

Dear shareholders and friends,

### **Celebrating today and looking forward to tomorrow**

We were delighted to celebrate a milestone 40<sup>th</sup> year as a community pub this summer with so many faces new and old joining in the weekend of celebrations. The new picture is now proudly hanging in the pub – do pop in and see if you can spot yourself!

We are incredibly proud of the 40 years of service we have been able to provide for the village of Preston and our wider community. Our focus is now firmly on the next 40 successful years, and beyond.

Our role as Directors is to protect and invest in the asset that is owned and here for our community. We have set out a clear path in achieving that:

- To continue to **serve our community** as a precious and integral part of village life
- To **ensure the sustainability of the business** through profitable operation and financial stability
- To **modernise**, whilst keeping the **uniqueness of a traditional village pub** and maintaining the fabric of the building and premises
- To be **greener**, continuing to explore options such as environmentally friendly lighting
- To **continue to evaluate our proposition**, evolving our provision to best meet the needs of our customers and community

### **Protecting and evolving our community asset**

In the last 40 years, we have continued to listen and adapt to what you have told us you are looking for from your community asset. Recent years have thrown challenges our way - not least navigating the Covid pandemic - but with 2023 being our most successful year to date, we are confident that we are largely getting it right.

Having said that, we cannot rest on our laurels, and it was with the intent of exploring how to evolve and broaden our offering to the community that the Directors of the Red Lion first looked at the option for using existing buildings within the pub grounds to provide a village shop.

Back in June 2021, we started to discuss the possibilities in more detail. In January 2022, a working group was tasked with undertaking due diligence as to the viability of a small community shop set up, within the existing pub outbuildings.

As many of you have seen, that has significantly expanded outside of the initial remit and moved some distance beyond the original intent of all other Directors – turning very quickly from a shop to a shop, village hall, café, market garden.

We believe it is in the **best interest of the community to keep its offering at the core of the village**, whilst also making use of an existing and suitable site that will have **no impact on designated green belt land**.

To this end, the Directors are now again **actively looking at options for bringing back to life some of the unused buildings within grounds of the pub, to provide additional modest facilities for our village and community**.

An option provided by restoring existing unused buildings within the grounds of the Red Lion would **best maintain the fabric of the village**, whilst enabling the community to **understand demand before committing to a potentially considerable financial burden and responsibility**.

Our refocus has been timed to align with the outcomes of the Parish Survey, enabling us to **listen to our community and make an informed decision** on where to focus our efforts.

**In summary – serving you for another 40 years**

It continues to be our honour and privilege to serve our community through the Red Lion and we very much welcome your feedback as our shareholders and customers.

We will communicate again shortly, both on progress against our strategic priorities and as we understand more on the outcomes of the Parish Survey and how that might help to inform what more the Red Lion can offer to our community.

In the meantime, we are always keen to hear your thoughts.

Thank you for your continued support and we look forward to welcoming you to the pub very soon.

**David Clark, Chairman, on behalf of the Red Lion Board of Directors**