limited	00039522	Indirect	Ordinary	100	100
Companion Care (Services) Limited	04141142	Indirect	Ordinary	100	100
Companion Care Management Services Limited	08878037	Indirect	Ordinary	100	100
Pets Insurance Services Limited	16039818	Indirect	Ordinary	80	80
Pet Advisory Services Limited	09180974	Indirect	Ordinary	100	100
Pet Investments Limited	04428715	Indirect	Ordinary	100	100
PAH Financial Services Limited	04635676	Indirect	Ordinary	100	100
Pets at Home Holdings Limited	03864149	Indirect	Ordinary	100	100
Pets at Home Limited	01822577	Indirect	Ordinary	100	100
Pets at Home No.1 Limited	08887355	Direct	Ordinary	100	100
Pets at Home Superstores Limited	03119594	Indirect	Ordinary	100	100
Pets at Home Vets Group Limited	08595290	Indirect	Ordinary	100	100
Pets at Home (ESOT) Limited	03911784	Indirect	Ordinary	100	100
Pet City Holdings Limited	02342109	Indirect	Ordinary	100	100
Pet City Limited	02466773	Indirect	Ordinary	100	100
Pet City Resources Limited	02634797	Indirect	Ordinary	100	100
Vets4Pets (Services) Limited	04317414	Indirect	Ordinary	100	100
Vets4Pets Services Limited	05055601	Indirect	Ordinary	100	100
Vets4Pets UK Limited	03940967	Indirect	Ordinary	100	100
Vets4Pets Limited	00038174	Indirect	Ordinary	100	100
Vets4Pets Veterinary Group Limited	04263054	Indirect	Ordinary	100	100
VetsDirect Limited	SC230445	Indirect	Ordinary	100	100
Abbotsinch V4P 1A Limited	16478932	Indirect	Ordinary	100	0
Aberdeen North Vets4Pets Limited	11024679	Indirect	Ordinary	100	100
Accrington Vets4Pets Limited	10015704	Indirect	Ordinary	100	100
Alton Vets4Pets Limited	09639868	Indirect	Ordinary	100	100
Andover Vets4Pets Limited	08132407	Indirect	Ordinary	100	100
Bangor Wales Vets4Pets Limited	08314827	Indirect	Ordinary	100	100
Bath Vets4Pets Limited	09639978	Indirect	Ordinary	100	100
Bearsden Vets4Pets Limited	07780175	Indirect	Ordinary	100	100
Bedminster Vets4Pets Limited	09267870	Indirect	Ordinary	100	100
Belfast Stormont Vets4Pets Limited	09022077	Indirect	Ordinary	100	100
Bicester Vets4Pets Limited	10285804	Indirect	Ordinary	100	100

Company	Registered number	Holding	Class of shares held	At 26 March 2026 %	At 27 March 2025 %
Bonnyrigg Vets4Pets Limited	10757330	Indirect	Ordinary	100	100
Borehamwood Vets4Pets Limited	09319066	Indirect	Ordinary	100	100
Bourne Vets4Pets Limited	10200670	Indirect	Ordinary	100	100
Bracknell Vets4Pets Limited	10605544	Indirect	Ordinary	100	100
Bramley Vets4Pets Limited	04238788	Indirect	Ordinary	100	100
Bramley Vets4Pets (Newco) Limited	09772761	Indirect	Ordinary	100	100
Brighton Vets4Pets Limited	13539268	Indirect	Ordinary	100	100
Bristol Longwell Green Vets4Pets Limited	11023057	Indirect	Ordinary	75	50
Carmarthen Vets4Pets Limited	09498169	Indirect	Ordinary	100	100
Clitheroe Vets4Pets Limited	09878308	Indirect	Ordinary	100	100
Companion Care (Ballymena) Limited	08294444	Indirect	Ordinary	100	100
Companion Care (Banbury) Limited	08606393	Indirect	Ordinary	100	100
Companion Care (Barnsley Cortonwood) Limited	08314805	Indirect	Ordinary	100	100
Companion Care (Ely) Limited	04417089	Indirect	Ordinary	100	100
Companion Care (Exeter Marsh) Limited	08314727	Indirect	Ordinary	100	100
Companion Care (Kings Lynn) Limited	06797982	Indirect	Ordinary	100	100
Companion Care (Macclesfield) Limited	08285995	Indirect	Ordinary	100	100
Companion Care (Newport) Limited	08425358	Indirect	Ordinary	100	100
Companion Care (Nottingham) Limited	04289970	Indirect	Ordinary	100	100
Companion Care (Salisbury) Limited	06457719	Indirect	Ordinary	100	100
Companion Care (Scarborough) Limited	06555344	Indirect	Ordinary	100	100
Companion Care (Speke) Limited	07149744	Indirect	Ordinary	100	100
Companion Care (Stockport) Limited	04240547	Indirect	Ordinary	65	50
Craigavon Vets4Pets Limited	08846831	Indirect	Ordinary	100	100
Davidsons Mains Vets4Pets Limited	07726992	Indirect	Ordinary	100	100
Denbigh Vets4Pets Limited	10976376	Indirect	Ordinary	100	100
East Grinstead Vets for Pets Limited	16919619	Indirect	Ordinary	100	0
East Kilbride South Vets4Pets Limited	09628917	Indirect	Ordinary	100	100
Ellesmere Port Vets4Pets Limited	09725644	Indirect	Ordinary	100	100
Gamston Vets4Pets Limited	05665158	Indirect	Ordinary	75	75
Gillingham Vets4Pets Limited	10970617	Indirect	Ordinary	100	100
Haverfordwest Vets4Pets Limited	09485504	Indirect	Ordinary	100	100
Horsham Vets4Pets Limited	14345928	Indirect	Ordinary	100	100
Huddersfield Vets4Pets Limited	07207906	Indirect	Ordinary	100	100
Inverurie Vets4Pets Limited	11056047	Indirect	Ordinary	100	100
Kendal Vets4Pets Limited	10163314	Indirect	Ordinary	100	100
Larne Vets4Pets Limited	11121715	Indirect	Ordinary	100	100
Leeds Kirkstall Vets4Pets Limited	10291543	Indirect	Ordinary	100	100
Leicester St Georges Vets4Pets Limited	09881176	Indirect	Ordinary	100	100
Leigh Vets4Pets Limited	10601393	Indirect	Ordinary	100	100
Linlithgow Vets4Pets Limited	09966547	Indirect	Ordinary	100	100
Lichfield Vets4Pets Limited	11180484	Indirect	Ordinary	100	100
Liverpool OS Vets4Pets Limited	06959208	Indirect	Ordinary	100	100
Llanrumney Vets4Pets Limited	08291716	Indirect	Ordinary	75	75
Longton Vets4Pets Limited	06776686	Indirect	Ordinary	82	50
Malvern Vets4Pets Limited	10516552	Indirect	Ordinary	100	100
Market Harborough Vets4Pets Limited	10602806	Indirect	Ordinary	100	100
Marlborough Vets4Pets Limited	09869384	Indirect	Ordinary	100	100
Melton Mowbray Vets4Pets Limited	07893688	Indirect	Ordinary	100	100
Monmouth Vets4Pets Limited	10756991	Indirect	Ordinary	100	100
Musselburgh Vets4Pets Limited	10425760	Indirect	Ordinary	100	100
Newbury Vets4Pets Limited	04633009	Indirect	Ordinary	100	100
Newton Mearns Vets4Pets Limited	07957431	Indirect	Ordinary	100	100
Newtownards Vets4Pets Limited	10067571	Indirect	Ordinary	100	100
Northwich Vets4Pets Limited	11107287	Indirect	Ordinary	100	100
Portishead Vets4Pets Limited	10976532	Indirect	Ordinary	100	50
Prescot Vets4Pets Limited	08878815	Indirect	Ordinary	100	100
Rayleigh Vets4Pets Limited	07432838	Indirect	Ordinary	100	50
Redditch Vets4Pets Limited	05612150	Indirect	Ordinary	100	100
Runcorn Vets4Pets Limited	11446894	Indirect	Ordinary	100	100
Sheldon Vets4Pets Limited	08822150	Indirect	Ordinary	100	100

Company	Registered number	Holding	Class of shares held	At 26 March 2026 %	At 27 March 2025 %
St Austell Vets4Pets Limited	09878373	Indirect	Ordinary	95	95
St Neots Vets4Pets Limited	09811640	Indirect	Ordinary	100	100
Sheffield Wadsley Bridge Vets4Pets Limited	08816819	Indirect	Ordinary	100	50
Stamford Vets4Pets Limited	14179951	Indirect	Ordinary	100	100
Sudbury Vets4Pets Limited	09916308	Indirect	Ordinary	100	100
Sutton Vets4Pets Limited	16604616	Indirect	Ordinary	100	0
Swinton Vets4Pets Limited	06547935	Indirect	Ordinary	100	50
Thamesmead Vets4Pets Limited	09881179	Indirect	Ordinary	100	100
Tilehurst Vets4Pets Limited	10573329	Indirect	Ordinary	100	100
Tiverton Vets4Pets Limited	11023079	Indirect	Ordinary	100	100
Uttoxeter Vets4Pets Limited	11145982	Indirect	Ordinary	100	100
Uxbridge V4P 1A Limited	16479366	Indirect	Ordinary	100	0
V4P Rayleigh Limited	16547262	Indirect	Ordinary	100	0
Wakefield Vets4Pets Limited	04262693	Indirect	Ordinary	100	100
Walkden Vets4Pets Limited	09416830	Indirect	Ordinary	100	50
Wallasey Bidston Moss Vets4Pets Limited	09190138	Indirect	Ordinary	100	100
Warminster Vets4Pets Limited	10067591	Indirect	Ordinary	76	76
Watford Vets4Pets Limited	08658295	Indirect	Ordinary	100	50
Wellingborough Vets4Pets Limited	07620413	Indirect	Ordinary	100	100
Wokingham Vets4Pets Limited	09869355	Indirect	Ordinary	100	100
Wrexham Vets4Pets Limited	07103838	Indirect	Ordinary	100	100

Subsidiaries and other investments incorporated outside of the United Kingdom

Registered office address

Les Boues Limited: Herald House, 8 Hill Street, St Helier, Jersey, JE4 9XB

PAH Pty Limited: Herbert Greer and Rundle, Level 21, 385 Bourke Street, Melbourne, VIC 3000, Australia

Pets at Home (Asia) Limited: Units 704 5A, 7/F, Tower B, Manulife Financial Centre, 223-231 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong

Vets4Pets Holdings Limited: Vets4pets, Support Centre, Les Merriennes, St Martins, Guernsey, GY4 6NS

Vets4Pets I.P. Limited: Vets4pets, Support Centre, Les Merriennes, St Martins, Guernsey, GY4 6NS

Vets4Pets Limited: Vets4pets, Support Centre, Les Merriennes, St Martins, Guernsey, GY4 6NS

Brand Developments Limited: Vets4pets, Support Centre, Les Merriennes, St Martins, Guernsey, GY4 6NS

Guernsey Vets4Pets Limited: Vets4pets, Support Centre, Les Merriennes, St Martins, Guernsey, GY4 6NS

Company	Holding	Country of incorporation	Class of shares held	At 26 March 2026 %	At 27 March 2025 %
Les Boues Limited	Indirect	Guernsey	Ordinary	100	100
PAH Pty Limited	Indirect	Australia	Ordinary	100	100
Pets at Home (Asia) Limited	Indirect	Hong Kong	Ordinary	100	100
Vets4Pets Holdings Limited	Indirect	Guernsey	Ordinary	100	100
Vets4Pets I.P. Limited	Indirect	Guernsey	Ordinary	100	100
Vets4Pets Limited	Indirect	Guernsey	Ordinary	100	100
Brand Developments Limited	Indirect	Guernsey	Ordinary	100	100
Guernsey Vets4Pets Limited	Indirect	Guernsey	Ordinary	50	50

Investments in Joint Venture veterinary practices and other investments

Registered office address

VetsDirect Limited: Dickson Minto, 16 Charlotte Square, Edinburgh, Scotland, EH2 4DF

Project Blu Limited: 34 Cardiff Road, Dinas Powys, Wales CF64 4JS

Good Dog Food Limited ('Meatly'): Hill Dickinson LLP, The Broadgate Tower, 20 Primrose Street, London, United Kingdom, EC2A 2EW

The registered office of all the remaining companies in which the Group has an interest in the share capital is Epsom Avenue, Stanley Green, Handforth, Cheshire, England SK9 3RN.

The Group holds an indirect interest in the share capital of the following companies:

Company	Holding	Country of incorporation	Class of shares held	At 26 March 2026 %	At 27 March 2025 %
Aberdeen Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Abingdon Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
ABTW Limited	Indirect	United Kingdom	Ordinary	50	50
Airdrie Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Alsager Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50

Company	Holding	Country of incorporation	Class of shares held	At 26 March 2026 %	At 27 March 2025 %
Altrincham Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Amesbury Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bagshot Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bangor Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Barnsley Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Barnstaple Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Barnwood Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Barry Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Beckenham Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bedford Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bedlington Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Beeston Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Beverley Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Biggleswade Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bishop Auckland Cockton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bishop's Stortford Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	100
Bishopston Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bitterne Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Blackburn Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Blackheath Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Blackpool Squires Gate Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Blackpool Warbreck Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Blackwood Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bodmin Launceston Road Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bolton Central Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bolton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bracknell Peel Centre Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bradford Idle Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Brighouse Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bristol Emerson Green Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bristol Imperial Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bristol Kingswood Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bromsgrove Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Buckingham Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bulwell Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Burscough Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Burton-On-Trent Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bury St Edmunds Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Bury Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Byfleet Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Caerphilly Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Camborne Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Cannock Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Canterbury Sturry Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Cardiff Ely Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Cardiff Newport Road Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Carlisle Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Carrickfergus Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Castleford Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Catterick Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Chadwell Heath Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Cheadle Hulme Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Chester Caldy Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Chester Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Chesterfield Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Cirencester Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Clacton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Clevedon Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Cleveleys Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Clifton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Clowne Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50

Company	Holding	Country of incorporation	Class of shares held	At 26 March 2026 %	At 27 March 2025 %
Coalville Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Colchester Vets4Pets Advanced Practice Limited	Indirect	United Kingdom	Ordinary	50	50
Colne Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Aintree) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Andover) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Ashford) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Ashton) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Aylesbury) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Ayr) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Basildon PIPPS Hill) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Basildon) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Basingstoke) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Beckton) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Bedford) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Belfast) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Bishopbriggs) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Bletchley) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Bolton) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Bournemouth) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Braintree) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Brentford) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Bridgend) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Bridgwater) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Brislington) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Bristol Filton) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Broadstairs) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Burgess Hill) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Cambridge Beehive) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Cambridge) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Cannock) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Canterbury) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Cardiff) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Charlton) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Chatham) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Chelmsford) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Cheltenham) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Chesterfield) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Chichester) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Chingford) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Chippenham) Limited	Indirect	United Kingdom	Ordinary	50	100
Companion Care (Christchurch) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Colchester) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Corstorphine) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Coventry Walsgrave) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Cramlington) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Crawley) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Crayford) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Croydon) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Derby Kingsway) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Derby) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Dunstable) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Eastbourne) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Enfield) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Exeter) Limited	Indirect	United Kingdom	Ordinary	50	100
Companion Care (Farnham) Limited	Indirect	United Kingdom	Ordinary	50	100
Companion Care (Falmouth) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Fareham Collingwood) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Fareham) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Farnborough) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Folkestone) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Fort Kinnaird) Limited	Indirect	United Kingdom	Ordinary	50	50

Company	Holding	Country of incorporation	Class of shares held	At 26 March 2026 %	At 27 March 2025 %
Companion Care (Friern Barnet) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Gloucester) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Harlow) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Hatfield) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Hemel Hempstead) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (High Wycombe) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Hove) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Huddersfield) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Huntingdon) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Ilford) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Ipswich Martlesham) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Keighley) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Kidderminster) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Kirkcaldy) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Leicester Beaumont Leys) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Leicester Fosse Park) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Leighton Buzzard) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Llantrisant) Limited	Indirect	United Kingdom	Ordinary	50	100
Companion Care (Linwood) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Lisburn) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Liverpool Penny Lane) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Livingston) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Maidstone) Limited	Indirect	United Kingdom	Ordinary	50	100
Companion Care (Merry Hill) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Milton Keynes) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (New Malden) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Newbury) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Newcastle Kingston Park) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Northampton Nene Valley) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Norwich Hall Road) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Norwich Longwater) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Norwich) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Oldbury) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Oldham) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Orpington) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Oxford) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Perth) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Peterborough Bretton) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Peterborough) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Plymouth) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Poole) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Portsmouth) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Preston Capitol) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Pudsey) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Reading) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Redditch) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Redhill) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Romford) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Rotherham) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Rustington) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Slough) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Southampton) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Southend-On-Sea) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Stevenage) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Stirling) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Stoke Festival Park) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Stratford-Upon-Avon) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Swansea) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Swindon) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Tamworth) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Taunton) Limited	Indirect	United Kingdom	Ordinary	50	50

Company	Holding	Country of incorporation	Class of shares held	At 26 March 2026 %	At 27 March 2025 %
Companion Care (Telford) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Truro) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Tunbridge Wells) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Wakefield) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Weston-Super-Mare) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Winchester) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Winnersh) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Woking) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Woolwell) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Worcester) Limited	Indirect	United Kingdom	Ordinary	50	50
Companion Care (Wrexham Holt Road) Limited	Indirect	United Kingdom	Ordinary	50	50
Corby Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Craigeith Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Crescent Link Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Crewe Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Cross Hands Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Cumbernauld Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Dagenham Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Darlington Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Daventry Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Denton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Dewsbury Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Didcot Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Doncaster Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Dorchester Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Dover Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Droitwich Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Drumchapel Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Dudley Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Dumbarton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Dunfermline Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Durham Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
East Kilbride Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Eastleigh Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Eastwood Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Eccleshill Vets4Pets (Newco) Limited	Indirect	United Kingdom	Ordinary	50	50
Epsom Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Evesham Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Falkirk Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Feltham Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Filton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Gateshead Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Giltbrook Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	0
Glasgow Forge Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Glasgow Pollokshaws Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Glossop Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	0
Goldenhill Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Good Dog Food Limited	Indirect	United Kingdom	Ordinary	9	9
Gospport Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Grantham Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Gravesend Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Greasby Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Greenford Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Grimsby Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Guildford Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	100
Halesowen Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Halifax Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Handforth Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Hamilton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Harrogate New Park Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Harrogate Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50

Company	 Holding	Country of incorporation	Class of shares held	At 26 March 2026 %	At 27 March 2025 %
Hartlepool Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Hastings Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Havant Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Haverhill Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Hayling Island Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Heanor Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Hedge End Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Hemel Hempstead Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Hendon Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Hereford Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Hertford Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
High Wycombe Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Hinckley Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Hucknall Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Hull Anlaby Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Hull Stoneferry Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Hull Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Ilkeston Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Isle of Man Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Ipswich Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Irvine Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Kettering Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Kidderminster Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Kilmarnock Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Kirkby in Ashfield Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Lancaster Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Launceston Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Leamington Spa Myton Road Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Leeds Birstall Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Leeds Colton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Leeds Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Leigh-On-Sea Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Letchworth Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Leyland Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Lincoln South Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Lisburn Longstone Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Llandudno Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Llanelli Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Loughborough Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Loughton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Luton Gipsy Lane Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Luton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Lytham Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Maidenhead Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Maidstone Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Maldon Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Manchester Fort Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Mansfield Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Mapperley Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Merthyr Tydfil Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	100
Middlesbrough Cleveland Park Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Middlesbrough Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Middleton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Millhouses Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Morpeth Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
New Milton Vets4pets Limited	Indirect	United Kingdom	Ordinary	50	50
Newcastle-Upon-Tyne Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Newmarket Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Newport Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Newton Abbot Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Newtownabbey Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50

Company	Holding	Country of incorporation	Class of shares held	At 26 March 2026 %	At 27 March 2025 %
North Tyneside Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Northallerton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Northampton Riverside Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Northampton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Nottingham Chilwell Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Nottingham Netherfield Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Nuneaton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Oadby Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Old Kent Road Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Oxford Cowley Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Paisley Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Penrith Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Pentland Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Penzance Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Peterborough Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Pontypridd Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Poole Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Portsmouth Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Prenton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Preston Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Prestwich Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Project Blu Limited	Indirect	United Kingdom	Ordinary	9	9
Quinton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Rawtenstall Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	100
Rhyl Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Richmond Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Rochdale Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Rotherham Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Rugby Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Rugby Central Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Ruislip Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Rushden Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Saffron Walden Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Salford Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Selly Oak Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Sevenoaks Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Sheffield Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Sheffield Drakehouse Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Sheffield Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Shrewsbury Meole Brace Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Shrewsbury Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Sidcup Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Sittingbourne Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Solihull Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Somercotes Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
South Shields Quays Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	100
South Shields Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Southampton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Southend Airport Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Southend-On-Sea Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Southport Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Spalding Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Speke Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
St Albans Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
St Helens Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Stafford Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Staines Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	100
Stechford Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Stockton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Stourbridge Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Street Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50

Company	Holding	Country of incorporation	Class of shares held	At 26 March 2026 %	At 27 March 2025 %
Sunderland South Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Sunderland Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Sutton Coldfield Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Sutton In Ashfield Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Swindon Bridgemead Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Sydenham Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Telford Madeley Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Thurrock Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Trafford Park Vets4pets Limited	Indirect	United Kingdom	Ordinary	50	100
Torquay Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Tottenham Hale Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Totton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Trowbridge Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
V4P Coventry Canley Limited	Indirect	United Kingdom	Ordinary	50	50
V For P Stocksbridge Limited	Indirect	United Kingdom	Ordinary	50	0
Walsall Reedswood Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Waltham Abbey Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Walton on Thames Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Walton Vale Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Warrington Riverside Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Warrington Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Washington Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Waterlooville Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
West Bromwich Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Weymouth Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Whetstone Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Whitstable Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Widnes Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Wigan Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Wimbledon Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Wolverhampton Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Worksop Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Worthing Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
WSM Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Yate Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
Yeovil Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
York Clifton Moor Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50
York Vets4Pets Limited	Indirect	United Kingdom	Ordinary	50	50

During the 52 week period ended 26 March 2026, the Group has sold 100% of the 'A' shares in thirteen companies which were previously classified as subsidiaries, and subsequent to sale of the 'A' shares, have been accounted for as Joint Venture veterinary practices, which has led to the reduction in the holding in thirteen entities listed above to 50% investment.

Parent Company Balance Sheet

	Note	At 26 March 2026 £m	At 27 March 2025 £m (restated) ¹
Non-current assets			
Investments in subsidiaries	C4	936.2	936.2
Deferred tax asset	C5	1.1	1.6
Trade and other receivables	C6	583.0	596.0
Other financial assets	C9	7.2	-
		1,527.5	1,533.8
Current assets			
		-	-
Total assets		1,527.5	1,533.8
Current liabilities			
Trade and other payables	C7	(759.5)	(796.2)
		(759.5)	(796.2)
Non-current liabilities			
Other interest-bearing loans and borrowings	C8	(38.9)	(8.1)
		(38.9)	(8.1)
Total liabilities		(798.4)	(804.3)
Net assets		729.1	729.5
Equity attributable to equity holders of the parent			
Ordinary share capital	C10	4.5	4.6
Merger reserve		113.3	113.3
Capital redemption reserve		0.5	0.4
Retained earnings		610.8	611.2
Total equity		729.1	729.5

¹The 52 week period ended 27 March 2025 has been restated to offset £145.0m of trade and other receivables against £145.0m of trade and other payables to reflect the intercompany agreement that existed at the balance sheet date to settle such balances on a net basis.

As permitted by section 408 of the Companies Act 2006, the Company's income statement has not been included in these financial statements. The Company's profit for the 52 week period ended 26 March 2026 was £84.3m (profit for the 52 week period ended 27 March 2025 was £50.4m).

On behalf of the Board:



Sarah Pollard
Chief Financial Officer
27 May 2026

Company number: 08885072

The notes on pages 154 to 156 form an integral part of these financial statements.

Parent Company Statement of Changes in Equity

	Share capital £m	Merger reserve £m	Capital redemption reserve £m	Retained earnings £m	Total equity £m
Balance at 27 March 2025	4.6	113.3	0.4	611.2	729.5
Total comprehensive income for the period					
Profit for the period	-	-	-	84.3	84.3
Total comprehensive income for the period	-	-	-	84.3	84.3
Transactions with owners, recorded directly in equity					
Equity dividends paid	-	-	-	(58.7)	(58.7)
Share-based payment charge (note 24)	-	-	-	4.5	4.5
Deferred tax movement on IFRS 2 reserve	-	-	-	(0.1)	(0.1)
Share buyback	-	-	-	(25.2)	(25.2)
Purchase of own shares	(0.1)	-	0.1	(5.2)	(5.2)
Total contributions by and distributions to owners	(0.1)	-	0.1	(84.7)	(84.7)
Balance at 26 March 2026	4.5	113.3	0.5	610.8	729.1

	Share capital £m	Merger reserve £m	Capital redemption reserve £m	Retained earnings £m	Total equity £m
Balance at 28 March 2024	4.7	113.3	0.3	643.6	761.9
Total comprehensive income for the period					
Profit for the period	-	-	-	50.4	50.4
Total comprehensive income for the period	-	-	-	50.4	50.4
Transactions with owners, recorded directly in equity					
Equity dividends paid	-	-	-	(59.7)	(59.7)
Share-based payment charge (note 24)	-	-	-	5.9	5.9
Share buyback	(0.1)	-	0.1	(25.1)	(25.1)
Purchase of own shares	-	-	-	(3.9)	(3.9)
Total contributions by and distributions to owners	(0.1)	-	0.1	(82.8)	(82.8)
Balance at 27 March 2025	4.6	113.3	0.4	611.2	729.5

Notes the parent company financial statements

C1. Accounting policies

The principal activities of the Company and the nature of the Company's operations is as a holding entity.

The Company's accounting policies are consistent with those disclosed in note 1 to the Group financial statements, except where otherwise stated below.

The Parent Company financial statements of Pets at Home Group Plc have been prepared in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 'Reduced disclosure framework' ('FRS 101'). FRS 101 enables the financial statements of the Parent Company to be prepared in accordance with IFRS but with certain disclosure exemptions. The main areas of reduced disclosure are in respect of equity-settled share-based payments, financial instruments, the Cash Flow Statement, related party transactions with Group companies and IAS 1 requirements for capital risk management. The accounting policies adopted for the Parent Company, Pets at Home Group Plc, are otherwise consistent with those used for the Group which are set out on pages 103 to 111.

Critical accounting judgements or key sources of estimation uncertainty

There were no critical accounting judgements that would have a significant effect on the amounts recognised in the Parent Company financial statements or key sources of estimation uncertainty at the balance sheet date that would have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The consolidated financial statements of the group may be obtained from Chester House, Epsom Avenue, Handforth, Wilmslow, SK9 3RN, or via <https://www.petsathomeplc.com/annual-report-2026/>.

C2. Profit for the year

As permitted by s408 of the Companies Act 2006, no separate profit and loss account or statement of comprehensive income is presented in respect of the Parent Company. The profit attributable to the Company is disclosed in the footnote to the company's balance sheet.

The auditor's remuneration for the audit and other services is disclosed in note 3 to the consolidated financial statements.

C3. Colleague numbers and costs

The number of people employed by the Company during the year was five (2025: three) and relates to Directors. The costs associated with them were borne by a subsidiary undertaking and included in the disclosure in note 4 on pages 114 to 115.

The Company participates in a defined contribution scheme in which the assets are held independently. The total net defined contribution costs of this fund are borne by a subsidiary undertaking and therefore in accordance with IAS 19, no net defined contribution costs are recognised in the Company's financial statements. Note 4 to the consolidated financial statements provides further details regarding the pension costs incurred during the year.

C4. Investment in subsidiaries

Management have conducted a full impairment review which has been undertaken on the Group's cash generating units of which the Company's investments form part. Management considers whether any impairment triggers existed by comparing the net assets value of the subsidiary to the carrying value of the investment. Management have concluded that under IAS 36, no impairment trigger has been identified with regard to the Company's investments in subsidiaries.

The impairment assessment is disclosed in note 28 to the consolidated financial statements.

C5. Deferred tax

Movement in deferred tax during the period

	27 March 2025 £m	Recognised in income £m	Recognised in equity £m	26 March 2026 £m
Other short term timing differences	1.5	(0.4)	–	1.1
Share based payments	0.1	–	(0.1)	–
	1.6	(0.4)	(0.1)	1.1

The rate used to calculate deferred tax assets and liabilities is 25% based on a blended rate at which the majority of items are expected to reverse.

	28 March 2024 £m	Recognised in income £m	27 March 2025 £m
Other short term timing differences	0.8	0.7	1.5
Share based payments	0.1	–	0.1
	0.9	0.7	1.6

The rate used to calculate deferred tax assets and liabilities is 25% based on a blended rate at which the majority of items are expected to reverse.

Notes the parent company financial statements (continued)

C6. Trade and other receivables

	At 26 March 2026 £m	At 27 March 2025 £m
<i>Non-current assets</i>		
Amounts owed by Group undertakings	583.0	596.0
	583.0	596.0

Amounts owed by Group undertakings are repayable to the Parent Company on demand bearing no interest and with no expectation that it will be settled within the next 12 months. The Expected Credit Loss ('ECL') calculated under IFRS 9 is not material.

	At 26 March 2026 £m	At 27 March 2025 £m
<i>Amounts owed by Group undertakings</i>		
Companion Care (Services) Limited	–	5.7
Newco 18102024 Limited	1.0	–
PAH Financial Services Limited	3.7	3.7
Pets at Home Holdings Limited	1.5	1.5
Pets at Home No.1 Limited	576.8	576.8
Pets at Home Limited	–	8.3
	583.0	596.0

C7. Trade and other payables

	At 26 March 2026 £m	At 27 March 2025 £m
Current		
Accruals and deferred income	3.1	2.7
Amounts owed to Group undertakings	756.4	793.5
	759.5	796.2

Amounts owed to Group undertakings are repayable to the Parent Company on demand bearing no interest and with no expectation that it will be settled within the next 12 months.

	At 26 March 2026 £m	At 27 March 2025 £m
<i>Amounts owed to Group undertakings</i>		
Companion Care (Services) Limited	209.9	–
Pets at Home Limited	546.5	793.5
	756.4	793.5

C8. Other interest-bearing loans and borrowings

	At 26 March 2026 £m	At 27 March 2025 £m
Non-current liabilities		
Unsecured bank loans	38.9	8.1
Total	38.9	8.1

Interest-bearing borrowings are recognised initially at fair value, being the principal value of the loan net of attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at a carrying value, which represents the amortised cost of the loans using the effective interest method.

Notes the parent company financial statements (continued)

C8. Other interest-bearing loans and borrowings (continued)

Terms and debt repayment schedule

	Currency	Nominal interest rate	Year of maturity	Face value at 26 March 2026 £m	Carrying amount at 26 March 2026 £m	Face value at 27 March 2025 £m	Carrying amount at 27 March 2025 £m
Revolving credit facility	GBP	SONIA +1.35%	2028	40.0	38.9	10.0	8.1
Total				40.0	38.9	10.0	8.1

The drawn amount on the £300.0m revolving credit facility was £40.0m at 26 March 2026 (drawn amount on the £300.0m revolving credit facility was £10.0m at 27 March 2025) and this amount is reviewed each month. Interest is charged at SONIA plus a margin based on leverage on a pre-IFRS 16 basis (adjusted net debt: EBITDA). The loan also has environmental, social and corporate governance ('ESG') linked metrics which will be reflected in the margin payable, which is +/- 5bps. Face value represents the principal value of the revolving credit facility. The facility is unsecured.

The analysis of repayments on the loans is as follows:

	At 26 March 2026 £m	At 27 March 2025 £m
Within one year or repayable on demand	–	–
Between one and three years	40.0	–
Between three and five years	–	10.0
Greater than five years	–	–
	40.0	10.0

C9. Other financial assets

	At 26 March 2026 £m	At 27 March 2025 £m
Non-current		
Loans to Group undertakings	7.2	–
	7.2	–

Amounts owed by Group undertakings are repayable to the Parent Company on demand bearing 8% interest and with no expectation that they will be settled within the next 12 months. The ECL calculated under IFRS 9 is not material.

C10. Capital and reserves

As disclosed in note 22: capital and reserves in the notes to the consolidated financial statements.

Glossary – Alternative Performance Measures

Guidelines on Alternative Performance Measures ('APMs') issued by the European Securities and Markets Authority came into effect for all communications released on or after 3 July 2016 for issuers of securities on a regulated market.

In the reporting of financial information, the Directors have adopted various APMs of historical or future financial performance, position or cash flows other than those defined or specified under International Financial Reporting Standards ('IFRS').

The Directors measure the performance of the Group based on the following financial measures which are not recognised under UK-adopted international accounting standards and consider these to be important measures in evaluating the Group's strategic and financial performance. The Directors believe that these APMs assist in providing additional useful information on the underlying trends, performance and position of the Group.

APMs are also used to enhance the comparability of information between reporting periods by adjusting for non-underlying items, to aid the user in understanding the Group's performance.

Consequently, APMs are used by the Directors and management for performance analysis, planning, reporting and incentive setting purposes and have remained consistent with prior year. These APMs may not be directly comparable with other companies' APMs and the Directors do not intend for these to be considered superior to, or a substitute for, IFRS measures.

All APMs relate to the current period results and comparative period where provided.

Several APMs exclude non-underlying items (see definition below) in order to reflect management's view of the performance of the business. Due to this, APMs should not be regarded as a complete picture of the Group's financial performance, which is presented in its financial statements. The exclusion of non-underlying items may result in adjusted earnings being materially higher or lower than total earnings.

References to **Underlying GAAP measures and Underlying APMs** throughout the financial statements are measured before the effect of non-underlying items.

APM	Definition	Reconciliation					
Consumer revenue	Consumer revenue being statutory Group revenue, less Joint Venture veterinary practice fee income (which forms part of statutory revenue within the Vet Group), plus gross consumer sales made by Joint Venture veterinary practices (unaudited). This is an important measure as it includes the revenue from all vet practices whether they be under the Joint Venture or Company Managed model which is used in the assessment of market share.	Consumer revenue (£m)		FY25 FY26 ('restated')	Note		
		Statutory Group revenue	1,469.6	1,481.7	CIS		
		Joint Venture fee income	(108.4)	(103.4)	2		
		Revenue by Joint Venture veterinary practices	619.8	583.2			
		Consumer revenue ²	1,981.0	1,961.5			
		¹ See note to consolidated income statement for the prior year restatement. ² Consumer revenue cannot be directly referenced in the financial statements as revenue by all veterinary practices relates to all Joint Venture customer revenue. CIS = Consolidated income statement					
Like-for-like revenue growth	Like-for-like revenue growth comprises total revenue in a financial period compared to revenue achieved in a prior period for stores, online operations, grooming salons and veterinary practices that have been trading more than 52 weeks prior to both the current and prior period reporting date, excluding fee income from Joint Venture veterinary practices where the Group has bought out the Joint Venture Partners. The measure is used widely as an indicator of sales performance.	Like-for-like revenue (£m)		FY26	FY25	Growth	Note
		Retail revenue	1,292.9	1,306.4	-1.0%	2	
		New stores and grooming salons	(5.8)	(7.8)			
		Retail like-for-like revenue	1,287.1	1,298.6	-0.9%		
		Vet Group revenue	176.7	175.3	0.8%	2	
		New practices	(15.5)	(16.0)			
		Vet Group other income	(13.4)	(15.4)			
		Vet Group like-for-like revenue	147.8	143.9	2.7%		
		Statutory Group revenue	1,469.6	1,481.7	-0.8%	CIS	
		New stores, grooming salons and practices	(21.3)	(23.8)			
		Vet Group other income	(13.4)	(15.4)			
Group like-for-like revenue	1,434.9	1,442.5	-0.5%				
CIS = Consolidated income statement							

APM	Definition	Reconciliation				
Underlying profit before tax	Underlying profit before tax attributable to equity shareholders of the parent ('PBT') is based on pre-tax profit before the impact of certain costs or incomes that are excluded as they are not generated from ordinary business operations, infrequent in nature and unlikely to reoccur in the foreseeable future in order to reflect management's view of the performance of the Group. The underlying profitability of the Group is an important measure of delivery against strategic objectives.	Underlying PBT (£m)	FY26	FY25	Note	
		Underlying PBT	92.8	133.0	CIS	
		Attributable to:				
		Equity shareholders of the parent	92.0	133.0	2	
		Non-controlling interests	0.8	-	2	
		Underlying PBT (£m)	FY26	FY25	Note	
		Underlying PBT attributable to equity shareholders of the parent	92.0	133.0	2	
		Non-underlying items	(6.3)	(12.4)	CIS,3	
		Profit before tax attributable to equity shareholders of the parent	85.7	120.6		
		<i>CIS = Consolidated income statement</i>				
Underlying basic EPS	Underlying basic earnings per share ('EPS') is based on earnings per share before the impact of certain costs or incomes that derive from events or transactions that fall outside the normal activities of the Group and are excluded by virtue of their size and nature in order to reflect management's view of the performance of the Group.	Underlying basic EPS (p)	FY26	FY25	Note	
		Underlying basic EPS	14.8	21.0	5	
		Non-underlying items	(1.0)	(2.0)		
		Basic earnings per share	13.8	19.0	5	
Free cash flow	Net increase/(decrease) in cash before the impacts of dividends paid, share buybacks, investment movements, acquisition and disposal of subsidiaries, proceeds from new loans and repayment of borrowings. This measure shows the cash generated by the Group during the year that is available for strategic investments or returning to shareholders.	Free cash flow (£m)	FY26	FY25	Note	
		Net increase/(decrease) in cash	0.1	(17.6)	CFS	
		<i>Remove effects of:</i>				
		Equity dividends paid	58.7	59.7	CFS, 9	
		Dividends paid to non-controlling interests	0.5	-	CFS	
		Net repayment of borrowings	(25.7)	15.0	CFS	
		Share buyback	25.2	25.1	CFS	
		Investment movements	-	(1.3)	CFS	
		Acquisition of subsidiaries	2.7	1.3	CFS	
		Disposal of subsidiaries	0.4	1.6	CFS	
		Free cash flow	61.9	83.8		
<i>CFS = Consolidated statement of cash flows</i>						
Adjusted net (debt)/cash	Cash and cash equivalents less the face value of loans and borrowings. Lease liabilities are excluded.	Adjusted (debt)/net cash (£m)	FY26	FY25	Note	
		Cash and cash equivalents	39.6	39.5	CBS	
		Loans and borrowings (face value)	(59.0)	(33.3)	19	
		Adjusted (debt)/net cash	(19.4)	6.2		
<i>CBS = Consolidated balance sheet</i>						
Pre IFRS 16 leverage	Adjusted net (debt)/cash (above) divided by underlying earnings before interest, taxes, depreciation and amortisation ('EBITDA') less expected rental charges. Figures have been presented on a rolling 52 week proforma basis. This measure is important because it is a covenant metric.	Pre IFRS 16 leverage (£m)	FY26	FY25	Note	
		Adjusted (debt)/net cash (above)	(19.4)	6.2		
		Statutory operating profit	102.9	136.4	CIS	
		Underlying depreciation of property, plant and equipment	31.8	28.5	3	
		Depreciation of right-of-use assets	63.3	62.2	3	
		Amortisation of intangible assets	7.6	8.1	3	
		Non-underlying depreciation of right-of-use assets	-	3.4	3	
		Other non-underlying items in EBITDA	6.3	9.0	3	
		Underlying EBITDA	211.9	247.6		
		Less:				
		Proforma rental charges pre IFRS 16	(76.0)	(78.1)		
		Underlying EBITDA (pre IFRS 16)	135.9	169.5		
		Pre IFRS 16 leverage	0.1x	(0.0)x		

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