



INTERIM RESULTS

FOR THE 26 WEEKS ENDED 28 JUNE 2025

JULY 2025

AGENDA



Highlights

Financial performance

Operational and strategic review

Current trading and outlook



CONTINUED PROGRESS DESPITE CHALLENGING MARKET CONDITIONS



H1 2025 financial highlights:

- **Total sales** up 7.0% to £1,027.7m
- **LFL sales** growth 2.6% in company-managed shops, 4.8% in franchisees
- **Operating profit** down 7.1% to £70.4m and **pre-tax profit** down 14.3% to £63.5m
- **Interim dividend** maintained at 19.0p

Strategic progress:

- **Brand appeal** – metrics remain strong; clear sector-leading reputation for value maintained
- **Innovation** – with an ongoing focus on menu, value and convenience, supported by technology
- **Estate growth** – 87 new shop openings (including 27 relocations), 31 net new shops in H1. Relocations and refurbishment improving quality of estate. On track for 140-150 net openings in 2025
- **Supply chain investment** – capacity projects on track, supporting material growth opportunity



FINANCIAL PERFORMANCE

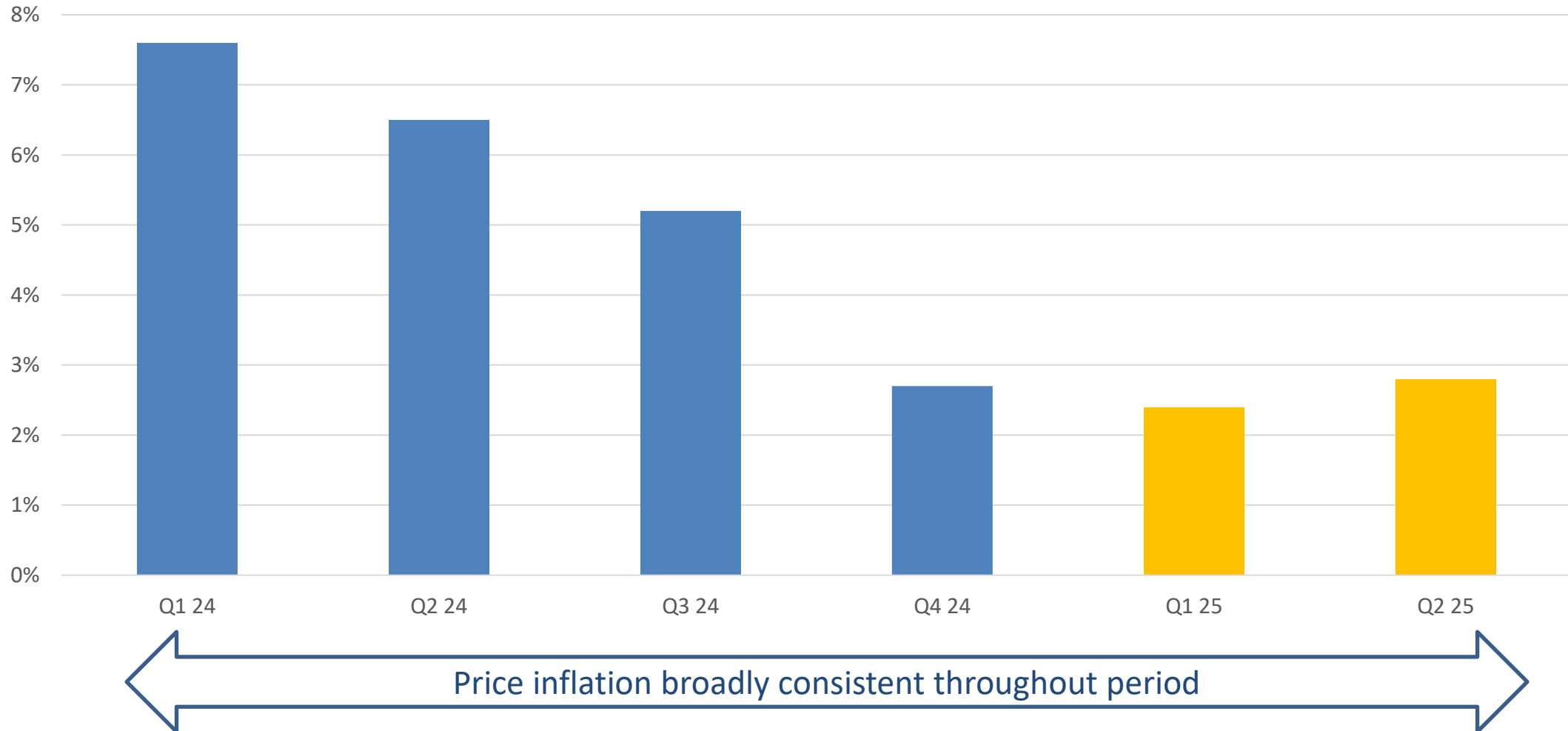
RICHARD HUTTON
CHIEF FINANCIAL OFFICER

INCOME AND EXPENDITURE OVERVIEW

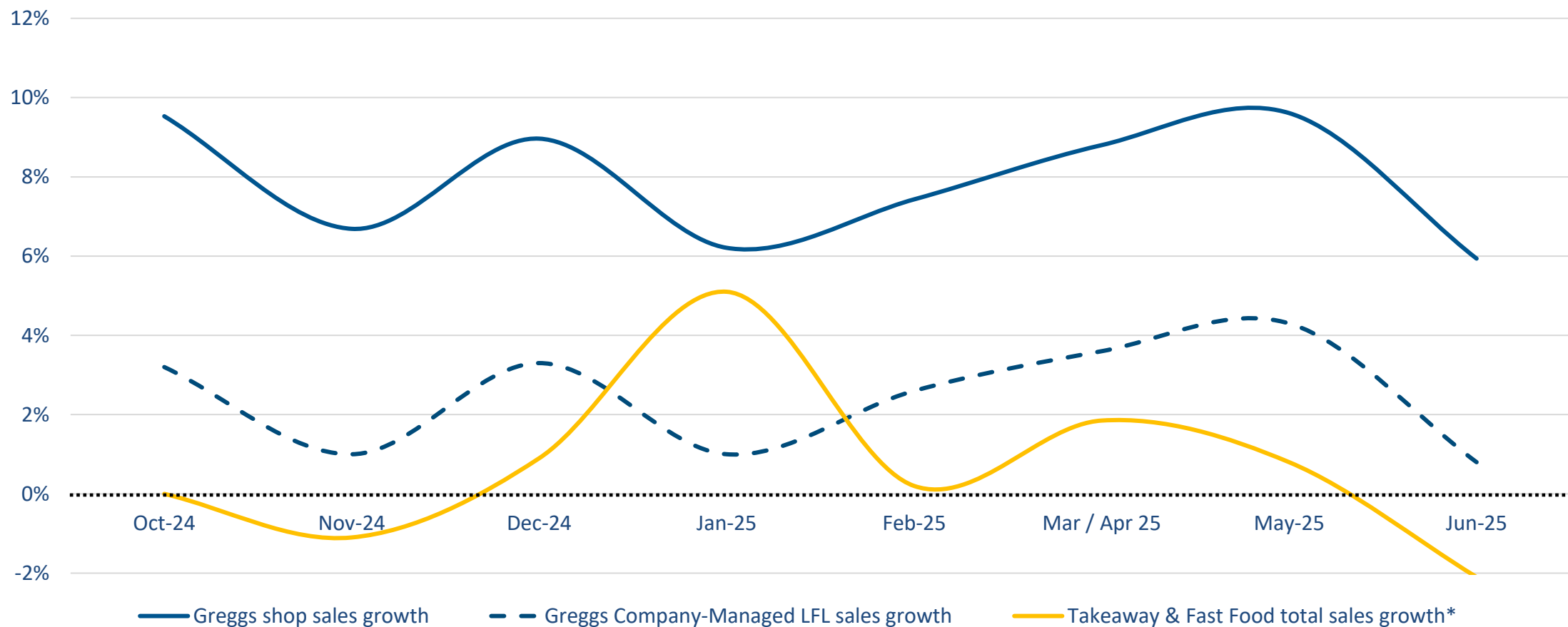


	H1 2025 £m	H1 2024 £m	
Sales	1,027.7	960.6	+7.0%
Operating profit	70.4	75.8	-7.1%
Finance income	1.3	4.6	
Finance expense (inc. leases)	(8.2)	(6.3)	
Profit before tax	63.5	74.1	-14.3%
Income tax charge	(17.0)	(19.0)	
Profit after taxation	46.5	55.1	
<i>Underlying diluted earnings per share</i>	45.3p	53.8p	-15.8%

LFL PERFORMANCE CHALLENGING IN A TOUGH MARKET

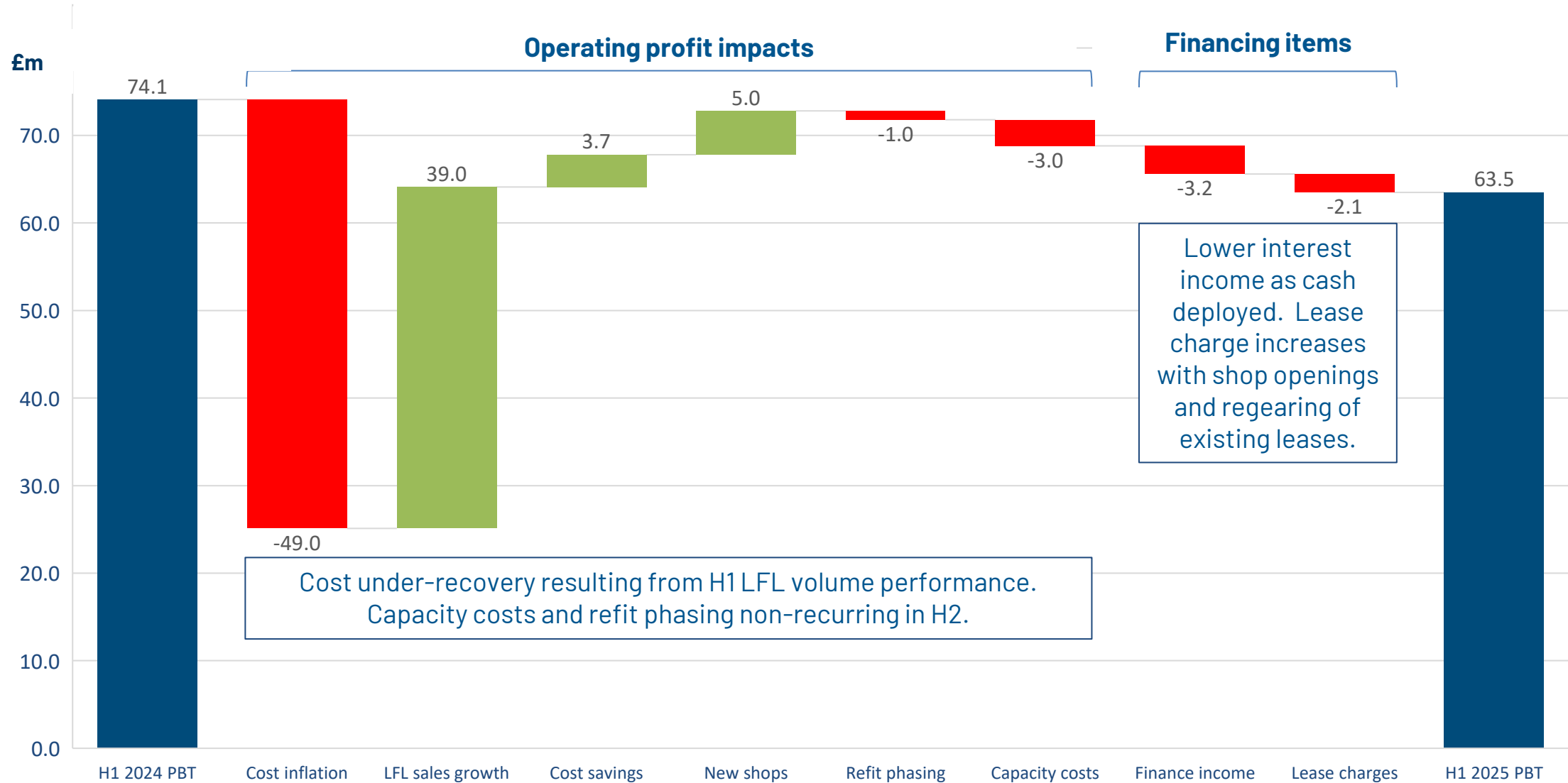


GOOD RELATIVE PERFORMANCE



* Barclaycard spending data (June 2025), Takeaway & Fast Food competitor group

H1 PROFIT BRIDGE



COST GUIDANCE UNCHANGED



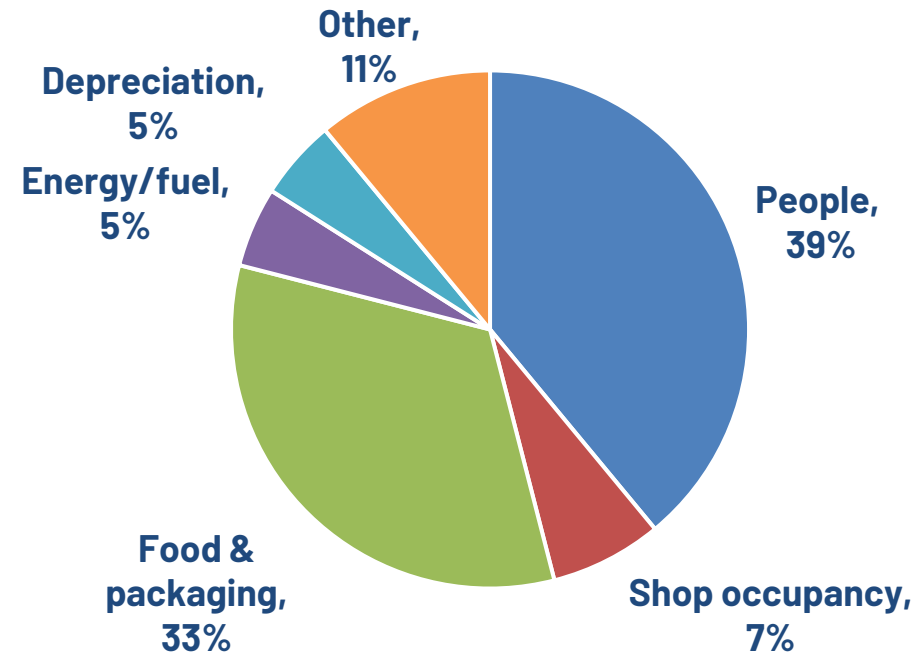
Food & packaging

- H1 inflation in line with expectations. Continue to expect mid single-digit LFL input cost inflation in 2025, including £4m cost in respect of Extended Producer Responsibility levy
- Good forward cover with cost prices fixed for circa 75% of H2 requirement

Energy

- Modest inflation in 2025
- Good forward cover with most energy prices fixed for 2025, c.40% fixed for 2026

Underlying cost base



5.4% LFL cost inflation in H1, continue to anticipate c.6% for 2025

People costs

- Circa 8.0% overall wage and salary inflation in 2025 (including impact of National Living Wage and changes to employers' National Insurance)

Shop occupancy

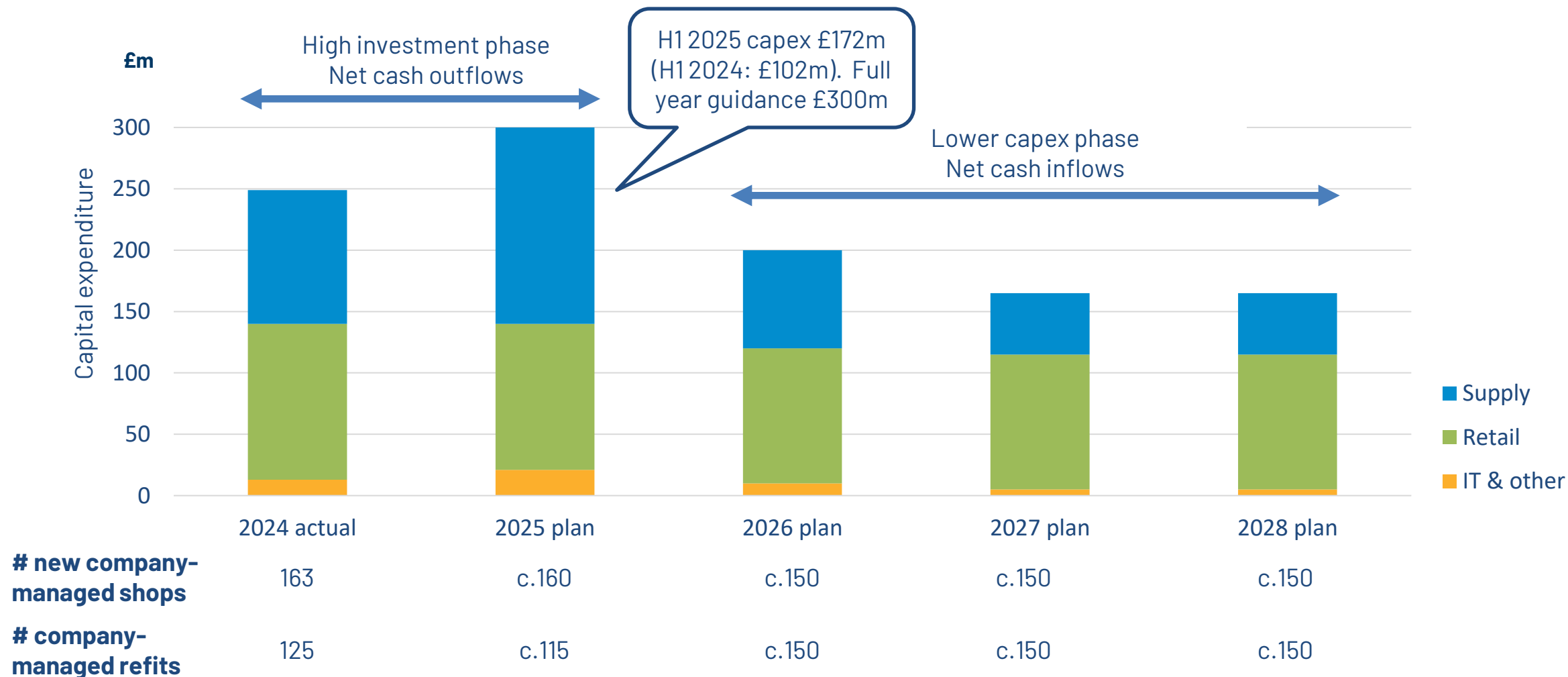
- Strong covenant, occupancy cost ratio stable

CAPITAL ALLOCATION POLICY



- 1. Invest to maintain the business** – typically c.5% of revenue
- 2. Maintain a strong balance sheet** – plan for a year-end net cash position of c.3% of revenue to accommodate working capital requirements
- 3. Deliver an attractive ordinary dividend to shareholders** – target a progressive ordinary dividend, normally around two times covered by underlying profit after taxation
- 4. Selectively invest to grow** – invest in opportunities with strong capital returns. New shop target = 25% cash ROI
- 5. Return surplus cash to shareholders** – either through special dividends or buying back shares

CAPEX REDUCING BEYOND PEAK OF INVESTMENT PHASE



CONFIDENCE IN SHOP ROLL-OUT



Return assessment of new shops:

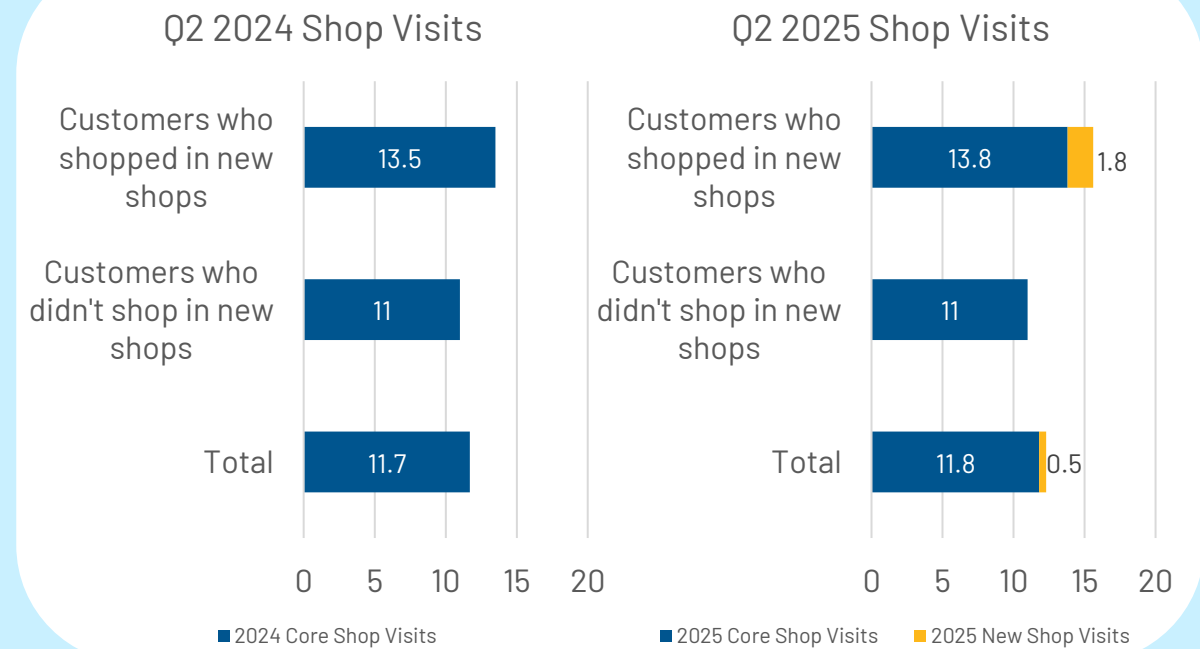
- Return target = 25% cash ROI
- Typically achieved after 2-3 years
- Mature performance >30%
- Growth locations outperforming traditional estate

Cannibalisation risk managed:

- 60% of 2024 new shops (excl. relocations) in areas with no existing shop within a mile (2025 openings have similar profile)
- 2024 new shops with other shops within a mile saw just 5% of sales transfer, factored into shop appraisals
- Relocation activity optimises catchments over time

App insights confirm convenience drives frequency

Customers who use a new shop maintain their visits to existing shops:



CASE STUDY – NEWPORT AREA



7 shops pre-2016, 12 shops now in total

Population 320,000 so 1:27,000 shop density

Theoretical potential for at least 17 shops based on increasing density to 1:19,000

Performance of catchment (latest 12 months):

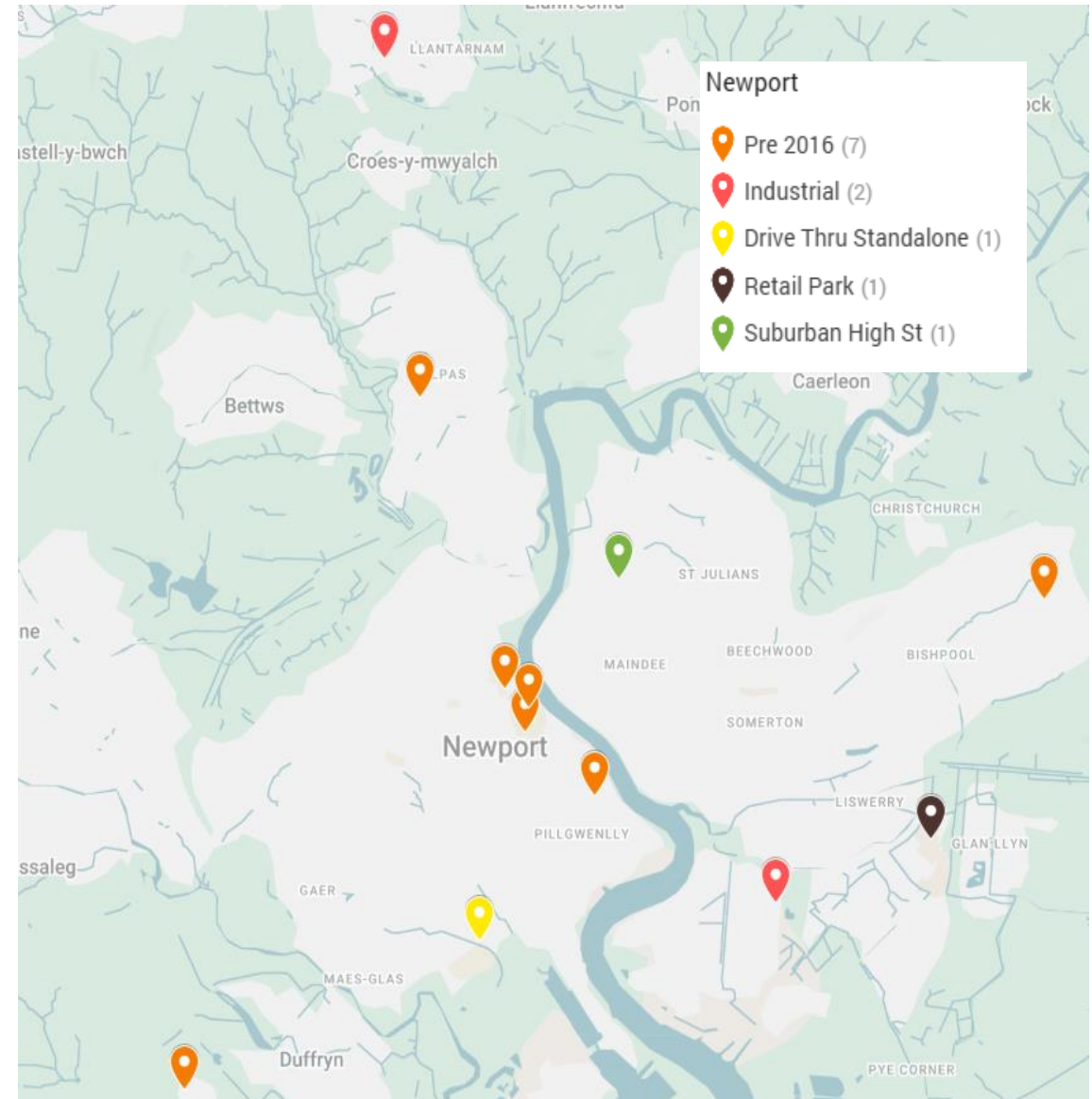
Shops open pre-2016:

- 7 shops, catchment sales £5.6m
- App customer frequency 8 times per annum
- Area EBITDA £0.6m, ROI 29%

Full catchment:

- 12 shops, catchment sales £11.1m
- App customer frequency 16 times per annum
- Catchment EBITDA £1.4m, ROI 36%

Further opening in 2025 at a Tesco site, takes Greggs presence in catchment to 13 shops



CASE STUDY – BRADFORD AREA



6 shops pre-2016, 12 shops now in total

Population 560,000 so 1:47,000 shop density

Theoretical potential for at least 29 shops based on increasing density to 1:19,000

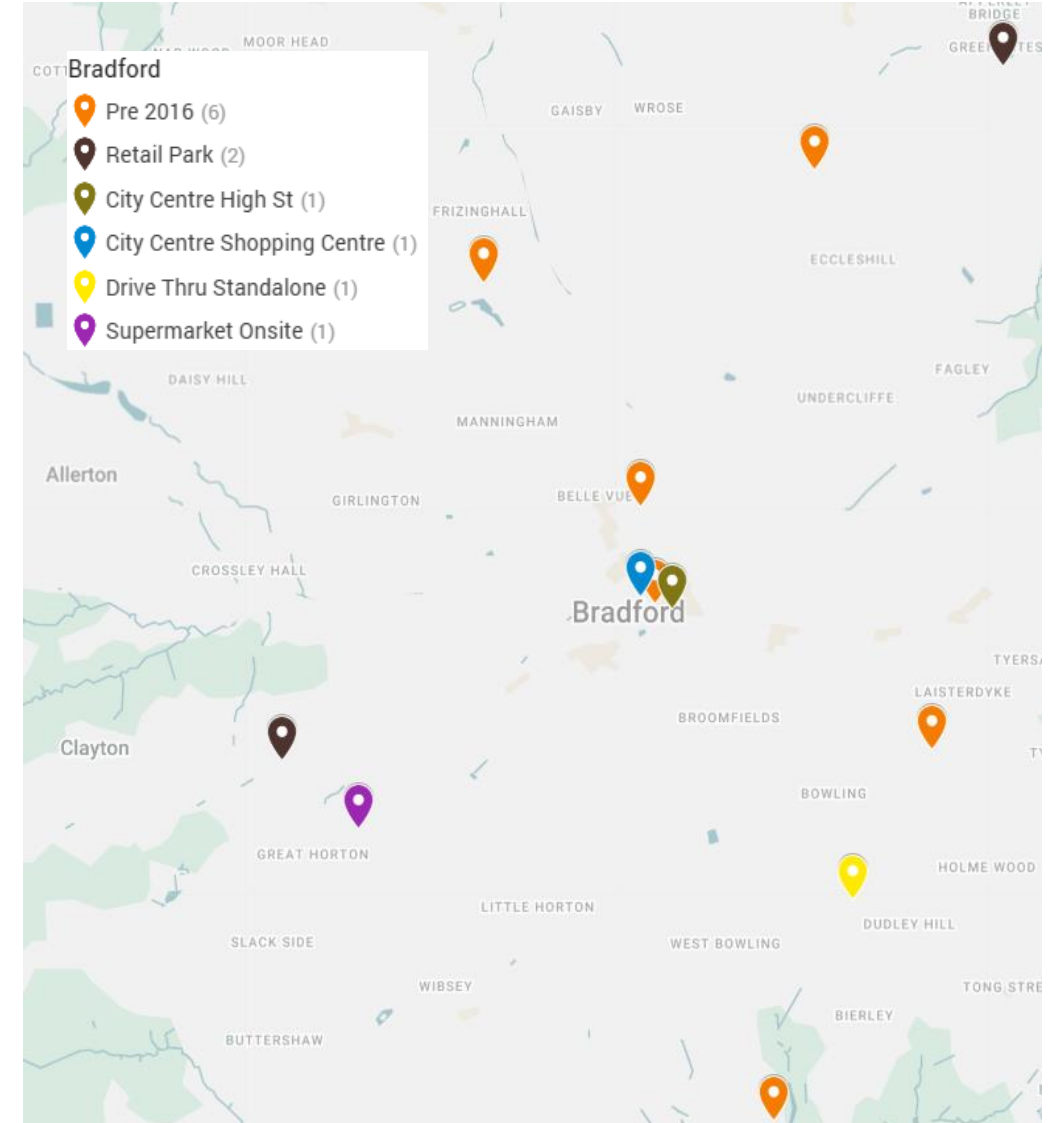
Performance of catchment (latest 12 months):

Shops open pre-2016:

- 6 shops, catchment sales £4.5m
- App customer frequency 6 times per annum
- Area EBITDA £0.4m, ROI 26%

Full catchment:

- 12 shops, catchment sales £10.6m
- App customer frequency 13 times per annum
- Catchment EBITDA £1.3m, ROI 36%



CASE STUDY – COVENTRY AREA



7 shops pre-2016, 16 shops now in total

Population 350,000 so 1:22,000 shop density

Theoretical potential for at least 18 shops based on increasing density to 1:19,000

Performance of catchment (latest 12 months):

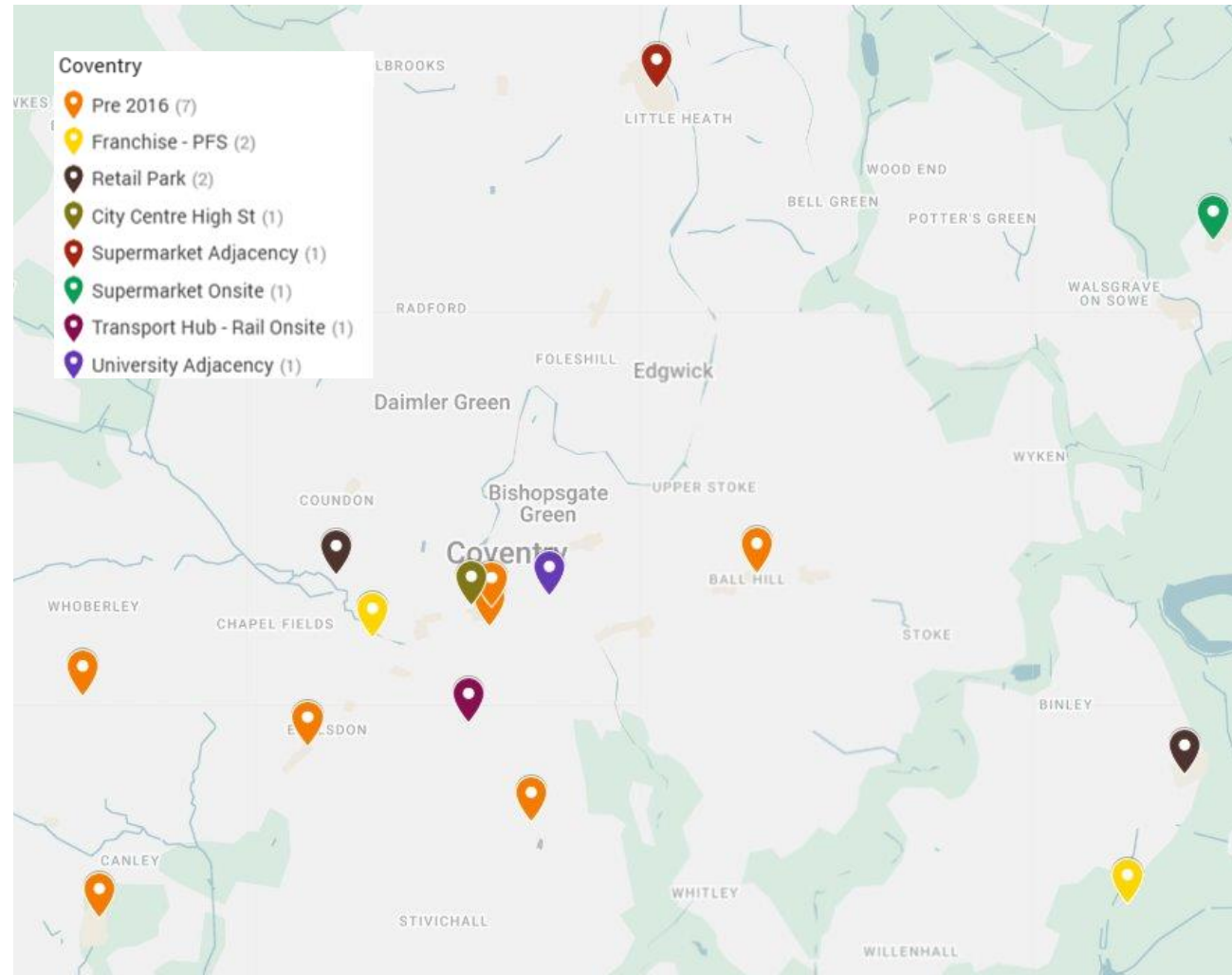
Shops open pre-2016:

- 7 shops, catchment sales £5.2m
- App customer frequency 5 times per annum
- Area EBITDA £0.6m, ROI 30%

Full catchment:

- 16 shops, catchment sales £13.7m
- App customer frequency 13 times per annum
- Catchment EBITDA £1.8m, ROI 37%

Further opening in 2025 at a franchise site, takes Greggs presence in catchment to 17 shops



LIQUIDITY, TAX AND DIVIDEND



Cash & liquidity

- **Net cash inflow** from operating activities after lease payments £94.3m (2024: £116.6m)
- **£2.5m net debt position** at 28 June 2025, with revolving credit facility part-drawn
- Revolving credit facility extended to June 2028, providing £100m in committed funds (with option for a further one-year extension)

Taxation

- **26.8% effective Corporation Tax rate** expected on profits in 2025 (H1 2024: 25.6%)
- Guidance for 2026 = 26.0% (based on current regulations)

Earnings & dividend

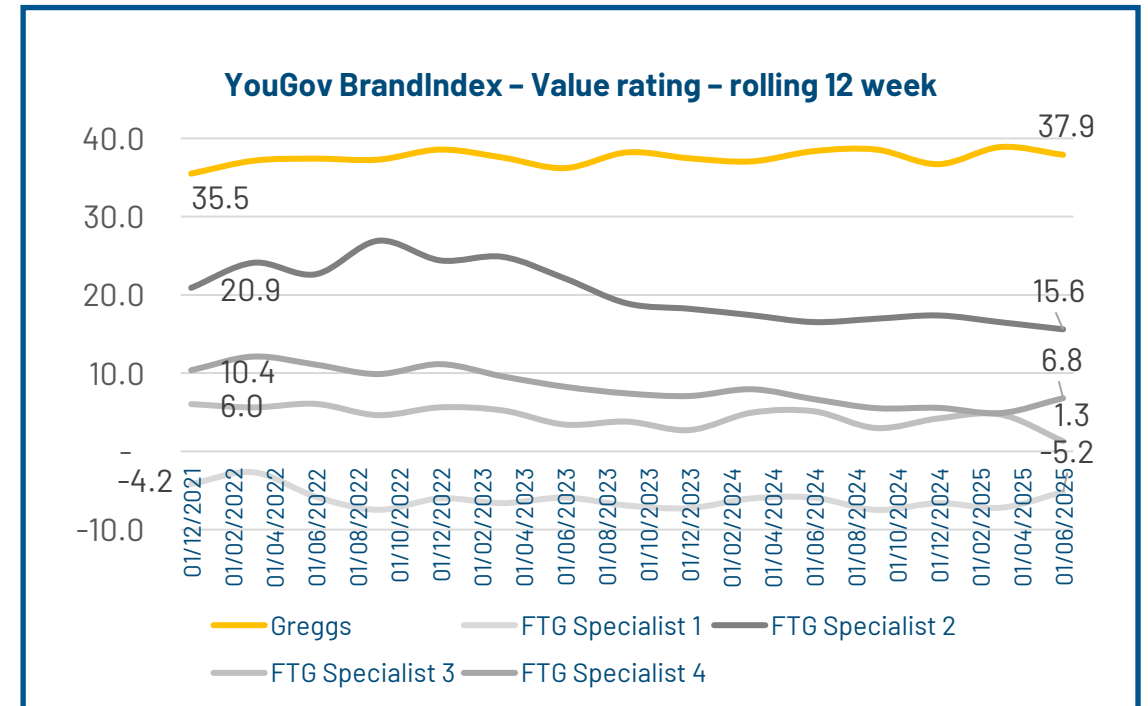
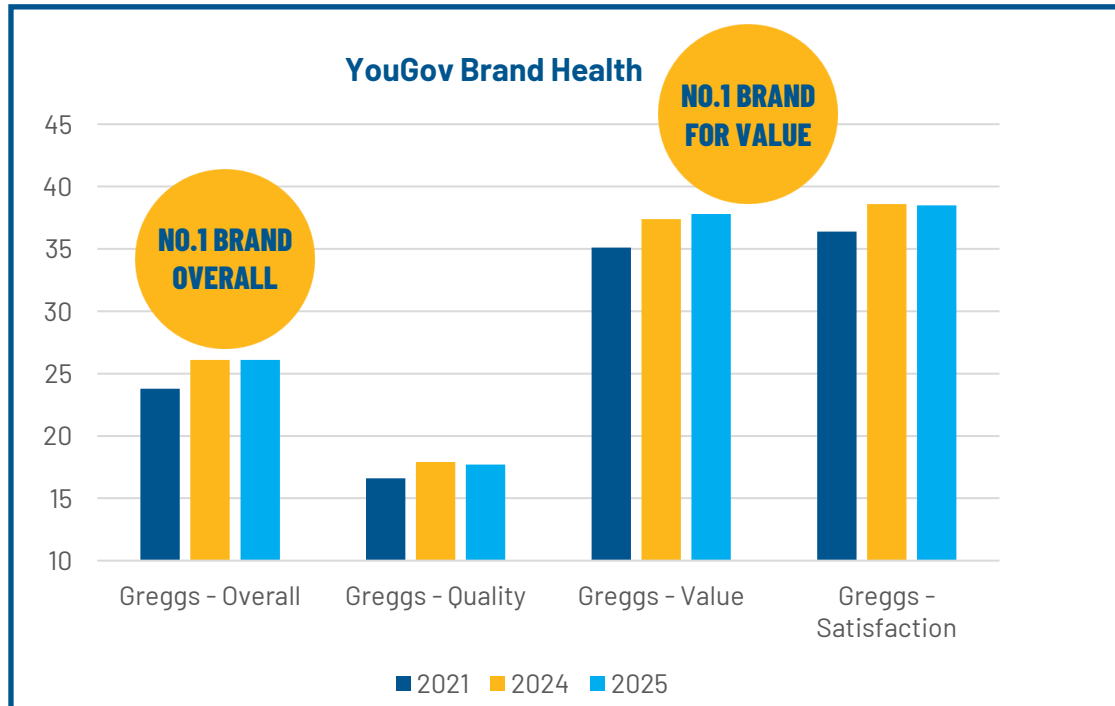
- **Diluted EPS** 45.3p (H1 2024: 53.8p)
- **Interim dividend** of 19.0p per share declared (H1 2024: 19.0p)
- Expect full year dividend to be maintained until 2x covered by earnings



OPERATIONAL AND STRATEGIC REVIEW

ROISIN CURRIE CBE
CHIEF EXECUTIVE

MARKET-LEADING BRAND STRENGTH AND REPUTATION FOR VALUE



- **Brand strength remains market leading** despite challenging trading backdrop
- Gregg's remains the **#1 food-to-go brand overall** and **#1 for value**, with value rating improving

A TRACK RECORD OF INNOVATION



Much achieved:

Grocery launch

iceland

Delivery



Uber
Eats

Drive-thru



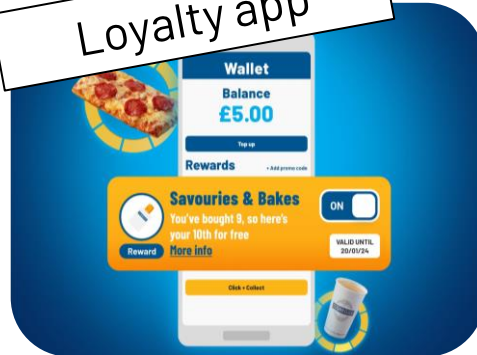
Vegan-friendly



#1 for breakfast



Loyalty app



And much more to come:

Grocery extension

TESCO

Smaller formats



Kiosk ordering



Product innovation



CONTINUED STRATEGIC PROGRESS



**BROADENING
CUSTOMER APPEAL**

**DEVELOPING THE
GREGGS ESTATE**

**EXTENDING EVENING
TRADE**

**EXPANDING DIGITAL
CHANNELS**

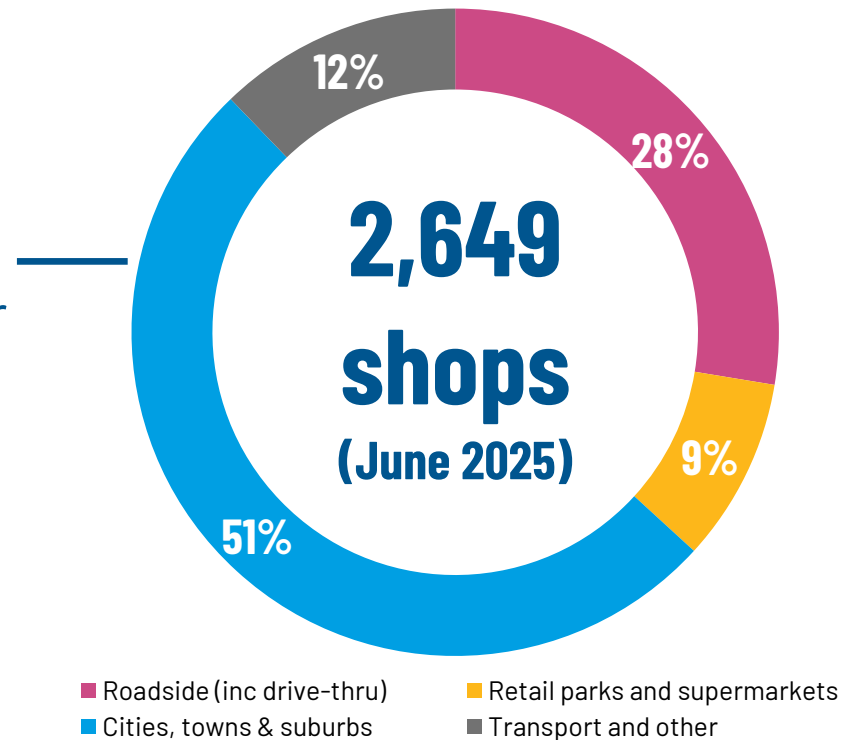


SUPPORTED BY INVESTMENT IN SUPPLY CHAIN, TECHNOLOGY AND SUSTAINABILITY

STRUCTURAL REPOSITIONING OF ESTATE CONTINUES



Traditional estate in cities, towns and suburban locations being relocated within catchment to allow for further growth (not captured in LFL). 14% relocated since 2019



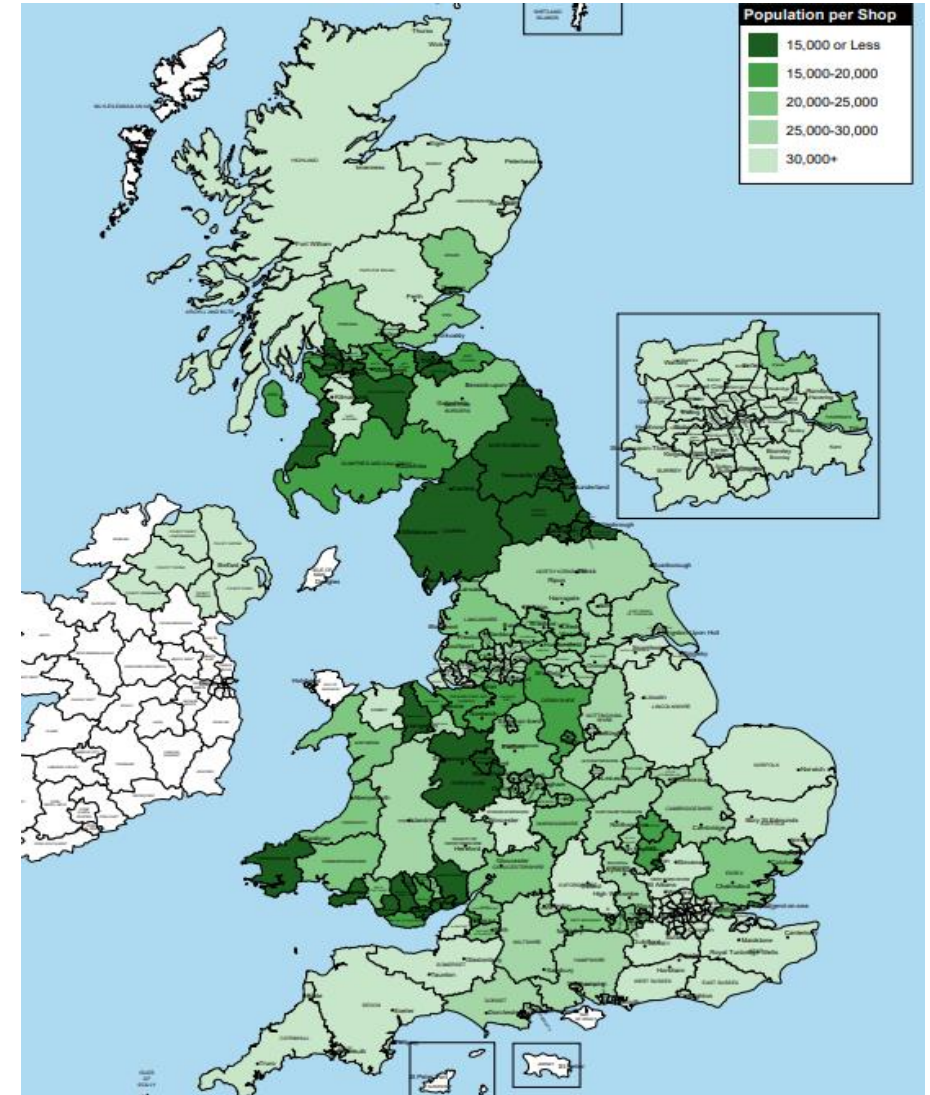
Significant growth opportunity in **underrepresented catchments**. New shops expand reach and continue to deliver strong returns

- **87 new shops opened in H1**, including 27 relocations
- **2,649 shops** (including 564 franchised) trading at 28 June 2025
- **On track to open 140 to 150** net new shops in 2025

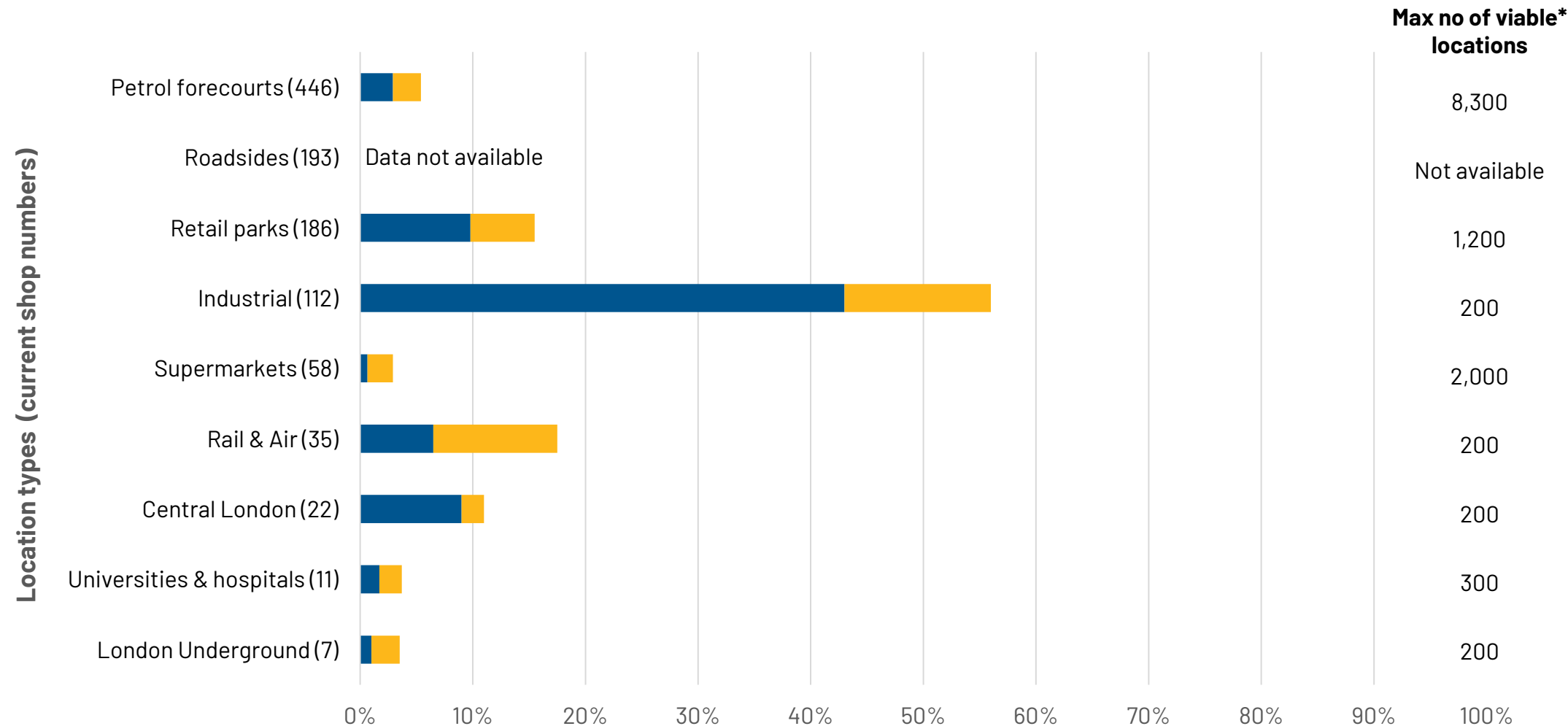
CONFIDENCE IN MARKET CAPACITY



- **Convenience = greater frequency**; analysis of App customers demonstrates that those who visit a new shop grow their overall frequency with the brand
- Estate expansion **focused on areas of low penetration**, typically remote from existing shop estate
- Currently one Greggs shop for every 26k of population. Capacity for 3,500 shops implies one shop per 19k; developed areas already have 1:15k
- **Format flexibility**, including smaller formats, underpins confidence in target
- **Relocation** of existing estate optimises catchments



MATERIAL CAPACITY IN UNDERREPRESENTED CATCHMENTS



* "viable" locations refers to those that could accommodate a full offer Greggs shop

FORMAT FLEXIBILITY



- Format flexibility opens up **more locations**
- Store formats range from large full-service drive-thrus and cafes though to smaller forecourt stores
- **bitesize Greggs concept** will be trialled in six locations with the first due to open in September 2025
- Particularly appropriate for transport hubs but also exploring opportunities in petrol forecourts, supermarkets, retail parks and hospitals
- Smaller formats unlock locations where insufficient space for full-service operation and **increase the scale of opportunity**



RANGE EVOLUTION TO MEET CHANGING TASTES & MARKET TRENDS



- **Menu development** key to success as a food-on-the-go business. Greggs typically follows trends, entering the market with a **value alternative**
- **Over-ice drinks** range proving popular with customers and now available in circa 1,400 shops
- **Healthier Choices** extended across range with clear strategy to address changing regulations and eating habits. **Snacking** range being expanded focused on the trend to **smaller portions** and **higher protein**
- **Chicken and proteins selling well**, including made-to-order hot food wraps and burgers
- **Innovation** continues, supporting all **channels & dayparts** – evening sales now 9.3% of sales (H1 2024: 8.4%)



DIGITAL CONVENIENCE



Delivery

Delivery service on Just Eat and Uber Eats platforms
Sales growing with increased shop numbers; 6.8% of sales (H1 2024: 6.7%)

In-store ordering

Trialling in-store ordering kiosks as a convenience to customers and to test impact on operational efficiency and ATV

Loyalty

Further growth in use of Greggs App; 25.7% of company-managed shop transactions scanned in H1 2025 (H1 2024: 18.3%)

CRM

Behavioural data influencing decision-making and tailored communications / promotions to customers



TECHNOLOGY INVESTMENT FOR FURTHER GROWTH & CAPABILITY



- **Investment in technology** continues:
 - On track to commence migration to the next version of SAP from August 2025
 - Self-service kiosks on trial in 6 shops since June, targeting labour efficiency and ATV growth
 - In-store efficiency supported by remote temperature monitoring, order consolidation system and in-store digital assistant
 - Support teams benefiting from investment in better CRM capability, with AI functionality being developed to drive service standards and efficiencies
 - Data capability investment supporting all areas of the business

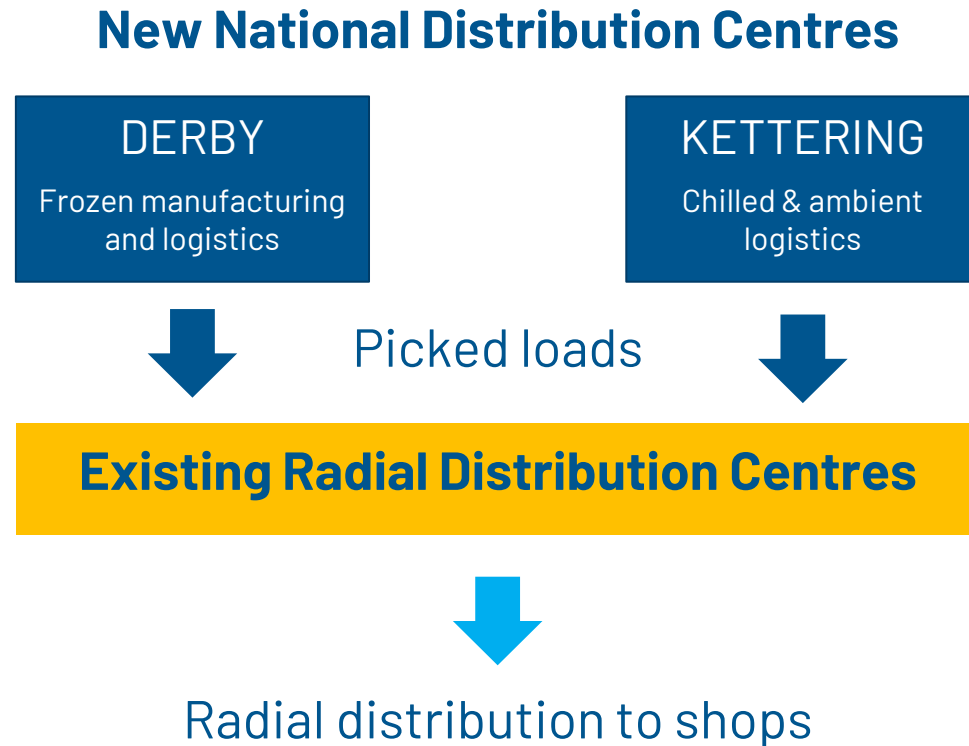


DERBY AND KETTERING SITE BUILDS ON TRACK AND TO BUDGET



- **Derby** – mirror of existing northern frozen manufacturing and logistics campus but with addition of automated picking of products to shop level. Logistics element on track to go live in H1 2026
- **Kettering** – relocates and expands existing national distribution centre for the storage, picking and distribution of chilled and ambient goods. On track to go live in H1 2027
- White space reserved at both sites for further logistics and manufacturing capacity development if required

INVESTMENT EXPANDS CAPACITY TO 3,500 SHOPS IN MOST EFFICIENT WAY



- Central locations for onwards distribution of manufactured goods
- Picking automation reduces labour intensity
- Increases throughput and capacity at existing radial DCs
- Overall logistics capacity to support 3,500 shops
- More efficient than constructing additional radial DCs

OUR ESG PRIORITIES

TEN THINGS THAT WE'RE DOING TO HELP MAKE THE WORLD A BETTER PLACE BY THE END OF 2025 AND BEYOND



Stronger, healthier communities



Safer planet



Better business



- Good progress across the commitments that make up **The Greggs Pledge**
- Actively preparing for the next stage of our Pledge, which will guide our sustainability and social responsibility efforts from 2026 onwards
- Broad range of stakeholder groups engaged to shape future priorities

LOOKING FORWARD



- Challenging start to 2025 but remain clear on the strategic opportunities ahead
- Disciplined estate expansion & focus on innovation making Greggs more convenient for a wider range of customers
- Outlook for cost inflation is unchanged
- Great progress in building supply chain infrastructure for next phase of growth
- Board's expectations for the full year remain consistent with guidance provided on 2 July





QUESTIONS

