Registration number: 15765035

Relay Super Topco Limited

Consolidated Financial Statements

for the Period from 6 June 2024 to 31 December 2024

Relay Super Topco Limited

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Relay Super Topco Limited

Company Information

Directors	P Werhahn G Kataky S Underwood
Registered office	One, Fleet Place London EC4M 7WS
Auditors	BDO LLP 55 Baker Street London W1U 7EU

Relay Super Topco Limited

Strategic Report for the period from 6 June 2024 to 31 December 2024

Introduction
The Directors present their strategic report for the period ended 31 December 2024. Relay Super Topco Limited ("the Company") is part of the Village Group, defined as Relay Super Topco Limited and its subsidiaries ("the Group" or "Village Hotel Club" or "Village Hotels" or "Village").

Business overview
Village Hotel Club owns and operates 33 hotels and leisure clubs across the UK. The Group has a unique and highly differentiated customer proposition that is defined as bringing 'everything under one roof'. Each property offers stylish bedrooms alongside extensive leisure and business facilities, including Village Health & Wellness Club, Pub & Grill, VWorks co-working spaces, extensive meetings and event facilities, and on-site Starbucks in 32 locations.

Village Hotel's diverse customer base and revenue opportunities, with Hotel Accommodation, Food & Beverage and Health & Wellness Members Clubs each contribute to a three-pronged business model. Village is able to maximise revenue by cross-selling products and services while offering significant customer experience and great value.

Strategic objectives
The Group is executing an ambitious strategy to grow its estate and brand in the UK through the acquisition of existing hotel properties and the development of new build hotels. The group is also significantly investing across its existing portfolio to further enhance its quality offering and experience for all guests and members.

Strategic milestones
In June 2024, Village was acquired by funds managed by Blackstone, one of the world's largest alternative asset management firms with existing assets in the UK hospitality sector. Blackstone is a long-term believer in the UK leisure sector, driven by consumers' focus on high-quality experiences and services.

Following the acquisition by Blackstone, Village announced an investment plan that will see more than 50% of its portfolio upgraded, this includes bedroom upgrades and bedroom extensions, refurbishments, and upgraded leisure facilities. At Village Hotel Club London Watford, the Group acquired the land adjacent to the hotel for an undisclosed amount to support its planned addition of 48 bedrooms whilst extending its Health & Wellness facilities. A number of exciting plans to extend further hotels across the Group are currently ongoing.

On 31 October 2024, Village obtained a new senior credit facility and mezzanine credit facility, which replaced and extended its existing facility, which was due to expire in March 2025. The new facilities have a two-year term, with the option of three additional one-year extensions available at the Group's request. The facilities further support the Group's liquidity and cash flow and will be used, in part, to fund capital expenditure across the Group.

Market analysis

Consumer customer trends
The Company has considered market conditions including the impact of cost-of-living pressures that could reduce consumer discretionary spending. While this could impact the Group's service offerings, Village's diverse customer profile, comprising both leisure and corporate travel guests, and their usage of a range of hotel facilities, along with high numbers of local gym members it will look to minimize its exposure to changing market conditions.

The results Village achieved during the year, whilst facing market pressures, reflect the relevance of its differentiated and value-driven customer proposition across multiple customer bases as well as the strength of its brand.

Corporate customer trends

The Group enjoys a strong base of corporate customers whose workers are required to travel and complete their duties at various locations. Revenue from corporate customers is relatively steady and shielded from economic fluctuations, although the business keeps this under review. The corporate customers also have a positive impact on food and beverage revenue.

Principal risks and uncertainties

Geopolitical instability and the wider macro-economic uncertainty

The Group is principally concerned with risks associated with the current pressures on the UK economy such as high inflation, leading to cost-of-living pressures. Like many other hospitality and leisure businesses, the Group faced rising costs. Where possible, the Group takes proactive steps to minimise exposure to the risk of rising costs. For instance, in 2024, the Group benefited from its advanced contracting of utilities which mitigated much of its exposure to high utility costs. In addition, regular monitoring of the menu and specific food costs helps to control food inflation costs.

Following the Autumn 2024 Budget, the Group has factored in the rising cost of wages and salaries into its forecast, including the increase in the National Minimum Wage, the abolishment of age-related wage bands and an increase to Employers National Insurance (“Er’s NIC”). Whilst this represents a significant cost increase, it will be partially offset by the Group’s manning and productivity platform which allows for efficient planning and budgeting of staff time and resources. These processes and forecasts are reviewed on a regular basis.

Financial risks

With a large number of geographically disbursed business units, Village is less exposed to the risk of financial loss from a single event given its spread of properties . Directors seek to mitigate any risks by providing clear guidelines and operating control standards.

There is no material currency exposure as all material transactions are in GBP Sterling.

The Group’s internal audit function visits every location unannounced at least annually along with a focus on centralised processes and reports to both management at the hotel level and the Group’s General Counsel. Village has also formalised its risk management processes with a detailed risk control framework.

Interest rate risk

Village borrows at an interest rate of SONIA plus a margin. Under the 2024 facility agreement Village requires financial instruments to cover the risk posed by a significant increase in interest rates, thereby minimising the risk. There are interest rate caps in place until the end of November 2026.

Liquidity and cash flow risk

Village maintains a detailed cash flow forecast and regularly reviews cash generation from its operations. In October 2024, the Group undertook a refinancing which further supports the liquidity and cash flow.

Credit risk

The Group’s objective is to reduce the risk of financial loss due to a counterparty’s failure to honour its obligations, standard payment terms are quoted to approved customers for credit contracts.

Credit management procedures are performed in line with the Group’s guidelines and debtor ageing is regularly reviewed to ensure exposure to bad debt is managed.

IT risk and cyber security

Village recognises the potential threat of unauthorised access to personal and financial information held within its many interlinking and stand-alone systems. The Group actively conducts frequent penetration testing of its infrastructure and updates its hardware to ensure that its security remains as robust as possible against potential attacks. Recognising that people are often the weakest point from a security perspective, it conducts regular training and random testing on all staff to ensure they remain educated and vigilant about cyber security.

Health and safety
Thousands of people stay at Village Hotel Clubs, visit Village Health & Wellness and use the Group's Food & Beverage facilities on a daily basis. The Group employs a dedicated Health and Safety team to ensure that robust health and safety processes and practices are in place at all times to protect customers and employees, whose wellbeing is its paramount objective.

Environmental, Social and Governance (ESG)
Through its ESG & Sustainability strategy, "Village Green", the Group is on a mission to create a positive impact on the communities it operates in, both environmentally and socially.

It does this by focusing on three key areas that matter most to its stakeholders:

a. Stay Green - Limiting Village's environmental impact. Through its 'Stay Green' programme, Village has undertaken an extensive environmental programme that runs through all areas of the business, whilst educating and encouraging guests and team members to make more sustainable choices.
b. People - People are Village's priority: guests, members, teams. With a focus on health & wellbeing, Village works hard to create an inclusive culture where everyone has the opportunity to thrive.
c. Community - A vibrant hub supporting the community. Village supports the things that matter to its people through charity partnerships and regular community activities.

The Group's 'Streamlined Energy and Carbon Report' can be found within the Directors' report.

Statement by the Directors in performance of their statutory duties in accordance with s172 (1) Companies Act 2006
Section 172(1) of the Companies Act 2006 requires a director of a company to act in a way he or she considers, in good faith, that would most likely promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1) (a-f) of the Act).

Continuous and secure development and growth is a priority for the Company, underpinned by a vision to ensure the Company is developed in a way to operate as efficiently as possible and with an expectation of the highest standards. This ensures a secure business model with a focus on guest satisfaction, people, and quality that places Village at the heart of its community.

Future outlook
In 2024, Village saw EBITDA (pre-exceptionals) growth compared to 2023, the Group is in a strong position and expects EBITDA to increase further in 2025.

Policies and practices
The Directors' objectives continue to be to maximise the long-term value and revenue streams for the Group's shareholders, to provide high-quality facilities and services to guests and members of the hotels, and to have employees that enjoy working for Village. The Group aims to grow its business through organic growth, including extensions to popular properties, and acquisitions.

Corporate Governance
The Directors are responsible for maintaining appropriate standards of corporate governance to run its business in a successful and organised manner, including managing risk via regular risk committees to maintain a risk register and a detailed internal audit programme to ensure the systems of internal controls are functioning as expected.

Team matters
Village wants to be the home of individuals' careers and is committed to creating opportunities for employees to gain skills and experience and promoting from within. The Group has numerous examples of internal moves and operates a ``'Rising Star Programme", focused on the promotion of talent within the Company into leadership and General Management roles.

Training is provided to all employees on how to deliver excellent service to all its customers and uses an annual appraisal system to identify further training needs around its core values. In addition to this, Village also runs an engagement survey twice a year for all employees to provide feedback.

Village has a consistent approach to remuneration aimed at ensuring all employees are fairly paid based on hotel performance and market conditions. They commit to reviewing all promotions and salary increases monthly for fairness and consistency via a senior HR and management check.

Finally, Village has an industry-recognised benefits and rewards programme, “My Village”, this consists of discounted hotel stays, gym memberships, discounts from high street brands, as well as additional mental health and financial support.

Social, community and human rights matters
Reflecting the location of its hotels, which are typically outside of city centres, Village is committed to playing a proactive role in the communities that it services. Through “Village Green”, Village has implemented several initiatives to engage with both local and national communities, positioning each local Village Hotel Club as a central hub.

Village recognises that although slavery, servitude, forced labour and human trafficking (‘modern slavery’) is illegal, it remains a growing issue in the UK. All businesses have a responsibility to understand whether modern slavery is taking place within their business and supply chains, and this is a responsibility that Village takes seriously. The Group’s modern slavery statement can be found at: www.village-hotels.co.uk/modern-slavery.

Environmental issues
Part of being a responsible business is caring for the environment. Village recognises this and uses its ESG Steering Committee to drive change across the business that intends to minimise its environmental impact and enhance its social impact.

Business relationships
Village operates an Ethical Code of Conduct and undertakes regular audits of all material suppliers to ensure good practice and accountability. The procurement team undertakes visits to key suppliers on their premises and meets with their senior teams. Financial and ethical controls are put in place including ensuring that Directors have visibility over the key contractual relationships that exist.

Regular engagement is encouraged by the Directors with both local and national regulators to ensure compliance is dealt with in an open and transparent manner. The Directors recognise that compliance and transparency are key to the growth of the Group.

Decision making
The Senior Executive Team have weekly meetings but will also meet formally with its owners along with ad-hoc basis to aid effective decision making which promotes the success of the Group and its stakeholders. Any significant projects or potential acquisitions would be discussed in detail, approved and documented by the Directors and approved by the Board.

12 June 2025

Approved and authorised by the Board on .... and signed on its behalf by:

Signed by:
Steven Underwood
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S Underwood
Director

Relay Super Topco Limited

Directors' Report for the Period from 6 June 2024 to 31 December 2024

The directors present their report and the financial statements and consolidated financial statements for the period from 6 June 2024 to 31 December 2024.

Principal activity
The principal activity of the Group is the operation of hotels and their associated dining and leisure facilities.

Ownership
The immediate controlling party is BREP Investment 14 Hospitality, a company owned by the Blackstone Group, one of the world's largest private equity groups with existing assets in the UK hospitality sector.

Directors of the group
The directors who held office during the period were as follows:

P Werhahn (appointed 6 June 2024)

J Lambkin (appointed 6 June 2024 and resigned 1 January 2025)

G Kataky (appointed 6 June 2024)

The following director was appointed after the period end:

S Underwood (appointed 1 January 2025)

Results and dividends
The loss for the period, after taxation, amounted to £36,492,000 Dividends of £Nil were paid during the period.

Going concern

The Group’s business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and its exposure to interest rate, credit, liquidity and cash flow risk are set out in the Strategic Report above.

The Group has considerable financial resources from its established operations. The Group also has substantial long-term committed financing arrangements that it entered into during the year. Taking this and all other factors into account, the Directors believe that the Group is well placed to manage its business risks successfully.

A severe but plausible downside scenario has modelled a profit (EBITDA) decline of 24% vs. the year ended 31 December 2024 across the assessment period. This aims to capture the potential slowdown in consumer spending influenced by the current cost-of-living crisis as well as the potential further increase in employment costs. Throughout this scenario we have assumed maintenance capital expenditure will continue at historical levels, no operating cost mitigation actions or structural changes will be made and there will be no government support. In this scenario, the Group would not require any additional sources of finance.

The financial statements have been prepared under the going concern basis. The Directors believe this is appropriate as the Group is expected to deliver increased profitability and cash generation in 2025 whilst also being able to meet its debts as they fall due for the period to 30 June 2026, being the going concern assessment period.

The Group has a senior facilities agreement of £609.8m which is not fully repayable until October 2026 with options to extend this and a £110.9m mezzanine facility (repayable in line with the senior facility) to fund the activities of the Group. Taking this and all other factors into account, the Directors believe that the Group is able to manage its business risks successfully. At year end the Group had drawn down £522,000,000 and at the time of signing the accounts £565,775,000.

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operation existence for the period to 30 June 2026, being the going concern assessment period. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Streamlined Energy and Carbon Reporting Framework Regulations (SECR)
Environmental performance and strategy
Village Hotels is a leading hospitality and leisure provider, operating 33 hotels across the UK. Each location offers an integrated experience, including hotels, gyms, swimming pools, coffee shops, meeting rooms, and restaurants. This all-in-one approach caters to both families and business travellers.

In recent years, Village Hotels has strengthened its commitment to Environmental, Social, and Governance (ESG) initiatives. The company has progressed beyond regulatory compliance to establish a structured ESG strategy with carbon reduction targets. Despite challenges such as the COVID-19 pandemic, Village Hotels has remained dedicated to sustainability.

In 2024, Blackstone Real Estate acquired Village Hotels from an affiliate of KSL Capital Partners. Under new ownership, the company continues to pursue energy efficiency and sustainability goals, while ensuring strong market growth.

As part of our commitment to transparency, we have expanded its carbon reporting to provide greater detail on emissions. This year, the company has enhanced its disclosures to include indirect (Scope 3) emissions, covering:

• Fuel consumption - Natural Gas and Diesel (Scope 1)

• Fugitive Emissions - Refrigerant leakages (Scope 1)

• Electricity usage (Scope 2)

• Well-to-Tank/Indirect emissions for Fuels (Scope 3)

• Electricity Transmission and Distribution Losses (Scope 3)

• Business mileage & Flight travel (Scope 3)

• Waste disposal & Water treatment (Scope 3)

These efforts align with Village Hotels' broader decarbonisation strategy, aimed at improving energy efficiency, reducing waste, and minimising environmental impact across its portfolio.

Greenhouse Gas Emissions
This statement has been prepared in accordance with our regulatory obligation to report greenhouse gas (GHG) emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 which implement the government's policy on Streamlined Energy and Carbon Reporting.

Facilities under management in 2024
33 Hotels with active gross internal floor area of 308,694 m2.

Methodology
We measure and report our organisational GHG emissions based on the Greenhouse Gas Protocol, using the operational control approach. Our sustainability consultant has collected consumption data, which has been converted into carbon dioxide equivalent (CO2e) using the UK Government 2024 Conversion Factors for Company Reporting to calculate emissions from corresponding activity data.

The GHG sources that constituted our operational boundary for the year are:

Scope 1: Natural gas, Diesel, Fugitive
Scope 2: Electricity
Scope 3: Expensed mileage, Waste Diversion and Water

In some cases, where data is missing, values have been estimated using either extrapolation of available data or data from previous years as a proxy.

The Scope 2 Guidance requires that we quantify and report Scope 2 emissions according to two different methodologies ("dual reporting"): (i) the location-based method, using average emissions factors for the country in which the reported operations take place; and (ii) the market-based method, which uses the actual emissions factors of the energy procured.

At the Village Whiston site in Liverpool and Bracknell, electricity and heat are generated by a CHP system that Village Hotels does not own. The operator charges Village Hotels a maintenance fee for upkeep and cost recovery. However, the associated emissions are accounted for based on the natural gas consumption on-site.

Performance and Initiatives:
Village Hotels have rolled out a series of initiatives to reduce its carbon footprint. The Village Green ESG strategy has been reinvigorated and work on deploying targets across the portfolio. Over the year there has been the delivery of a core program of ESG works, sponsored at board level, and managed on a quarterly basis by the senior steering group. This program of works has included:

An incentive scheme has been developed for hotel management teams on a quarterly basis, rewarding them based on asset performance against established baselines to drive energy efficiency through adjustments to set points, run times, and other controllable variables.

Renewable Energy Procurement: All 33 Village Hotels are powered by 100% renewable energy October 2023 onwards.

Training: All general managers and maintenance managers have been upskilled in the Village ESG strategy.

Net Zero Audits: Over a third of the portfolio has been physically audited, and net zero pathways have been developed to align with future capital spending plans in 2023-24.

Data Capture & Reporting: Performance data, including common lessons across hotels, savings reports, and baseline comparisons, is systematically collected and reported.

In 2024, Village Hotels announced plans to install 380 ultra-rapid charging points across their 33 hotels as a part of its partnership with IONITY.

Energy and carbon emissions
In 2024, total electricity consumption across 33 hotels was 49.68M kWh, while gas consumption was approximately 76.44M kWh, accounting for 95% of total on-site emissions. This high proportion is primarily driven by heating demands from leisure and accommodation facilities, including swimming pools, spas, kitchen loads and luxury rooms.

Village Hotels procured electricity generated from 100% renewable sources, reducing its market-based Scope 2 emissions to zero. Additionally, the company has reported fugitive emissions from refrigerant top-ups, waste diversion, and water treatment to enhance transparency in reporting this year. A detailed breakdown of emissions by category is provided in the tables below.

Scope /Category	Location /Metric	Reporting year Emissions (tCO2e)	Previous year Emissions (tCO2e)	% Change
1 - Direct Emissions	**Natural Gas, Fugitive and Diesel**	**14,752**	12,787	**15%**
2 - Indirect Emissions (Market-Based)	**Electricity**	**-**	9,489	**-100%**
2 - Indirect Emissions (Location-Based)		**10,287**	10,404	**-1%**
1 & 2 – Location based	**Operations**	**25,039**	23,191	**8%**
1 & 2 – Market based	**Operations**	**14,752**	22,275	**-34%**
3 - Other Indirect Emissions	**Business Mileage, Flight travel, FERA, Waste and Water treatment**	**4,125**	270*	**1428%***
1 & 2 (Location-Based) & 3	**All Mandatory***	**29,164**	23,461	**24%**
1 & 2 (Market-Based) & 3	**All Mandatory***	**18,877**	22,545	**-16%**

*Note: Scope-3 in 2024 includes waste diversion, FERA (fuels) and Water recycling which weren't accounted for last year, therefore the increase is primarily due to the increased reporting coverage.

Commentary
Electricity consumption across the portfolio has decreased compared to 2023. With 100% renewable energy procurement in 2024, overall scope 1 and 2 emissions remain 34% lower and overall scope 1, 2 and 3 emissions are 16% lower overall than in 2023, despite an expanded reporting scope that now includes fugitive emissions and additional Scope 3 categories, such as upstream fuel- and energy-related activities linked to natural gas, diesel, and electricity, flight travel as well as waste diversion and water treatment.

Reporting boundaries and limitations
The GHG sources that constitute our operational boundary for the reporting period are:

•Scope 1: Natural gas combustion within boilers, Fuel combustion within leased vehicles, and fugitive emissions from refrigerants in air-conditioning equipment.

•Scope 2: Purchased electricity consumption for our own use.

•Scope 3: Fuel and Energy Related Activities, Water, Waste and wastewater treatment, Employee Commuting and Business Travel - Road Mileage & Flight data.

We are reporting relevant and material scope 3 data for the first time in 2024. As our scope 3 data programme continues to develop, we anticipate expanding this disclosure in future reporting years.

Energy Consumption – Electricity & Natural Gas
During the year, our natural gas and electricity consumption in 2024 totaled 126, 125 MWh, of which 100% was consumed in the UK. The consumption split between primary heating fuel & electricity is displayed below.

Energy consumption (MWh)	01/01/2024 - 31/12/2024	01/01/2023 - 31/12/2023
	Total	Total
Electricity	49,684	50,244
Natural Gas	76,441	69,855

Our emissions have been prepared by an external third party GHG specialist.

Corporate Governance

The corporate governance statement, as required by the Companies (Miscellaneous Reporting Regulations) 2018 ('The Regulations'), is included in the Directors' Report by cross reference and can be found on page 11.

Directors' liabilities

Directors' and officers' insurance cover has been established for all Directors to provide appropriate cover for their reasonable actions on behalf of the Group. The indemnities constitute a qualifying third-party indemnity provision as defined by section 234 of the Companies Act 2006, were in force during the 2024 financial year and remain in force for the Directors of the Company.

Post balance sheet events

After the balance sheet date the Group acquired a freehold at an existing trading asset and acquired a new hotel from existing facilities.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditors

BDO LLP have expressed their willingness to continue as auditors in accordance with section 487(2) of the Companies Act 2006.

12 June 2025

Approved and authorised by the Board on .... and signed on its behalf by:

Signed by:

Steven Underwood

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S Underwood
Director

Statement of Corporate Governance for the period from 6 June 2024 to 31 December 2024

For the year ended 31 December 2024, under The Companies (Miscellaneous Reporting) Regulations 2018, the Company has applied the Wates Corporate Governance Principles for Large Private Companies. The Directors have set out below an explanation of how the Wates Principles have been applied during the year.

Principle 1 – Purpose and Leadership

The Directors of the Company are considered the Main Board. The Main Board engages with the wider executive team, that is made up of key leaders in the Company who have accountability and responsibility of a defined operational or compliance role. The Main Board actively engages with the Executive Team in setting the intentions and purpose of the Group.

The Village Group is a unique hotel owner operator. It owns hotels in the UK and is able to assess full control over its operations. Village's strategy is to provide customers with a unique and differentiated experience with 'everything under one roof'. This includes hotel rooms, a food and beverage offering of a Pub & Grill and a coffee shop, and a full leisure facility and gym complete with swimming pool. It also offers a co-working space in several of its hotels.

Principle 2 – Leadership composition

The Board includes the Chief Executive Officer and the Chief Financial Officer who are supported by two other Directors nominated by Blackstone Group. The size and composition of the Board is considered to be appropriate for the nature and scale of the business.

The Senior Executive Team consists of the Chief Executive Officer, the Chief Financial Officer, the Director of People & Operations, the Revenue and Commercial Director, the Leisure Director and the General Counsel. The Senior Executive Team attends Main Board meetings quarterly.

Principle 3 – Leadership Responsibilities

Each member of the Executive Team understands what they are accountable and responsible for, and they provide a regular report at the Executive Team meeting. To ensure full transparency a monthly report is also sent to the Main Board. The Main Board ultimately retains responsibility for all decision making in business operations and ensures delegated decision makers are individuals with the most experience and relevant knowledge.

All members of the Executive Team are required to consider any conflicts or potential conflicts and declare them at least annually to the General Counsel. The Group has a strong ethical code and actively manages anti-bribery and corruption. It also operated a framework of disclosure for whistleblowing and in particular modern slavery.

Principle 4 – Opportunity and Risk

The Group pursues a combined organic and development-led growth strategy.

By investing in the current portfolio, the Group seeks to improve the revenue and profitability of its existing hotels. In addition, its development team works closely with the Executive Team to identify opportunities to expand the Group's footprint via acquisition. Comprehensive commercial, financial, property and legal due diligence is undertaken on any potential new acquisition.

The Group is committed to transparency in managing risk. A core Risk Team (comprising of the General Counsel, the Head of Risk and Safety, the Head of Internal Audit and Compliance) meets every quarter to review all risks within the business. A Senior Risk Committee (comprising of the Chief Executive Officer, the Chief Financial Officer, the General Counsel and the Director of People and Operations meets twice a year. Risk is discussed at Board Meetings with the Main Board and there is an additional risk update provided to the Main Board twice a year outside of the Main Board meeting.

Every risk in the business has a mitigation plan/strategy that is reviewed not less than once every six months and identifies risk owners and implementation plans necessary to address each risk.

Principle 5 – Remuneration

The Main Board oversees the remuneration of the Executive Team, with market rate salaries to ensure retention. The Group's employees are paid in line with industry standards, with all remuneration being set at a level that will strengthen the Group by securing and retaining quality employees.

Principle 6 – Stakeholder Relationships and Engagement

The Group drives good governance and maintains effective communication on a day-to-day basis to deliver our purpose and protect the Village brand, as well as its reputation and relationships with all stakeholders. The Directors have assessed the main stakeholders to include guests, leisure members, users of the hotels, employees, suppliers and the local communities in which the hotels are located.

Regular staff engagement surveys are performed to enable the Executive Team to review the performance of all departments and implement both local and brand plans to drive higher engagement and retention of its employees.

The Group is committed to its Environmental, Social and Governance (ESG) policy and principles in order to operate as a responsible business. Linked to its environmental principles, the Village Group considers the wider community that each hotel operates in, and the Village Green initiative encompasses this approach.

Relay Super Topco Limited

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 Company and of the profit or loss of the Group and Company for that period.

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

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

Independent Auditor's Report to the Members of Relay Super Topco Limited for the Period from 6 June 2024 to 31 December 2024

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Parent Company's affairs as at 31 December 2024 and of the Group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Relay Super Topco Limited ("the Parent Company") and its subsidiaries ("the Group") for the period ended 31 December 2024 which comprise the Consolidated Profit and Loss Account and Statement of Comprehensive Income, the Consolidated Balance Sheet, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Balance Sheet, the Company Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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

Independence

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 FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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.

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 or 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.

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Strategic Report, Statement of Corporate Governance, Directors' Report, other than the financial statements and our auditor's report thereon. 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.

Other Companies Act 2006 reporting

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 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 the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of 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.

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.

Extent to which the audit was 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:

Non-compliance with laws and regulations

Based on:
• Our understanding of the Group and the Parent Company and the industry in which it operates;

• Discussion with management and those charged with governance; and

• Obtaining an understanding of the Group's and the Parent Company's policies and procedures regarding compliance with laws and regulations,
we considered the significant laws and regulations to be the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and UK tax legislation. We considered the risks and potential non-compliance with these laws and regulations in our initial planning and risk assessment work and communicated these risks to the engagement team to consider in planning and executing their work.

The Group and the Parent Company are also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be fire safety regulation, health and safety legislation, GDPR and employment laws.

Our procedures in respect of the above included:

• Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;

• Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;

• Review of financial statement disclosures and agreeing to supporting documentation;

• Involvement of tax specialists in the audit;

• Review of legal expenditure accounts to understand the nature of expenditure incurred; and

• Review of legal confirmation from legal counsel.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

• Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;

• Obtaining an understanding of the Groups and the Parent Company's policies and procedures relating to:
o Detecting and responding to the risks of fraud; and
o Internal controls established to mitigate risks related to fraud.

• Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;

• Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;

• Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and

• Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and revenue recognition.

Our procedures in respect of the above included:

• Testing journal entries throughout the period, which met a defined risk criteria, by agreeing to supporting documentation;

• Reviewing journal entries posted to revenue, in particular those with unusual account combinations; and

• Assessing significant estimates made by management for bias, in particular in relation to property valuation, purchase price allocation valuation and provision for taxation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Mark RA Edwards
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Mark RA Edwards (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

Date: 16 June 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Relay Super Topco Limited

Consolidated Profit and Loss Account and Statement of Comprehensive Income for the Period from 6 June 2024 to 31 December 2024

	Note	6 June 2024 to 31 December 2024 £ 000
Turnover	3	149,568
Cost of sales		(64,466)
Gross profit		85,102
Underlying administrative expenses	5	(65,374)
Exceptional administrative expenses	7	(20,409)
Other operating income	4	103
Operating loss		(578)
Other interest receivable and similar income	8	624
Interest payable and similar expenses	9	(38,384)
Loss before tax		(38,338)
Tax on loss	10	1,846
Loss for the period		(36,492)
Profit/(loss) attributable to:		
Owners of the company		(36,492)
Loss for the period		(36,492)
Unrealised surplus on revaluation of tangible fixed assets		7,382
Total comprehensive expense for the period		(29,110)

Relay Super Topco Limited

(Registration number: 15765035)
Consolidated Balance Sheet as at 31 December 2024

	Note	2024 £ 000
Fixed assets		
Intangible assets	11	121,143
Tangible assets	12	744,277
		865,420
Current assets		
Stocks	15	949
Debtors	16	62,495
Cash at bank and in hand	17	33,540
		96,984
Creditors: Amounts falling due within one year	18	(42,373)
Net current assets		54,611
Total assets less current liabilities		920,031
Creditors: Amounts falling due after more than one year	18	(512,200)
Provisions for liabilities	20	(75,825)
Net assets		332,006
Capital and reserves		
Called up share capital	21	-
Share premium reserve	22	25,517
Revaluation reserve	22	7,382
Retained earnings		299,107
Equity attributable to owners of the company		332,006
Shareholders' funds		332,006

12 June 2025

Approved and authorised by the Board on .... and signed on its behalf by:

Signed by:
Steven Underwood
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Steven Underwood

Director

Relay Super Topco Limited

(Registration number: 15765035)
Company Balance Sheet as at 31 December 2024

	Note	2024 £ 000
Fixed assets		
Investments	13	361,116
Current assets		
Debtors	16	40,000
Cash at bank and in hand	17	50
		40,050
Creditors: Amounts falling due within one year	18	(40,052)
Net current liabilities		(2)
Net assets		361,114
Capital and reserves		
Called up share capital	21	-
Share premium reserve	22	25,517
Retained earnings		335,597
Shareholders' funds		361,114

The Company made a loss after tax for the financial period of £2,000.

12 June 2025

Approved and authorised by the Board on .... and signed on its behalf by:

Signed by:

Steven Underwood

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Steven Underwood

Director

Relay Super Topco Limited

Consolidated Statement of Changes in Equity for the Period from 6 June 2024 to 31 December 2024

Equity attributable to the parent company

	Share capital £ 000	Share premium £ 000	Revaluation reserve £ 000	Retained earnings £ 000	Total £ 000
Loss for the period	-	-	-	(36,492)	(36,492)
Other comprehensive income	-	-	7,382	-	7,382
New share capital subscribed	-	361,116	-	-	361,116
Share premium reduction	-	(335,599)	-	335,599	-
At 31 December 2024	-	25,517	7,382	299,107	332,006

Relay Super Topco Limited

Company Statement of Changes in Equity for the Period from 6 June 2024 to 31 December 2024

	Share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total £ 000
Loss for the period	-	-	(2)	(2)
New share capital subscribed	-	361,116	-	361,116
Share premium reduction	-	(335,599)	335,599	-
At 31 December 2024	-	25,517	335,597	361,114

Relay Super Topco Limited

Consolidated Statement of Cash Flows for the Period from 6 June 2024 to 31 December 2024

	Note	31 December 2024 £ 000
Cash flows from operating activities		
Loss for the period		(36,492)
Adjustments to cash flows from non-cash items		
Depreciation and amortisation		11,692
Impairment loss on fixed assets		3,595
Profit on disposal of tangible assets		(21)
Interest received		(624)
Finance costs		38,207
Tax charge		(1,846)
Fair value movement on hedge		177
		14,688
Working capital adjustments		
Increase in stocks		(77)
Increase in trade debtors		(5,298)
Increase in trade creditors		4,172
Cash generated from operations		13,485
Corporation tax paid		(2)
Net cash flow from operating activities		13,483
Cash flows from investing activities		
Acquisitions of tangible assets		(19,859)
Proceeds from sale of tangible assets		21
Cash acquired from acquisition of subsidiary		51,115
Interest received		624
Net cash flows from investing activities		31,901
Cash flows from financing activities		
Capital injection		3,839
Interest paid		(5,444)
Purchase of interest rate hedges		(239)
Dividend paid		(10,000)
Loans repaid		(514,946)
New bank loans received		514,946
Net cash flows from financing activities		(11,844)
Net increase in cash and cash equivalents		33,540
Cash and cash equivalents at 6 June		-
Cash and cash equivalents at 31 December		33,540

Relay Super Topco Limited

Notes to the Financial Statements for the Period from 6 June 2024 to 31 December 2024

1 General information

The Company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
One, Fleet Place
London
EC4M 7WS

These financial statements were authorised for issue by the Board on 12 June 2025 .

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

Basis of preparation
These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

All amounts in these financial statements are stated in GBP and rounded to the nearest £1,000.

Basis of consolidation
The consolidated financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 December 2024. Inter-company transactions, balances and unrealised gains on transactions between the Company and its subsidiaries, which are related parties, are eliminated in full.

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

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Judgements and key sources of estimation and uncertainty
The preparation of financial statements in compliance with FRS 102 requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Management do not consider there to have been any judgements having a significant effect on the financial statements. The following are the Group's key sources of estimation uncertainty:

2 Accounting policies (continued)

Revaluation of tangible fixed assets
The Group carries its trading hotels at fair value, with changes in fair value being recognised in profit or loss or revaluation reserve as applicable. The Directors estimated the fair value of the Group's tangible fixed assets based on a valuation performed in October 2024 by Savills Chartered Surveyors. The valuation used an Income Approach using the Discounted Cash Flow Method and assumed that the highest and best use of the assets is as trading hotels.

Impairment of non-financial assets
Investments are accounted for at cost less impairment. The Group performs its impairment review annually at the balance sheet date and whenever events occur that may be an indication of impairment.

Fair value allocation
In the current financial year, the Group completed the acquisition of VUR Mezzanine I (UK) Limited, which was accounted for as a business combination. As part of the acquisition, a purchase price allocation exercise was performed to determine the fair value of identifiable assets acquired and liabilities assumed as at the acquisition date. This process involved significant management judgement and estimation. The fair values were determined using appropriate valuation techniques including income-based approaches and market-based approaches. Where reliable measurement of the fair value was not possible for certain intangible assets, these were not submitted separately and were instead subsumed within goodwill. The resulting goodwill represents the excess of the total consideration of the net identifiable assets acquired and reflects future synergies and growth opportunities.

Deferred tax asset
Unrelieved tax losses and other deferred tax assets are recognised only to the extent that the Directors consider that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. In calculating this, the Group assesses the expected use of those assets against its five year forecast taxable profits.

The following principal accounting policies have been applied:

Going concern

The Group’s business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and its exposure to interest rate, credit, liquidity and cash flow risk are set out in the Strategic Report above.

The Group has considerable financial resources from its established operations. The Group also has substantial long-term committed financing arrangements that it entered into during the year. Taking this and all other factors into account, the Directors believe that the Group is well placed to manage its business risks successfully.

A severe but plausible downside scenario has modelled a profit (EBITDA) decline of 24% vs. the year ended 31 December 2024 across the assessment period. This aims to capture the potential slowdown in consumer spending influenced by the current cost-of-living crisis as well as the potential further increase in employment costs. Throughout this scenario we have assumed maintenance capital expenditure will continue at historical levels, no operating cost mitigation actions or structural changes will be made and there will be no government support. In this scenario, the Group would not require any additional sources of finance.

2 Accounting policies (continued)

The financial statements have been prepared under the going concern basis. The Directors believe this is appropriate as the Group is expected to deliver increased profitability and cash generation in 2025 whilst also being able to meet its debts as they fall due for the period to 30 June 2026, being the going concern assessment period.

The Group has a senior facilities agreement of £609.8m which is not fully repayable until October 2026 with options to extend this and a £110.9m mezzanine facility (repayable in line with the senior facility) to fund the activities of the Group. Taking this and all other factors into account, the Directors believe that the Group is able to manage its business risks successfully. At year end the Group had drawn down £522,000,000 and at the time of signing the accounts £565,775,000.

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operation existence for the period to 30 June 2026, being the going concern assessment period. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods
The Company operates Pub & Grill restaurants at all its hotels. Sales of goods are recognised when a hotel restaurant or bar sells a product to a customer at a fair value after deducting discounts and sales based taxes.

Rendering of services
The Village Group supplies conference and event facilities as well as hotel rooms to business and private customers. Sales of rooms and conference and event facilities are recognised on the dates those facilities are used. Deposits received in advance are not recognised as revenue until the day of the stay or event.

Revenue from hotel management services is recognised as other operating income when the group obtains the right to consideration in exchange for its performance.

Memberships
Membership income is recognised over the period to which the membership relates. Where memberships provide members with access to benefits, services or entitlements over a specific term, income is deferred and released to revenue on a straight-line basis over that period. Amounts received in advance of the applicable membership period are recorded as deferred income within creditors.

Summary of disclosure exemptions
the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);

the requirements of Section 33 Related Party Disclosures paragraph 33.7;

the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a) (iv), 11.48(b) and 11.48(c);

the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements.

2 Accounting policies (continued)

Intangible assets

a) Goodwill

Goodwill represents the excess cost of a business combination over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'.

Goodwill is carried at cost less accumulated amortisation and accumulated impairment losses. Goodwill amortisation is calculated by applying the straight-line method to its estimated useful life. Goodwill is being amortised to 'administrative expenses' over 20 years.

Estimates of the useful economic life of goodwill are based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed.

b) Brand Name

Acquired brand names are recognised as intangible assets when it is probably that the expected future economic benefits attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

After initial recognition, brand names are measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is provided on a straight-line basis over the estimated useful life of 20 years.

Brand names are tested forimpairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Tangible assets

Tangible fixed assets are carried at valuation. The basis of valuation is an annual valuation on a fair value basis carried out by the Directors. The valuation assumes that the assets continue in their current use as hotels and does not consider how a third party may choose to operate such assets.

Plant and equipment contains items of plant, machinery, fixtures and fittings and equipment.

Depreciation

Depreciation of freehold buildings is provided to write off valuation less any estimated residual values over their estimated useful lives of 50 years. Leasehold properties are depreciated over the shorter of 50 years and the remaining lease term.

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Plant and equipment	14% to 25% per annum
Small operating equipment	50% per annum

Assets under construction are not depreciated until they are ready to use. When an asset is fully depreciated and no longer in use both the gross amount and the aggregate depreciation are eliminated from the financial statements.

2 Accounting policies (continued)

Revaluation of tangible fixed assets
Individual freehold and leasehold properties are carried at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance sheet date.

Revaluation gains are recognised in other comprehensive income and accumulated in the revaluation reserve, unless they are reversing a revaluation loss on the same asset that was previously recognised in profit and loss, in which case they are recognised in profit and loss. Revaluation losses are recognised in profit and loss, except to the extent that they reverse an increase previously recorded in other comprehensive income.

Impairment of fixed assets
The carrying values of fixed assets are reviewed for impairment if events or changes in circumstances indicate that those values may not be recoverable. For the purposes of an impairment review, and in accordance with FRS102, fixed assets are first grouped into cash generating units (CGUs). Each individual hotel is considered to be a separate CGU.

The carrying value of each CGU is then compared to its recoverable value amount, which is defined as the higher of value in use or fair value less costs to sell.

Value in use is calculated for each cash generating unit by preparing discounted cash flow valuation using the projections prepared by management for business planning purposes. the discount rate used is based on advice by an independent qualified valuer based on prevailing market conditions. The valuation in use calculation assumes that the assets continue in their current use and does not consider how a third party may choose to operate such assets.

Fair value less costs to sell is based on the directors' estimates of the current market value of the income generating unit. If the carrying value of the cash generating unit exceeds the recoverable value so calculated, the excess is immediately charged to the profit and loss account.

Operating leases
Rental payments in respect of operating leases are charged to the profit and loss account on a straight line basis over the term of the lease subject to annual inflationary increases at the option of the landlord.

Rental charges in respect of operating leases with other parties are charged to the profit and loss account on a straight line basis over the term of the lease.

Investments
Investments are measured at cost less impairment. Impairment reviews of the recoverable amount of investments are carried out annually at the balance sheet date and whenever events occur that may be an indicator of impairment.

Stocks
Stock is valued at the lower of cost and net realisable value. Cost comprises expenditure directly incurred in purchasing stock.

2 Accounting policies (continued)

Intercompany
Intercompany balances arise through loans or current account balances between members of the Village Group. These loans are non-fixed in term and have no interest attached. These balance are assessed for recovery on an annual basis and it is from this assessment any write-offs of irrecoverable amounts are determined.

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

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

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

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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

Impairment
Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. At reporting date the trade debtors are assessed for objective evidence of impairment, if such evidence is identified, an impairment loss is recognised in the profit and loss account.

Foreign currency transactions and balances
Foreign currency denominated purchases or sales of goods and services are initially translated at the exchange rate ruling at the transaction date. Any exchange differences arising on subsequent settlement of those transaction or upon the retranslation of foreign currency assets and liabilities at the balance sheet date are taken immediately to the profit and loss account.

Finance costs
Finance costs are charged to the Consolidated statement of comprehensive income over the term of the loan using the effective interest method so that the amount charged is at a constant rate on the carrying amount costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2 Accounting policies (continued)

Pensions
The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

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

Taxation
The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the group operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. In calculating this, the Company assesses the expected use of those assets against its five-year forecast taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Exceptional items
The Group's profit and loss statement separately identifies exceptional items. Such items are those that, in the Directors' judgement, are one-off in nature and need to be disclosed separately by virtue of their size or incidence and may include, but are not limited to, restructuring costs, acquisition/transformation related costs, impairment/reversal of impairment of assets are considered exceptional due to size, one off projects undertaken by the Group, including work undertaken around a potential sale of the Group. In determining whether an item should be disclosed as an exceptional item, the Directors consider quantitative as well as qualitative factors such as the frequency, predictability of occurrence and significance. This is consistent with the way financial performance is measured by management. Disclosing exceptional items separately provides additional understanding of the performance of the Group.

2 Accounting policies (continued)

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Revaluation reserve
The reserve is used to record increases in the fair value of tangible fixed assets and decreases to the extent that such a decrease relates to an increase on the same asset.

Contribution and distribution of non-monetary assets
Where the Company receives a contribution or makes a distribution of non-monetary assets to other entities within the Village Group, they are recognised as equity transactions as either an in-specie capital contribution or a in-specie distribution, through the balance sheet. The transaction is recognised at fair value, regardless of the agreed consideration of zero, with the difference between the amount and fair value recognised as an equity transaction through the profit and loss account reserve.

Dividends
Dividends on equity shares are recognised as a deduction of equity when a liability to pay the dividend arises. Consequently, interim dividends are recognised when paid and final dividend when approved in general meeting.

3 Turnover

The analysis of the group's turnover for the period from continuing operations is as follows:

	31 December 2024 £ 000
Sale of goods	45,882
Rendering of services	103,686
	149,568

The Group's turnover consists of income generated solely in the United Kingdom, net of VAT.

4 Other operating income

The analysis of the group's other operating income for the period is as follows:

	31 December 2024 £ 000
Hotel management services	103

5 Operating loss

Arrived at after charging/(crediting)

	Note	31 December 2024 £ 000
Depreciation of tangible fixed assets		8,586
Impairment loss on fixed assets		3,736
Auditor's remuneration		269
Amortisation expense		3,106
Operating lease expense - plant and machinery		218
Operating lease expense - other operating leases		1,810
Profit on disposal of fixed assets		(21)

The auditors' fee of £269,000 which included £12,000 in respect of the Company, and was settled by a fellow subsidiary company VUR Village Trading No 1 Limited. This amount paid on behalf of the Company has not been recharged to it.

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	31 December 2024 £ 000
Wages and salaries	46,393
Social security costs	3,474
Pension costs, defined contribution scheme	901
	50,768

The average number of persons employed by the Group during period, all of whom were engaged in hotel operations, was as follows:

	31 December 2024 No.
Hotel based employees	4,169
Support centre employees	205
Executive team	18
	4,392

6 Staff costs (continued)

The directors emoluments were bourne by VUR Investment (UK) Limited. The remuneration of the highest paid director was £5,441,000.

The Group operates a defined contribution pension scheme for its employees. The assets of the scheme are held seperately from those of the company in independently administered funds. The unpaid contributions outstanding at year end, included in other creditors are £192,000.

7 Exceptional administrative expenses

	31 December 2024 £ 000
Impairment loss on fixed assets	3,736
Project fees	16,359
Group reorganisation costs	3
Employment costs	311
	20,409

Due to the size of the revaluation of tangible fixed assets, the Group includes profit and loss movements within exceptional costs. During the year the Group incurred costs in relation to the purchase of VUR Mezzanine I (UK) Limited.

8 Interest receivable

	31 December 2024 £ 000
Interest receivable	624

9 Interest payable and similar expenses

	31 December 2024 £ 000
Interest on bank overdrafts and borrowings	38,207
Net changes in fair value of interest rate cap	177
	38,384

Village has purchased interest rate caps to reduce its exposure to interest rate fluctuations. The fair value loss on that asset is represented above.

10 Taxation

(a) Tax on profit/(loss)

The tax (credit) is made up as follows:

	31 December 2024 £ 000
Current taxation	
UK corporation tax at 25%	-
UK corporation tax adjustment to prior periods	-
Total current taxation	-
Deferred taxation	
Origination and reversal of timing differences	(1,846)
Adjustments in respect of prior periods	-
Total deferred taxation	(1,846)
Total tax credit	(1,846)

The tax on profit before tax for the period is the same as the standard rate of corporation tax in the UK of 25% .

(b) Tax included in group statement of total other comprehensive income

The tax charge is made up as follows:

	2024 £ 000
Deferred tax charge on revaluation gain credited to the revaluation reserve	(1,846)
Total tax credit	(1,846)

10 Taxation (continued)

(c) Factors affecting the tax charges

	31 December 2024 £ 000
Loss before tax	(38,338)
Corporation tax at standard rate of 25%	(9,585)
Non-tax deductible expenses	286
Tax impact of hedging transactions	848
Restriction on financing costs deductible for tax purposes	4,023
Depreciation on non-tax qualifying land and buildings	1,245
Revaluation of land and buildings	899
Movements on tax losses and fixed asset timing differences	(4,985)
Pre-acquisition reserves movements	4,646
Amortisation	777
Total tax credit	(1,846)

(d) Deferred tax

Deferred tax liabilities

	2024 £ 000
Accelerated capital allowances	31,447
Business combination	75,976
At 31 December	107,423

Deferred tax asset

	2024 £ 000
Tax losses carried forward	31,447
Deferred tax charge in group profit and loss account	(1,846)
Amount charged to revaluation reserve	1,846
Business combination	151
At 31 December	31,598

	2024 £ 000
Net provision at 31 December	75,825

A deferred tax asset of £28,125,000 calculated at a rate of 25% has not been recognised as it relates to losses which may not be used to offset taxable profits arising in the group.

11 Intangible assets

Group

	Goodwill £ 000	Brand name £ 000	Total £ 000
Cost or valuation			
At 6 June 2024	-	-	-
On acquisition of subsidiary	97,786	26,463	124,249
At 31 December 2024	97,786	26,463	124,249
Amortisation			
At 6 June 2024	-	-	-
Amortisation charge	2,445	661	3,106
At 31 December 2024	2,445	661	3,106
Carrying amount			
At 31 December 2024	95,341	25,802	121,143

12 Tangible assets

Group

	Land and buildings £ 000	Plant and machinery £ 000	Total £ 000
Cost or valuation			
Revaluations	5,492	-	5,492
Additions	13,728	7,995	21,723
Acquired through business combinations	681,729	43,919	725,648
At 31 December 2024	700,949	51,914	752,863
Depreciation			
Charge for the period	8,586	-	8,586
At 31 December 2024	8,586	-	8,586
Carrying amount			
At 31 December 2024	692,363	51,914	744,277

The Company's tangible fixed assets were valued at 31 December 2024 on a fair value basis (as defined in accordance with FRS102) by the Directors based on a valuation performed in October 2024 by Savills Chartered Surveyors. The valuation used an Income Approach using the Discounted Cash-flow method and assumed that the highest and best use of the assets is as trading hotels.

As a result of the valuation a net revaluation has been recognised of £5,492,000 of this an impairment of £3,736,000 has been recognised during the period in the Profit and Loss Statement with a revaluation gain of £9,228,000 recognised in the revaluation reserve.

Cost or valuation at 31 December 2024 is represented by:

	Land and buildings £ 000	Plant and machinery £ 000	Total £ 000
At cost	695,457	51,914	747,371
Cumulative revaluation at 31 December 2024	5,492	-	5,492
Total cost or valuation	700,949	51,914	752,863

13 Investments

Company

	2024 £ 000
Investments in subsidiaries	361,116

Subsidiaries	**£ 000**
Cost or valuation	
Additions	361,116
Carrying amount	
At 31 December 2024	361,116

Details of undertakings

The following were subsidiary undertakings of the company:

Undertaking	Principal activity	Holding	Proportion of voting rights and shares held 2024
Subsidiary undertakings			
Relay Topco Limited	Holding company	Ordinary	100%
Relay Midco Limited	Holding company	Ordinary	100%
Relay Bidco Limited	Holding company	Ordinary	100%
VUR Mezzanine I (UK) Limited	Holding company	Ordinary	100%
VUR Mezzanine II (UK) Limited	Holding company	Ordinary	100%
VUR Investment (UK) Limited	Holding company	Ordinary	100%
VUR Village Hotels Limited	Holding company	Ordinary	100%
Village Hotels (Finco) Limited	Holding company	Ordinary	100%
VUR Village Hotel Holdings Limited	Holding company	Ordinary	100%

13 Investments (continued)

Undertaking	Principal activity	Holding	Proportion of voting rights and shares held
VUR Village Hotels & Leisure Limited	Property investment company	Ordinary	100%
VUR Village Holdings No 2 Limited	Holding company	Ordinary	100%
VUR Village Holdings No 3 Limited	Holding company	Ordinary	100%
VUR Village Properties Limited	Property investment company	Ordinary	100%
VUR Village Trading No 1 Limited	Hotel and Leisure club operator	Ordinary	100%

The Company holds 100% of Relay Topco Limited directly, all other subsidiary holdings are indirect. All subsidiary undertakings are registered in England and Wales. The registered office for Relay Topco Limited, Relay Midco Limited and Relay Bidco Limited is One, Fleet Place, London, EC4M 7WS. The registered address for all other subsidiaries is, Cygnet Court Ground Floor, 230 Cygnet House, Centre Park, Warrington, WA1 1PP.

14 Business combinations

Acquisition of VUR Mezzanine I (UK) Limited

On 26 June 2024, Relay Bidco Limited, a subsidiary of Relay Super Topco Limited acquired 100% of the share capital of VUR Mezzanine I (UK) Limited for cash. The acquisition was a business combination and the purchase price allocation has been detailed below.

	2024 Book value £ 000	2024 Fair value adjustments £ 000	2024 Fair value to Group £ 000
Brand name	-	26,463	26,463
Tangible assets	752,715	(27,067)	725,648
Stocks	872	-	872
Debtors	12,187	-	12,187
Prepayments and accrued income	4,808	-	4,808
Cash at bank and in hand	51,115	-	51,115
Accruals and deferred income	(10,959)	-	(10,959)
Creditors due after one year	(19,671)	-	(19,671)
Borrowings	(463,885)	-	(463,885)
Deferred tax on differences between fair value and tax bases	-	(75,825)	(75,825)
Net Assets	327,182	(76,429)	250,753
Goodwill (Note 11)	-	97,786	97,786
Total purchase consideration	327,182	21,357	348,539

The useful economic life of goodwill has been estimated to be 20 years. Included within goodwill are intangible assets that do not require separate recognition. The intangible assets relate to workforce, portfolio premium and customer relationships.

Since the acquisition date, VUR Mezzanine I (UK) Limited has contributed £149,568,000 to Group Turnover and £29,554,000 to Group Loss.

15 Stocks

	Group 2024 £ 000	Company 2024 £ 000
Food and wet stock	819	-
Shop	130	-
	949	-

16 Debtors

	Note	Group 2024 £ 000	Company 2024 £ 000
Due within one year			
Trade debtors		3,271	-
Amounts owed by related parties		40,000	40,000
Other debtors		8,489	-
Prepayments and accrued income		10,735	-
		62,495	40,000

Amounts owed by group undertakings are unsecured and receivable on demand.

17 Cash and cash equivalents

	Group 2024 £ 000	Company 2024 £ 000
Cash at bank	33,540	50

18 Creditors

	Note	Group 2024 £ 000	Company 2024 £ 000
Due within one year			
Trade creditors		5,149	2
Amounts owed to group undertakings		-	40,050
Other taxation and social security		7,176	-
Other creditors		432	-
Accruals and deferred income		29,616	-
		42,373	40,052
Due after one year			
Loans and borrowings		512,200	-

Amounts owed by group undertakings are unsecured and payable on demand.

19 Loans and borrowings

	Group 2024 £ 000	Company 2024 £ 000
Non-current loans and borrowings		
Bank loans wholly repayable < 5 years	522,153	-
Debt issue costs	(9,953)	-
	512,200	-

The finance facility is secured over all of the assets owned and operated by VUR Investment (UK) Limited and its subsidiaries.

On 31 October 2024, The Group obtained a new senior credit facility and mezzanine credit facility, which replaced and extended its existing facility, which was due to expire in March 2025. The new facilities have a two-year term, with the option of three additional one-year extensions available at the Group's request. The facilities further support the Group's liquidity and cash flow and will be used, in part, to fund capital expenditure across the Group.

20 Provisions for liabilities

The deferred tax liability included in the balance sheet is as follows:

	2024 £ 000
Arising on acquisition	75,825

	2024 £ 000
At 31 December	75,825

21 Share capital

Allotted, called up and fully paid shares

	2024 No.	 £
Ordinary shares of £1 each	3	3

Rights, preferences and restrictions
The ordinary shares carry a right to vote at all general meetings of the Company, a right to share in any dividend issued by the Company, and a right to share in a distribution of the Company (including on a winding up). The ordinary shares are not redeemable.

22 Reserves

Group
The changes to each component of equity resulting from items of other comprehensive expense for the period ended 31 December 2024 were as follows:

Revaluation reserve

	Revaluation reserve £ 000	Total £ 000
Surplus on revaluation of other assets	9,228	9,228
Deferred tax on revaluation	(1,846)	(1,846)
	7,382	7,382

22 Reserves (continued)

Company

Share premium
The share premium reserve represents the amount received by the Company over and above the nominal value of the shares issued. During the year, the Company issued 1 ordinary share of £1, 1 ordinary share of £1 with a share premium of £335,599,000 per share and 1 ordinary share of £1 with a share premium of £25,517,000 per share. The total premium arising on the issue of shares was £361,116,000, which has been credited to the share premium account.

During the year, the Company undertook share premium reductions of £335,559,000.

23 Contingent liabilities

At year end, the Group was contracted to building works that were due to take place post reporting date. The amount that will fall due in 2025 is £13,365,000.

24 Obligations under leases and hire purchase contracts

Group

Operating leases
The total of future minimum lease payments is as follows:

	2024 £ 000
Not later than one year	5,799
Later than one year and not later than five years	23,047
Later than five years	177,041
	205,887

The Group made operating lease payments of £2,028,000 during the period.

25 Net debt reconciliation

	At 6 June 2024 £ 000	Acquisition of subsidiaries £ 000	Other non-cash changes £ 000	Cash flows £ 000	At 31 December 2024 £ 000
Cash at bank and in hand	-	51,115	-	(17,575)	33,540
External bank loans	-	(463,885)	(563,261)	514,946	(512,200)
Interest-bearing loan	-	-	524,946	(524,946)	-
Net Debt	-	(412,770)	(38,315)	(27,575)	(478,660)

Non-cash movements relate to:
• External bank loans - These loans were acquired by the Group as a result of the business combination. The acqusition and subsequent settlement thereof on behalf of the Group were non-cash movements.
• Interest-bearing loan - During the year, the Group received an interest-bearing loan from BREP Investment 14 Hospitality. The entire loan received was a non-cash movement and the loan was partially settled as a non-cash movement.

There were additional non-cash transactions in the year in respect of the issue of shares for the amount of £335,599,000 (see note 22) and consideration for acquisitions of £348,539,000 (see note 14).

26 Post balance sheet events

After the balance sheet date the Group acquired a freehold at an existing trading asset and acquired a new hotel from existing facilities.