

8 October 2024

Loungers plc
("Loungers" or the "Group")

Trading update for the 24 weeks ended 6 October 2024

Continued market-leading like for like sales growth, and 17 new sites opened during the period

Loungers, a leading operator of all-day café/bar/restaurants across the UK under the Lounge, Cosy Club and Brightside brands, today announces a trading update for the 24 weeks ended 6 October 2024.

The Group has delivered like for like (LFL) sales growth of 4.7% over the previous year. This represents a continuation of the LFL sales growth of 5.0% previously reported for the 11 weeks to 7 July 2024 and is another clear demonstration of Loungers' ability to consistently outperform the broader UK hospitality market.

The Group delivered total revenue in the period of £178.3m, up 19.2% on the previous year (£149.6m), and continues to make good progress towards its target of returning to a pre-Covid EBITDA margin level of 13.5%.

The Group's balance sheet remains strong, with non-property net debt at 6 October 2024 of £12.2m (1 October 2023: £14.3m).

Loungers has opened 17 new sites during the period (H1 FY24: 16 new sites), taking the total portfolio to 273 sites as at 6 October 2024. This included the Ritorno Lounge on Bristol's harbourside, which opened in July and has had the strongest start for a new site in the Group's 22 year history. A further 18 sites are scheduled to open in H2, continuing the increased roll-out programme following the 36 new sites opened in the previous financial year.

Nick Collins, CEO, commented:

"I am delighted with our performance and the consistency of our sales growth, both in terms of like for like growth in the mature estate as well as the strength of our new openings. During the period we have opened in 17 towns and high streets across the UK, which adds up to 37 in the last 12 months, and enormous credit is due to the hard work and professionalism of our amazing teams. The opening of our Ritorno Lounge on Bristol's harbourside, where we are holding our AGM today, has been our best performing new site ever. This is particularly gratifying given Bristol is the city in which the Loungers story first started 22 years ago."

"From what we are seeing across our sites, UK consumers are feeling increasingly confident and want to go out and enjoy themselves across all parts of the day. That confidence, combined with the variety, breadth, flexibility and relevance of our all-day offering, is reflected in our continued sales success."

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Notes to Editors

Loungers operates through its three established complementary brands - Lounge, Cosy Club and Brightside - in the UK

Loungers operates through its three established complementary brands - Lounge, Cosy, Clubs and Brightside - in the UK hospitality sector. A Lounge is a neighbourhood café/bar combining elements of coffee shop culture, the British pub and dining. There are 234 Lounges nationwide. Lounges are principally located in secondary suburban high streets and small town centres. The sites are characterised by informal, unique interiors with an emphasis on a warm, comfortable atmosphere, often described as a "home from home".

Cosy Clubs are more formal bars/restaurants offering reservations and table service but share many similarities with the Lounges in terms of their broad, all-day offering and their focus on hospitality and culture. Cosy Clubs are typically located in city centres and large market towns. Interiors tend to be larger and more theatrical than for a Lounge, and heritage buildings or first-floor spaces are often employed to create a sense of occasion. There are 36 Cosy Clubs nationwide.

Brightside is a roadside dining concept and was launched in November 2022. The first Brightside location opened on the A38, south of Exeter, in February 2023, with the second opening in Saltash near Plymouth in June 2023 and the third in Honiton on the A303 in August 2023.

Loungers has a total of 273 sites in its portfolio across the three brands.

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