



wagamama

Investor Presentation



15 March 2019
Quarter 3 2018/19

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Forward-looking statements

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The quarterly financial results presented in this presentation include calculations or figures that have been prepared internally by management and have not been reviewed or audited by our independent chartered accounting firm. This financial data should not be viewed as a substitute for full financial statements prepared in accordance with FRS 102 and is not necessarily indicative of the results to be achieved for any future periods.

Use of non-FRS 102 financial information

This document contains references to certain non-FRS 102 financial measures. For definitions of terms such as "ebit", "ebitda", "ebitda margin", "adjusted ebitda or adj. ebitda", "adjusted or adj. ebitda margin", "new site capital expenditures", "maintenance capital expenditures", "other capital expenditures", "total capital expenditures" and "like-for-like sales growth" and a detailed reconciliation between the non-FRS 102 financial results presented in this document and the corresponding FRS 102 measures, please refer to appendix B and footnotes shown throughout. Certain financial and other information presented in this document has not been audited or reviewed by our independent auditors.

Certain numerical, financial data, other amounts and percentages in this document may not sum due to rounding. In addition, certain figures in this document have been rounded to the nearest whole number.

Overview

1. UK LFLs strong and continue to outperform the market
2. Q3 2018/19¹ total sales² growth of 13.1%
3. Market leading customer metrics
4. Adjusted EBITDA up 11.9% year on year
5. Key metrics in line with our expectations



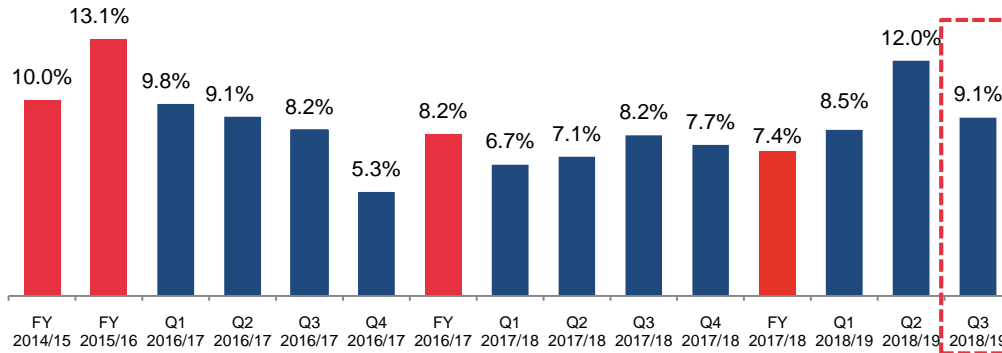
**UK LFLs strong and
continue to outperform
the market**



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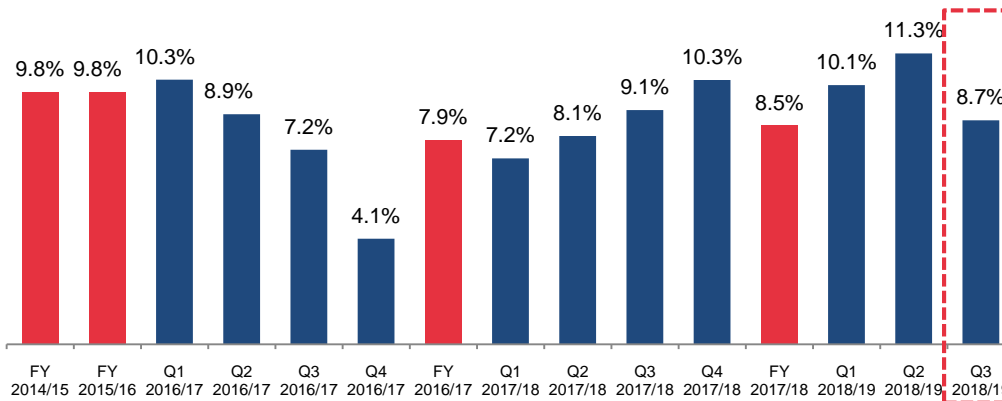
UK LFLs strong and continue to outperform the market: 9.1% UK LFL in Q3 2018/19

UK LFL¹ growth (%)



- We have traded ahead of the market every week for 251 weeks
- Wagamama UK LFL growth of 9.1% in Q3, continuing the strong trend
- Q3 UK LFL gap to the market remains significant at 8.7%
- YTD Q3 LFL at 9.7%, outperforming the market by 9.4%

Level of UK market outperformance²



- USA Q3 LFL increased to 10.0%, the first time the US business has achieved double digit LFL growth since Q3 2016/17

¹ Like for like sales growth defined as sales from our restaurants which traded for at least 17 full four week periods

² wagamama actual UK LFL sales growth % versus peer group restaurants reported sales growth %

Source: Peer group data from Coffer Peach business tracker which monitors sales performance across the following major restaurant operators: Pizza Hut, Pizza Express, Casual Dining Group (Café Rouge, Bella Italia, Las Iguanas, La Tasca), Azzurri Restaurants (Zizzi, ASK), Wagamama, YO! Sushi, Carluccio's, Living Ventures, Giraffe, Byron, Gaucho, Le Bistrot Pierre, Prezzo, Polpo, The Alchemist, The Restaurant Group (Chiquito, Frankie & Benny's, Coast to Coast, Garfunkel's), M&B (Browns, Miller & Carter), Le Pain Quotidien, Honest Burgers, Bills, City District Enterprise, Gusto, Mowgli, Various Eateries Ltd

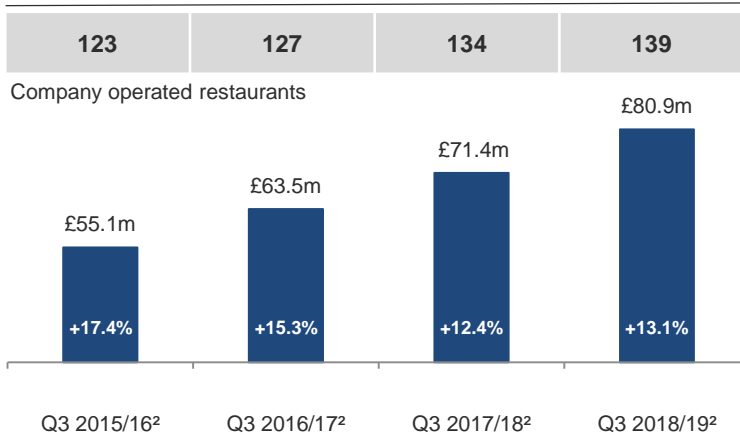
**Q3 2018/19 total sales
growth of 13.1%**

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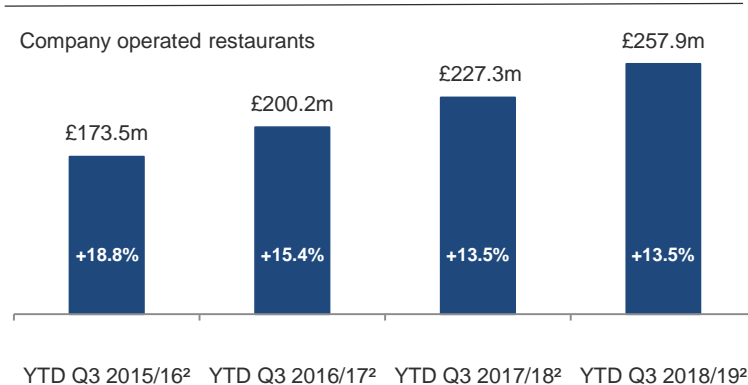
Q3 2018/19 sales growth of 13.1%: Track record of double digit sales growth continues

Group total sales¹ (£m) and growth (%) – Q3



- Sales growth of 13.1% in Q3 2018/19 against Q3 2017/18
- Driven by both strong LFL growth and an additional 5 company operated restaurants and 1 delivery only site within the group portfolio in Q3 2018/19 compared to Q3 2017/18
- 59 restaurants achieved a record sales week in Q3 2018/19

Group total sales¹ (£m) and growth (%) – YTD



Market leading customer metrics

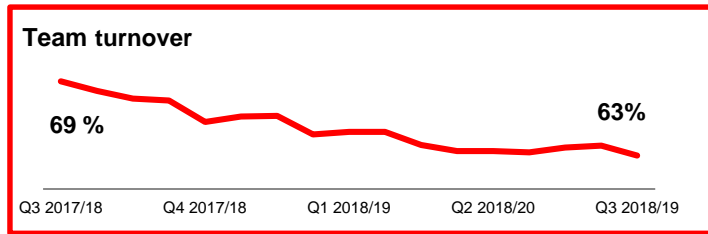

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Market leading customer metrics: Focusing on our teams and our customers

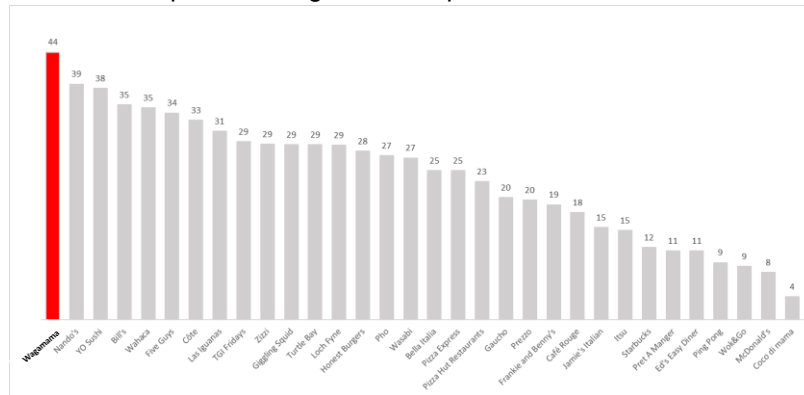
Team engagement and turnover

- Overall Glassdoor score of 4.0¹. For the first time we have entered Glassdoor's 'Top 50 Best Places To Work' list for 2019
- 75%¹ would recommend wagamama as a place to work
- Investment in team training and development opportunities driving our lowest level of team turnover



January 3-month Net Promoter Score (Promoters - Detractors)²

- Ranked in 1st place amongst our competitors for NPS



Brand marketing that stays ahead of the competition

- First UK television advert launched as part of nationwide 'feed your inner good' campaign



- Winners at UK Casual Dining Awards of 'Marketing Campaign of the Year', 'Menu Innovation' and 'Large Multi-Site Restaurant Brand of the Year', the latter for the third year running
- Winner of Vegan Food UK 'Best Chain Restaurant' award
- Continued partnership with Mind, raising awareness and encouraging conversation around mental health with our teams and in our restaurants. open mouths. open minds



¹ Source: Glassdoor as at 4 March 2019

² Source: Morar HPI survey data - considering the places you have visited / ordered from, on a scale of 0-10 how likely would you be to recommend them to friends / family? Wagamama sample size N = 2,213.

Continued affordable investment in new openings and refurbishments

Pipeline openings

- Murray Hill, NY (USA) – opened Feb 2019 (Q4)
- Midtown, NY (USA) – planned opening mid-2019
- Strong pipeline of UK sites

Q3 refurbishments

- Canary Wharf
- Tower Hill
- Birmingham Bullring
- Leicester High Cross
- Milton Keynes Xscape
- Lincoln

Franchise openings

- Place de Budapest, Paris – opened early Q4



★★★★★ 2/21/2019

1 check-in

Great place for dinner!! The servers are very friendly and helpful!!! I went with a large group and they were very accommodating. Johana was my server and I highly recommend trusting her choice in terms of what you order! Try the hightea and wagamama old fashion cocktails. The katsu can be made in a hot sauce, which is really spicy and opens up your tastebuds!! Pair that with banana katsu for dessert!! Perfect combination!!

Murray Hill, New York City



Place de Budapest, Paris

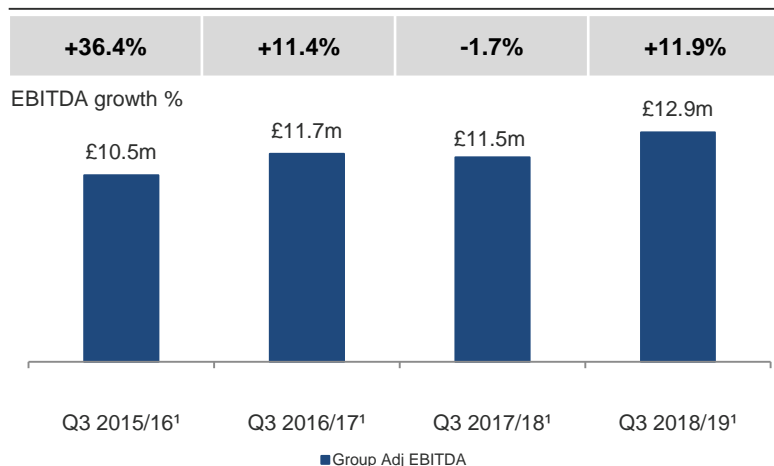
Adjusted EBITDA growth
year on year


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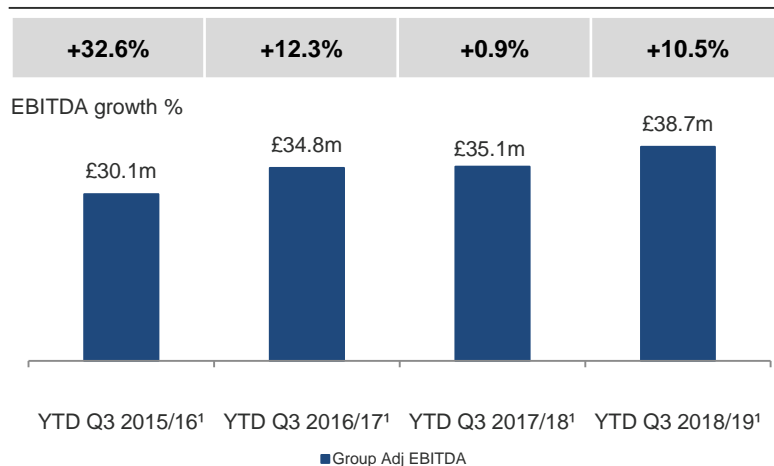
Adjusted EBITDA growth year on year: Q3 2018/19 Adjusted EBITDA² +11.9% against Q3 2017/18

Q3 – Group Adj. EBITDA (£m, % sales)



- Group adjusted EBITDA growth of +11.9% vs Q3 2017/18
- Impact of investments made in people, product and property paying off with strong profit conversion, high customer scores and market leading team turnover
- 10.5% increase in adjusted EBITDA from YTD Q3 2017/18 to YTD Q3 2018/19
- The Group continues to strongly outperform the market and manage its cost challenges well through operational discipline

YTD Q3 – Group Adj. EBITDA (£m, % sales)



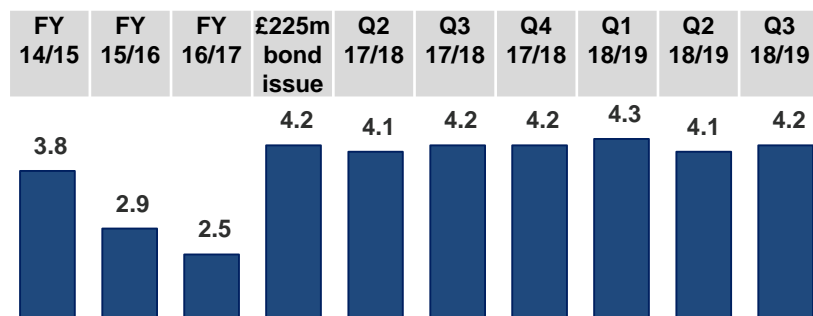
**Key metrics in line with
our expectations**



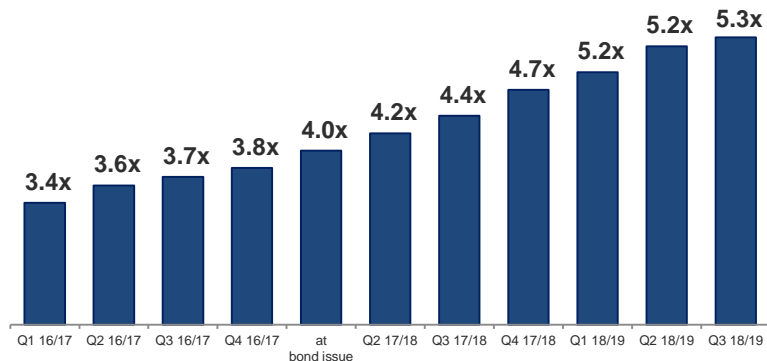
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Key metrics in line with our expectations: capex spend financed from cash

Leverage¹

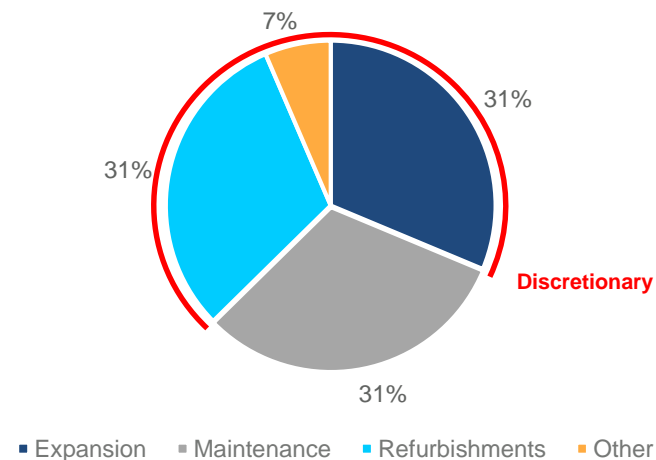


Interest cover based on LTM adjusted EBITDA²



Capex spend of £5.3m in Q3 FY18/19 financed from cash

- Highly cash generative
- £17.1m cash on the balance sheet
- 69% of capex spend in Q3 FY18/19 remains discretionary



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Appendices




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Appendix A: Group revenue

(£m)	Q3 2017/18 ¹	Q3 2018/19 ¹	growth	YTD Q3 2017/18 ³	YTD Q3 2018/19 ³	growth
Group revenue	72.1	81.6	13.2%	229.5	260.5	13.5%
- UK	68.8	77.9	13.2%	219.5	249.0	13.5%
- USA ²	2.6	2.9	11.5%	7.8	8.9	14.1%
- franchise	0.7	0.8	14.2%	2.2	2.6	18.2%
UK lfl sales	8.2%	9.1%		7.3%	9.7%	
US lfl sales ²	1.7%	10.0%		6.0%	5.5%	
Adjusted EBITDA	11.5	12.9	11.9%	35.1	38.7	10.5%
% margin	16.1%	15.9%	-20bps	15.4%	15.0%	-40bps

¹ Q3 2017/18 is 12 weeks to 28 January 2018 and Q3 2018/19 is 12 weeks to 03 February 2019

² Includes impact of fluctuations in exchange rates. US LFL sales are shown on the basis of USD sales

³ YTD Q3 2017/18 is 40 weeks to 28 January 2018 and YTD Q3 2018/19 is 40 weeks to 03 February 2019

Appendix B: Adjusted EBITDA reconciliation

£m	Q3 2017/18 ¹	Q3 2018/19 ¹	YTD Q3 2017/18 ²	YTD Q3 2018/19 ²	LTM 2018/19 ³
Profit/(loss) for the financial period	1.7	(29.5)	(6.6)	(33.4)	(43.6)
add back:					
Tax on profit/(loss) on ordinary activities	1.0	(0.3)	0.6	1.4	3.8
Net interest payable and similar charges	2.3	2.4	8.3	7.7	10.0
Exceptional expenses/(income)	0.1	29.9	12.5	33.0	43.1
Amortisation	2.1	2.3	7.0	7.6	9.7
Depreciation and impairment of tangible assets	3.2	4.1	10.0	12.9	16.5
Loss on disposal of assets	-	0.3	0.1	0.4	0.8
EBITDA – (Full year and LTM 53 week)	10.4	9.2	31.9	29.6	40.3
Pre-opening costs	1.0	2.6	2.9	4.0	4.7
Share-based payment charge	-	1.0	-	4.9	4.9
Corporate expenses	0.1	0.1	0.3	0.2	0.4
Adjusted EBITDA - (Full year and LTM 53 week)	11.5	12.9	35.1	38.7	50.3
53rd week Adjusted EBITDA	n/a	n/a	n/a	n/a	(0.9)
Adjusted EBITDA – (Full year and LTM 52 week)	11.5	12.9	35.1	38.7	49.4

Appendix C: Amendment to the reporting calendar

Following the acquisition of Mabel Mezzco Limited's parent company Mabel Topco Limited by The Restaurant Group, the Group intends to adopt a revised reporting calendar to align with The Restaurant Group's financial calendar:

Quarter	Current reporting timetable	No. weeks	Revised reporting timetable	No. weeks	Comment
Q4 2018/19	4 February 2019 – 28 April 2019	12	4 February 2019 – 28 April 2019	12	
Q1 2019/20	29 April 2019 – 18 August 2019	16	29 April 2019 – 30 June 2019	9	Short period to align quarters
Q2 2019/20	19 August 2019 – 10 November 2019	12	1 July 2019 – 29 September 2019	13	
Q3 2019/20	11 November 2019 – 2 February 2019	12	30 September 2019 – 29 December 2019	13	




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Thank you

