The Fulham Shore PLC

("Fulham Shore", the "Company" or the "Group")

Trading Update

The Board of The Fulham Shore PLC is pleased to provide an update on trading ahead of the publication of the Company's results for the year ended 26 March 2023 ("FY23") which are due to be published in July 2023.

Trading Update

During the second half of FY23, both our Franco Manca and The Real Greek businesses delivered creditable underlying performances despite the impact of industrial action, social disruption, and cost of living increases for our customers. In addition, the hybrid partial working from home 'new normal' continues to change the trading patterns in the Group's restaurants. In general, transport hub and tourist locations are performing strongly while restaurants near offices have not yet fully returned to pre-pandemic trading levels.

The Group opened 18 new restaurants in FY23, including one relocation. During this period there were two restaurant closures. These openings were primarily funded through operational cashflow during the financial year.

New openings comprised of 13 Franco Manca pizzeria including sites in Cardiff, Windsor and three in the Manchester area, as well as five new The Real Greek restaurants including St James Quarter in Edinburgh and the Silverburn shopping centre Glasgow. The new locations have all been well received, with Cardiff and Edinburgh being especially busy since opening.

The trading momentum and absence of Covid closure periods compared to the last two financial years as well as new store expansion has driven a significant increase in revenue to circa £100m for FY23, which represents a new record high for the Group.

As flagged at the half year, input costs rose throughout the year due to inflation in cost of raw materials and utilities, however there are early signs of inflation in these areas easing.

Franchising

In line with Fulham Shore's international strategy during the year we franchised Franco Manca in Athens, Greece and after the year end, later this week, we will open a franchised Franco Manca in Malaga, Spain, our second international territory.

Retail

The launch in November 2022 of our range of five Franco Manca Cook at Home pizzas in the UK's largest supermarket business has been well received with an encouraging sales performance so far.

In addition, the Real Greek has entered a collaboration for its first retail product, a herb and spice mix, which is due to be introduced into UK supermarkets this summer.

Cash and bank facilities

The Company's net debt position before lease liabilities recognised under IFRS 16 as at 26 March 2023 was £0.7m. The Group has undrawn net bank facilities of £14.9m. New openings have been and will continue to be financed primarily by internally generated cash flow.

COVID-19 Business Interruption Insurance

As announced in the Company's half year report on 16 December 2022, we continue to make progress in formulating a COVID 19 business interruption insurance claim. We believe our policy wording is similar to some recent successful outcomes for insured parties in our industry. Whilst a successful claim may result in a material payout to the Group, at this stage, there can be no certainty of any financially beneficial outcome.

Current trading and outlook

We now trade from 27 The Real Greek restaurants and 70 Franco Manca pizzeria throughout the UK.

Despite the slowing down of the Group's 2023/2024 opening programme to reflect the current short-term uncertainties, the Group continues to seek desirable sites at favourable rents and several locations are under negotiation.

The outlook for costs, be they utilities, raw ingredients or labour continue to present challenges for all operators within the sector and we are not immune. As with other operators, finding staff remains challenging.

Thanks to both our brands' affordable, value-for-money proposition, the Group is well placed to offset these increased costs through increased menu pricing, which, when they occur, will be implemented to cover costs rather than increase margins.

As customer numbers and demand continues to recover the Group currently plans to open around six new UK restaurants across both brands in the financial year ending March 2024 and will review this opening programme in October 2023 at the half year.

The popularity and affordability of our two businesses combined with clear growth opportunities in the UK and internationally, gives us confidence in the Company's future.

For further information, please contact:

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Notes for editors Information on The Fulham Shore PLC

Fulham Shore owns and operates "The Real Greek" (<u>www.therealgreek.com</u>) and "Franco Manca" (<u>www.francomanca.co.uk</u>) restaurants.

Fulham Shore was incorporated in March 2012. The Directors believed that there were attractive investment opportunities within the restaurant sector in the UK and that, given their collective experience in the restaurant sector, they could take advantage of the opportunities which existed.

The ordinary shares of the Company were admitted to trading on AIM in October 2014 in order to capitalise on such opportunities and to give the company employees, customers and public the ability to share in the enterprise.

The Real Greek

Since its foundation in London in 1999, The Real Greek group has grown steadily, now offering modern Greek cuisine in 27 restaurants primarily in London and Southern England but with restaurants across the UK (e.g. Manchester, Newcastle, Edinburgh and Glasgow).

The Real Greek food centres on the delicious, healthy diet of the Eastern Mediterranean, staying true to the Greek ethos of food, family and friends. Dishes are created using premium ingredients sourced from Greece and Cyprus whenever possible, and developed by Tonia Buxton, the face of Greek food in the UK.

The Real Greek's menu and atmosphere retain the spirit of eating in Greece, encouraging diners to take their time eating amongst friends and family, be it a relaxed dinner, family get-together, or a fully catered party.

Franco Manca

Franco Manca opened its first restaurant in 2008 and now has 70 restaurants in the UK, primarily in London, but also with restaurants across the country (e.g. Edinburgh, Glasgow, Manchester, Leeds, Cambridge, Bath, Oxford, Bristol and Exeter).

Franco Manca's pizza is made from slow-rising sourdough and is baked in an oven that produces high heat. The slow levitation and blast cooking process lock in the flour's natural aroma and moisture, giving a soft and easily digestible crust. Where possible, locally sourced and organic ingredients are used.

Franco Manca has received the following accolades:

Winner of Peach 20/20's Consumer Choice Award at the 2021 Hero & Icon Awards Winner of the Casual Dining Best Family Dining Experience Award 2020 Winner of the R200 Best Value Restaurant Operator- Over 20 Sites Award 2019 and 2017