
# BONDHOLDERS UPDATE CALL

6th August 2026

WHITBREAD PLC


Premier Inn

CARDIFF NORTH

# WELCOME

Hemant Patel, Chief Financial Officer

WHITBREAD PLC

# CONTENTS


# OUTCOME OF BUSINESS REVIEW

Hemant Patel, Chief Financial Officer

WHITBREAD PLC

# NEW FIVE-YEAR PLAN I DELIVERING INCREASED MARGINS AND RETURNS BY FY31

KEY INITIATIVES DELIVER £275m INCREMENTAL GROUP PBT

EXTENDING AGP TO EXIT ALL BRANDED RESTAURANTS[1]

>£1bn REDUCTION IN NET CAPEX

ACCELERATING CASHFLOW AND RETURNS IN GERMANY

500bps INCREMENTAL GROUP ROCE[2]

£2bn AVAILABLE FOR SHAREHOLDERS[2]

*1: Subject to required employee consultation*

*2: Incremental contribution versus FY26, assuming UK like-for-like sales and cost efficiencies offset non-business rates inflation and finance costs over the life of the New Five-Year Plan*

# PREVIOUS FIVE-YEAR PLAN | EXCELLENT STRATEGIC PROGRESS IN FY26

| UK NETWORK EXPANSION | UK ACCELERATING GROWTH PLAN | COMMERCIAL AND EFFICIENCIES | GERMANY CONTINUING MOMENTUM | PROPERTY AND CAPITAL ALLOCATION |
|---|---|---|---|---|
| **c.600** new rooms opened | **c.600** extension rooms opened | **Return to RevPAR growth** in the UK | **>600** new rooms opened | **>£300m** of property-related proceeds |
| **c.600** lower-returning rooms closed | Sold **51** sites and agreed terms of sale for further **60** sites | **£83m** of cost efficiencies[1] | **£2m** adjusted PBT delivered | **>£400m** of shareholder returns |

**EXCELLENT PROGRESS AGAINST KEY STRATEGIC INITIATIVES**

*1: Total cost efficiencies delivered in FY26, adjusted for non-recurring structural savings*

# BUSINESS MODEL | AN INTEGRATED MODEL DRIVES SIGNIFICANT COMPETITIVE ADVANTAGE

| OPERATIONAL EXCELLENCE | COMMERCIAL STRENGTH | NETWORK GROWTH OPPORTUNITIES | STRONG BALANCE SHEET |
|---|---|---|---|
| HIGH CONSISTENCY OF PRODUCT QUALITY | BEST-IN-CLASS REVENUE MANAGEMENT | FLEXIBLE APPROACH TO PROPERTY OWNERSHIP | HIGH RESILIENCE THROUGH THE CYCLE |
| SIGNIFICANT CONTROL OVER COST BASE | BRAND DRIVES LOW-COST DISTRIBUTION | OPTIMISE PORTFOLIO TO MAXIMISE RETURNS | ABILITY TO GROW FLEXIBLY |

HOWEVER, WE CAN REDUCE CAPITAL INTENSITY TO DRIVE HIGHER RETURNS

# NEW FIVE-YEAR PLAN | UK: REALLOCATING CAPITAL TO HIGHEST GROWTH OPPORTUNITIES

DRIVING HIGH-RETURNING GROWTH WITH LESS CAPITAL

- EXTENDING AGP TO EXIT ALL BRANDED RESTAURANTS
- HIGH-RETURNING COMMITTED PIPELINE
- EXITING LOWER-RETURNING SITES AND PROJECTS

- PURE-PLAY HOTEL BUSINESS
- 96,000 OPEN ROOMS BY FY31
- REDUCING CAPITAL INTENSITY
- INCREASED MARGINS AND RETURNS

# NEW FIVE-YEAR PLAN | GERMANY: ACCELERATING CASHFLOW AND RETURNS

OUR MODEL NOW WORKS AND WE ARE CLEAR ON HOW TO ACCELERATE GERMANY

REFOCUSING GROWTH ON PROVEN FORMATS

REDUCING CAPEX AND OPTIMISING OPEN ESTATE

FUTURE GROWTH VIA LEASEHOLDS AND RECYCLING PROPERTY

18,000 OPEN ROOMS BY FY31

POSITIVE CASHFLOW BY FY29

DOUBLE-DIGIT RETURNS BY FY31

# NEW FIVE-YEAR PLAN | PROPERTY AND CAPITAL ALLOCATION: REDUCING CAPITAL INTENSITY

KEEP ADVANTAGES OF ASSET-BACKED BALANCE SHEET BUT WITH LESS CAPITAL

REFOCUSED GROWTH PLANS IN THE UK AND GERMANY

£1bn REDUCTION IN GROSS CAPEX

RECYCLING £1.5bn OF FREEHOLD PROPERTY

>£1bn REDUCTION IN NET CAPEX

30% to 40% GROUP FREEHOLD MIX

REDUCED CAPITAL INTENSITY

# NEW FIVE-YEAR PLAN I DECISIVE ACTIONS DELIVERING SIGNIFICANT GROWTH BY FY31

| | | |
|---|---|---|
| UK NETWORK EXPANSION | Reallocating capex to highest-returning growth | 8,000 new rooms; £110m incremental PBT |
| UK ACCELERATING GROWTH PLAN | Extending plan to exit all branded restaurants | 3,000 extension rooms[1]; £100m incremental PBT |
| COMMERCIAL AND EFFICIENCIES | LFL sales momentum and increasing cost savings | £250m cost efficiencies FY27 to FY31 |
| GERMANY ACCELERATING RETURNS | Refocusing growth to proven formats | 18,000 rooms; £65m incremental PBT |
| PROPERTY AND CAPITAL ALLOCATION | Reducing Group capital intensity | Reduce gross capex by £1bn; recycle £1.5bn of property |

100% PURE-PLAY HOTEL BUSINESS

+£275m INCREMENTAL PBT FROM KEY INITIATIVES

>£1bn REDUCTION IN NET CAPEX

+500bps INCREMENTAL GROUP ROCE[2]

30% to 40% GROUP FREEHOLD MIX

£2bn AVAILABLE FOR SHAREHOLDERS[2]

*1: FY27 to FY31 new extension room openings, in addition to c.600 open extension rooms*

*2: Incremental contribution versus FY26, assuming UK like-for-like sales and cost efficiencies offset non-business rates inflation and finance costs over the life of the New Five-Year Plan*

Premier Inn

THE STRAND HUB

# FINANCIAL REVIEW

## Iain Strachan, Group Financial Controller

WHITBREAD PLC

# FINANCIALS | GROUP HIGHLIGHTS

| £m | FY26 | FY25 | vs FY25 |
|---|---|---|---|
| **Statutory revenue** | **2,920** | **2,922** | ***0%*** |
| Operating costs[1] | (1,846) | (1,892) | *2%* |
| **Adjusted EBITDAR** | **1,074** | **1,030** | ***4%*** |
| **Adjusted EBITDA**[2] | **1,075** | **1,031** | ***4%*** |
| **Adjusted profit before tax** | **483** | **483** | ***0%*** |
| **Statutory profit before tax** | **298** | **368** | ***(19)%*** |
| Capital expenditure | 697 | 500 | *(39)%* |
| Group ROCE (%) | 11.1% | 11.3% | *(20)bps* |
| Lease adjusted net debt : adjusted EBITDAR[3] | 3.3x | 3.0x | *n/a* |

- Revenues:
  - **Higher** UK accommodation sales
  - UK F&B sales impacted by **AGP**, slightly better than expected
  - Continued **growth in Germany**
- Adjusted PBT **in line** with last year:
  - Higher **cost inflation** partially mitigated by **accelerated efficiencies**
  - **AGP** reversal of FY25 one-off impact
  - **Germany profitability** of **£2m**
  - **Lower net interest** receivable
- Gross capex of **£697m**, including **AGP spend of c.£90m**
  - Receipts from property proceeds of **£313m**
- Strong balance sheet with lease adjusted leverage of **3.3x**

*1: Operating costs net of other income and share of profit from joint ventures*
*2: Adjusted EBITDAR after adjusting for net turnover rent and rental income*
*3: Aligned to Fitch definition and methodology*

# FINANCIALS | FY27 CURRENT TRADING AND OUTLOOK

## Q1 TRADING[1]

**UK**

- Total accom sales **3.0% vs FY27**
- RevPAR **2.0% vs FY27**
- **Outperforming** the M&E market[2]
- **F&B** sales (5.0)% vs FY27
- **Positive forward booked position**

**GERMANY**

- Total accom sales **16.0%[3] vs FY27**
- Total estate RevPAR **€63**, more established cohort RevPAR **€73**
- **Outperforming** the M&E market[2]
- **Positive forward booked position**

## UPDATES TO FY27 GUIDANCE[3]

**NEW ROOMS**

- UK: **c.1,000** new rooms, **750** AGP extension rooms
- Germany: **c.2,300** new rooms

**PBT IMPACTS**

- **Extended AGP:** net **£(10)m** PBT reduction
    - Includes **c.£(40)m** relating to the extension of the plan
- **Germany:**
    - **£10m underlying PBT increase** versus FY26
    - **£(10)m** one-off conversion costs
- **Middle East joint venture: £(5)m** PBT impact

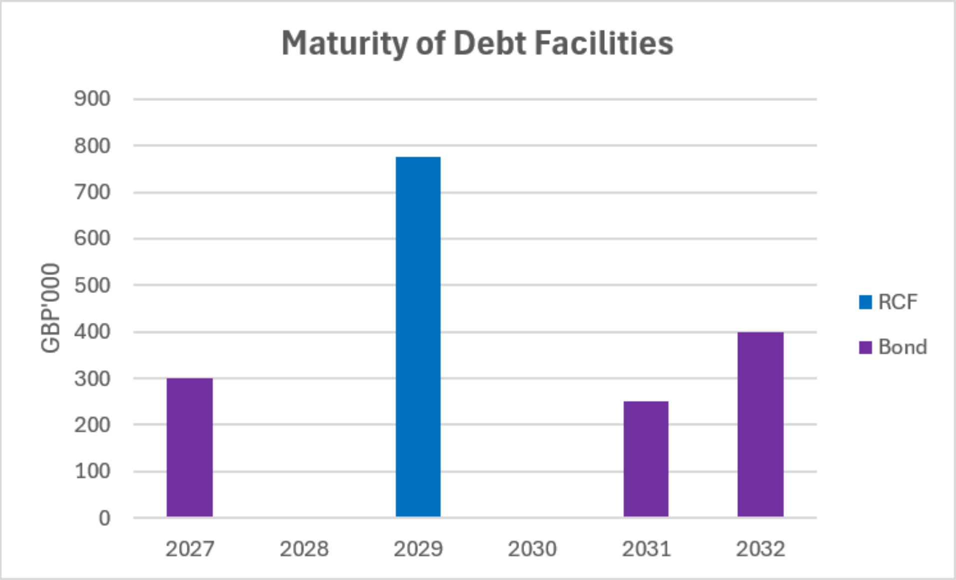
**CAPEX**

- Net capex: **£200m - £300m**
    - Gross capex: £700m - £750m (including £200m to £250m relating to extended AGP)
    - Property proceeds: **£450m - £500m**

*1: Current trading: Premier Inn data 27 February 2026 to 28 May 2026*
*2: STR data, standard methodology basis, 13 weeks to 28 May 2027, UK and Germany M&E markets excluding Premier Inn*
*3: Germany sales growth in GBP.*

# FUNDING

## Debt Maturity




- 6 Year £300m 2.375% Guaranteed Green Notes due 31 May 2027
- 10 Year £250m 3.00% Guaranteed Green Notes due 31 May 2031
- 7 Year £400m 5.50% Guaranteed Notes due 31 May 2032

The current weighted average maturity of the group's drawn debt was 4.1 years.

.

The £775m RCF **remains undrawn** – the available facility is shown

## Approach to Funding

**Market & Funding Options**

- Investment grade credit rating and strong balance sheet enables access to multiple funding options
- Sterling Bond market remains a key market for Whitbread
- Prudent management of our debt maturities

**Ratings**

- Fitch Rating BBB-


# CONCLUSION AND Q&A

# Credit highlights

1. Largest hotel operator in the UK with 12% Market share and >86k Rooms with the strongest brand in the budget sector.
2. Vertically integrated model affords control over best-in-class operations and is a competitive advantage over peers
3. Effective direct digital distribution platforms with c97% direct bookings affording cost efficiency and ownership of the customer relationship
4. Broad customer reach across regions and defensive domestic/inbound and business/leisure mix
5. A ‘Force for Good’ - robust and longstanding sustainability policies which run through everything we do and are recognised via external accreditations
6. Extending Accelerating Growth Programme to exit all branded restaurants. Exiting lower returning sites and projects, Focus on high-returning committed hotel pipeline with initiatives to deliver incremental £275m Group PBT.
7. Confident of being able to offset the impact of inflation on UK profits. On course to deliver £250m of cost savings between FY27 and FY31.
8. Conservative balance sheet. Financial flexibility afforded by freehold property backing. Recycle £1.5bn of property to finance growth.
9. Fitch BBB- ; With lease adjusted leverage at <3.5x
10. Board intention to maintain investment grade metrics over the medium term.