

## Ten Entertainment Group plc Half-Year Trading Update

### ***Strong demand continues, driving record growth***

Ten Entertainment Group plc (“TEG” or “the Group”), a leading UK based operator of 47 bowling and family entertainment centres, today announces a trading update for the 26 weeks to 26 June 2022.

- 52.6% total sales growth in the first half of 2022 compared to 2019
- 19.5% sales growth in the 6 weeks since 16 May 2022 compared to the reopening weeks in 2021
- New centre in Harlow acquired in May 2022; brand new centre in Walsall to open in Q3
- Three further new centres agreed and expected to open over the next 12 months
- Cash generation in H1 leaves the Group net cash positive at the end of June
- CLBILS loan to be repaid in July to allow for resumption of dividend
- Management anticipates full year performance ahead of current expectations

### **Sales growth**

Like-for-like<sup>1</sup> sales growth in the first half of 2022 was +46.0% compared to the same period in 2019. This has accelerated from the growth delivered in H2 2021 of +30.3%.

Record-breaking sales performances during the February half-term; the Easter break; and the May Jubilee bank holiday all contributed to an unprecedented level of sales growth. Customer demand has been consistently in growth throughout the first half of 2022. Our value for money family entertainment model is showing greater appeal than ever before. We have deliberately preserved our entertainment prices at 2019 levels and have managed food and drink prices to maintain the value for money we provide for our customers. We have been rewarded with footfall that is 43% higher than experienced in 2019.

The operational gearing of such strong sales growth, with tightly controlled costs, has resulted in a first half of 2022 that has profitability higher than the second half of 2021.

### **Cash generation**

The sales performance has generated strong cashflows in the first half of the year. During H1 the Group has secured an acquisition; invested in three significant refurbishments; commenced building a new centre in Walsall; and secured three further new sites for development. We have invested over £1.8m in ensuring that our bowling experience is sector-leading, with further rollout of the latest touchscreen scoring; replacing and repairing our lanes and ball returns; and installing the latest in LED lighting technology. Even with this high-returning investment programme, the Group had a net cash position at the end of the first half.

### **Outlook**

A continued record-breaking sales performance positions the Group extremely well after the first 26 weeks of the year. Despite the uncertainties in the wider economic environment, we have a proven track record of offsetting inflationary pressures and are confident that these are manageable within our business model.

We are mindful that the increases in cost-of-living will impact our customers in the second half and are determined to keep value for money pricing at the heart of our offer. The work we have done on our business model during the last two years has already demonstrated that our proposition is appealing and fit for today's marketplace. We do expect this sales performance to temper slightly in the second half of the year but remain very confident that our model is well positioned to continue to deliver record growth ahead of current expectations.

TEG plans to announce its half-year results on 21 September 2022.

### **Graham Blackwell, Chief Executive Officer, commented:**

*“I am delighted that our teams have stepped up to the mark to deliver this excellent result. Our great value family entertainment proposition continues to deliver for our customers. With over 50% sales growth in the first half of*

*this year compared to 2019, we have a winning formula in a post-Covid market. We have significantly outperformed the leisure and hospitality sector and are confident of delivering a record result this year.*

*Despite challenging times ahead, we have a model that has broad appeal. We offer a place to eat, drink and play for families and friends to enjoy. We provide something for everyone and are committed to keeping the price of our family entertainment centres affordable.”*

**Enquiries:**

**Ten Entertainment Group plc**

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**About Ten Entertainment Group plc**

The Group is a market leading family entertainment business in the UK market with a total of 47 entertainment centres anchored on Tenpin Bowling and trading under the Tenpin brand with 1,115 bowling lanes across the estate. The Group also has a variety of entertainment offerings, such as amusement machines, table-tennis, soft play, escape rooms, laser games and pool tables, plus food and beverages.

<sup>1</sup>Like-for-like sales compares sales of open centres against the same centres and same time period in 2019. This compares 45 of our current 47 centres and takes the 26 weeks to 26 June 2022 and compares against the 26 weeks to 30 June 2019.