

# Trading statement



The Rank Group Plc

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**The Rank Group Plc (LSE: RNK) ('Rank' or 'Group') announces Q1 trading in line with expectations**

## Q1 Trading

Rank today announces Group trading is in line with expectations, with like-for-like net gaming revenue ('NGR') up 69% for the quarter ended 30 September 2021 ('Q1'). On a channel basis, digital NGR grew by 5% and venues like-for-like NGR grew by 117% YOY.

LFL NGR	Q1 2021/22 £m	Q1 2021/22 vs Q1 2020/21	Q1 2021/22 vs Q1 2019/20
Grosvenor venues	79.2	209%	(20)%
Mecca venues	34.0	41%	(22)%
Enracha venues	6.5	20%	(21)%
UK digital	38.2	4%	
International digital	5.2	11%	
<b>Group</b>	<b>163.1</b>	<b>69%</b>	

### Venues

Grosvenor venues grew by 209% YOY, down 20% compared to the same quarter in 2019/20, before the impact of the COVID-19 pandemic. London continues to feel the impact of reduced tourism, whilst outside London NGR is running at close to pre pandemic levels.

Mecca venues grew NGR by 41% YOY, down 22% compared to the same quarter in 2019/20. Visit numbers and NGR have gradually improved through the quarter but visits from our older and more frequent customers have been slower to return than other cohorts.

Enracha venues NGR grew by 20% YOY, down 21% compared to the same quarter in 2019/20. Trading restrictions continue to gradually ease across Spain.

### Digital

The UK digital business returned to growth in the quarter. Grosvenor digital grew NGR 12%, driven by the growth in revenue from omni-channel players following the reopening of our casinos. Mecca digital NGR grew by 6% and the migration of Mecca onto the RIDE platform remains on schedule for January 2022. The performance of our other brands was mixed, with growth in the casino business offset by revenue declines in bingo resulting in a combined NGR decline of 6%.

In International digital, Yo NGR grew by 11% in the quarter despite the ongoing impact of regulatory changes preventing promotional offers being made to new customers.

## **Liquidity**

The Group ended the quarter with cash and available facilities in line with expectations. We are now targeting a £10m increase in full year capital expenditure to £50m. The Group expects to continue to meet all its liquidity and financial covenant tests.

## **Outlook**

Based on our current trading performance, an expectation of continued improving performance across all businesses and assuming venues remain fully open, management expects Group LFL NGR for the year ended 30 June 2022 to be in the range £700m to £750m and EBIT to be between £50m and £75m.

John O'Reilly, CEO of Rank, said:

“We have seen an excellent response from our customers as they return to our venues, with our colleagues doing a great job in ensuring they are being properly entertained within a safe environment. Whilst forecasting remains difficult as we emerge from the pandemic in an environment of volatile costs and numerous supply chain challenges, we are confident that trading will continue to improve across each of our businesses during the remainder of the year.”

## Forthcoming announcements

Rank will announce its interim results on 27 January 2022.

## **Ends**

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### Notes to editors:

1. Net gaming revenue ('NGR') is GGR less customer incentives.
2. Like-for-like excludes the impacts of venue openings, closures, relocations, acquired businesses and foreign exchange movements.
3. Q1 is for the period 1 July to 30 September.
4. Digital comprises the Grosvenor, Mecca, Stride, Yo and Enracha brands.
5. EBIT is earnings before exceptional items, interest and tax.