SSP
The Food Travel Experts

The best part of the journey

Preliminary Results 2024

Patrick Coveney, Group CEO
Jonathan Davies, Group Deputy CEO & CFO

3 December 2024

Agenda

Introduction	Patrick Coveney
Financial review	Jonathan Davies
Business review and Outlook	Patrick Coveney
Q&A	

Camden Food Co | Suvarnabhumi Airport

Our business today

Performance yet to demonstrate the potential of our business

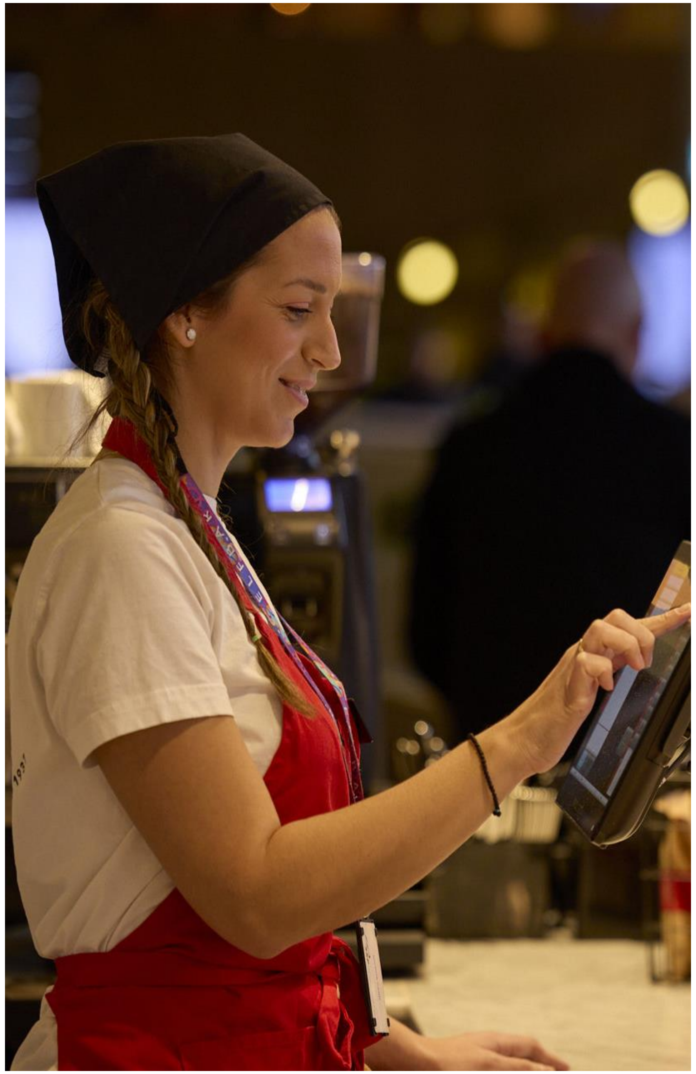
- Pace of transition from Covid recovery to strong returns
- Three of four regions performing well; but Europe behind
- Elevated recent investment levels impacting near-term returns

Strongly positioned for long-term growth and returns

- Leading positions in the most attractive food travel markets
- Secured and extended a third of the estate in last 2 years; delivered new business wins
- Stepped up investments in propositions and consumer/client relationships

Immediate focus on driving enhanced financial performance and shareholder returns

- Building returns on FY23-24 investments
- Driving a turnaround in European profitability
- Providing specific EPS guidance for FY25; with proposed closer alignment of management incentives to shareholder returns



FY24 Highlights & FY25 Priorities

Good year-on-year financial progress

- Revenue of £3.4bn, up 17%, including like-for-like growth of 9%
- Operating profit of £206m, up 32%, +70bps margin accretion
- EPS of 10.0p, up from 7.1p in the prior year
- Leverage of 1.7x at year-end, better than expected, and well within our medium-term target range

Delivering on our strategic priorities

- Good performances in North America, UK & ROI and APAC & EEME, with strong operating profit growth
- Actions in place to improve profit and margin performance in Continental Europe
- Recent acquisitions integrated and returns on track

Agenda for FY25

- Sustaining organic growth and contract retention - especially in high growth markets
- Driving returns from recent investment; accelerating plans to drive new units to mature margins; and building returns from recent acquisitions
- Delivering a five-point recovery plan to address under-performance in Continental European
- Strengthening operating margin and cash improvement at pace across the Group
- Tightening capital expenditure; with a prioritisation of profitable organic growth and shareholder returns

Proposing new renumeration policy fully aligned to medium-term financial objectives

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Note: All figures expressed on an underlying basis and pre-IFRS 16 at Actual FX. Year-on-year growth in revenue and operating profit expressed on a constant currency basis


Travel Lounge| Kuala Lumpur Airport

Financial review

Jonathan Davies
Group Deputy CEO and CFO

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Financial Highlights

REVENUE	EBITDA	OPERATING PROFIT
£3,433m	£343m	£206m
+17% vs FY23	+28% vs FY23	+32% vs FY23

EPS	NET DEBT:EBITDA	FULL YEAR DIVIDEND
10.0p	1.7x	3.5p
+41% vs FY23	Net Debt: £593m	+1.0p vs FY23

Note: All figures expressed on an underlying basis and pre-IFRS 16 at Actual FX. Year-on-year growth in revenue, EBITDA and operating profit expressed on a constant currency basis

Underlying Operating Profit of £247m (IFRS 16 basis)

£m	IFRS 16 basis FY 2023	IFRS 16 basis FY 2024	IFRS 16 basis Change (Actual FX rates)	Pre-IFRS 16 basis FY 2023	Pre-IFRS 16 basis FY 2024	Pre-IFRS 16 basis Change (Actual FX rates)
Revenue	3,010	3,433	14%	3,010	3,433	14%
EBITDA[1]	516	620	20%	280	343	23%
% sales	17.1%	18.1%	1.0%	9.3%	10.0%	0.7%
Depreciation	(311)	(373)	(20)%	(116)	(137)	(18)%
% sales	(10.3)%	(10.9)%	(0.6)%	(3.9)%	(4.0)%	(0.1)%
Operating Profit[1]	205	247	20%	164	206	26%
Operating Margin (%)	6.8%	7.2%	0.4%	5.4%	6.0%	0.6%

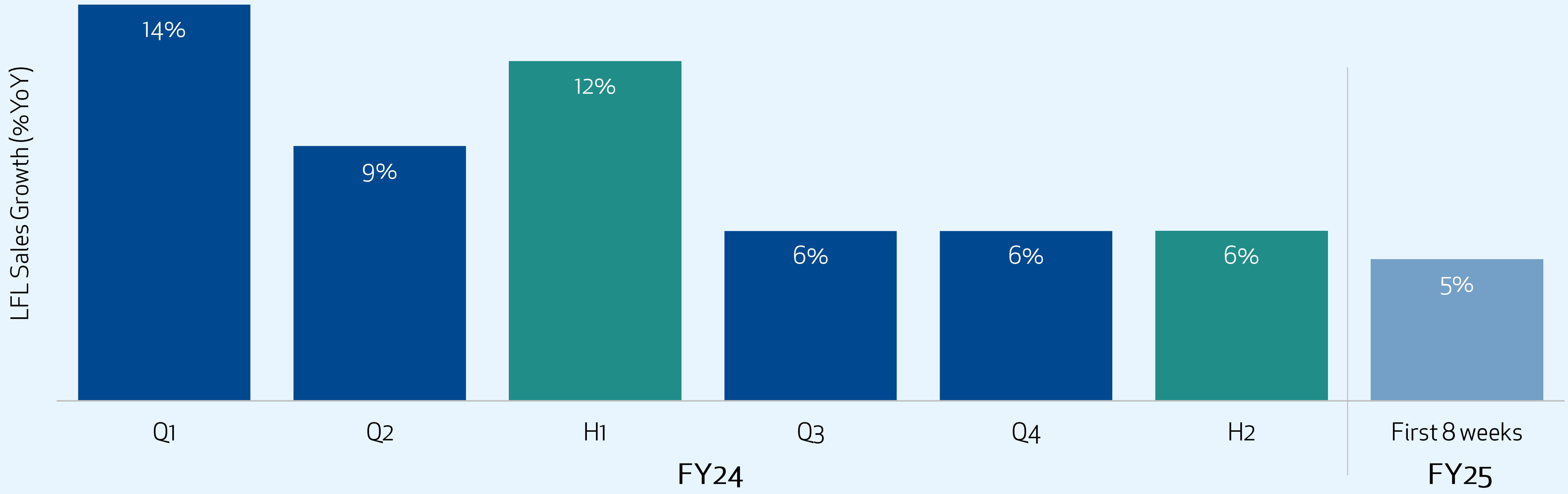
1. Stated on a pre-exceptional basis, before non-underlying items.

FY24 has delivered in line with planning assumptions

£m	FY23	Constant FX rates[1]		Actual FX rates[2]
		FY24 Planning Assumptions	FY24	FY24
Revenue (£bn)	3.0	c.3.4-3.5	3.5	3.4
EBITDA (£m)	280	c.345-375	359	343
Operating Profit (£m)	164	c.210-235	218	206

Note: All figures expressed on an underlying basis and pre-IFRS 16
1. Constant FX rates represent FY23 average rates
2. Actual FX rates represent FY24 average rates

Strong LFL sales growth sustained into FY25



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FY sales growth of 17% with 9% like-for-like growth

YoY % growth	FY 2024				First 8 wks of FY 2025
	LFL	Net Contract Gains	Acquisitions	Revenue (constant currency)	Revenue (constant currency)
North America	6%	8%	12%	**26%**	15%
Continental Europe	6%	3%	-	**9%**	5%
UK & ROI	11%	4%	-	**15%**	8%
APAC & EEME	17%	2%	9%	**28%**	38%
Group	9%	4%	4%	**17%**	13%

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Underlying operating profit of £206m, up 32%

Underlying Operating Profit (Pre-IFRS 16)	£m	YOY Growth %	Operating Profit % of sales	
		Constant Currency	Constant Currency	YoY % pts change
North America	81	52%	10.0%	1.7%
Continental Europe	18	(46)%	1.6%	(1.6)%
UK & ROI	73	26%	8.1%	0.7%
APAC & EEME	76	32%	15.2%	0.4%
Non-attributable	(42)	13%	n/a	n/a
Group	206	32%	6.2%	0.7%

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Group operating margin of 6.0%, up 70bps

£m	FY 2024	FY 2023	YoY bps change: Constant Currency	YoY bps change: Actual Currency
Revenue	3,433.2	3,009.7		
Gross Profit *% Sales*	2,496.2 *72.7%*	2,173.1 *72.2%*	60	50
Labour Costs *% Sales*	(1,030.1) *(30.0)%*	(918.4) *(30.5)%*	60	50
Concession Fees *% Sales*	(738.6) *(21.5)%*	(627.2) *(20.8)%*	(70)	(70)
Overheads *% Sales*	(384.6) *(11.1)%*	(347.5) *(11.5)%*	40	40
EBITDA *% Sales*	**342.9** 10.0%	**280.0** *9.3%*	90	70
Depreciation & Amortisation *% Sales*	(137.3) (4.0)%	(116.3) *(3.9)%*	(20)	(10)
Operating Profit *Operating Margin (%)*	**205.6** 6.0%	**163.7** *5.4%*	70	60

Note: All numbers are stated on a pre-IFRS 16 basis and before exceptional costs

Underlying Net Profit of £80m (pre-IFRS 16 basis)

£m	Pre-IFRS 16 basis FY 2024	FY 2023	YoY
Operating Profit	**205.6**	**163.7**	**41.9**
Net Financing Cost	(32.9)	(33.5)	0.6
Share of Associates	5.6	7.2	(1.6)
Profit Before Tax	**178.3**	**137.4**	**40.9**
Tax	(34.8)	(31.2)	(3.6)
Minority interests	(63.5)	(49.7)	(13.8)
Net Profit	**80.0**	**56.5**	**23.5**
Profit per share (p)	10.0p	7.1p	2.9p
Dividend per share (p)	3.5p	2.5p	1.0p

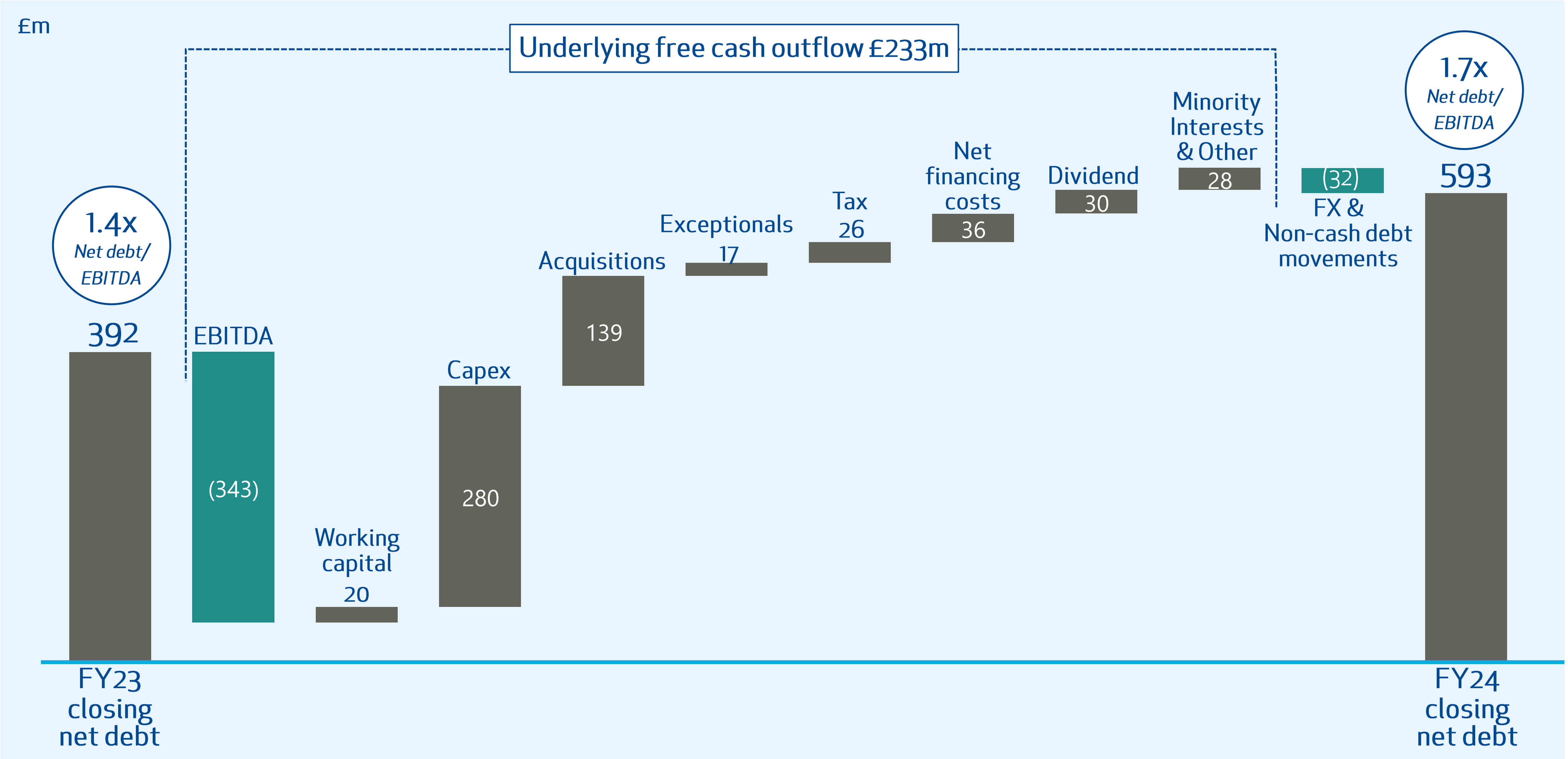
Note: All numbers are stated on a pre-IFRS 16 basis and before exceptional costs

Minority interest charge of £64m, up 28%

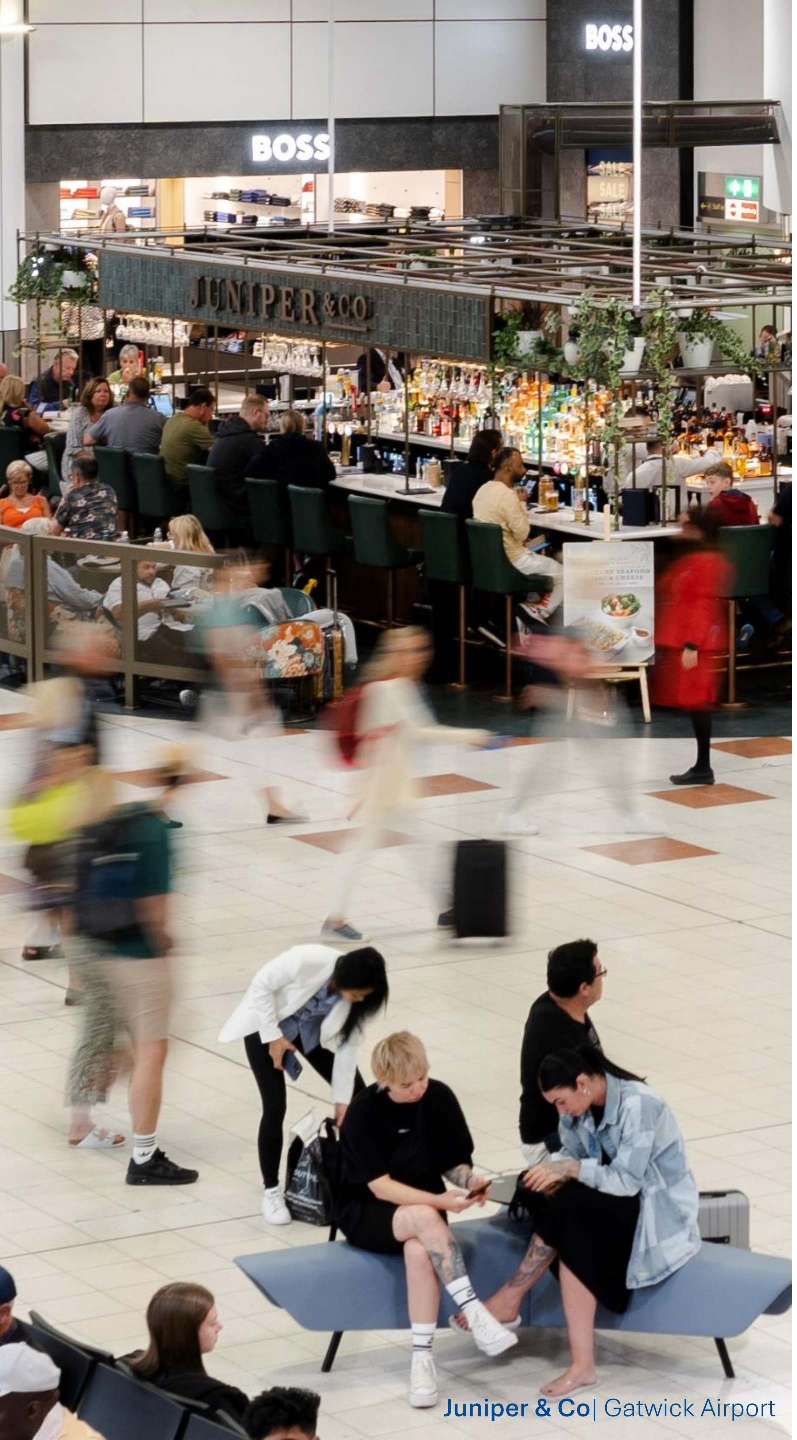
£m	Operating Profit			Minority Interest			JV participation[1]
	FY 2023	FY 2024	% change	FY 2023	FY 2024	% change	
North America	**55**	**81**	**48%**	**23**	**31**	**35%**	**c.25%**
Continental Europe	36	18	(50)%	-	-	-	-
UK & ROI	58	73	26%	-	-	-	-
APAC & EEME	**64**	**76**	**20%**	**27**	**33**	**19%**	**c.30%**
*India**	*44*	*46*	*5%*	*22**	*28**	*27%**	*c.60%*
Other	*20*	*30*	*50%*	*5*	*5*	*0%*	*c.20%*
Non-attributable	(48)	(42)	(13)%	-	-	-	-
Group	**164**	**206**	**26%**	**50**	**64**	**28%**	

*Excluding the impact of a one-off interest credit, MI in India in FY24 is £25m, up 11%
Detail on the contribution of JV partners to capex can be found in the Appendix
All figures shown at actual FX rates
(1) JV shareholder participation weighted by sales

Investment and acquisitions drive cash usage of £233m



Note: All figures shown on a pre-IFRS 16 basis



Juniper & Co| Gatwick Airport

Business review

Patrick Coveney
Group CEO

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Strategic priorities

Post-Covid

Reopening and contract renewals

FY23 & FY24

Strengthening foundations, accelerating growth

FY25

Delivering returns and driving profitability

Medium-term

Sustainable steady-state growth and returns

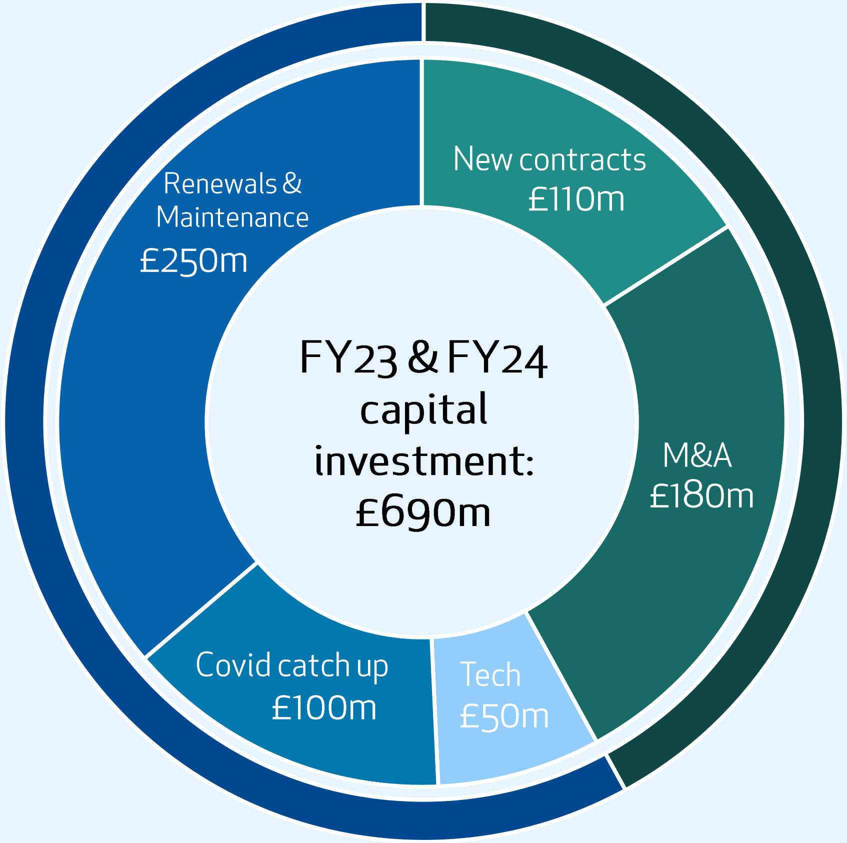
Last two years: **Strengthening foundations, accelerating growth**

Investment into base estate c.60%

Investment into expansion c.40%

£400m investment in base estate

- ✓ Approximately a third of the base estate renewed and extended
- ✓ Lengthened remaining tenure from 4 to 6 years
- ✓ Typically maturing in year 2
- ✓ Expected to deliver >20% IRR



£110m investment into new contracts

- ✓ Adding c.£280m incremental revenue (c.5% p.a. FY23/FY24)
- ✓ Usual pre-opening costs and maturity curve
- ✓ Expected to deliver >20% IRR

£180m investment into M&A

- ✓ Adding c£215m annualised revenue by 2025
- ✓ ROCE already ahead of cost of capital and building
- ✓ Expected to deliver >15% IRR

FY24: **Strengthening foundations, accelerating growth**

Added new clients and geographies	Improving our proposition	Digitising our offer	Embedding sustainability into the business	Engaging our people

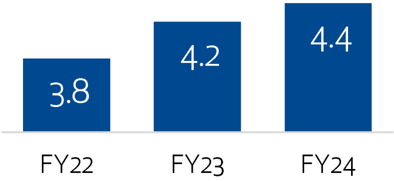
Added new clients and geographies

>20 New clients

+2 New geographies

Improving our proposition

Customer rating[1] (out of 5)



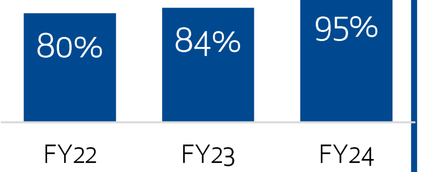
Digitising our offer

>700

Units equipped with digital ordering

Embedding sustainability into the business

% own brand packaging free of unnecessary single use plastic



Engaging our people

80%

Colleague engagement score

1. Reputation score calculated based on Google, TripAdvisor and Eat On The Move ratings.

North America: Strong growth with returns discipline

Building scale and efficiency

Infill M&A expanding our platform

Brew House, Edmonton

FlavorTown, Newark

Bread & Bar, Atlanta

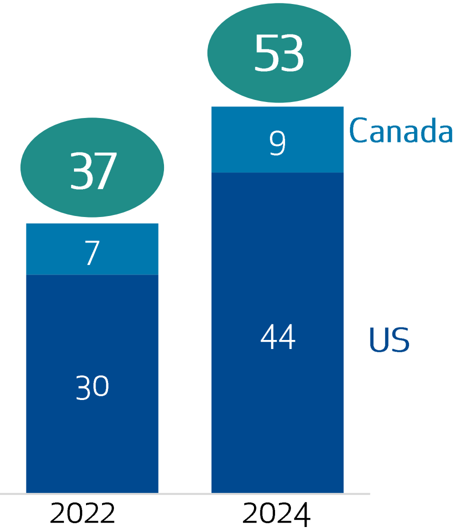
Embedded efficiency programme

- Menu optimisation
- Ongoing digital enhancements; 19% digital LFL sales growth
- Labour productivity to offset wage inflation

Driving strong growth and returns

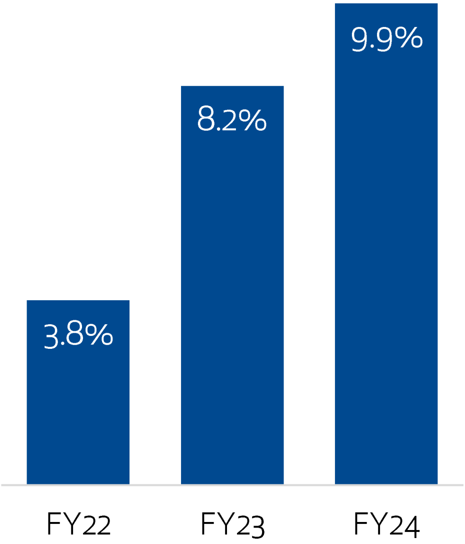
Growing market share

SSP presence in top 200 airports



Margin expansion

EBIT margin



APAC & EEME: Scaling up and driving performance

Building capability

Prioritised key markets

Australia

India

UAE

Saudi Arabia

Extended lounge format

Hong Kong

Kuala Lumpur

Advancing sustainability

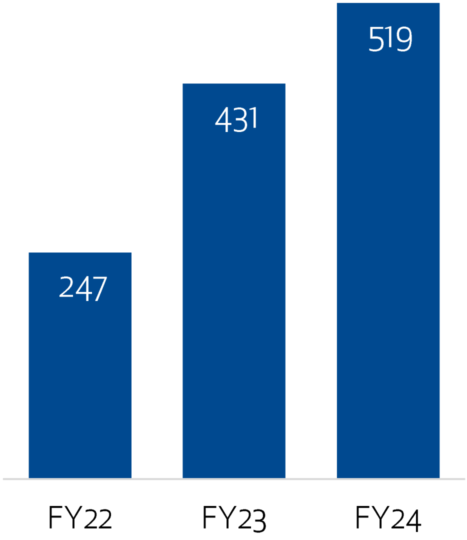
UAE

Bulgaria

Strong performance

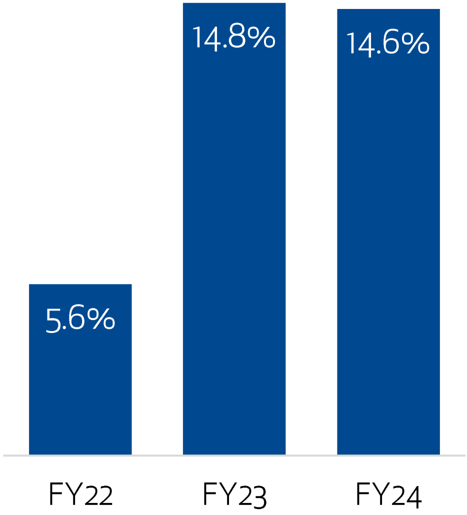
Significant sales growth

Sales (£m)



High margins

EBIT margin



UK & ROI: Building momentum

We have reset our proposition and operating model

Refreshed our brand proposition

21 units reinvested

18 units refreshed

Enhanced relationships with clients

17 new units

Strengthened customer offer

Customer rating[1]
4.6/5.0

Expanded digital solutions

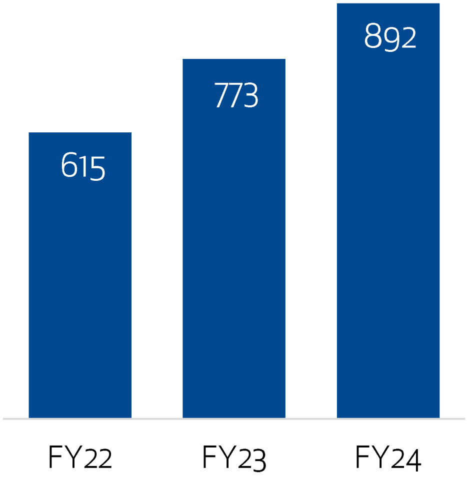
21%
sales via digital ordering solutions

Delivering strong progress

Building sales

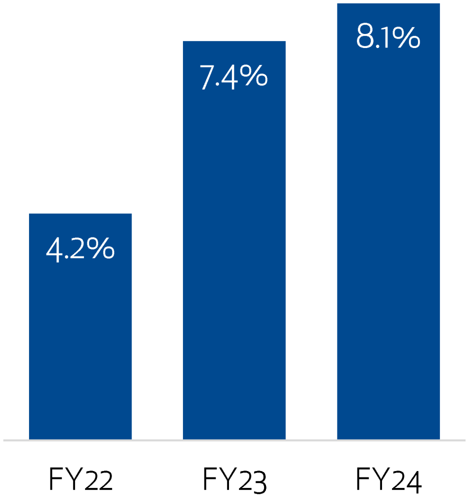
Sales (£m)

+11%
2024 LFL growth



Margin progression

EBIT margin



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Continental Europe: FY24 performance behind expectations

Key performance challenges

Macro-environment

- Weak economy
- Frequent strikes
- Labour cost challenges

Channel mix

- Rail: PAX behind pre-Covid levels
- MSA performance

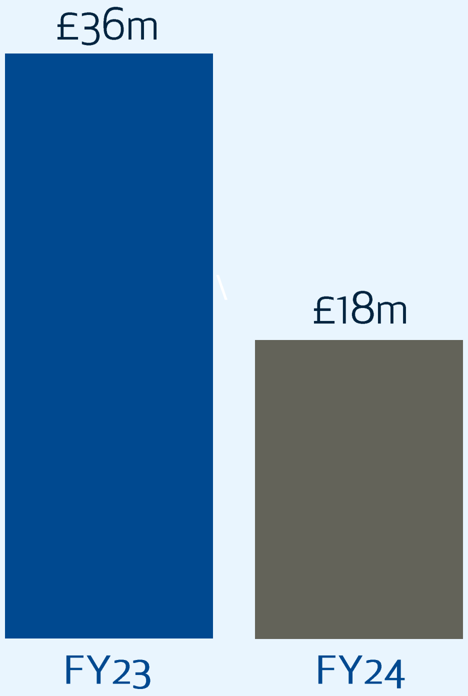
Elevated level of investment

- Extensive renewal programme
- New unit mobilisation
- New country entries

Execution challenges

- Cost management
- Olympics execution

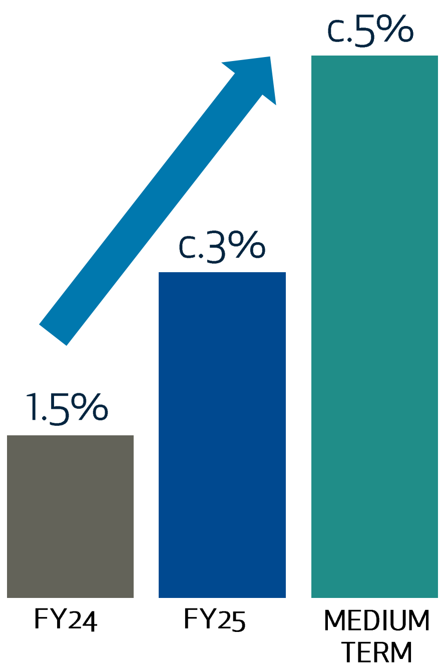
EBIT reduction year-on-year



Continental Europe: Five-point recovery plan

1	Drive returns from our investment programme	• Build profitability of newly opened units • Tackle loss making or low margin units
2	Streamline management structures	• Simplified senior leadership structures • Lower cost operating model
3	Reduce and optimise cost base	• Build gross margins • Optimisation of labour costs and unit overheads
4	Exit German motorway service business	• Exit sites within 18 months; c50% in H1 FY25 • Minimise losses from remaining operating units
5	Drive like-for-like sales	• Improved offer to drive like-for-like sales, especially in Rail • Effective mobilisation of upcoming renewals

Building operating profit margin



Leadership change: New CEO, Satya Menard, driving the delivery of the plan

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Burger King | Cyprus Airport

Outlook

Patrick Coveney
Group CEO

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Delivering returns and driving profitability

Focused agenda in FY25	
Accelerate returns from recent capital invested	• Bring newly mobilised units to 'mature' levels of return • Tackle pockets of underperforming contracts
Build profitability in Continental Europe	• Deliver five-point plan in place to drive profitability and returns • Work closely with new leadership team to improve performance
Focus on cost efficiency	• Deliver 'Value Creation' plans across our Group • Action in-flight plans addressing gross margin, labour, franchise fees, overheads
Tightening capital expenditure	• Scale back capital investment from FY23-24 levels; pause all new M&A • Prioritisation of profitable organic growth and shareholder returns
Sustainable growth	• Sustaining organic growth & contract retention; prioritising high growth markets • Focus teams on continuing to drive like-for-like sales

2025 planning assumptions

	FY 2024 Actuals	Key drivers:	FY 2025 Planning Assumptions: Constant FX rates[1]	FY 2025 Planning Assumptions: Today's FX rates[2]
Revenue	£3.4bn	• Like-for-like: 4-5% • Net gains: c.4% • M&A (already completed): 2-3% • German MSA exit and TFS JV with AAHL: c.(2)%	£3.7-3.8bn	£3.65-3.75bn
Operating profit	£206m	• Building returns from recent renewals/new business • Full-year contribution of recent M&A • Improving Continental European operating profit margin • Driving operating leverage through like-for-like sales • Productivity initiatives to offset cost inflation	£230-260m	£225-255m
EPS	10.0p		11.5-13.5p	11-13p

(1) Constant FX rates represent average FX rates for FY 2024
(2) FX rates as at 27 November 2024

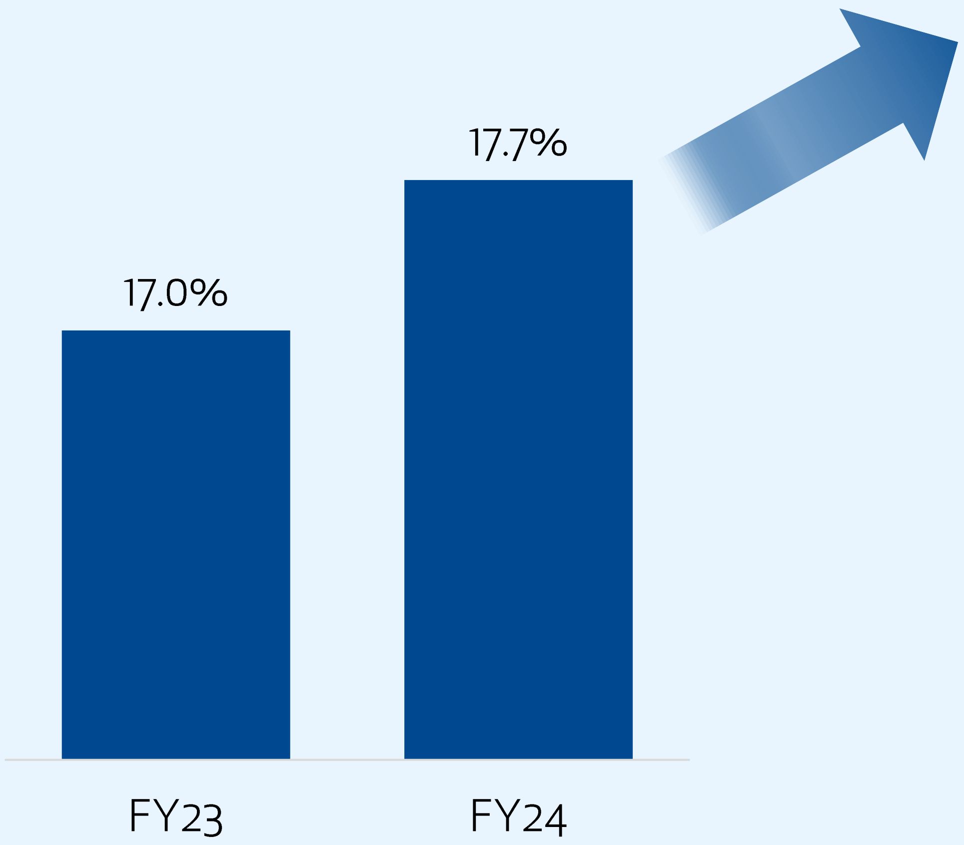
Near-term capital allocation priorities

Capital allocation approach prioritises near-term capital returns to shareholders

SUSTAINABLE BALANCE SHEET	**Target net debt/EBITDA c.1.5x-2.0x** FY24 leverage of 1.7x
PROFITABLE ORGANIC GROWTH	Renewals and net gains: **3-4 year payback** FY25 capital expenditure of £230-240m, down from £280m in FY24
M&A	Focus on integrating recent M&A Pausing new M&A activity in FY25
ORDINARY DIVIDEND	Target **payout ratio of 30-40%** FY24 full-year dividend of 3.5p; payout ratio 35%
SURPLUS CAPITAL RETURNED	**Prioritising returning capital to shareholders** in the near-term Expect to deliver significant improvement in free cash flow in FY25

Building ROCE over the medium-term

Group ROCE[1] (pre-tax) to build from 17.7% in FY24



Renewed focus on delivering business returns

- ROCE introduced as externally published KPI
- Pathway to improvement to be delivered by:
  - strengthened operational performance
  - maturity and optimisation of returns on prior investment
  - selective deployment of incremental capital

(1) ROCE defined as adjusted underlying pre IFRS 16 operating profit divided by capital employed (underlying pre -IFRS 16 operating profit adjusted for NCI and profit from associates)

Our **medium-term financial framework** (2026-28)

Significant presence in structurally growing markets	• Group annualised sales growth of 5-7% • LFL growth of c.3% • Net gains of 2-4%; weighted to North America and APAC&EEME	**Key Performance Management Metrics**
Operational leverage, capability and efficiency	• EBIT margin growth of 20-30bps on average pa. Continental European margin to c.5% • Minorities growing in line with North America and APAC&EEME operating profit • Sustainable double-digit EPS growth	LFL sales Net gains Operating profit Operating cash EPS ROCE
Opportunity to deploy capital and generate high returns	• Renewals and maintenance capex at c.4% of sales • Growth capex aligned to net gains • Group ROCE increasing from 17.7% in FY24	
Strong cashflow generation drives re-investment and shareholder returns	• Growth in operating cash flow • Ordinary dividend target payout ratio of 30-40% • Opportunity to return capital to shareholders, in line with our capital allocation framework, while maintaining target leverage range of 1.5-2.0x net debt:EBITDA	

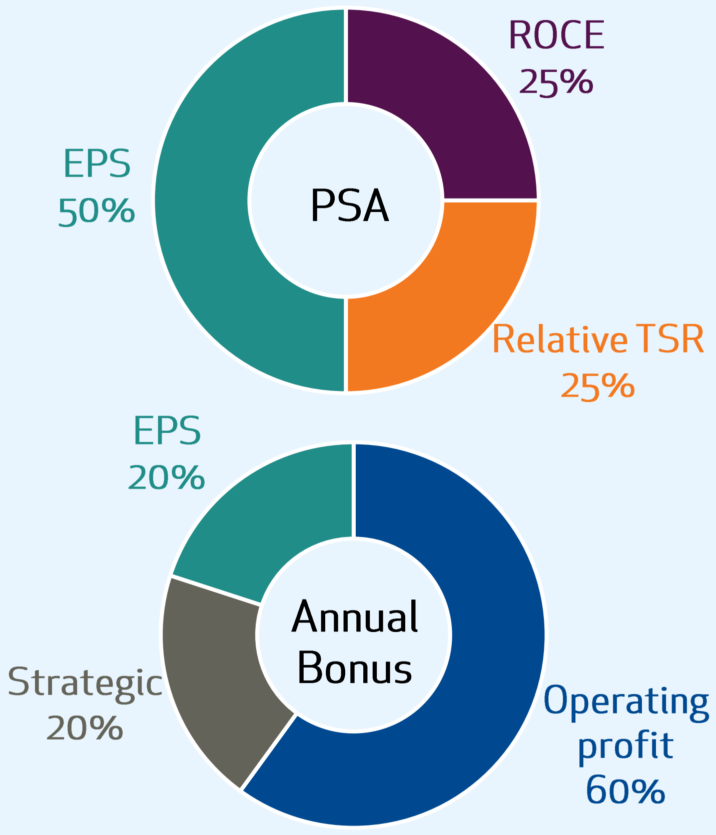
A framework to deliver significant returns and value for shareholders in the medium-term

New remuneration policy aligned to medium-term financial objectives

Proposed remuneration schemes to take effect from FY25

- ‘Performance Share Award’ replaces ‘Restricted Share Plan’
    - Metrics fully aligned to strategy and financial framework
    - Appropriately stretching targets
- Refinement of Annual Bonus
    - Operating profit replaces EBITDA metric
    - EPS metric maintained

FY25 Remuneration Components



Summary

- Significant strategic progress
- Good year-on-year performance
- Tightened priorities and positive outlook for FY25
- Medium-term financial framework to deliver compounding growth and returns
- A good start to FY25

Big Rig | Ottawa Airport

Food Court | Helsinki Airport

Q&A

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Eastward | JFK Airport

Appendices

Sustainability: delivering local impact on a global scale

PRODUCT

35% of own brand meals are **plant-based or vegetarian**

80% of own brand hot beverages are from **certified** sources

61% of eggs for our own brands are from **cage-free** sources

PLANET

25% reduction in **Scope 1 & 2 GHG emissions** intensity*, vs 2019

97% of own brand packaging **reusable, recyclable or compostable**

c.1.5k tonnes of **food waste saved** from landfill

PEOPLE

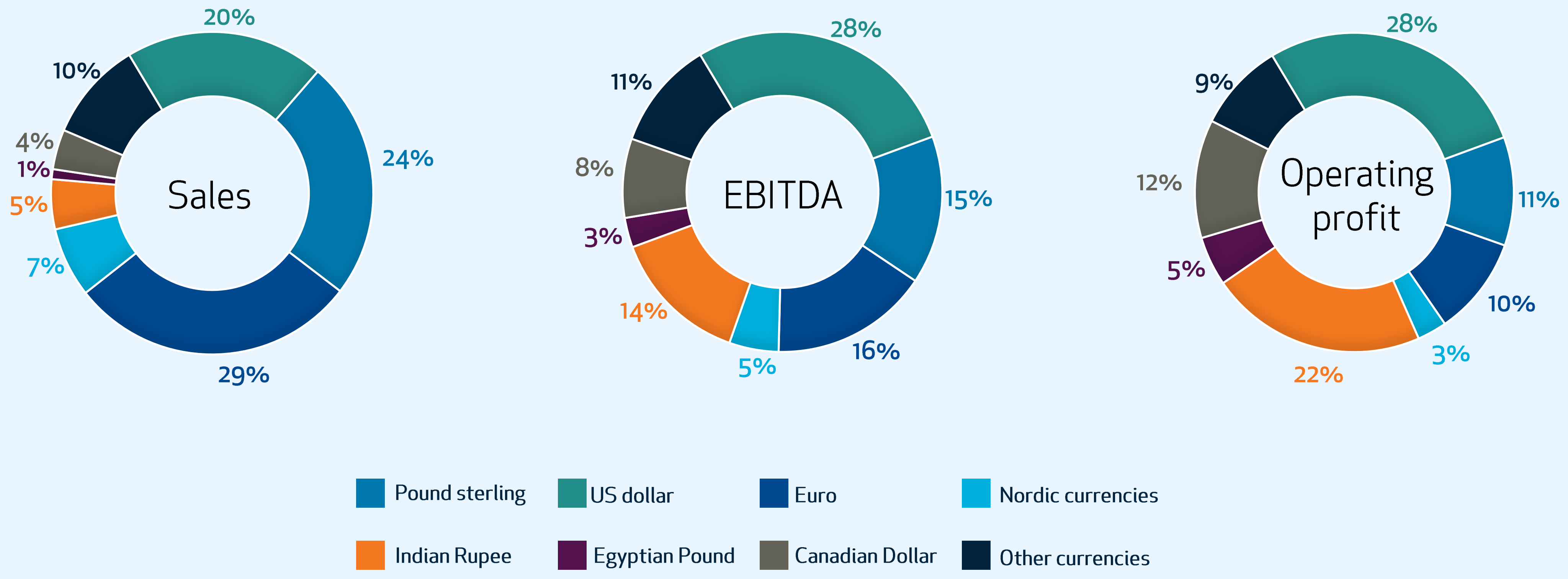
39% of senior leadership roles held by **women**

66% of high-risk suppliers completed **human rights** due diligence

£1.15m invested in **community support** programmes

* Tonnes CO_2e per £ million revenue. Absolute Scope 1 & 2 GHG emissions reduced by 5% from our 2019 base year

FY 2024 currency contribution



2025 Technical Guidance

On a pre-IFRS 16 basis	**2025 expectation:**
Net finance costs:	c.£45m
Associates:	c.£10m
Effective tax rate:	c.22-23%
Minority interests:	c.£60m
Working capital:	Growth broadly in line with sales
Capex:	c.£230-240m
Leverage:	Target range of 1.5x to 2.0x (Net Debt: EBITDA), with the usual seasonal profile

Note: All figures stated on a constant currency basis.

Understanding JV partner contributions to capex spend

Group capital investment reconciliation

£m	FY23	FY24
Capex gross of JV partner share	243	298
JV partner contributions – N.America	*23*	*18*
Reported capex	220	280
JV partner contributions – Asia PAC & EEME	*11*	*13*
Capex net of JV partner share	209	267

JV % share of capex	14%	10%
JV % share of sales	11%	11%

Accounting for capital contributions from JV partners

North America

- Capex contributions from our North America JV partners are shown in Consolidated Cash Flow Statement in the accounts, and result in lower Group reported capex.

Asia PAC & EEME

- Capex contributions from our Asia PAC & EEME JV partners are paid from cash balances in the entity and are therefore not shown separately in the accounts. These are not included in Group reported capex.

New TFS joint venture with AAHL in India

Optimising long-term opportunity to grow

- TFS has established new JV with Adani Airport Holdings Limited ("AAHL"), one of India's leading private Airport operators
- TFS will have 25% share, accounted for as associate income
- Opportunity for significant TFS expansion:
  - New JV to manage operations in AAHL operated airports
  - Already operating in both Mumbai terminals as well as Ahmedabad, Guwahati, Jaipur, Lucknow and Trivandrum
  - Lounge opportunity: New JV has won long-term contract to operate Mumbai airport lounge business ("MALS")
  - Contract previously operated by a TFS joint venture, where TFS had 44% share

Accounting considerations for SSP

- Repositioning and deconsolidation impacts (annualised)
  - c.£17m operating profit
- offset by:
  - c.£10m post-tax minority interest reduction
  - c.£2m associate income increase
- Resulting EPS impact is minimal
- Effective from 1 June 2024
  - In-year impact in FY24 (4 months)
  - Remaining impact included in FY25 planning assumptions

Food Court | Helsinki Airport

Close

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