



27 October 2021

TRADING UPDATE AND PLACING OF NEW SHARES

Dear Shareholder,

Since our update in August trading conditions in the hospitality sector have continued to be challenging and trading levels remain at below pre-pandemic levels. The Company has not been immune to this and when coupled with overhead inflation, has had a consequential negative effect on group profitability. Unaudited accounts for the financial year ended 2 October 2021 indicate a reduced operational loss for the year compared to the previous year. The August update also referred to the substantial capital investment programme needed to maintain the fabric of the estate. The directors do not expect any improvement in the trading environment over the next six months.

We are fortunate that we entered the pandemic with a strong balance sheet, our estate manager has been proactive in addressing the challenges presented by enforced government closures of our business and we have a positive and supportive relationship with our bank. However, we have to look forward and anticipate the likely challenges and, indeed, opportunities presented.

In order to strengthen our balance sheet and finance our obligations going forward we have today placed 7,500,000 new ordinary shares with Caledonian Heritable Limited at 10 pence per share to raise £750,000. This represents a 142% premium to the weighted average price of shares traded on the Asset Match platform over the last twelve months.

We are aware that there may be other shareholders who wish to subscribe for new shares and we shall include a shareholder resolution to grant authority to the directors to issue new shares on the same terms at the next AGM which is anticipated to take place at the end of January 2022.

Shareholders requiring liquidity are encouraged to visit Asset Match's website at www.AssetMatch.com to find out more about this service. More information and explanation of the service is also available on the Company's website at www.ThreeThistles.co.uk/asset-match.

Yours faithfully,

David Low
Chairman