WHITBREAD

FY22 Preliminary Results

28 April 2022



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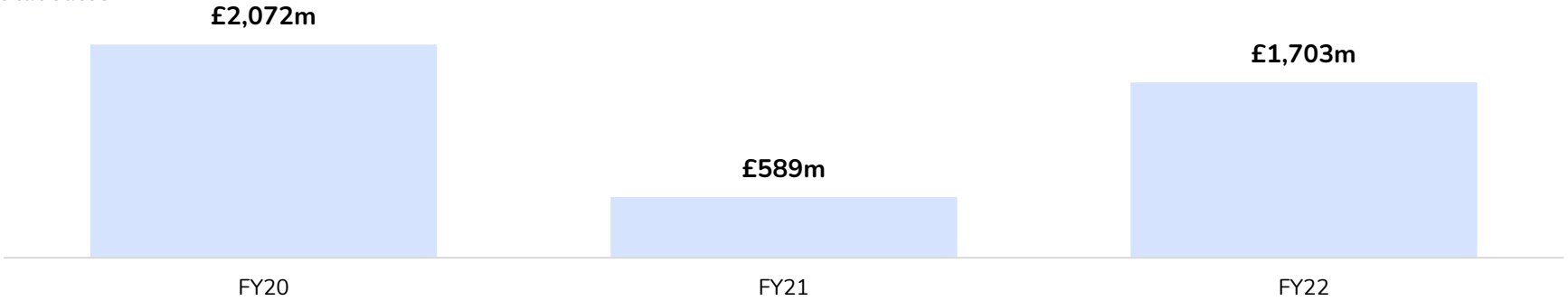
Full year highlights and outlook

- Continued hotel market outperformance in the UK driven by our ‘Investing to win’ commercial strategy, our strong brand, scale, direct distribution and the strong appeal of the Premier Inn customer offering
- Strong hotel trading in the UK, exceeding pre-pandemic levels in H2
- Encouraging forward bookings, capitalising on accelerating independent supply contraction although limited visibility for H2
- Restaurants trading behind pre-COVID levels but improving trends
- German market recovering slower than UK but Premier Inn trading is encouraging. Built a significant business of 37 quality hotels in prime locations during COVID, which are now starting to trade as the market recovers
- Expect to largely offset higher cost inflation through efficiencies, estate growth and higher price
- Cost efficiency programme extended and increased, now £140m by FY25
- Proposed final dividend of 34.7p per share resulting in £70m payable, reflecting confidence in outlook

Strong recovery: returning to profitability

Commercial initiatives and strong appeal of Premier Inn's customer offering driving recovery as Government restrictions relaxed

Total sales



Statutory profit before tax



WHITBREAD

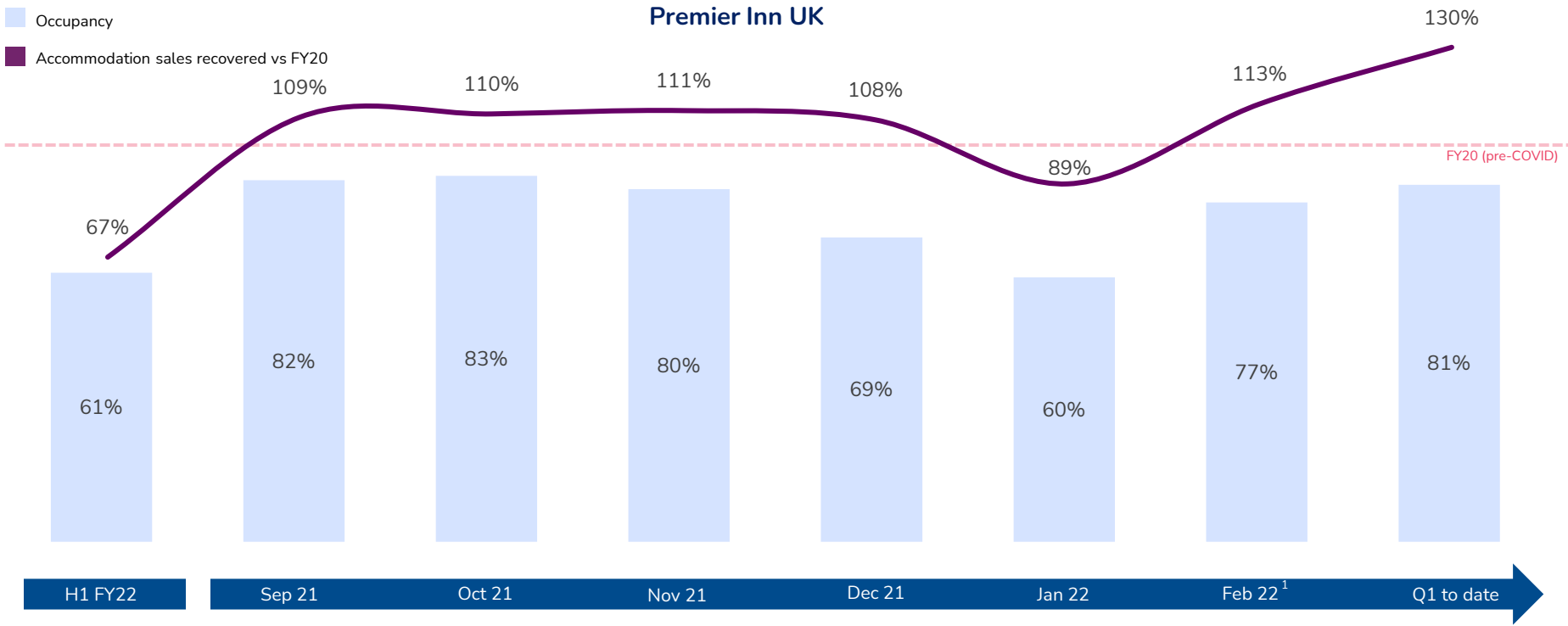
Premier Inn UK strong trading

Accommodation sales ahead of pre-COVID levels

H1: Certain restrictions on hotel and restaurant visits

Dec - Jan: Increased restrictions in parts of the UK due to Omicron variant

Feb - Apr: Restrictions lifted



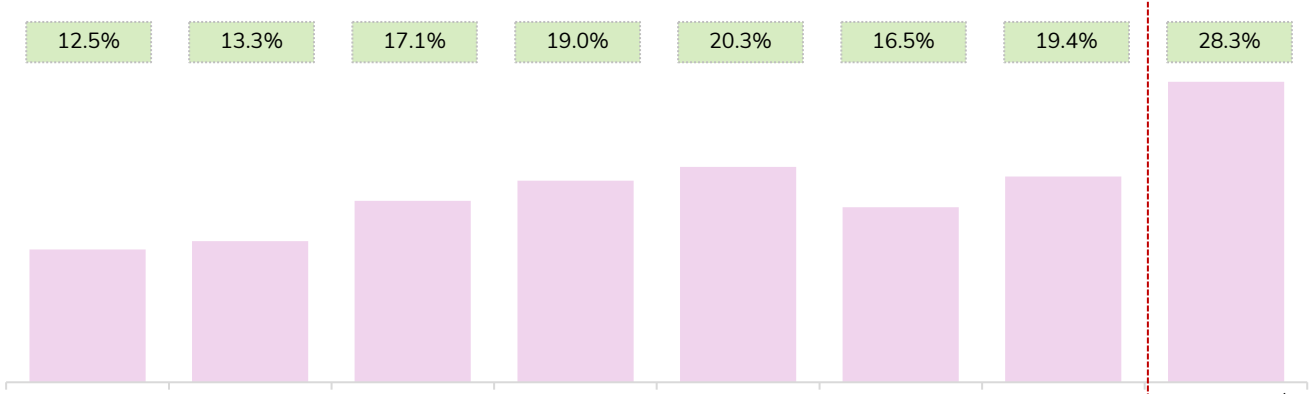
1: versus FY20 on a 52-week basis

WHITBREAD

Premier Inn UK: continued market outperformance

Premier Inn's strong brand, scale and direct distribution helping maintain material outperformance of the M&E market...

Total sales outperformance vs. the M&E hotel market



	H1	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22 [3]	Q1 to date [4]
PI outperformance[1] vs M&E	12.5%	13.3%	17.1%	19.0%	20.3%	16.5%	19.4%	28.3%
PI market share[2]	11.2%	9.5%	9.5%	9.2%	8.7%	10.6%	10.6%	9.9%
PI market share growth vs FY20[2]	3.9pp	2.4pp	2.1pp	1.9pp	2.4pp	3.3pp	2.7pp	2.4pp

...and the M&E market continue to materially outperform all other hotel sectors

M&E vs rest of market outperformance	18.3%	23.3%	16.4%	12.0%	18.0%	20.7%	19.6%	15.0%

1: STR data, full inventory basis, M&E excludes Premier Inn – restated in line with STR M&E room stock reclassification
2: STR data, revenue share of total UK market
3: Versus FY20 on a 52-week basis
4: STR data, full inventory basis, 4 March 2022 to 14 April 2022, M&E excludes Premier Inn

WHITBREAD

Germany: Encouraging trading in a challenging market

Greater level of restrictions

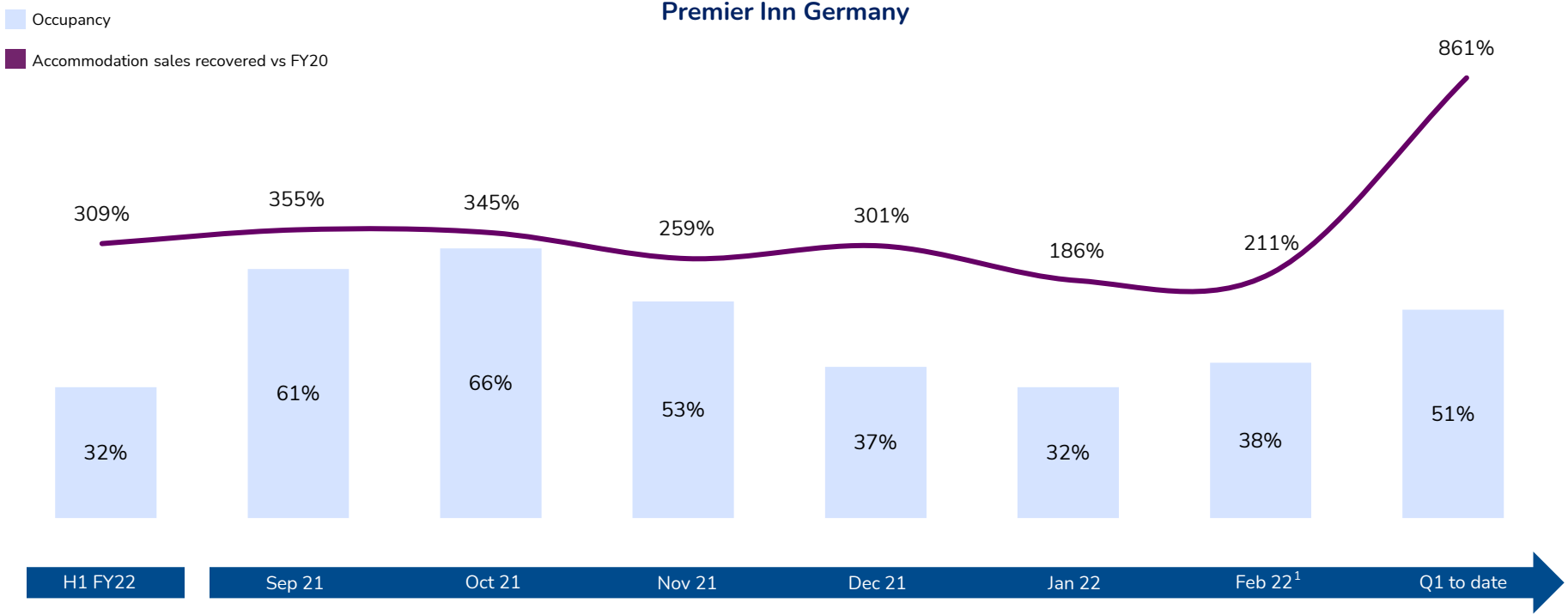
H1: Certain restrictions on hotel and restaurant visits

Oct - Nov: Increased restrictions due to Delta variant

Dec - Feb: Further restrictions due to Omicron variant

Mar - Apr: Restrictions easing and lifted in April

Premier Inn Germany



1: versus FY20 on a 52-week basis

WHITBREAD

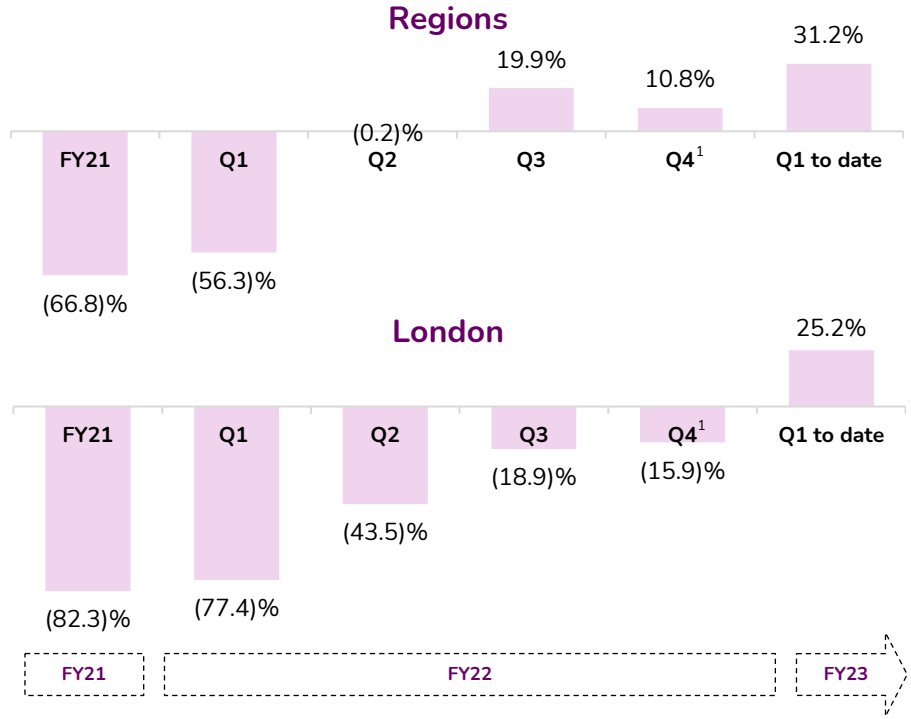
Broad based recovery into FY23

Demand recovering across all customer groups

UK	Leisure	Ahead of pre-COVID levels
UK	Business tradespeople	Ahead of pre-COVID levels
UK	Office-workers	Recovering well, helping London recovery
UK	International inbound	Early signs of recovery
UK	Food and beverage	Slower market recovery
Germany	Hotels & food and beverage	Slower market recovery

Very strong performance in the UK Regions, recovery in London

Premier Inn accommodation sales versus FY20



Premier Inn UK LFL RevPAR have recovered to pre-COVID levels

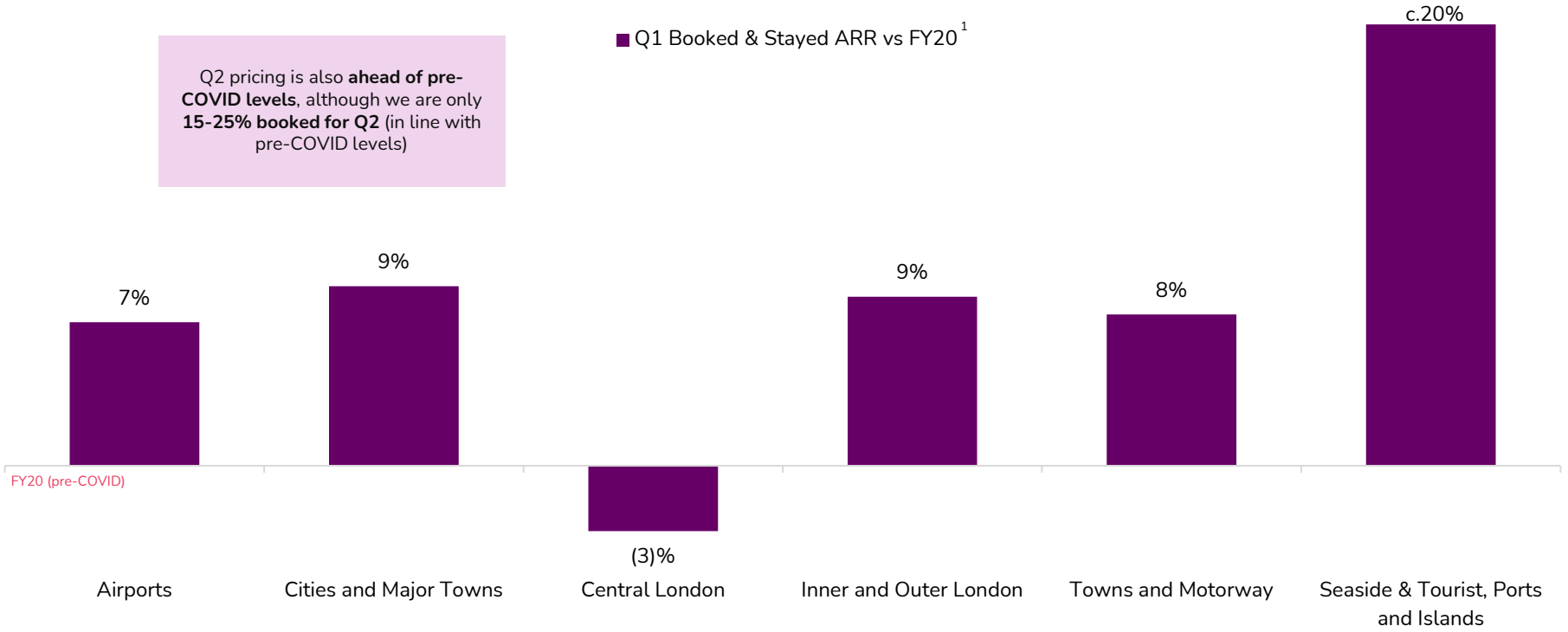
1:Q4 FY22 accommodation sales are compared on a 52 week basis versus FY20

WHITBREAD

UK: Broad based recovery into FY23

Strong pricing into FY23 helping offset inflationary headwinds

Q2 pricing is also **ahead of pre-COVID levels**, although we are only **15-25% booked for Q2** (in line with pre-COVID levels)



Accelerated independent supply reduction and strengthening demand builds to an encouraging outlook for FY23

1: Average room rate for booked and stayed stays between 4 March to 2 June 2022 versus the equivalent period in FY20 as at 21 April 2022

WHITBREAD

Continued confidence in returning to pre-COVID UK profit margins

CAPITALISE ON STRUCTURAL OPPORTUNITIES AND COMPETITIVE ADVANTAGE

Customer behaviour

- ✓ Increased domestic tourism
- ✓ Resilient tradespeople demand
- ✓ Importance of brand standards
- × Increased working from home

Competitive opportunities

- ✓ Accelerated independent decline
- ✓ Reduction in new supply

Initiatives

- ✓ Advantaged commercial model
- ✓ Investment driving market share gains
- ✓ Price uplift from refurbs and Premier Plus
- ✓ Estate optimisation

SECTOR HEADWINDS MITIGATED BY EFFICIENCIES AND GROWTH

Current operating environment

- × Supply chain disruption
- ? Labour shortages
- × Inflationary pressures

Growth

- ✓ Long runway for growth in UK, adding 2-3k rooms in a normal year
- ✓ New hotels improved operating leverage
- ✓ Pricing power

Efficiencies

- ✓ Longstanding efficiency programme
- ✓ Technology investment driving top line

Mitigations and compelling growth opportunities drive margin recovery

FINANCIAL REVIEW | Hemant Patel - CFO





CFO Overview: Focusing on long-term growth and returns

STRONG RECOVERY	• **Recovery in revenues** and profit, driven by **competitive strength** and successful **commercial initiatives**:
	  • Statutory revenue growth of **189%** versus FY21
	  • Statutory profit before tax of **£58.2m** (versus a loss of **£1,007.4m** in FY21)

LONG-TERM GROWTH	• Investing in long-term growth for sustainable returns
FOCUS ON RETURNS	• Confident that investment and portfolio optimisation will **drive strong ROCE** targeting **10-13%**

ROBUST BALANCE SHEET	• Returning to **investment grade leverage metrics** and resumption of **dividend** payments:
	  • Net cash of **£140.5m** at end of FY22; lease adjusted metrics will normalise in FY23
	  • Expect to return to a self-funding growth-led strategy in FY23, capex spend of **£350m-£400m**
	  • Capital discipline

FY23 OUTLOOK	• Opportunities in FY23 and beyond:
	  • **Strong trading momentum** despite inflationary pressures
	  • Confidence in outlook and cash generation drives decision to pay dividend of **34.7p** per share

Financial highlights: Return to profitability

£m	FY22 [1]	FY21	FY20
Statutory revenue	**1,703.4**	**589.4**	**2,071.5**
Adjusted revenue	1,703.4	588.9	2,062.1
Other income (excl. rental income)	114.5	154.0	13.9
Operating costs	(1,345.3)	(937.8)	(1,323.3)
Adjusted EBITDAR	**472.6**	**(194.9)**	**752.7**
Adjusted (loss) / profit before tax	**(15.8)**	**(635.1)**	**358.3**
Statutory profit / (loss) before tax	**58.2**	**(1,007.4)**	**280.0**
Cash capital expenditure	261.0	230.6	587.7
Cash and cash equivalents	1,132.4	1,256.0	502.6
RCF (undrawn)	850.0	950.0	950.0
Net cash / (debt)	140.5	(46.5)	(322.9)

- FY22 performance reflects the strong recovery in sales post COVID-19 restrictions and estate growth in the UK and Germany, driving **statutory revenues 189%** ahead of FY21
- **Other income** of **£114.5m** includes **£61.7m** benefit from the Coronavirus Job Retention Scheme, **£8.2m** UK other grants and **£43.6m** benefit from German Government support schemes
- **Operating costs** were **£407.5m** higher than FY21 driven by revenue-related variable costs, estate growth and lower levels of business rates relief
- **Adjusted loss before tax** was **£15.8m**, with **£40.8m** profit in H2
- **Statutory profit before tax** of **£58.2m** benefits from **£74.0m** of adjusting items credits including **£33.2m** profit on property disposals and **£42.0m** of net property impairment reversals
- **Net cash** of **£140.5m** - the business has access to **£1,132.4m** of cash and cash equivalents, and access to an undrawn RCF of **£850.0m**

1: FY22 is a 53-week period, with week 53 total sales £41.9m sales and an estimated profit impact of £4m

Continued market outperformance in the UK; rapid estate growth in Germany

Premier Inn UK

£m	FY22	FY21	FY20
Statutory revenue	**1,668.2**	**577.4**	**2,050.3**
Other income (excl. rental income)	70.1	142.5	13.6
Operating costs	(1,248.6)	(861.7)	(1,270.2)
Adjusted EBITDAR	**489.8**	**(141.8)**	**793.7**
Net turnover rent and rental income	3.9	4.5	2.1
Depreciation: Right-of-use asset	(125.2)	(109.9)	(103.2)
Depreciation and amortisation: Other	(168.9)	(168.5)	(163.2)
Adjusted operating profit / (loss)	**199.6**	**(415.7)**	**529.4**
Interest: Lease liability	(124.7)	(117.1)	(115.1)
Adjusted profit / (loss) before tax	**74.9**	**(532.8)**	**414.3**

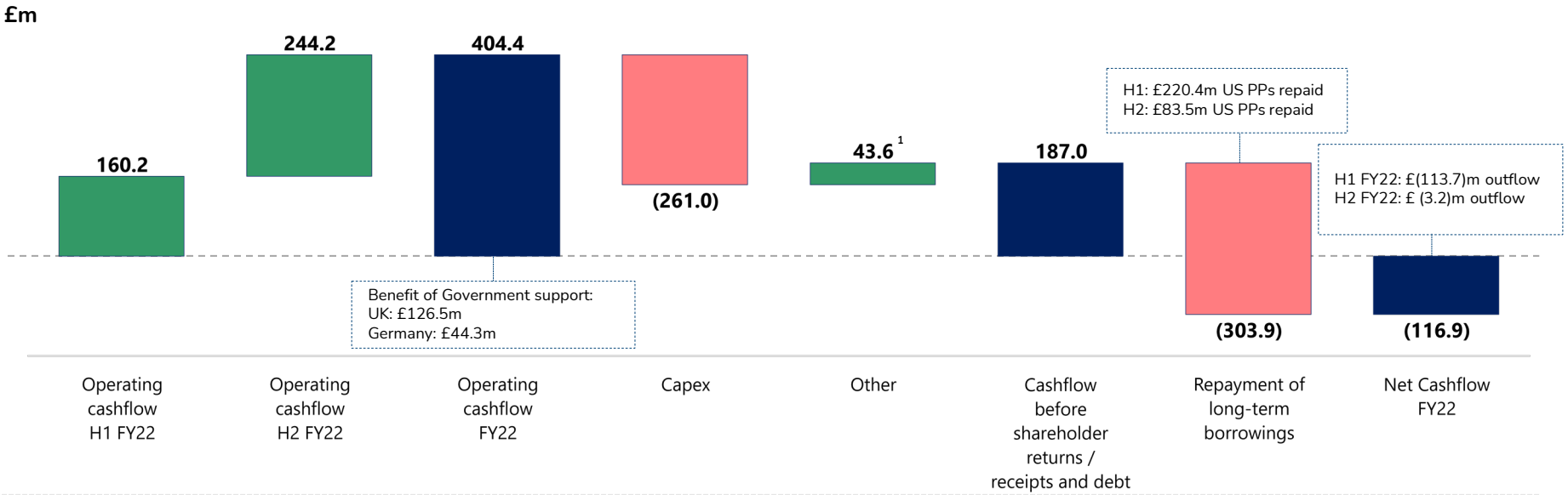
- Outperforming the market
- COVID-19 restrictions in place until July
- Strong leisure led recovery from Q2 onwards

Premier Inn Germany

£m	FY22	FY21	FY20
Statutory revenue	**35.2**	**11.5**	**11.8**
Other income (excl. rental income)	44.3	11.5	0.3
Operating costs	(65.8)	(43.9)	(23.9)
Adjusted EBITDAR	**13.7**	**(20.9)**	**(11.8)**
Net turnover rent and rental income	3.7	3.9	0.8
Depreciation: Right-of-use asset	(22.9)	(16.4)	(0.8)
Depreciation and amortisation: Other	(9.9)	(5.4)	(1.6)
Adjusted operating (loss) / profit	**(15.4)**	**(38.8)**	**(13.4)**
Interest: Lease liability	(8.5)	(6.1)	(0.2)
Adjusted (loss) / profit before tax	**(23.9)**	**(44.9)**	**(13.6)**

- Material estate growth
- COVID-19 restrictions in place for the majority of the year
- Adjusted loss benefitting from Government grants

FY22 Cashflow: Strong trading in the year resulting in operating cash inflow



Net (debt) / cash movement

£m	
Net debt at start of year	(46.5)
Cash flow	(116.9)
Debt repayment	303.9
Net cash at end of FY22	140.5

Available liquidity

£m	
Cash and cash equivalents	1,132.4
Undrawn RCF	850.0
Total	1,982.4
Finance borrowings	(1,000.0)
Lease liabilities	(3,701.8)

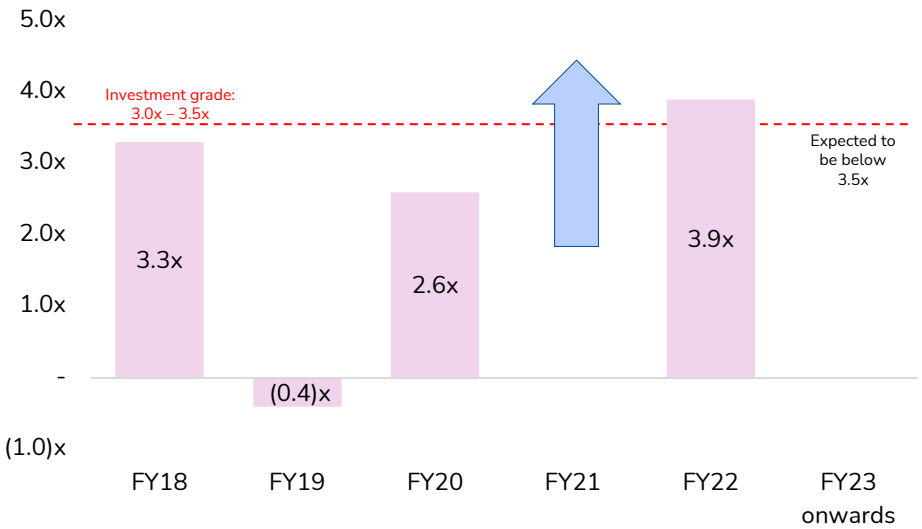
1: Other includes: corporate taxes, interest, other non cash, pension, disposal proceeds and acquisitions

WHITBREAD

Strong balance sheet a reflection of continued capital discipline

RETURNING TO INVESTMENT GRADE METRICS

Return to FFO investment grade leverage in FY23



ASSET BACKED BALANCE SHEET

- Property estate last valued in 2018:
  - Individual sale and leaseback basis
  - Yield range: **4.5% - 5.0%**
  - Value: **£4.9 - 5.8 billion**
- Market yields holding up well:

  Premier Inn indicative leasehold transactions since March 2020:
  - London **c.3.0% - 4.0%**
  - Regions large towns/cities (e.g. Liverpool, Norwich) **c.4.0% - 4.5%**
  - Regional small towns (e.g. Peterborough, Holyhead, Maidenhead) **c.4.0% - 5.0%**

Strong capital discipline provides flexibility to invest and return to shareholders

1: Using existing methodology

WHITBREAD

FY23 outlook and current trading

UK

- Investment: **£20m** versus FY22 (as announced at H1 FY22 results)
- Room growth: **c.1,500-2,000**

GERMANY

- FY23 loss before tax expected to be **c.£60m-£70m** driven by slower market recovery
- Room growth: **c.2,000-2,500**

COSTS

- Expected year-on-year cost inflation **8-9%** (an increase of 1% from Q3 announcement): net **c.£15m** additional cost
- Cost efficiency programme increased and extended: now **c.£140m** by FY25 (with £40m delivered in FY22)

BALANCE SHEET

- Capex: **£350m-£400m** depending on M&A and leasehold/freehold mix
- Dividend: Proposed final dividend of 34.7p per share, resulting in **£70m** payable

CURRENT TRADING[1]

UK	vs FY22	vs FY20
Total accommodation sales	326.6%	29.9%
Total F&B sales	>1,000%	(4.6)%
Total sales	498.0%	17.3%

Germany	vs FY22	vs FY20
Total accommodation sales	716.4%	761.4%
Total F&B sales	>1,000%	654.7%
Total sales	774.7%	745.0%

1: 4 March 2022 to 21 April 2022 versus equivalent period in FY20
2: STR data, full inventory basis, 4 March 2022 to 14 April 2022 , M&E excludes Premier Inn

DRIVING LONG-TERM VALUE | Alison Brittain – CEO

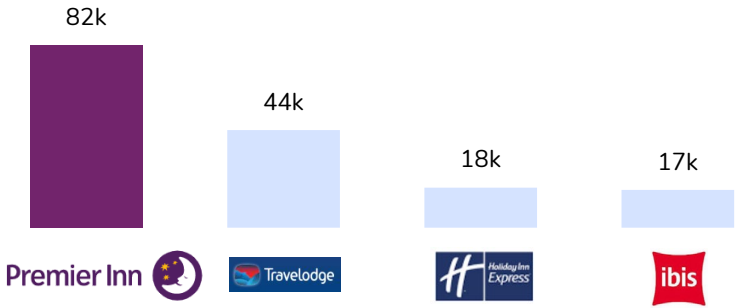




Premier Inn's customer proposition has a strong appeal

CHOICE

UK's largest hotel brand[1]



VALUE FOR MONEY

High quality budget offering with broad appeal

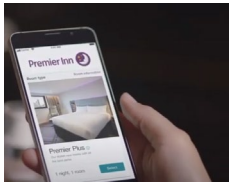
Average room rate pre-COVID £61.50	**High quality rooms**
Refurbishment spend ahead of pre-COVID levels	**Investing in new formats**

SIMPLE CUSTOMER JOURNEY

Market leading direct distribution







Only 1% distribution through OTAs

LEADING CUSTOMER PROPOSITION

UK's favourite hotel brand[2]

YouGovBrandIndex[3]

Satisfaction	1st
Impression	1st
Value	1st
Likelihood-to-recommend	1st
Quality	2nd*

**First place is held by a four-star competitor*

YouGovBrandIndex

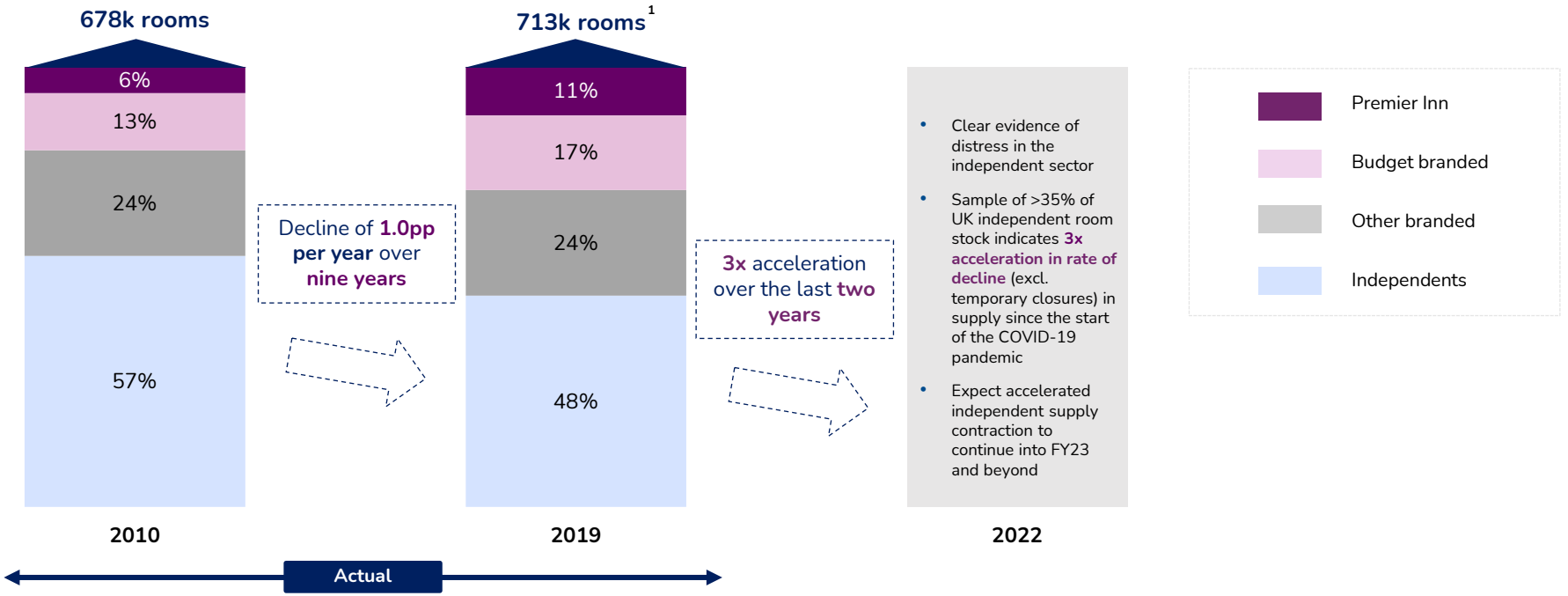
*Winner of YouGov **best value hotel chain** for the **11th** year running*

1: Company data and AM:PM, March 2022
2: YouGov BrandIndex Quality & Value scores as at 3 March 2022 based on a nationally representative 52-week moving average
3: YouGov BrandIndex Satisfaction, Impression, Value, Recommended & Quality scores as at 3 March 2022 based on a nationally representative 12 week moving average

WHITBREAD

UK: Enhanced structural opportunities

ACCELERATING DECLINE IN INDEPENDENT SUPPLY



- Clear evidence of distress in the independent sector
- Sample of >35% of UK independent room stock indicates **3x acceleration in rate of decline** (excl. temporary closures) in supply since the start of the COVID-19 pandemic
- Expect accelerated independent supply contraction to continue into FY23 and beyond

Increase in rate of independent exits expected to continue over the next 18 – 24 months

1: Company data
2: Sample of >35% of independent room stock, excludes temporary closures

WHITBREAD

Multi-year UK growth opportunity

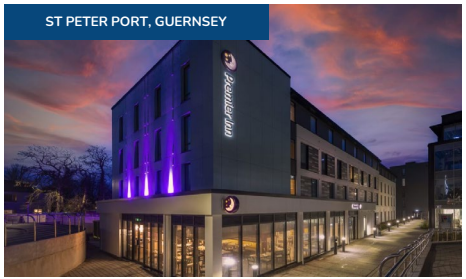
CLEAR ROUTE TO 110k ROOMS

Equates to >33% UK estate growth opportunity





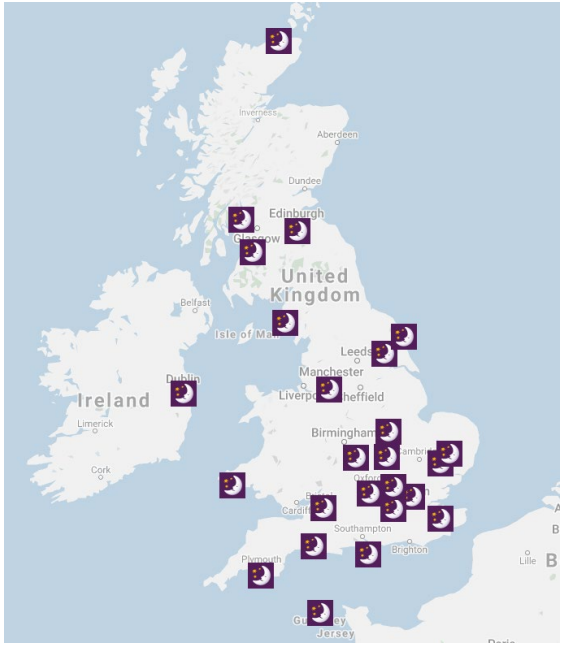




- Opportunity expected to be even greater as market supply contracts post COVID

ADDING 2-3k ROOMS EVERY YEAR

New hotels in prime locations, with improved operational efficiency and operating leverage



- 30 new hotels and 3,787 gross rooms opened in FY22

WHITBREAD

Leveraging our commercial model

ADAPTABLE PRICING STRATEGY

Price outperformance in areas of high demand

H2 Premier Inn KPIs – Lake District

	Growth vs FY20	vs the market[1]
ARR	+21.6%	+14.1pp
Occupancy	+3.4%	+9.8pp
RevPAR	+26.8%	+28.7pp
Total sales	+31.6%	+37.4pp

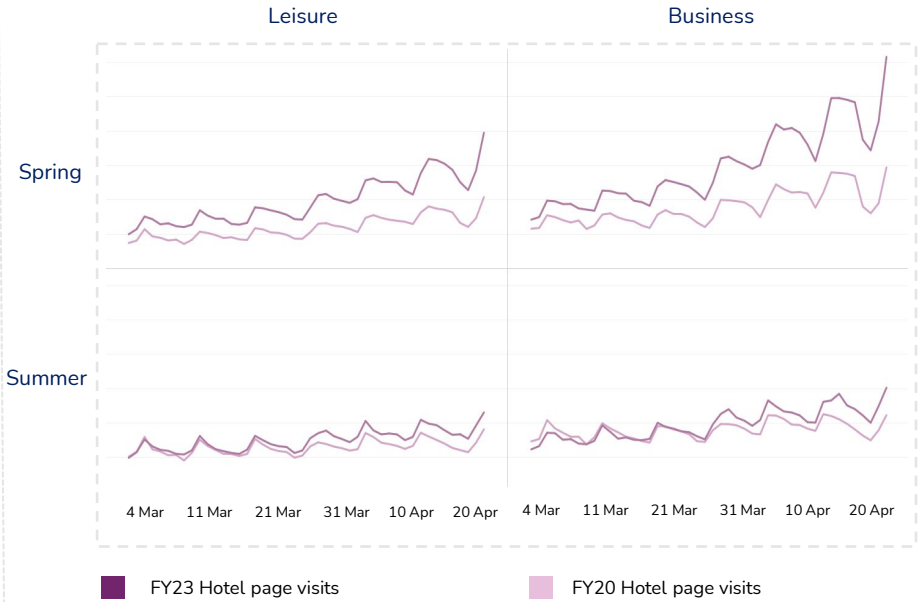
Occupancy outperformance in areas of lower demand

H2 Premier Inn KPIs – West London

	Growth vs FY20	vs the market[1]
ARR	(6.2)%	(0.8)pp
Occupancy	(3.0)%	+16.1pp
RevPAR	(9.8)%	+18.2pp
Total sales	(3.7)%	+24.7pp

STRONG DEMAND INDICATORS INTO H1 FY23

Hotel page visits[2] for stays in H1 FY23 versus FY20



Strong price will help to offset inflationary cost pressures

1: STR data, full inventory basis, M&E excludes Premier Inn – restated in line with STR M&E room stock reclassification
2: Company data: hotel detail page visits, search dates 4 March 2022 to 18 April 2022 for stays between 27 February 2022 to 4 September 2022

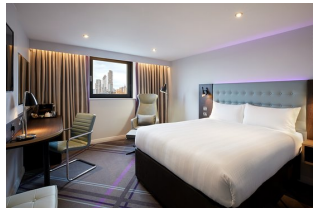
WHITBREAD

Investing to win: Premier Plus rooms

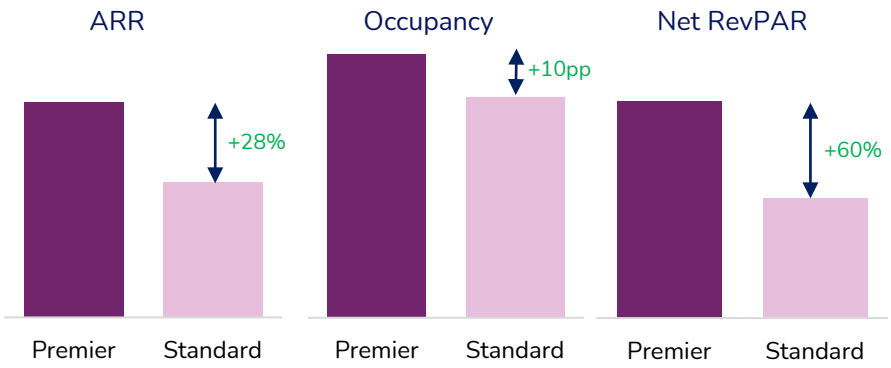
BOOSTING OUR ROLL-OUT OF PREMIER PLUS ROOMS

2,000 Premier Plus rooms with over 1,200 planned for FY23





Driving higher price and occupancy[1]



BROAD APPEAL INCREASES POTENTIAL FOOTPRINT

Location of hotels with Premier Plus rooms



- Premier Plus rooms are proving popular with both business and leisure guests, increasing our potential footprint
- Typically 15% of a hotel's rooms are converted to Premier Plus

1: March 2020 to March 2022

WHITBREAD

Investing to win: enhanced business offer

BROADENING OUR BUSINESS CUSTOMER REACH

BUSINESS ACCOUNTS

Streamlined sign-up process

RELAUNCHED "BUSINESS BOOKER" PORTAL

Enhanced user experience, look and feel

TRAVEL MANAGEMENT COMPANIES

Expanding distribution through TMCs

DRIVING STRONGER BUSINESS DEMAND

Strong midweek outperformance versus the market [1]



1: STR data, full inventory basis, 18 January 2022 to 6 April 2022, M&E excludes Premier Inn

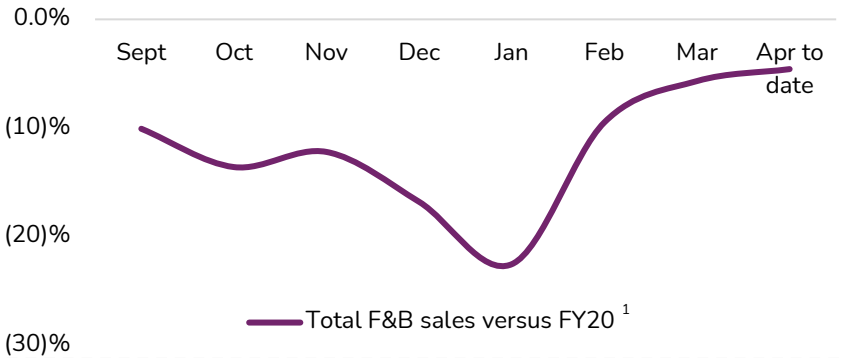
Investing to win: Food & beverage strategy

OUR F&B PROPOSITION

- Over 800 restaurants across the UK
- Food & beverage offering tailored to local demand
- Core pillar in our customer proposition; guests value our breakfast offering
- Fundamental to achieving high occupancy and high RevPAR in our hotels

Beefeater | BAR+BLOCK | thyme BAR+GRILL | COOKHOUSE & PUB | Brewers fayre | Table Table

OUR F&B PERFORMANCE IS RECOVERING



NEW PRICING STRATEGY AND MENU DESIGN







- Simplified our ingredient range and pricing
- Focus on consistency and quality
- Wider range of premium drinks

FOCUSED INVESTMENT AND MARKETING PROGRAMME



tripadvisor



- Matching marketing and discounting activity to demand levels
- Leveraging our Premier Inn digital marketing expertise
- Investing in online booking tools e.g. Tripadvisor

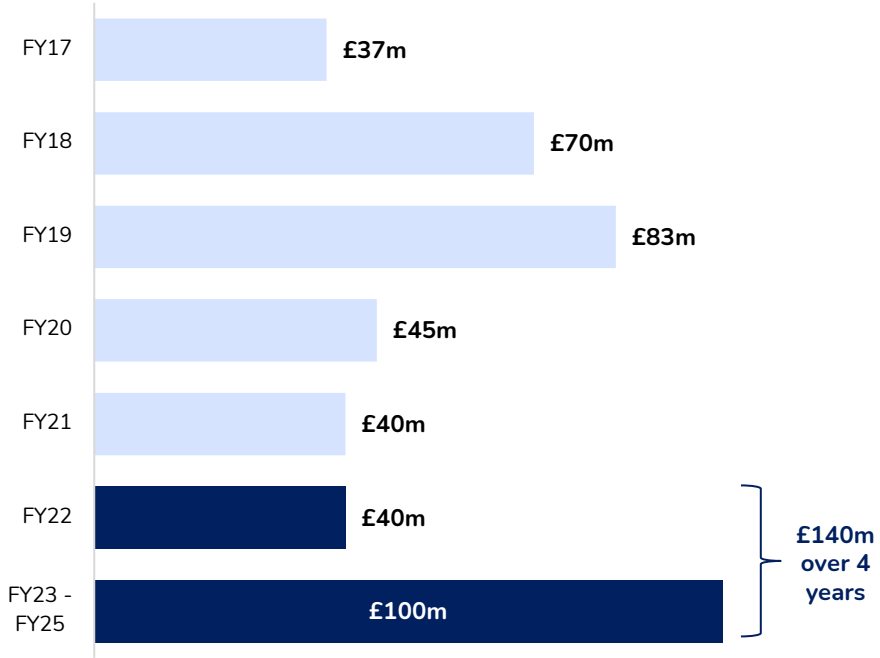
1: versus FY20 on a 52-week basis

WHITBREAD

Cost efficiency programme

Strong track record of material cost savings and offsetting inflationary pressures

4-year £140m efficiency programme



CASE STUDY: REDUCING SHIPPING FREIGHT COSTS

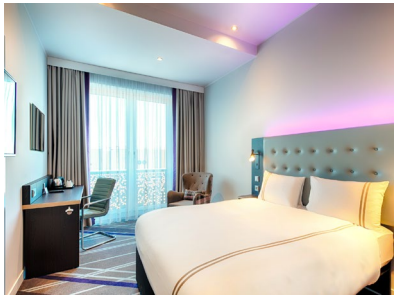


BEFORE: Negotiated shipping costs directly with freight agents

NOW: Developed an agreement with our largest furniture supplier to leverage their scale and negotiate lower shipping freight costs

Delivering **£400k** saving per year

CASE STUDY: IRONING BOARDS



BEFORE: Purchased ironing boards from UK supplier network

NOW: Sourced from international sourcing centre in Shanghai

Delivering **25-30%** saving versus local sourcing

WHITBREAD

Germany: A compelling proposition in a highly attractive market

A HIGHLY ATTRACTIVE MARKET – OPPORTUNITY TO REPLICATE UK SUCCESS

- **Market is 40% larger than the UK**
- **Greater demand for short-stay domestic travel**
- **Pre-COVID budget branded RevPAR growth higher than UK**
- **Highly fragmented market: 72% independents in long term decline**
- **Structural barriers to entry exists for franchise operators**
- **Significant opportunity to acquire assets with attractive long-term returns**

COMPELLING CUSTOMER PROPOSITION

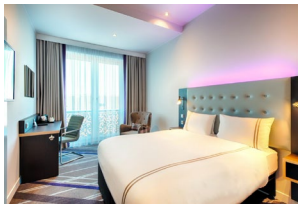
Prime locations
37 operational hotels in 19 cities and towns

Great value
Budget price range

High quality
Replicating the leading quality of our UK hotels

Broad appeal
Business and leisure guests









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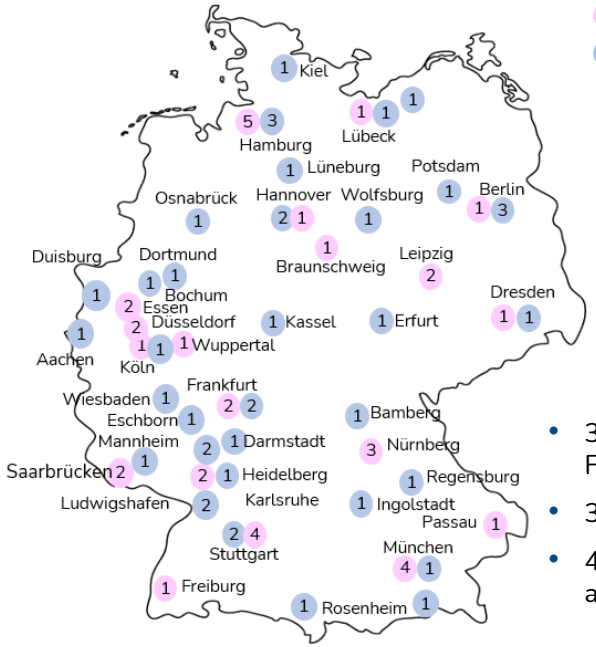
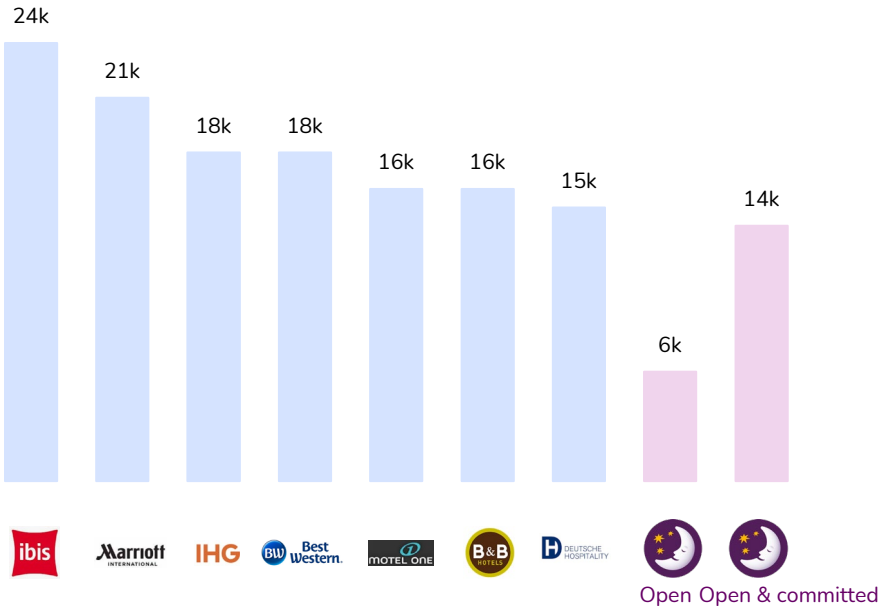
Long-term value creation: Germany

BUILDING A NATIONAL NETWORK



- 31 hotels added since February 2020
- 37 operational hotels
- 41 pipeline hotels, 3 added so far in 2022

RAPID ESTATE GROWTH



A platform to outperform and take market share

Ambition to be the no.1 budget operator

1: AM:PM March 2022
2: Company data and estimates

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Encouraging performance in a challenging market

LEADING CUSTOMER PROPOSITION

TRUSTYOU[1]

Average Housekeeping	Average Service
87	88
0.9 ↑	1.3 ↑

Average Overall	Average Hotel
88	93
2.3 ↑	2.2 ↑

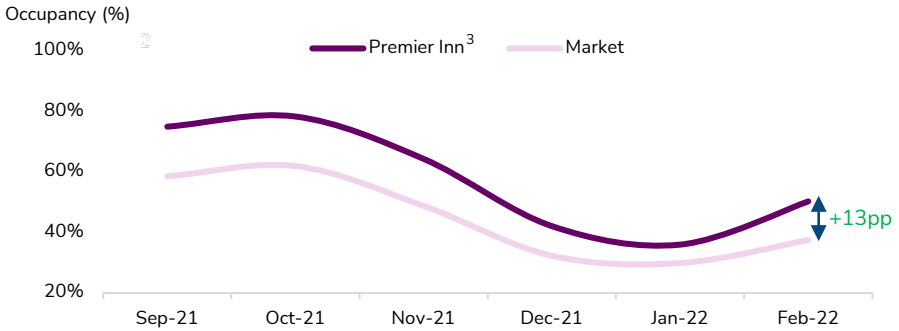
Tripadvisor

Leipzig City	Frankfurt City Centre
5/5	5/5
Excellent	Excellent

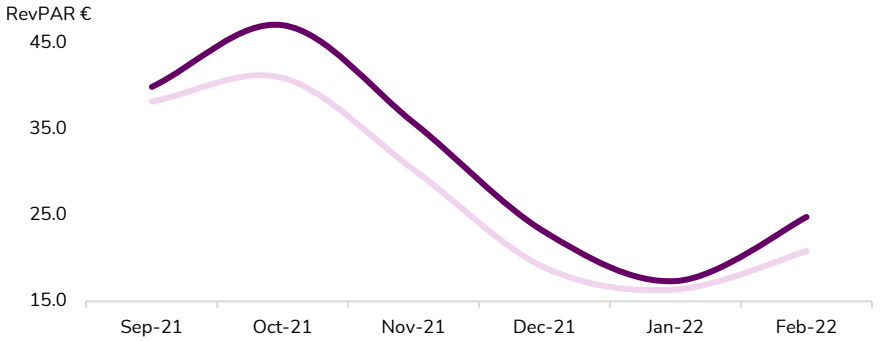
Munich Airport Ost	Essen City Centre
5/5	5/5
Excellent	Excellent

HOTELS BENCHMARKING WELL AGAINST THE MARKET

Occupancy ahead of market as we build brand recognition ...



... whilst maintaining RevPAR performance



1: Source: TrustYou scores from March 2021 to February 2022

2: STR data, local inventory basis in the selected markets which the 12 hotels operate, M&E includes Premier Inn

3: Premier Inn data is for 12 sites were open for more than 12 months as at 26 August 2021

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A significant commitment to the German market

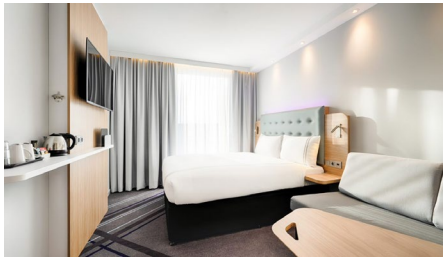
Capital invested and committed to date: >£900m[1]

Investing at least £250m[2] and opening 2k-3k rooms every year

Confident in acquisition opportunities

Expected returns 10-14%[2]









Disciplined capital investment to deliver good long-term returns

1: Exchange rate: GBP:EUR exchange rate of 1.15

2: Lease adjusted equivalent

Industry-leading sustainability and responsibility programme

Key achievements in FY22

Committed to **SBTi** for **net zero** carbon target by **2040**

AA Rating on **MCSI Responsibility**

Rated Top Employer for the **12th** consecutive year

Financial Times Diversity Leaders Index award placed 24 out of 750 companies across Europe

Low ESG risk rating from Sustainalytics

>£20m raised for Great Ormond Street Hospital

Reduce scope 3 carbon by **50%** in **2035** and **64%** by **2050**

Achieved **RSPO Chain of Custody** certification for sustainable **palm oil**

Leadership population has **41% female representation,** ahead of target of 40% by the end of 2023

Stonewall Gold Award for commitment to LGBTQ+ inclusion at work

First year of TCFD reporting

Introducing ESG metrics into **management compensation**

Our long-term commitments

8

DIVERSITY & INCLUSION TARGETS

CARBON NET ZERO BY 2040

ELIMINATING SINGLE-USE PLASTIC BY 2025

CUTTING FOOD WASTE BY 50% BY 2030

Our Force for Good programme is embedded in everything we do

Well positioned for long-term value creation

1 GROW AND INNOVATE IN THE UK

2 FOCUS ON OUR STRENGTHS TO GROW IN GERMANY

3 ENHANCE CAPABILITY TO SUPPORT LONG-TERM GROWTH

	UK	Germany
ENHANCED STRUCTURAL OPPORTUNITIES Market supply contraction accelerating PI market share gains	✓	✓
BUDGET MODEL Budget sector is higher growth and outperforms in downturns	✓	✓
BROAD CUSTOMER REACH Flexible model caters to a wide range of customer types	✓	✓
STRONG HOTEL BRAND Strongest hotel brand in the UK	✓	opportunity
DIRECT DIGITAL DISTRIBUTION Cost efficient and ownership of the customer relationship	✓	opportunity

	UK + Germany
BEST-IN-CLASS OPERATIONS Competitive advantage driving a winning customer proposition	✓
LEAN AND AGILE COST MODEL Right-sized cost base enables a superior value offering	✓
FINANCIAL STRENGTH AND FLEXIBILITY Strong property backed balance sheet provides flexibility	✓
CAPITAL DISCIPLINE Disciplined allocation of capital	✓
OPERATING RESPONSIBLY AND SUSTAINABLY Embedded in our business with ambitious targets	✓

Full year highlights and outlook

- Continued hotel market outperformance in the UK driven by our ‘Investing to win’ commercial strategy, our strong brand, scale, direct distribution and the strong appeal of the Premier Inn customer offering
- Strong hotel trading in the UK, exceeding pre-pandemic levels in H2
- Encouraging forward bookings, capitalising on accelerating independent supply contraction although limited visibility for H2
- Restaurants trading behind pre-COVID levels but improving trends
- German market recovering slower than UK but Premier Inn trading is encouraging. Built a significant business of 37 quality hotels in prime locations during COVID, which are now starting to trade as the market recovers
- Expect to largely offset higher cost inflation through efficiencies, estate growth and higher price
- Cost efficiency programme extended and increased, now £140m by FY25
- Proposed final dividend of 34.7p per share resulting in £70m payable, reflecting confidence in outlook

APPENDICES

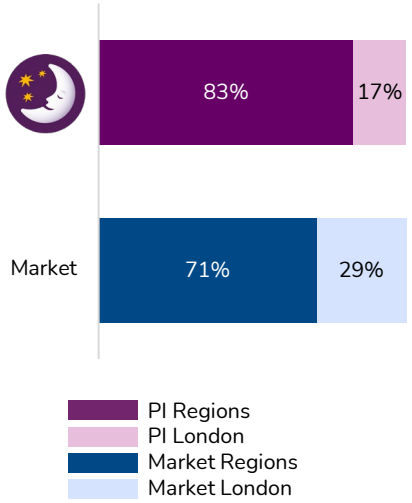
I	Additional slides	p35
II	Definitions	p38
III	Supplementary information	p39
IV	Cautionary statement	p40

Whitbread ADR programme – WTDBY
Whitbread has established a sponsored Level I American Depositary Receipt (ADR) programme for which Deutsche Bank perform the role of depositary bank.
The Level I programme trades on the U.S. over-the-counter (OTC) markets under the symbol WTBDY (it is not listed on a U.S. stock exchange).

Appendix I | Broad customer reach

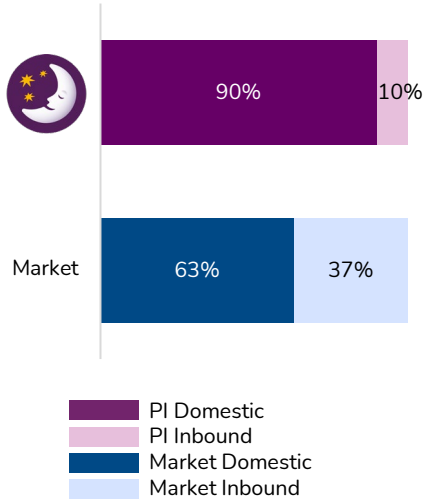
Over-indexing in UK regions, that will recover faster than London

Regions vs London



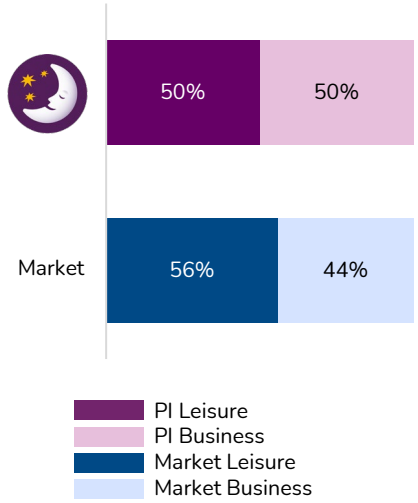
Over-indexing in domestic demand that will recover faster than international

Domestic vs Inbound



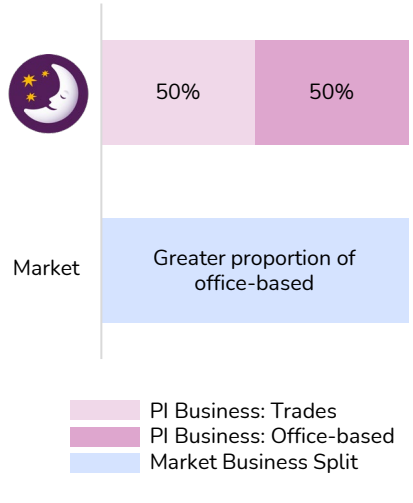
Even split of leisure and business customers

Leisure vs Business



Broad business mix is resilient

Trades vs Office-based



Flexible model caters for a wide range of customer types

Source: PI data for the 12 months ending Feb 2020, Market for calendar year 2019, based on room nights sold

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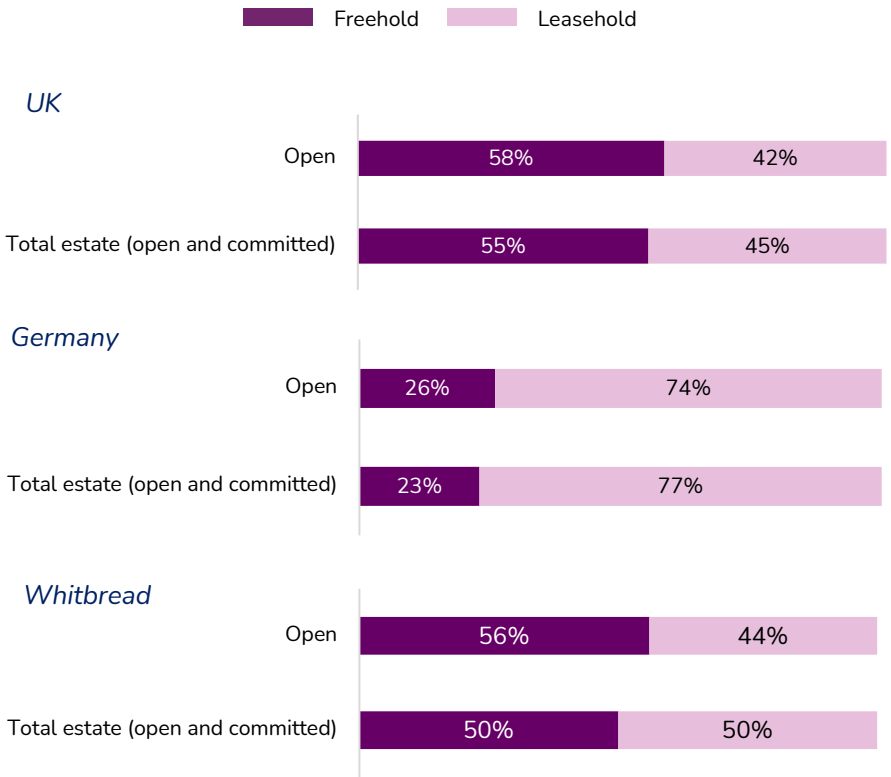
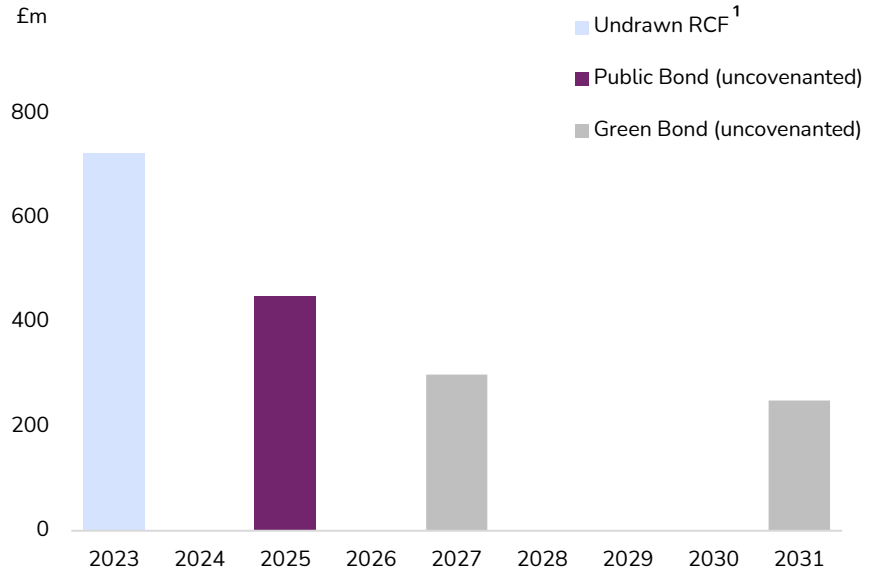
Appendix II | Strong balance sheet

OPERATIONAL AND FINANCIAL FLEXIBILITY



BALANCED DEBT STRUCTURE AND MATURITY PROFILE



1: Rolling Credit Facility RCF steps down from £850m to £725m in September 2022

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Appendix III | Brand strength

UK'S FAVOURITE HOTEL BRAND

YouGovBrandIndex [1]

Metric			Variance 1st to 2nd
Satisfaction	39.6	1st	18.3
Impression	39.9	1st	11.8
Value	41.2	1st	15.6
Likelihood-to-recommend	36.6	1st	19.9
Quality	27.0	2nd*	(4.5)

*First place is held by a four-star competitor

YouGovBrandIndex

*Winner of YouGov "**Best Value Hotel Chain**" for the **11th** year running*

YouGovBrandIndex [2]



1: Source: YouGov BrandIndex Satisfaction, Impression, Value, Recommended & Quality scores as at 3 March 2022 based on a nationally representative 12 week moving average

2: YouGov BrandIndex Quality & Value scores as at 3 March 2022 based on a nationally representative 52-week moving average

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Appendix II | Definitions

Accommodation sales	Premier Inn accommodation revenue excluding non-room income such as food and beverage
Adjusted basic EPS	Adjusted profit attributable to the parent shareholders divided by the basic weighted average number of ordinary shares
Adjusted EBITDAR	Profit before adjusting items, interest, tax, depreciation of property, plant and equipment and right-of-use assets, amortisation, variable lease payments and rental income
Adjusted net cash / (debt)	Net cash / (debt) adjusted for cash assumed by ratings agencies to be not readily available
Adjusted profit before tax	Profit before tax before adjusting items
Adjusted revenue	Revenue adjusted to exclude the TSA income
Average room rate (ARR)	Accommodation revenue divided by the number of rooms occupied by guests
Committed pipeline	Sites where the Group has a legal interest in a property (that may be subject to planning/other conditions) with the intention of opening a hotel in the future
Direct bookings / distribution	Based on stayed bookings in the financial year made direct to the Premier Inn website, Premier Inn app, Premier Inn customer contact centre or hotel front desks
F&B sales	Food and beverage revenue from all Whitbread owned pub restaurants and integrated hotel restaurants
Like-for-like sales (LFL)	Period over period change in revenue for outlets open for at least one year
Net cash / (debt)	Total company borrowings after deducting cash and cash equivalents
Occupancy	Number of hotel bedrooms occupied by guests expressed as a percentage of the number of bedrooms available in the period
Operating cash flow	Adjusted operating profit / (loss) adding back depreciation and amortisation and after IFRS 16 interest and lease repayments and working capital movement
Operating profit	Profit before net finance costs and tax
RevPAR	Revenue per available room is also known as 'yield'. This hotel measure is achieved by multiplying the ARR by Occupancy

Appendix III | Supplementary information

Further information is available in a supporting supplementary information pack (in Microsoft Excel format) from www.whitbread.co.uk/investors/results-reports-and-presentations. This information includes:

A.	Hotel and restaurant estate
B.	Financial summary, KPIs & segment income statement
C.	Adjusting items

Appendix IV | Cautionary statement

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