



13 November 2023

THREE THISTLES PLC SHAREHOLDERS' UPDATE

My Chairman's Statement in February of this year referenced the challenging economic climate facing the hospitality sector as well as the directors' commitment to prioritising an exit strategy for all shareholders.

Since then trading conditions have, indeed, remained difficult and our unaudited numbers for the financial year to 30 September 2023 confirm turnover of £4.0m compared with £4.1m in the previous year and an operating loss of £0.1m compared with an operating profit of £0.2m. On a more positive note, our Balance Sheet remains strong and during the year we repaid our CBILS Loan with a consequential reduction in interest charges.

Looking forward, whilst utility prices have eased from last winter's peaks, consumer spending remains muted as higher mortgage and utility costs continue to impact upon discretionary spending.

As regards an exit strategy, during the year we received an approach for the Company's assets but we were unable to agree on a value and talks had to be terminated. We also received an approach from a company whose shares are traded on the Alternative Investment Market. The proposal involved a share exchange but was dependent upon the estate being sold prior to any offer being made. Having consulted our advisors and core shareholders these talks were ended as well.

Given the commitment the directors made in February to provide a direct exit option, we can confirm that we have appointed Shepherd, chartered surveyors (www.shepherd.co.uk) as the exclusive agent to market the whole estate for sale, with details expected to be published later this month. Shareholders will be able to view the sales particulars on the company website at www.ThreeThistles.co.uk.

It should be appreciated that a sale of the estate does not in itself return capital to shareholders. That can only be achieved either via a cash offer from a third party for the entire share capital of the company or via a Members' Voluntary Liquidation of the company's assets. Having taken professional advice, it is the director's current intention to convene a General Meeting once the assets have been sold, with a resolution asking for shareholder approval for the appointment of an insolvency practitioner.

David Low
Chairman