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## UPDATE ON INVESTMENT: THEWORKS.CO.UK PLC

### [KELSO GROUP HOLDINGS PLC](#)

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#### **Kelso Group Holdings Plc**

("Kelso" or the "Company")

#### **Update on Investment: TheWorks.co.uk Plc ("The Works")**

Kelso, the main market listed acquisition vehicle, today announces that it has increased its stake in The Works, the UK's leading specialist retailer of affordable, screen-free activities, to 7.0%, up from 6.6%. Kelso now holds 4,375,900 shares in The Works purchased at an average price of 33.2p. As at 20 February 2026, The Works had a market capitalisation of c.£22.6m.

Kelso believes that The Works is one of the most undervalued companies on the UK stock market. Through its portfolio of 500 stores, the company generated revenue of £277m in the year to April 2025, with EBITDA pre-IFRS 16 of £9.5m, a 58% year-on-year increase. For the year to April 2026, EBITDA is expected to grow by a further 15% to £11.0m, in line with company guidance. At the April 2025 year end, The Works reported net cash of £4.1m, and market expectations are that it will increase to at least £5.0m by the end of the current financial year, following significant investment in its store roll-out programme.

Despite this continued improvement in performance, driven by strong operational management, The Works is currently trading on an EV/EBITDA multiple of just 1.65x and a revenue multiple of 0.05x, based on the April 2026 forecast net cash position and current-year EBITDA guidance.

Kelso has written to the Board of The Works this morning outlining several constructive proposals aimed at closing this clear valuation gap.

#### **Note to Editors**

##### **TheWorks.co.uk Plc**

The Works is the UK's leading specialist retailer of affordable, screen-free activities for the whole family, providing customers with fantastic value across four product categories: arts and crafts, stationery, toys and games, and books. The Group operates a network of over 500 stores in the UK & Ireland, as well as trading online at TheWorks.co.uk.

##### **Kelso Group Holdings Plc**

Kelso Group Holdings Plc 'Kelso' is a listed investment vehicle founded in January 2023 which is backed now by over 75 business acquaintances of the Board and more recently a small number of institutions. The Board own close to 20% of Kelso and between them have approaching 150 years of experience in UK listed companies through a mixture of fund management, corporate broking, M&A, private equity and law. Kelso's aim, which is unique, is to capitalise on an under-valued UK small and mid cap stock market by investing in a small and focussed selection of stocks, being less than ten. Kelso then tries to actively help its investee companies by

offering constructive advice and ideas predominantly around strategy, capital allocation and investor relations in order to unlock trapped value. Kelso's declared current holdings are CVS Group Plc, Saga plc, NCC Group plc, THG plc, Angling Direct plc, The Works.co.uk Plc and Selkirk plc. The average market cap of these holdings is £400m.

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