

# Liquidity and Trading Update



**The Rank Group Plc**

**LEI: 213800TXKD6XZWOFTE12**

22 April 2021

**The Rank Group Plc (LSE: RNK) ('Rank' or 'the Group') provides a liquidity and trading update for the quarter to 31 March 2021**

## **Liquidity**

The Group ended the quarter with total cash and available facilities of £89.8m, comfortably achieving its minimum liquidity covenant of £50.0m.

During the quarter the Group received a £13.4m duty refund following the Supreme Court's decision in favour of another taxpayer on the treatment of free gaming chips. The amount of deferred rent has reduced to £13.9m from £17.3m at 31 December 2020.

Since the quarter end, the Group completed the sale of its Blankenberge casino in Belgium and received the associated £25m of cash sale proceeds, further bolstering cash reserves.

The Group expects to make its scheduled £19.7m term loan amortisation payment on 31 May 2021. Based on HM Government's current timetable for venues' reopening, the Group expects to continue to meet its banking covenants.

## **Trading Update:**

Like-for-like net gaming revenue ('NGR') was down 76% on the prior year for the quarter ended 31 March 2021 ('Q3'), with Venues revenue down 98% and Digital down 3%. Total NGR was down 72%.

During the quarter all UK venues were closed. In Spain, nine Enracha venues were open and operating by the end of Q3 and experiencing strong customer demand, albeit under very strict capacity restrictions.

Digital delivered sequential quarterly NGR growth on Q2, LFL up 3% and total, including Stride, up 4%. Our focus remains on continuing to grow Digital NGR and we expect a return to year on year growth in Q1 2021/22.

In Q3, Grosvenor Digital NGR was down 2%, compared to Q2. Mecca Digital continued to improve, with Q3 NGR up 4% on Q2. Stride NGR was up 7% on Q2. Yo continued to accelerate, with NGR up 10% on Q2.

John O'Reilly, CEO of Rank, commented:

*"We have ended Q3 broadly where we expected to be and are now very focused on the reopening of our UK venues from 17 May alongside continuing to drive digital NGR growth. Our business has inevitably been heavily impacted by the pandemic but, with the strong support and dedication of our colleagues, we are now very much looking forward to reopening our casino and bingo venues, welcoming back our customers and providing the great entertainment and omni-channel service in a COVID safe environment we know they enjoy."*

*We continue to make good progress on the Transformation 2.0 plans which will drive the next phase of growth for the Group.”*

Rank expects to report Preliminary Results for the 12 months ending 30 June 2021 on 19 August 2021.

**Ends**

Contacts:

Rank

Sarah Powell – investor relations                      Tel: +44 1628 504 303

Media Enquiries:

FTI Consulting LLP (PR adviser to Rank)

Edward Bridges                                              Tel: +44 20 3727 1067

Alex Beagley                                                      Tel: +44 20 3727 1045

Notes to editors:

1. Like-for-like excludes the effects of club openings, closures, acquired businesses and foreign exchange.
2. All comparisons are with the same quarter in 2019/20.
3. Q3 is for the period 1 January to 31 March.