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04 February 2022

## SSP GROUP PLC

### Trading Update

SSP Group plc, a leading operator of food and beverage outlets in travel locations worldwide, issues its Trading Update for the first four months of its financial year ending 30 September 2022, covering the period from 1 October 2021 to 30 January 2022.

SSP has had a good start to the new financial year, notwithstanding the impact of the Omicron variant of Covid-19 on the travel sector. Over the first four months of the financial year, total Group revenues were c.62% of 2019 levels.

As reported at our Preliminary Results in early December, trading had recovered well over the summer and early autumn, with sales running at c.66% of 2019 levels in the first nine weeks of the new financial year (1 October to 5 December 2021). This had been led by the Rail sector, at c.71% of 2019 levels, benefitting from a return to office work as well as strengthening leisure traffic, with the Air sector, at c.62%, boosted by an extended holiday season in the autumn across the UK, Continental Europe and North America.

The spread of the Omicron variant around the world and the subsequent government restrictions have inevitably had an impact on passenger numbers in many of our markets, leaving overall Group sales in the latest eight weeks (from 6 December to 30 January) at c.57% of 2019 levels. Trading remained resilient during December and throughout the holiday period, before softening in early January. The recent weeks have been more encouraging, as government restrictions have been lifted in the UK and some Continental European markets, with sales now trending positively again, driven mainly by strengthening trading in the Rail sector as commuter travel returns.

We are continuing to actively manage unit openings and closures in response to the fluctuating demand and currently have c. 1,950 units open, c. 72% of the estate, a similar number to that reported in early December with our Preliminary Results.

In line with the fourth quarter of 2021, underlying EBITDA (on a pre-IFRS 16 basis) was positive during the first quarter of the financial year. Net cash flow during the first quarter was broadly neutral as working capital has continued to benefit from payment deferrals. In early February, we fully repaid the £300m drawn from the Bank of England under the Covid Corporate Financing Facility (CCFF), leaving pro-forma available liquidity at £630m at the end of the first quarter (31 December 2021), compared with £635m at the end of September (on a similar proforma basis, excluding the CCFF).

## **Outlook**

Whilst the Omicron variant continues to have some impact on trading, we are confident in our ability to manage any short-term volatility and, subject to no further government restrictions being introduced, we are well positioned for the important summer trading period. Our medium-term expectations, which are for a return to like-for-like revenues and EBITDA margins at broadly similar levels to 2019 by 2024, remain unchanged.

## **Annual General Meeting**

The Group's Annual General Meeting will be held today at 11:00am at the offices of Travers Smith LLP, at 10 Snow Hill, London EC1A 2AL.

*There will be a 30 minute conference call and Q&A with Jonathan Davies, Deputy Group CEO, at 8:00. To register, please use the following link:*

*[https://webcasts.foodtravelexperts.com/results/2022tradingupdate/vip\\_connect](https://webcasts.foodtravelexperts.com/results/2022tradingupdate/vip_connect)*

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## **NOTES TO EDITORS**

### **About SSP**

SSP is a leading operator of food and beverage concessions in travel locations, operating restaurants, bars, cafés, food courts, lounges and convenience stores in airports, train stations, motorway service stations and other leisure locations. We are present in 36 countries around the world and have a portfolio of more than 550 international, national and local brands.

[www.foodtravelexperts.com](http://www.foodtravelexperts.com)