

**09 November 2022**

## **J D WETHERSPOON PLC**

### **Trading Update Announcement**

J D Wetherspoon plc (the “company”) today publishes its scheduled trading update announcement for the 14 weeks to 6 November 2022, comprising Q1 and a further week.

#### **Current trading**

Like-for-like sales in the first 14 weeks of the financial year were 9.6% higher than the same period last year and 0.4% higher than the 14 weeks ending 3 November 2019.

Costs, especially in respect of labour, food and repairs, were substantially higher.

Trading has been broadly in line with expectations, although October has been a slightly slower month.

For the first 9 weeks of the financial year, sales were 1.5% above the same period in calendar-year 2019. For the last 5 weeks, sales were 1.1% lower than the same period in 2019.

In comparison with 2021, sales were +10.1% for the first 9 weeks and were +8.9% for the last 5 weeks.

#### **Financing**

The company has terminated most of its interest rate swaps, receiving £169.4 million, after costs.

The mark-to-market value of the interest rate swaps increased by approximately £120 million from the end of the last financial year (31 July 2022) to mid-October. The company decided to realise the value of the swaps, as part of its plans to reduce debt over the next few financial years.

As at 6 November 2022, the company’s net debt was £745 million (£892 million at 31 July 2022).

The company has since fixed interest rates in respect of £400 million of borrowings for three years to 31 October 2025 at 4.67%, excluding the banks’ margin.

Interest costs for FY23 are expected to be approximately £10 million higher, following the transactions noted above.

#### **Property**

The company has opened one pub during the period and sold five pubs. The sale of the five pubs gave rise to a cash inflow of £1.9 million. In addition, the lease of a pub at Doncaster airport came to an end and reverted to the landlord. The company currently has a trading estate of 847 pubs.

As previously indicated, the company has recently put 32 pubs on the market and intends to add a further 7 pubs to the disposal list this week. Most of the pubs are in close proximity to existing Wetherspoon pubs.

## Outlook

Wetherspoon chairman Tim Martin said:

“Sales have improved since the ending of restrictions in the early part of this calendar year and are considerably above the same period in the last financial year.

“The company reported a return to positive cash flow in FY22 and anticipates a positive cash flow in the current year.

“In my comments on the full year results released on 7 October 2022, I set out various threats to the hospitality industry and these continue to apply. Those caveats aside, in the absence of further lockdowns or restrictions, the company remains cautiously optimistic about future prospects.”

**Ends.**

## Enquiries:

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## Notes to editors

1. J D Wetherspoon owns and operates pubs throughout the UK and Ireland. The Company aims to provide customers with good-quality food and drink, served by well-trained and friendly staff, at reasonable prices. The pubs are individually designed, and the Company aims to maintain them in excellent condition.
2. Visit our website: [www.jdwetherspoon.com](http://www.jdwetherspoon.com)
3. This announcement has been prepared solely to provide additional information to the shareholders of J D Wetherspoon, to meet the requirements of the FCA's Disclosure and Transparency Rules. It should not be relied on by any other party, for any other purposes. Forward-looking statements have been made by the directors in good faith, using information available up until the date on which they approved this statement. Forward-looking statements should be regarded with caution, because of the inherent uncertainties in economic trends and business risks.
4. This announcement contains inside information on J D Wetherspoon plc.
5. The current financial year comprises 52 trading weeks to 30 July 2023.
6. The next trading update is expected to be issued on 25 January 2023.