



Mabel Mezzco Limited

**Interim report
as at and for the 40-week period to
February 03, 2019**

Third Quarter 2019 highlights

Financial highlights

- Turnover¹ increased 13.2% to £81.6 million in Q3 2018/19 with 9.1% UK like for like sales growth and 10.0% US like for like sales growth.
- Adjusted EBITDA up 11.9% in Q3 2018/19 to £12.9 million from £11.5 million in Q3 2017/18.
- 8.7% UK outperformance of the market in Q3 2018/19 and traded ahead of the competition consistently for almost 5 years (251 weeks).

Operational highlights

- Investment in our people, product and property continuing to drive key metrics, including top ranking against our competitors for net promoter score (NPS), low team turnover and delivering double digit adjusted EBITDA growth.
- One new US restaurant opened in early Q4 (Murray Hill, New York City).
- 6 refurbishments have been completed in Q3, bringing Kaizen design and new covers where possible to the existing estate.
- One new franchise restaurant opened in Paris in early Q4, the first opening in France.
- Successful tender for Manchester Airport location.

YTD Q3 2019 highlights

Financial highlights

- Turnover¹ increased 13.5% to £260.5 million in YTD Q3 2018/19 with the continued expansion of our restaurants in the UK (6 new openings in YTD Q3 2018/19) and 9.7% UK like for like sales growth.
- Adjusted EBITDA up 10.5% in YTD Q3 2018/19 to £38.7 million from £35.1 million in YTD Q3 2017/18.

Operational highlights

- Five new UK restaurants opened in YTD Q3 2018/19 – Liverpool New Mersey, Rushden Lakes, Chelmsford, East Midlands Designer Outlet and Gloucester Quays together with our first delivery kitchen.
- 20 refurbishments have been completed, bringing Kaizen design and new covers where possible to the existing estate.
- New franchise restaurants opened in Qatar, Norway, Italy, UAE and Spain.

¹ Turnover includes franchise income

Emma Woods, CEO, commented

The latest wagamama results show the business momentum remains robust and we are continuing to grow strongly.

It reflects our relentless commitment to building a brand with purpose, which cares deeply for its teams and its guests and focuses on anticipating their needs.

Results of operations

Third Quarter 2018/19 compared with Third Quarter 2017/18

Turnover

Turnover increased 13.2% to £81.6 million in Q3 2018/19 from £72.1 million in Q3 2017/18. A geographic and business line analysis of our turnover follows:

| £ million | Q3 2018/19 | Q3 2017/18 | % change |
|---------------------|-------------|-------------|--------------|
| Company-operated UK | 77.9 | 68.8 | 13.2% |
| Company-operated US | 2.9 | 2.6 | 11.5% |
| Franchise | 0.8 | 0.7 | 14.2% |
| Total | 81.6 | 72.1 | 13.2% |

Company-operated restaurants

Turnover in our restaurant business in the United Kingdom increased 13.2% to £77.9 million in Q3 2018/19 from £68.8 million in Q3 2017/18. This was due to 9.1% like for like sales growth and an increase in the number of sites from 129 open at the end of Q3 2017/18 to 135 open at the end of Q3 2018/19.

Turnover in our restaurant business in the United States increased 11.5% (7.0% in USD terms) to £2.9 million (\$3.8 million) in Q3 2018/19 from £2.6 million (\$3.5 million) in Q3 2017/18, reflecting growth in like-for-like sales.

International franchised restaurants

Turnover from our international franchised restaurants increased 14.2% to £0.8 million in Q3 2018/19 from £0.7 million in Q3 2017/18.

Cost of sales

Gross profit has increased from £30.3 million in Q3 2017/18 to £33.8 million in Q3 2018/19. The growth in the estate and the like for like sales growth were the primary causes of this increase. This further includes the impact of supply chain and National Living Wage cost increases.

Administrative expenses before exceptional items

Administrative expenses before exceptional items increased 24.0% to £31.3 million in Q3 2018/19 from £25.2 million in Q3 2017/18. This was due to overhead costs and depreciation commensurate with the addition of new restaurants together with the increase in central overhead expenses, again reflecting the increase in estate size. Further included within administrative expenses for Q3 2018/19 is a non-recurring charge related to the Group's share based payments.

Exceptional items

Exceptional administrative expenses have increased from £0.1 million in Q3 2017/18 to £29.9 million in Q3 2018/19. The amount in Q3 2018/19 comprises professional fees relating to the Group's sale to The Restaurant Group in December 2018 (the 'Sale') and a non-cash charge in respect of adjustments made to the Group's impairment and onerous lease provisions on acquisition.

Net interest payable and similar charges

Net interest payable and similar charges remained in line at £2.3 million in Q3 2017/18 and £2.4 million in Q3 2018/19 reflecting the interest charge on the Group's bond debt.

Tax on loss on ordinary activities

The tax charge on profit on ordinary activities increased from a charge of £1.0 million in Q3 2017/18 to a credit of £0.2 million in Q3 2018/19. This credit resulted principally from a reduction in the Group's deferred tax liability.

YTD Q3 2018/19 compared with YTD Q3 2017/18

Turnover

Turnover increased 13.5% to £260.5 million in YTD Q3 2018/19 from £229.5 million in YTD Q3 2017/18. A geographic and business line analysis of our turnover follows:

| £ million | YTD Q3 2018/19 | YTD Q3 2017/18 | % change |
|---------------------|----------------|----------------|--------------|
| Company-operated UK | 249.0 | 219.5 | 13.5% |
| Company-operated US | 8.9 | 7.8 | 14.1% |
| Franchise | 2.6 | 2.2 | 18.2% |
| Total | 260.5 | 229.5 | 13.5% |

Company-operated restaurants

Turnover in our restaurant business in the United Kingdom increased 13.5% to £249.0 million in YTD Q3 2018/19 from £219.5 million in YTD Q3 2017/18. This was due to 9.7% like for like sales increase and an increase in the number of sites from 129 open at the end of YTD Q3 2017/18 to 135 open at the end of YTD Q3 2018/19.

Turnover in our restaurant business in the United States increased 14.1% (12.6% in USD terms) to £8.9 million (\$11.6 million) in YTD Q3 2018/19 from £7.8 million (\$10.3 million) in YTD Q3 2017/18, reflecting growth in like-for-like sales.

International franchised restaurants

Turnover from our international franchised restaurants increased 18.2% to £2.6 million in YTD Q3 2018/19 from £2.2 million in YTD Q3 2017/18.

Cost of sales

Gross profit has increased from £97.1 million in YTD Q3 2017/18 to £106.9 million in YTD Q3 2018/19. The growth in the estate and the like for like sales growth were the primary causes of this increase. This further includes the impact of supply chain and National Living Wage cost increases.

Administrative expenses before exceptional items

Administrative expenses before exceptional items increased 19.4% to £98.2 million in YTD Q3 2018/19 from £82.2 million in YTD Q3 2017/18. This was primarily due to overhead costs and depreciation commensurate with the addition of new restaurants together with the increase in central overhead expenses, again reflecting the increase in estate size. Further included within administrative expenses for YTD Q3 2018/19 is a non-recurring charge related to the Group's share based payments.

Exceptional items

Exceptional administrative expenses have increased from £3.7 million in YTD Q3 2017/18 to £33.0 million in YTD Q3 2018/19. The amount in YTD Q3 2018/19 comprises professional fees relating to the Sale and a non-cash charge in respect of adjustments made to the Group's impairment and onerous lease provisions on acquisition.

Net interest payable and similar charges

Net interest payable and similar charges decreased from £8.5 million in YTD Q3 2017/18 to £7.9 million in YTD Q3 2018/19 reflecting a lower interest rate on the Group's bond debt from the date of refinancing in July 2017 and a reduced level of bank facility fees.

Tax on loss on ordinary activities

The tax charge on profit on ordinary activities increased from £0.6 million in YTD Q3 2017/18 to £1.4 million in YTD Q3 2018/19 reflecting the increased underlying profitability of the Group.

Cash flow

The cash balance at the end of Q3 2018/19 was £17.1 million compared to a balance of £27.8 million at the end of Q3 2017/18.

The cash outflow of £7.6 million in Q3 2018/19 increased from an outflow of £3.8 million in Q3 2017/18. This resulted from an increase in adjusted EBITDA in Q3 2018/19 which was more than offset by exceptional expenditure on professional fees relating to the Sale.

The cash outflow of £12.2 million in YTD Q3 2018/19 increased from an outflow of £6.0 million in YTD Q3 2017/18. This resulted from an increase in adjusted EBITDA in YTD Q3 2018/19 and a lower level of capital expenditure which were offset by exceptional expenditure on professional fees relating to the Sale and an increased working capital outflow.

Net cash inflow from operating activities

Net cash inflow from operating activities decreased 57.0% to £3.6 million in Q3 2018/19 from £8.3 million in Q3 2017/18. This decrease was driven by the exceptional charges relating to the Sale which offset the underlying growth in adjusted EBITDA.

Taxation cash flows increased to £1.2m in Q3 2018/19 from £0.6 million in Q3 2017/18 based on increased payments on account.

Net cash inflow from operating activities decreased 11.6% to £23.0 million in YTD Q3 2018/19 from £26.1 million in YTD Q3 2017/18. This was due to the increase in adjusted EBITDA offset by exceptional cashflows and an increased working capital outflow.

Taxation cash flows decreased from £3.8 million in YTD Q3 2017/18 to £3.5 million in YTD Q3 2018/19. This decrease resulted from the phasing of payments on account.

Net cash outflow from investing activities

Net cash outflow from capital expenditure decreased 25.1% to £5.3 million in Q3 2018/19 from £7.0 million in Q3 2017/18. This was due to higher level of new opening spend in the prior year.

Net cash outflow from capital expenditure decreased 9.2% to £22.5 million in YTD Q3 2018/19 from £24.8 million in YTD Q3 2017/18. This was due to fewer new restaurant openings in the year to date (5 restaurants and one delivery site in 2018/19 compared with 8 in 2017/18) offset by increased refurbishment spend.

Net cash inflow/outflow from financing

Net cash outflow from financing increased to a £4.8 million outflow in Q3 2018/19 from a £4.6 million outflow in Q3 2017/18. This principally reflects payment of semi-annual interest on the Group's bond debt.

Net cash flow from financing decreased to a £9.5 million outflow in YTD Q3 2018/19 from a £3.7 million outflow in YTD Q3 2017/18. The outflow in YTD Q3 2018/19 relates to interest paid on the Group's bond. The outflow in YTD Q3 2017/18 was lower as a result of the Group's refinancing in July 2017 where a new £225 million bond was issued. The proceeds of the new 4.125% Senior Secured Notes due 2022 were used to repay the Group's existing £150 million 7.875% Senior Secured Notes due 2020 and the associated redemption premium, accrued interest and fees.

Capital expenditures

The following table shows our capital expenditures for the periods indicated:

| | For the 12 weeks ended | | For the 40 weeks ended | |
|-----------------------------------|------------------------|---------------------|------------------------|---------------------|
| | February 03, 2019 | January 28, 2018 | February 03, 2019 | January 28, 2018 |
| New site capital expenditures | 1.7 | 2.5 | 9.4 | 14.1 |
| Refurbishment expenditures | 1.6 | 3.0 | 6.9 | 4.9 |
| Maintenance expenditures | 1.6 | 1.4 | 5.2 | 3.5 |
| Other capital expenditures* | 0.4 | 0.2 | 1.0 | 2.1 |
| Total capital expenditures | 5.3 | 7.1 | 22.5 | 24.8 |
| Corporate expenses | 0.1 | 0.1 | 0.2 | 0.3 |

*other capital expenditure: office, systems and central kitchen

Estate summary

We opened no new restaurants in Q3 2018/19 compared to 1 restaurant in Q3 2017/18.

The table below shows the number of our Company-operated and franchised restaurants as at the following dates:

| | For the 12 weeks ended | | For the 40 weeks ended | |
|--|------------------------|---------------------|------------------------|---------------------|
| | February 03, 2019 | January 28, 2018 | February 03, 2019 | January 28, 2018 |
| Company-operated restaurants⁽¹⁾ | 140 | 134 | 140 | 134 |
| <i>United Kingdom restaurants</i> | 135 | 129 | 135 | 129 |
| <i>United States restaurants</i> | 5 | 5 | 5 | 5 |
| <i>Company-operated restaurant openings during the period</i> | - | 1 | 6 | 8 |
| <i>Company-operated restaurants closures during the period</i> | - | - | (1) | (2) |
| Franchised ⁽²⁾ | 57 | 51 | 57 | 51 |
| Total | 197 | 185 | 197 | 185 |

(1) Company-operated restaurants include all of our restaurants in the United Kingdom and the United States.

(2) Franchised restaurants as at the dates listed were located in Belgium, Greece, Ireland, Malta, The Netherlands, Northern Ireland, Denmark, Sweden, Cyprus, Slovakia, Turkey, Qatar, United Arab Emirates, Oman, Bahrain, New Zealand, Gibraltar, Saudi Arabia, Bulgaria, Spain, Italy and Norway.

Key performance indicators

| | For the 12 weeks ended | | For the 40 weeks ended | | LTM |
|--|------------------------|------------------|------------------------|------------------|------------------------------|
| | February 03, 2019 | January 28, 2018 | February 03, 2019 | January 28, 2018 | February 3, 2019 53 weeks |
| | (£ millions) | | | | |
| Like-for-like sales growth (%) | 9.1% | 8.2% | 9.7% | 7.3% | 9.3% |
| EBITDAR | 15.3 | 16.0 | 50.0 | 50.9 | 67.0 |
| Rent Expense..... | 6.1 | 5.6 | 20.4 | 19.0 | 26.6 |
| EBITDA | 9.2 | 10.4 | 29.6 | 31.9 | 40.4 |
| EBITDA Margin (%)..... | 11.4% | 14.6% | 11.5% | 14.0% | 12.1% |
| Adjusted EBITDA ⁽¹⁾ | 12.9 | 11.5 | 38.7 | 35.1 | 50.3 |
| Adjusted EBITDA margin (%)..... | 15.9% | 16.1% | 15.0% | 15.4% | 15.0% |
| Adjusted EBITDA – 52 week | 12.9 | 11.5 | 38.7 | 35.1 | 49.4 |
| Adjusted EBITDA margin (%) | 15.9% | 16.1% | 15.0% | 15.4% | 15.1% |
| Net total indebtedness ⁽²⁾ | | | | | 205.6 |
| Ratio of net total indebtedness to Adjusted EBITDA | | | | | 4.2 |

(1) Please find below a reconciliation calculation from profit for the financial period to EBITDA and Adjusted EBITDA and adjustments made to calculate Adjusted EBITDA for the periods indicated:

(2) Net total indebtedness represents total debt less cash.

| | For the 12 weeks ended | | For the 40 weeks ended | | LTM |
|--|------------------------|------------------|------------------------|------------------|------------------------------|
| | February 03, 2019 | January 28, 2018 | February 03, 2019 | January 28, 2018 | February 3, 2019 53 weeks |
| Profit/loss for the financial period .. | (29.5) | 1.7 | (33.4) | (6.6) | (43.6) |
| Tax on profit/loss on ordinary activities | (0.3) | 1.0 | 1.4 | 0.6 | 3.8 |
| Net interest payable and similar charges | 2.4 | 2.3 | 7.7 | 8.3 | 10.0 |
| Exceptional ^(a) expenses/(income) . | 29.9 | 0.1 | 33.0 | 12.5 | 43.1 |
| Amortisation | 2.3 | 2.1 | 7.6 | 7.0 | 9.7 |
| Depreciation and impairment of tangible assets | 4.1 | 3.2 | 12.9 | 10.0 | 16.5 |
| Loss on disposal of assets | 0.3 | - | 0.4 | 0.1 | 0.8 |
| EBITDA | 9.2 | 10.4 | 29.6 | 31.9 | 40.3 |
| Pre-opening costs ^(b) | 2.6 | 1.0 | 4.0 | 2.9 | 4.7 |
| Share based payment charge ^(c) | 1.0 | - | 4.9 | - | 4.9 |
| Corporate expenses ^(d) | 0.1 | 0.1 | 0.2 | 0.3 | 0.4 |
| Adjusted EBITDA..... | 12.9 | 11.5 | 38.7 | 35.1 | 50.3 |
| 53rd Week | - | - | - | - | (0.9) |
| Adjusted EBITDA – 52 week..... | - | - | - | - | 49.4 |

(a) For the 40 week period ended 28 January 2018 exceptional expenses included administrative expenses incurred as part of the Group's refinancing in July 2017 including a redemption premium of £5.9 million and the write off of previously capitalised refinancing fees relating to the Group's previously outstanding 7.785% Senior Secured Notes due 2020. For the 40 week period ended 3 February 2019, exceptional costs related to the Sale and non-cash movements in the Group's impairment and onerous lease provisions on acquisition.

(b) Pre-opening costs represents costs incurred prior to the opening of a new restaurant, including rent incurred prior to opening, wages of employees in training and food costs incurred for training of new employees.

(c) The share based payment charge is non-recurring and in respect of the Group's management share based incentive scheme.

(d) Corporate expenses represent fees paid to our principal shareholders and security agent under our bond and RCF agreement, professional fees incurred relating to syndication and listing of loan notes under that agreement and fees in respect of our corporate status.

General information

Wagamama operates popular award-winning pan-Asian inspired noodle restaurants based in the United Kingdom. In addition to our Company-operated restaurants across the United Kingdom and the United States, we have franchised restaurants operating in 22 markets around the world spread across Western Europe, Eastern Europe, the Middle East and New Zealand.

Wagamama offers fresh, pan-Asian cuisine in a friendly, vibrant setting. Our menu features a wide variety of noodle and rice dishes, as well as salads and side dishes, juices, hot drinks, wine, sake and Asian beers. Freshness and quality are two ingredients that we believe go into every dish. Many Wagamama signature dishes can be found in all of our restaurants across the globe and we also have local specialties that take advantage of regional produce and tastes.

Presentation of financial information

Unless otherwise indicated, the financial information presented in this report is the historical consolidated financial information of Mabel Mezzco Limited and its subsidiaries (the "Group").

This report includes or derives information from the following financial sources:

- the unaudited consolidated financial information of the Group as of and for the 12 weeks ended February 03, 2018 ("Third Quarter 2018/19", "Q3 2018/19", or "the quarter"), and the comparative period as of and for the 12 weeks ended January 28, 2018 ("Third Quarter 2017/18" or "Q3 2017/18"), prepared in accordance with FRS 102.
- the unaudited consolidated financial information of the Group as of and for the 40 weeks ended February 03, 2019 ("YTD Q3 2018/19") and the comparative period as of and for the 40 weeks ended January 28, 2018 ("YTD Q3 2017/18"), prepared in accordance with FRS 102.

The financial year for the Group runs from the calendar day following the previous financial year end to the Sunday nearest to April 30 of each calendar year. Accordingly, from time to time, the financial accounting period covers a 53-week period, which impacts the comparability of results. Our 2018/19 financial year will end on April 28, 2019 and will constitute a 52-week period.

Further information for noteholders

This report was prepared in accordance with the indenture dated July 10, 2017 among Wagamama Finance plc, as Issuer, the guarantors named therein, U.S. Bank Trustees Limited, as Trustee and Security Agent and Elavon Financial Services DAC, UK Branch, as paying agent.

This interim report may include forward-looking statements. All statements other than statements of historical facts included in this interim report, including those regarding the Group's financial position, business and acquisition strategy, plans and objectives of management for future operations are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Many factors could cause the Group's actual results, performance or achievements to differ materially from those in the forward-looking statements. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this interim report. The Group expressly disclaims any obligations or undertaking, except as required by applicable law and applicable regulations to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Group's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

The quarterly financial results presented in this report include calculations or figures that have been prepared internally by management and have not been reviewed or audited by our independent chartered accounting firm. This financial data should not be viewed as a substitute for full financial

statements prepared in accordance with FRS 102 and is not necessarily indicative of the results to be achieved for any future periods.

In this report, we present turnover of our US business in US dollars as well as Pounds Sterling equivalent. To present this information, current and comparative prior period results are converted using the average exchange rates of the respective quarters.

Use of non-FRS 102 financial information

Certain parts of this report contain non-FRS 102 measures and ratios, including EBITDAR, rent expense, EBITDA, EBITDA margin, Adjusted/(Adj.) EBITDA, Adjusted/(Adj.) EBITDA margin, new site capital expenditures, refurbishment expenditures, maintenance capital expenditures, other capital expenditures, total capital expenditures, like-for-like sales growth, working capital and leverage ratios that are not required by, or presented in accordance with, FRS 102. We believe that these measures are useful indicators of our ability to incur and service our indebtedness and can assist certain investors, security analysts and other interested parties in evaluating us. Because all companies do not calculate these measures on a consistent basis, our presentation of these measures may not be comparable to measures under the same or similar names used by other companies. Accordingly, undue reliance should not be placed on these measures in this interim report. In particular, EBITDAR, EBITDA, Adjusted / (Adj.) EBITDA are not measures of our financial performance or liquidity under FRS 102 and should not be considered as an alternative to (a) net income/(loss) for the period as a measure of our operating performance, (b) cash flows from operating, investing and financing activities as a measure of our ability to meet our cash needs or (c) any other measures of performance under FRS 102.

Our non-FRS 102 measures are defined by us as follows:

- We define “EBITDAR” as EBITDA plus rent expense.
- We define “rent expense” as the aggregate fees incurred for the period indicated pursuant to our property lease obligations.
- We define “EBITDA” as profit for the financial period plus tax on profit on ordinary activities, net interest payable and similar charges, exceptional administrative (expenses)/income, gain/(loss) on disposal of fixed assets, goodwill amortisation and depreciation and impairment of tangible assets.
- We define “EBITDA margin” as EBITDA divided by company operated sales.
- We define “Adjusted/(Adj.) EBITDA” as EBITDA adjusted for the impact of restaurant pre-opening costs and corporate expenses. We define LTM performance as FY18 audited full year results less YTD Q3 2017/18, plus YTD Q3 2018/19.
- We define “Adjusted/(Adj.) EBITDA margin” as Adjusted EBITDA divided by turnover.
- We define “sales” as income generated from company operated restaurants. We define “turnover” as income generated from company operated restaurants and franchise income.
- We define “new site capital expenditure” as the capital expenditures we incur in order to purchase and outfit a new restaurant in preparation for its opening.
- We define “refurbishment expenditure” as expansion capital expenditure in existing restaurants.
- We define “maintenance capital expenditure” as the capital expenditures we incur to maintain our restaurants.
- We define “other capital expenditure” as the capital expenditures we incur for overhead costs relating to our central kitchen and other centralised capital expenditures relating primarily to training and IT.
- We define “total capital expenditure” as the purchase of tangible fixed assets as reflected in our cash flow statements.
- We define “like-for-like sales growth” as sales from our United Kingdom and/or United States restaurants that traded for at least 17 full four-week periods. Restaurants are included on a rolling basis as each new restaurant is included in the like-for-like comparison once it has traded for 17 full four-week periods. Any week in which a restaurant did not have revenue and the preceding and following week are excluded both in the period considered and in the comparative period.

Mabel Mezzco Limited

Interim financial information
For the 40 weeks ended 03 February 2019

Registered number: 07556501

Mabel Mezzco Limited

Group profit and loss account for the period ended 03 February 2019

| | Note | Unaudited 40 weeks to 03 February 2019 £'000 | Unaudited 40 weeks to 28 January 2018 £'000 | Restated 53 weeks to 29 April 2018 £'000 |
|--|------|--|---|--|
| Turnover | 2 | 260,529 | 229,471 | 306,713 |
| Cost of sales | | (153,651) | (132,413) | (177,929) |
| Gross profit | | 106,878 | 97,058 | 128,784 |
| Administrative expenses before exceptional items | | (98,200) | (82,225) | (109,250) |
| Operating profit before exceptional items | 3 | 8,678 | 14,833 | 19,534 |
| Exceptional administrative expenses | 3 | (33,043) | (3,714) | (13,822) |
| Operating profit after exceptional items | | (24,365) | 11,119 | 5,712 |
| Interest receivable and similar income | | 206 | 157 | 166 |
| Interest payable and similar charges before exceptional items | | (7,907) | (8,491) | (10,804) |
| Exceptional items | | - | (8,737) | (8,737) |
| Interest payable and similar charges | 4 | (7,907) | (17,228) | (19,541) |
| Loss on ordinary activities before tax | | (32,066) | (5,952) | (13,663) |
| Tax on loss on ordinary activities | | (1,425) | (606) | (2,961) |
| Loss after tax for the financial period | | (33,491) | (6,558) | (16,624) |

All of the activities of the Group are continuing.

Mabel Mezzco Limited

Group statement of comprehensive income for the period ended 03 February 2019

| | Unaudited | Unaudited | Restated |
|--|--------------------|----------------|-----------------|
| | 40 weeks to | 40 weeks to | 53 weeks |
| | 03 February | 28 January | to 29 April |
| | 2019 | 2018 | 2018 |
| | £'000 | £'000 | £'000 |
| Profit/loss for the financial period | (33,491) | (6,558) | (16,624) |
| Foreign exchange differences arising on consolidation | 312 | (1,277) | (1,042) |
| Total comprehensive income/expense for the period | (33,179) | (7,835) | (17,666) |

Group statement of changes in equity for the period ended 03 February 2019

| | Unaudited | Unaudited | Restated |
|--|--------------------|-----------------|-----------------|
| | 40 weeks to | 40 weeks to | 53 weeks |
| | 03 February | 28 January | to 29 April |
| | 2019 | 2018 | 2018 |
| | £'000 | £'000 | £'000 |
| Profit/loss for the financial period | (33,491) | (6,558) | (16,624) |
| Other comprehensive income for the period | 312 | (1,277) | (1,042) |
| Total comprehensive income/expense for the period | (33,179) | (7,835) | (17,666) |
| Equity settled share-based payment | 4,933 | - | - |
| Intra-Group Dividend ¹ | - | (59,700) | (59,700) |
| Total transactions recognised directly in equity | 4,933 | (59,700) | (59,700) |
| Net change in shareholders' funds | (28,246) | (67,535) | (77,367) |
| Opening shareholders' funds | (9,516) | 67,850 | 67,850 |
| Closing shareholders' funds | (37,762) | 315 | (9,516) |

¹ Intra-Mabel Topco Group dividend of £59.7 million paid to Mabel Midco Limited as part of mechanism to pay down shareholder loan note debt on refinancing in July 2017 as described in the listing prospectus.

Mabel Mezzco Limited

Group balance sheet as at 03 February 2019

| | Note | Unaudited 03 February 2019 £'000 | Unaudited 28 January 2018 £'000 | Restated 29 April 2018 £'000 |
|---|------|---|--|---------------------------------------|
| Fixed assets | | | | |
| Intangible assets | 5 | 112,437 | 120,419 | 119,886 |
| Tangible assets | 6 | 108,596 | 111,860 | 112,773 |
| | | 221,033 | 232,279 | 232,659 |
| Current assets | | | | |
| Stocks | | 2,372 | 1,826 | 2,017 |
| Debtors | 7 | 11,843 | 16,161 | 15,991 |
| Cash at bank and in hand | | 17,095 | 27,818 | 29,312 |
| | | 31,310 | 45,805 | 47,320 |
| Creditors: amounts falling due within one year | 8 | (47,867) | (50,902) | (55,170) |
| Net current liabilities | | (16,557) | (5,097) | (7,850) |
| Total assets less current liabilities | | 204,476 | 227,182 | 224,809 |
| Creditors: amounts falling due after more than 1 year | 9 | (222,657) | (221,862) | (222,118) |
| | | (18,181) | 5,320 | 2,691 |
| Provisions for liabilities and charges | | (19,581) | (5,005) | (12,207) |
| Net (liabilities)/assets | | (37,762) | 315 | (9,516) |
| Capital and reserves | | | | |
| Called-up share capital | | 20,000 | 20,000 | 20,000 |
| Share-based payment reserve | | 4,933 | | |
| Profit and loss account | | (62,695) | (19,685) | (29,516) |
| Total shareholders' funds | | (37,762) | 315 | (9,516) |

Mabel Mezzco Limited

Group cash flow statement for the period ended 11 November 2018

| | | Unaudited | Unaudited | Restated |
|---|-------------|--------------------|-----------------|-----------------|
| | | 40 weeks to | 40 weeks to | 53 weeks to |
| | Note | 03 February | 28 January | 29 April |
| | | 2019 | 2018 | 2018 |
| | | £'000 | £'000 | £'000 |
| Net cash inflow from operating activities | 10 | 23,046 | 26,070 | 36,070 |
| Taxation | | (3,454) | (3,782) | (4,390) |
| Net cash generated from operating activities | | 19,592 | 22,288 | 31,680 |
| Cash flow from investing activities | | | | |
| Interest received | | 132 | 157 | 166 |
| Payments to acquire tangible fixed assets | | (22,478) | (24,768) | (32,700) |
| Net cash used in investing activities | | (22,346) | (24,611) | (32,534) |
| Cash flow from financing activities | | | | |
| Interest paid | | (9,480) | (9,726) | (9,753) |
| New bond issue | | - | 225,000 | 225,000 |
| Repayment of bond | | - | (155,907) | (150,000) |
| Expenses paid in connection with issue of debt | | - | (3,384) | (9,323) |
| Intra-Group Dividend paid ¹ | | - | (59,700) | (59,700) |
| Net cash used in financing activities | | (9,480) | (3,717) | (3,776) |
| Net decrease in cash and cash equivalents | 11 | (12,234) | (6,040) | (4,630) |
| Cash and cash equivalents at the beginning of the period | | 29,312 | 33,979 | 33,979 |
| Exchange adjustments | | 17 | (121) | (37) |
| Cash and cash equivalents at the beginning of the period | | 17,095 | 27,818 | 29,312 |

¹ Intra-Mabel Topco Group dividend of £59.7 million paid to Mabel Midco Limited as part of mechanism to pay down shareholder loan note debt on refinancing in July 2017 as described in the listing prospectus.

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 03 February 2019

1. Basis of preparation

The unaudited interim financial information contains consolidated financial information for Mabel Mezzco Limited and its subsidiary undertakings (the "Group") for the 40 weeks ended 03 February 2019.

The unaudited interim financial information has been prepared using consistent accounting policies, presentation and a method of computation to those applied in the latest annual audited financial statements of the Group for the 53 week period ended 29 April 2018. This financial information should be read in conjunction with the Group's financial statements for the period ended 29 April 2018, which have been prepared under FRS 102.

The statutory accounts for the 53 week period ended 29 April 2018 were approved by the Board of Directors. The auditors reported on those accounts, their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

After the acquisition of the Group by the Restaurant Group, the audited financial information for the 53 week period ended 29 April 2018 has been restated in these interim financial statements in respect of the Group's onerous lease provision in order to align accounting policies on the discount rate used in the calculation of the provision. An additional provision to the value of £2.8m has been recorded, together with an associated adjustment to the Group's corporation tax liability of £0.2m. The Group is continuing to work through any further adjustments which may result from the Group's acquisition during the period.

2. Turnover

The turnover and operating profit for the period was derived from the Group's continuing activity which was carried out primarily in the UK. The analysis of turnover is as follows:

| | Unaudited 40 weeks to 03 February 2019 £'000 | Unaudited 40 weeks to 28 January 2018 £'000 | Restated 53 weeks to 29 April 2018 £'000 |
|----------------------------------|---|---|--|
| UK location analysis | | | |
| Town | 126,441 | 112,560 | 150,970 |
| Shopping centre | 90,591 | 77,890 | 104,046 |
| Other location | 31,974 | 29,010 | 38,255 |
| Total UK company operated | 249,006 | 219,460 | 293,271 |
| Franchise revenue | 2,652 | 2,209 | 3,109 |
| Total UK revenue | 251,658 | 221,669 | 296,380 |
| US revenue | 8,871 | 7,802 | 10,333 |
| Total Revenue | 260,529 | 229,471 | 306,713 |

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 03 February 2019 (continued)

3. Operating profit

Operating profit is stated after charging:

| | Unaudited 40 weeks to 03 February 2019 £'000 | Unaudited 40 weeks to 28 January 2018 £'000 | Restated 53 weeks to 29 April 2018 £'000 |
|--|---|---|--|
| Amortisation | 7,590 | 7,011 | 9,115 |
| Depreciation of owed fixed assets | 12,914 | 9,970 | 13,725 |
| Auditors' remuneration | | | |
| as auditors | 75 | 63 | 86 |
| for taxation services | 143 | 152 | 163 |
| for other advisory services | 703 | 110 | 141 |
| Loss on disposal of fixed assets | 401 | 45 | 462 |
| Operating lease costs - land & buildings | 20,433 | 19,039 | 25,254 |
| Exceptional administrative expenses/(income) | 33,043 | 3,714 | 13,822 |

For the period ended 03 February 2019 exceptional expenses included professional fees incurred as part of a sale of the business, together with non-cash movements in the Group's onerous lease and impairment provisions.

For the period ended 28 January 2018 exceptional expenses included administrative expenses incurred as part of the Group's refinancing in July 2017. Also included were salary and settlement costs relating to the Group's former CEO.

For the period ended 29 April 2018, the exceptional administrative expenses were comprised of expenditure relating to executive team restructuring, costs related to the Group's refinancing and movements in onerous lease and impairment provisions.

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 03 February 2019 (continued)

4. Interest payable and similar charges

| | Unaudited | Unaudited | Restated |
|--|--------------------|---------------|---------------|
| | 40 weeks to | 40 weeks to | 53 weeks |
| | 03 February | 28 January | to 29 April |
| | 2019 | 2018 | 2018 |
| | £'000 | £'000 | £'000 |
| Interest payable on bond | 7,139 | 7,676 | 9,817 |
| Interest payable on bank borrowings | 229 | 115 | 144 |
| Amortisation of loan fees | 539 | 630 | 773 |
| Foreign exchange difference | - | 70 | 70 |
| Interest payable and similar charges before exceptional items | 7,907 | 8,491 | 10,804 |
| Exceptional items | - | 8,737 | 8,737 |
| Interest payable and similar charges after exceptional items | 7,907 | 17,228 | 19,541 |

Interest payable on bank borrowings relates to non-utilisation fees on bank facilities. The Group does not have any bank borrowings.

The exceptional finance cost in the 40 week period ended 28 January 2018 arose on the Group's refinancing in July 2017 and relate to accelerated loan cost write-off and early redemption premium on repayment of the Group's previous bond.

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 03 February 2019 (continued)

5. Intangible Assets

| | Goodwill £'000 | Trademarks £'000 | Software and IT Development £'000 | Total £'000 |
|---------------------------------|-------------------|---------------------|--|----------------|
| Cost | | | | |
| As at 30 April 2018 | 181,989 | 180 | 1,893 | 184,062 |
| Additions | - | - | 141 | 141 |
| Disposals | - | - | - | - |
| As at 03 February 2019 | 181,989 | 180 | 2,034 | 184,203 |
| Accumulated amortisation | | | | |
| At 30 April 2018 | 63,793 | 61 | 322 | 64,176 |
| Disposals | - | - | - | - |
| Charge for the period | 7,000 | 12 | 578 | 7,590 |
| As at 03 February 2019 | 70,793 | 73 | 900 | 71,766 |
| Net book value | | | | |
| As at 03 February 2019 | 111,196 | 107 | 1,134 | 112,437 |
| At 29 April 2018 | 118,196 | 119 | 1,571 | 119,886 |

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 03 February 2019 (continued)

6. Tangible fixed assets

| | Leasehold property £'000 | Restaurant and office equipment £'000 | Total £'000 |
|---------------------------------|--------------------------------|--|----------------|
| Cost | | | |
| At 30 April 2018 | 114,573 | 43,444 | 158,017 |
| Additions | 8,748 | 13,060 | 21,808 |
| Disposals | (1,762) | (869) | (2,631) |
| Foreign exchange differences | 722 | 145 | 867 |
| As at 03 February 2019 | 122,281 | 55,780 | 178,061 |
| Accumulated depreciation | | | |
| at 30 April 2018 | 32,464 | 12,780 | 45,244 |
| Charge for the period | 5,928 | 6,986 | 12,914 |
| Impairment | 9,273 | 3,935 | 13,208 |
| Disposals | (1,556) | (673) | (2,229) |
| Foreign exchange difference | 295 | 33 | 328 |
| As at 03 February 2019 | 46,404 | 23,061 | 69,465 |
| Net book value | | | |
| As at 03 February 2019 | 75,877 | 32,719 | 108,596 |
| at 29 April 2018 | 82,109 | 30,664 | 112,773 |

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 03 February 2019 (continued)

6. Tangible fixed assets (continued)

| | Leasehold property £'000 | Restaurant and office equipment £'000 | Total £'000 |
|---------------------------------|--------------------------------|--|----------------|
| Cost | | | |
| At 24 April 2017 | 103,094 | 39,211 | 142,305 |
| Additions | 10,709 | 11,722 | 22,431 |
| Disposals | (1,843) | (449) | (2,292) |
| Foreign exchange differences | (972) | (213) | (1,185) |
| At 28 January 2018 | 110,988 | 50,271 | 161,259 |
| Accumulated depreciation | | | |
| at 24 April 2017 | 27,692 | 14,388 | 42,080 |
| Charge for the period | 5,003 | 5,261 | 10,264 |
| Disposals | (1,834) | (369) | (2,203) |
| Foreign exchange difference | (595) | (147) | (742) |
| At 28 January 2018 | 30,266 | 19,133 | 49,399 |
| Net book value | | | |
| At 28 January 2018 | 80,722 | 31,138 | 111,860 |
| at 23 April 2017 | 75,402 | 24,823 | 100,225 |

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 03 February 2019 (continued)

6. Tangible fixed assets (continued)

| | Leasehold property £'000 | Restaurant and office equipment £'000 | Total £'000 |
|---------------------------------------|--------------------------------|--|----------------|
| Cost | | | |
| At 24 April 2017 | 103,094 | 39,211 | 142,305 |
| Additions | 15,304 | 15,172 | 30,476 |
| Disposals | (3,082) | (8,889) | (11,971) |
| Reclassification to intangible assets | - | (1,893) | (1,893) |
| Foreign exchange difference | (743) | (157) | (900) |
| At 29 April 2018 | 114,573 | 43,444 | 158,017 |
| Accumulated depreciation | | | |
| At 24 April 2017 | 27,692 | 14,388 | 42,080 |
| Charge for the period | 6,334 | 7,391 | 13,725 |
| Impairment | 1,907 | (78) | 1,829 |
| Disposals | (3,040) | (8,469) | (11,509) |
| Reclassification to intangible assets | - | (322) | (322) |
| Foreign exchange difference | (429) | (130) | (559) |
| At 29 April 2018 | 32,464 | 12,780 | 45,244 |
| Net book value | | | |
| At 29 April 2018 | 82,109 | 30,664 | 112,773 |
| At 23 April 2017 | 75,401 | 24,822 | 100,225 |

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 03 February 2019 (continued)

7. Debtors

| | Unaudited 03 February 2019 £'000 | Unaudited 28 January 2018 £'000 | Restated 29 April 2018 £'000 |
|-------------------------------|---|--|---------------------------------------|
| Trade debtors | 3,080 | 3,496 | 3,209 |
| Other debtors and prepayments | 8,763 | 12,665 | 12,782 |
| | 11,843 | 16,161 | 15,991 |

8. Creditors: amounts falling due within one year

| | Unaudited 03 February 2019 £'000 | Unaudited 28 January 2018 £'000 | Restated 29 April 2018 £'000 |
|-------------------------------------|---|--|---------------------------------------|
| Trade creditors | 10,861 | 17,962 | 20,714 |
| Amounts owed to parent undertakings | 615 | 298 | 302 |
| Corporation tax | 703 | 8 | 1,330 |
| Other taxation & social security | 13,712 | 12,752 | 10,864 |
| Other creditors | 3,910 | 3,552 | 5,702 |
| Accruals | 18,066 | 16,330 | 16,258 |
| | 47,867 | 50,902 | 55,170 |

9. Creditors: amounts falling due after more than one year

| | Unaudited 03 February 2019 £'000 | Unaudited 28 January 2018 £'000 | Restated 29 April 2018 £'000 |
|------|---|--|---------------------------------------|
| Bond | 222,657 | 221,862 | 222,118 |
| | 222,657 | 221,862 | 222,118 |

On 10 July 2017, a refinancing of the Mabel Topco Group was completed. At this date, the Group's bond debt of £150 million was repaid in full and a new bond issue to the value of £225 million was completed. The bond is stated net of unamortised issued costs of £2,882,000. The issue costs are being amortised over the five year term of the bond.

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 03 February 2019 (continued)

10. Reconciliation of operating profit to net cash inflow from operating activities

| | Unaudited | Unaudited | Restated |
|--|--------------------|---------------|---------------|
| | 40 weeks to | 40 weeks to | 53 weeks |
| | 03 February | 28 January | to 29 April |
| | 2019 | 2018 | 2018 |
| | £'000 | £'000 | £'000 |
| Operating profit | (24,365) | 11,119 | 5,712 |
| Amortisation | 7,589 | 7,011 | 9,115 |
| Depreciation | 12,917 | 9,970 | 13,725 |
| Loss on disposal of fixed assets | 401 | 45 | 462 |
| RSU charge | 4,933 | - | - |
| Impairment | 13,208 | - | 1,738 |
| Increase in stocks | (358) | (215) | (389) |
| Increase in debtors | 4,174 | (6,008) | (5,831) |
| Decrease/(increase) in creditors | (7,041) | 4,535 | 5,147 |
| Onerous lease | 11,588 | (387) | 6,391 |
| Net cash inflow from operating activities | 23,046 | 26,070 | 36,070 |

11. Reconciliation of net cash flow to movement in net debt

| | Unaudited | Unaudited | Restated |
|---|--------------------|------------------|------------------|
| | 40 weeks to | 40 weeks to | 53 weeks |
| | 03 February | 28 January | to 29 April |
| | 2019 | 2018 | 2018 |
| | £'000 | £'000 | £'000 |
| Increase/ (decrease) in cash in the period | (12,234) | (6,040) | (4,630) |
| Exchange adjustments | 17 | (121) | (37) |
| New bond issue | - | (225,000) | (225,000) |
| Repayment of bond | - | 150,000 | 150,000 |
| Accelerated loan cost write-off | - | (2,829) | (2,829) |
| Expenses paid in connection with issuing debt | - | 3,529 | 3,416 |
| Amortisation of loan issue fees | (539) | (630) | (773) |
| Change in net debt | (12,756) | (81,091) | (79,853) |
| Opening net debt | (192,806) | (112,953) | (112,953) |
| Closing net debt | (205,562) | (194,044) | (192,806) |

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 03 February 2019 (continued)

11. Analysis of changes in net debt (continued)

Non-cash changes

| | Unaudited 40 weeks to 03 February 2019 £'000 | Unaudited 40 weeks to 28 January 2018 £'000 | Restated 53 weeks to 29 April 2018 £'000 |
|---------------------------------|---|---|--|
| Amortisation of loan issue fees | (539) | (630) | (773) |
| Currency translation | 17 | (121) | (37) |
| | (522) | (751) | (810) |

12. Analysis of changes in net debt

40 weeks ended 03 February 2019

| | At 29 April 2018 £'000 | Cash flows £'000 | Other non-cash changes £'000 | At 03 February 2019 £'000 |
|--|---|-----------------------------------|---|--|
| Net cash: | | | | |
| Cash in hand and at bank | 29,312 | (12,234) | 17 | 17,095 |
| Debt: | | | | |
| Debt due within 1 year | - | - | | |
| Debt due after 1 year | (222,118) | - | (539) | (222,657) |
| | (222,118) | - | (539) | (222,657) |
| Net debt | (192,806) | (12,234) | (522) | (205,562) |
| Financing issue costs | (2,882) | | | (2,343) |
| Net debt before financing issue costs | (195,688) | | | (207,905) |

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 03 February 2019 (continued)

12. Analysis of changes in net debt (continued)

40 weeks ended 28 January 2018

| | At 24 April 2017 £'000 | Cash flows £'000 | Other non- cash changes £'000 | At 28 January 2018 £'000 |
|--|------------------------------|---------------------|--|-----------------------------------|
| Net cash: | | | | |
| Cash in hand and at bank | 33,979 | (6,040) | (121) | 27,818 |
| Debt: | | | | |
| Debt due within 1 year | - | | | |
| Debt due after 1 year | (146,932) | (74,300) | (630) | (221,862) |
| | (146,932) | (74,300) | (630) | (221,862) |
| Net debt after financing issue costs | (112,953) | (80,340) | (751) | (194,044) |
| Financing issue costs | (3,068) | | | (3,138) |
| Net debt before financing issue costs | (116,021) | | | (197,182) |

Mabel Mezzco Limited

Amendment to the reporting calendar

Following the acquisition of Mabel Mezzco Limited's parent company Mabel Topco Limited by The Restaurant Group, the Group intends to adopt a revised reporting calendar to align with The Restaurant Group's financial calendar:

| Quarter | Current reporting timetable | No. weeks | Revised reporting timetable | No. weeks | Comment |
|----------------|---------------------------------------|------------------|---|------------------|--------------------------------|
| Q4 2018/19 | 4 February 2019 – 28 April 2019 | 12 | 4 February 2019 – 28 April 2019 | 12 | |
| Q1 2019/20 | 29 April 2019 – 18 August 2019 | 16 | 29 April 2019 – 30 June 2019 | 9 | Short period to align quarters |
| Q2 2019/20 | 19 August 2019 – 10 November 2019 | 12 | 1 July 2019 – 29 September 2019 | 13 | |
| Q3 2019/20 | 11 November 2019 – 2 February 2020 | 12 | 30 September 2019 – 29 December 2019 | 13 | |