

Comptoir Group Plc

("Comptoir", the "Group" or the "Company")

Trading Update for the Year Ended 29 Dec 2024

Board Changes

Comptoir Group Plc (AIM: COM), the owner and operator of Lebanese, Middle Eastern and North African inspired restaurants is pleased to announce a Trading Update for the financial year ending 29 December 2024 to date ("FY24" or the "Period").

Financial Highlights

- Group revenue for FY24 of c.£34.5m, an increase of 9.5% on the same period last year (FY23: £31.5m)*
- FY24 trading vs FY23 has shown a positive increase in restaurant sales - with like for like sales in the second half year of +2.9% and full year like for like sales of +1.9%
- The Group had its most successful Christmas trading period to date as a result of the investment in people, systems, food quality and service providing its guests with great value and a differentiated experience.
- Total sales for the seasonal six-week trading period ending 5 January 2025 were £4.6m, a growth of 19% for the same period last year, including like-for-like sales increasing by 8.4%.
- The full year Adjusted EBITDA is expected to be in excess of £0.5m, rising from a loss of £0.6m for the half year.
- The Group held an (unaudited) net cash and cash equivalents position of £5.9m (H1 2024: £4.9m) at year-end. The Group has a residual balance of £1.0m (H1 2024 £1.3m) on its CBIL loan of which is expected to be fully paid back by September 2026

** The financial expectations noted above are preliminary, and subject to year-end financial close and audit review processes.*

*** Adjusted EBITDA was calculated from the pre-IFRS 16 loss after taxation adding back interest, tax, depreciation, share-based payments, and other non-cash and non-recurring costs.*

CEO Trading Statement

"2024 has not been without its challenges as the general economic climate and

sector specific cost pressures continue to bear down on the Group. Despite this backdrop, the senior management team has delivered a year of both sales and profit growth.

The performance in the second half of the year was particularly pleasing, with an increasing cash balance and a strong Christmas trading due to a concerted effort by the team to elevate the guest experience. Furthermore, we have continued to invest in refurbishments, technology, sustainability and especially our people, where we have industry leading team engagement. These investments, which have now concluded, together with our new managed and franchised restaurants are building a solid foundation for the Group.

We are reviewing our cost base and efficiencies and we continue to address underperforming restaurants and will take appropriate action with these where required. We have every confidence that the progress on like for like sales growth and profitability will continue in 2025 and that the Company is well positioned as it enters the new year after a period of strategic investment.

I would like to thank my Senior Leadership Team and everyone in Comptoir Group for their efforts in 2024."

FY24 Autumn Budget - National Insurance Contribution and National Minimum Wage mitigation

We estimate the impact of the recently announced increase in National Minimum Wage (NMW) and the changes to Employers National Insurance Contribution (NIC) to be around 10% of total labour costs, being £800k in FY25 and approximately £1.1m on an annualised basis. Given the general economic background of continuing high interest rates and other ongoing cost pressures this increase in labour cost puts pressure on all businesses in the sector to further increase pricing. We believe that we can achieve some labour cost savings through our excellent skilled teams and maintaining our high team retention rates together with the tactical use of technology. This, alongside modest price increases and a rigorous focus on costs, means we are confident that the Group will continue to deliver in 2025 despite these additional headwinds.

Chairman's Statement

I am pleased to announce some significant progress in the past six months.

Despite a challenging market, we have demonstrated resilience with revenue growth increasing from 0.9% LFL at the half year to 1.9% LFL at the full year. This success is attributed to our team's dedication, their hard work and our strategic focus on:

- Elevating the customer experience: Investing in our people to deliver exceptional service.
- Driving innovation: Introducing new and exciting menu items whilst maintaining authenticity and staying true to the Middle Eastern classics.
- Expanding our reach: Refreshing our restaurants and expanding our network.

These strategic investments, coupled with careful cost management, have strengthened our foundation and positioned us for future growth. While we remain optimistic about the long-term prospects of our unique, family-friendly, healthy, dining experience, we will continue to address underperforming restaurants and will take the appropriate action with these as needed, as well as our cost base overall.

We will therefore continue to solidify our business to accelerate our improvements and ensure we have the right platform in place before we can accelerate our growth.

With a strong cash balance of £6.0m we're well-equipped to navigate the challenges ahead.

Changes of Directors

The Group announces that Nick Ayerst, CEO, has informed the Board of his intention to step down to pursue an exciting career opportunity and has therefore tendered his resignation. It has been agreed that he will remain in his role as CEO until the end of February 2025 to ensure an orderly handover before departing.

Tony Kitous, Founder and Creative Director of Comptoir, has identified Chaker Hanna, the former CEO of the Group, that stepped down in August 2022, as an appropriate successor to replace Mr Ayerst. Mr Hanna has extensive industry experience and has remained a substantial shareholder of the Group and retains an 18% holding in the Company. The formal appointment of Mr. Hanna is subject to the completion of standard regulatory checks.

In light of the decision to seek to re-appoint Mr Hanna as CEO, meaning that the Company's executive team and Board will now control c. 66% of the issued share capital, Ali Aneizi (Independent Non-Executive Director) and Jean-Michel Orioux (Independent Non-Executive Chairman) feel that they are no longer able to advise the Board going forward or continue in their roles representing all the shareholders of the Company effectively and independently. As a result, the Company announces that Mr Aneizi and Mr Orioux have jointly resolved to step down from the Board with their resignation becoming effective at the end of their three month notice periods commencing on the date of this announcement. They have both agreed to remain in their respective roles until appropriate successors have been identified and appointed in order to facilitate a seamless and smooth transition.

The Company has commenced a search for their replacements and is in advanced discussions with Richard Kleiner, the Company's former Chairman that stepped down in August 2022, who has, in principle, agreed to serve as Chairman of the Group going forward. In addition, the Company is seeking to identify and appoint an independent Non-Executive Director to replace Mr Aneizi.

James Fisher, FD and Tony Kitous, Founder and Creative Director will remain in their respective roles.

Further announcements will be made once the regulatory checks have been completed in accordance with the AIM Rules for Companies when Mr Hanna and Mr Kleiner are expected to officially be appointed to the Board.

Jean-Michel Orioux, Chairman of Comptoir said:

"We would like to thank Nick for the expertise and impact that he has brought to our Board and the Group as a whole. He has been instrumental in guiding the team and wider workforce through a successful cultural and business transformation. He leaves the business in a strong position and we wish him the very best in his new role and the next chapter of his career."

Tony Kitous, Founder and Creative Director of Comptoir said:

"On behalf of the Group, I would like to thank Jean-Michel and Ali for their support and guidance during their respective tenures. Their sector knowledge and expertise has been invaluable and I am personally grateful for the contribution they have made and the part they have played in the transformation of the Group. As a result, the business is well placed to tackle the challenges and opportunities ahead and we all wish them the very best for the future."

2024 Opening and Closures

- Comptoir Libanais Southbank opened in April 2024, one of the highest profile sites in the Group's estate
- Comptoir Libanais Cheshire Oaks was brought back into the managed portfolio from their franchisee partner Avolta in March 2024. This transaction attracted a four year rent contribution of £1.0m from Avolta to

the Company as part of the deal structure which was settled upfront and led to a contribution to the cash position during the year

- In March 2024, Shawa, a shawarma-led fast casual restaurant, opened in Abu Dhabi's Zayed International Airport with our franchise partners Avolta
- Comptoir Libanais Milan Malpensa Italy opened with our new partner Areas Italy in June 2024
- Yalla Yalla Soho and Comptoir Libanais Ashford, an Avolta operated franchise restaurant, both closed during the year in February and July respectively
- At year-end, the Group owned and operated 22 owned restaurants, with a further six franchisee restaurants across 3 partners. All new openings are trading as per management's expectations

Post period event

- Subsequent to the year end the Group has taken the decision not to renew the lease of Kenza Restaurant and Bar and will continue to monitor the financial performance and contribution of all sites in the portfolio

Enquiries

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Nick Ayerst, CEO
Jean-Michel Orioux, Non-Executive
Chair

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About Comptoir Group PLC

Comptoir Group PLC owns and operates 28 Lebanese, Middle East and North African inspired restaurants, six of which are franchised, based predominately in the UK. The flagship brand of the group, Comptoir Libanais, is a collection of 22 restaurants located across London, nationwide and international Travel Hubs, including cities such as Manchester, Bath, Birmingham, Oxford, Dubai and Milan.

The name Comptoir Libanais means Lebanese Counter and is a place where guests can eat casually and enjoy Lebanese, Middle Eastern and North African food, served with warm and friendly hospitality and a bright vibrant environment.

The Group also operates Shawa, serving traditional shawarma through a counter service model in Westfield and Bluewater shopping centres and Abu Dhabi and Yalla-Yalla with a branch near Oxford Circus.

The group has expanded internationally with its franchise partners Avolta and Areas, with restaurants in the Netherlands, Qatar and UAE and Italy.

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Trading Update and Board Changes

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