



Mabel Mezzco Limited

**Interim report
as at and for the 16-week period to
August 19, 2018**

First Quarter 2018 highlights

Financial highlights

- Turnover¹ increased 12.3% to £97.4 million in Q1 2018/19 with the continued expansion of our restaurants in the UK (4 new openings in the quarter) and 8.5% UK like for like sales growth.
- 10.1% UK outperformance of the market in Q1 and traded ahead of the competition consistently for over 4 years (228 weeks).
- Adjusted EBITDA up 1.9% in Q1 2018/19 to £12.7 million from £12.4 million in Q1 2017/18 despite headwinds.

¹ Turnover includes franchise income

Operational highlights

- Four new UK restaurants opened in Q1– Liverpool New Mersey, Rushden Lakes, Chelmsford and East Midlands
- 4 refurbishments have been completed in Q1, bringing Kaizen design and new covers where possible to the existing estate. Further major refurbishments underway at Wigmore Street, Liverpool, Putney and Victoria.
- Further investment in our people, product and property continuing to drive key metrics, including highest ever customer net promoter score and lowest team turnover.
- New franchise restaurants opened in Qatar, UAE, Norway, and Italy.

Jane Holbrook, CEO, commented

'I am very lucky to work with the best people in the industry. They have continued to deliver outstanding UK like for likes and I'm delighted to say we've also achieved our highest customer net promoter score and lowest team turnover on top of good profit growth. I thank them all for the enormous passion and commitment to this wonderful brand.'

Results of operations

First Quarter 2018/19 compared with First Quarter 2017/18

Turnover

Turnover increased 12.3% to £97.4 million in Q1 2018/19 from £86.7 million in Q1 2017/18. A geographic and business line analysis of our turnover follows:

£ million	Q1 2018/19	Q1 2017/18	% change
Company-operated UK	93.2	83.0	12.3%
Company-operated US	3.2	2.9	10.3%
Franchise	1.0	0.8	25.0%
Total	97.4	86.7	12.3%

Company-operated restaurants

Turnover in our restaurant business in the United Kingdom increased 12.3% to £93.2 million in Q1 2018/19 from £83.0 million in Q1 2017/18. This was due to 8.5% like for like sales increase and an increase in the number of restaurants from 127 open at the end of Q1 2017/18 to 133 open at the end of Q1 2018/19.

Turnover in our restaurant business in the United States increased 10.3% (13.7% in USD terms) to £3.2 million (\$4.2 million) in Q1 2018/19 from £2.9 million (\$3.7 million) in Q1 2017/18 reflecting growth in like-for-like sales and the opening of 1 new restaurant in New York City.

International franchised restaurants

Turnover from our international franchised restaurants business increased 25.0% to £1.0 million in Q1 2017/18 from £0.8 million in Q1 2017/18.

Cost of sales

Gross margin has increased from £36.8 million in Q1 2017/18 to £39.3 million in Q1 2018/19. The growth in the estate and the like for like sales growth were the primary causes of this increase. This further includes the impact of supply chain and National Living Wage cost increases.

Administrative expenses before exceptional items

Administrative expenses before exceptional items increased 10.9% to £35.5 million in Q1 2018/19 from £32.0 million in Q1 2017/18. This was primarily due to overhead costs and depreciation commensurate with the addition of new restaurants in addition to the increase in central overhead expenses, again reflecting the increase in estate size. This includes the impact of business rates increases.

Net interest payable and similar charges

Net interest payable and similar charges decreased from £3.7 million in Q1 2017/18 to £3.1 million in Q1 2018/19 reflecting a lower interest rate on the Group's bond debt from the date of refinancing in July 2017 and a reduced level of bank facility fees.

Tax on loss on ordinary activities

The tax charge on profit on ordinary activities increased from a credit of £1.1 million in Q1 2017/18 to a charge of £1.4 million in Q1 2018/19. In Q1 2017/18 the exceptional refinancing charges incurred resulted in a loss before tax.

Cash flow

The cash balance at the end of Q1 2018/19 was £23.4 million compared to a balance of £31.6 million at the end of Q1 2017/18.

The cash outflow of £5.9 million in Q1 2018/19 increased from an outflow of £2.4 million in Q1 2017/18. Q1 2017/18 benefited from a net financing cash inflow from the Group's refinancing in July 2017 which has not been experienced in Q1 2018/19. This is partially offset by reduced level of capital expenditure in Q1 2018/19.

Net cash inflow from operating activities

Net cash inflow from operating activities decreased 7.1% to £8.5 million in Q1 2018/19 from £9.2 million in Q1 2017/18. This decrease was due to an increased level of exceptional expenditure and an increase in working capital outflow, offsetting an increase in Adjusted EBITDA.

Taxation cash flows decreased from £3.2 million in Q1 2017/18 to £2.2 million in Q1 2018/19 as a result of timing of payments on account relating to the 2017/18 tax year.

Net cash outflow from investing activities

Net cash outflow from capital expenditure decreased 29.0% to £7. million in Q1 2018/19 from £10.8 million in Q1 2017/18. This was due to lower new restaurant expenditure in the UK with 5 new openings in Q1 2017/18 compared with 4 in Q1 2018/19 and timing of refurbishment expenditure.

Net cash inflow/outflow from financing

Net cash flow from financing decreased to a £4.7 million outflow in Q1 2018/19 from a £2.4 million inflow in Q1 2017/18.

The inflow in Q1 2017/18 resulted from the Group's refinancing in July 2017 where a new bond issue raised £225m. The proceeds of the new 4.125% Senior Secured notes due 2022 were used to repay the Group's existing £150 million 7.875% Senior Secured Notes due 2020 and the associated redemption premium, accrued interest and fees. The cash outflow in Q1 2018/19 reflected payment of the semi-annual interest on the Group's senior secured notes.

Capital expenditures

The following table shows our capital expenditures for the periods indicated:

	For the 16 weeks ended		For the period ended	
	August 19, 2018	August 13, 2017	April 29 2018 53 weeks	April 23, 2017 52 weeks
New site capital expenditures	4.4	8.1	15.8	18.1
Refurbishment expenditures	1.3	0.3	7.8	8.1
Maintenance expenditures	1.7	1.0	5.9	2.9
Other capital expenditures*	0.3	1.5	3.2	3.0
Total capital expenditures	7.7	10.9	32.7	32.1
Corporate expenses	0.1	0.0	0.4	0.1

*other capital expenditure: office, systems and central kitchen

Estate summary

We opened 4 new UK restaurants in Q1 2018/19 compared to 5 restaurants in Q1 2017/18 (4 UK opening and 1 US opening). The increase in the number of franchised restaurants includes new openings in Oslo, Milan, UAE and Qatar in Q1 2018/19.

The table below shows the number of our Company-operated and franchised restaurants as at the following dates:

	For the 16 weeks ended		For the period ended	
	August 19, 2018	August 13, 2017	April 29, 2018 53 weeks	April 23, 2017 52 weeks
Company-operated restaurants⁽¹⁾.....	138	131	135	128
<i>United Kingdom restaurants</i>	133	127	130	124
<i>United States restaurants</i>	5	4	5	4
<i>Company-operated restaurant openings during the period</i>	4	5	9	10
<i>Company-operated restaurants closures during the period</i>	(1)	(2)	(2)	(6)
Franchised ⁽²⁾	58	47	56	44
Total	197	178	191	172

(1) Company-operated restaurants include all of our restaurants in the United Kingdom and the United States.

(2) Franchised restaurants as at the dates listed were located in Belgium, Greece, Ireland, Malta, The Netherlands, Northern Ireland, Denmark, Sweden, Cyprus, Slovakia, Turkey, Qatar, United Arab Emirates, Oman, Bahrain, New Zealand, Gibraltar, Saudi Arabia, Bulgaria, Spain, Italy and Norway.

Key performance indicators

	For the 16 weeks ended		For the period ended		LTM
	August 19, 2018	August 13, 2017	April 29, 2018 53 weeks	April 23, 2017 52 weeks	August 19, 2018 53 weeks
	(£ millions)				
Like-for-like sales growth (%)	8.5%	6.6%	7.4%	8.2%	7.9%
EBITDAR	19.7	18.8	67.9	64.2	68.8
Rent Expense.....	8.0	7.5	25.3	21.8	25.8
EBITDA	11.7	11.3	42.6	42.4	43.0
EBITDA Margin (%).....	12.1%	13.1%	14.0%	16.1%	13.7%
Adjusted EBITDA ⁽¹⁾	12.7	12.4	46.6	45.5	46.8
Adjusted EBITDA margin (%).....	13.1%	14.5%	15.3%	17.3%	14.9%
Adjusted EBITDA – 52 week			45.7	45.5	45.9
Adjusted EBITDA margin (%)			15.3%	17.3%	14.9%
Net total indebtedness ⁽²⁾					198.9
Ratio of net total indebtedness to Adjusted EBITDA					4.3

(1) Please find below a reconciliation calculation from profit for the financial period to EBITDA and Adjusted EBITDA and adjustments made to calculate Adjusted EBITDA for the periods indicated:

(2) Net total indebtedness represents total debt less cash.

	For the 16 weeks ended		For the 52 weeks ended		LTM
	August 19, 2018	August 13, 2017	April 29, 2018 53 weeks	April 23, 2017 52 weeks	August 19, 2018 53 weeks
	(£ millions)				
Profit/loss for the financial period ...	(2.2)	(7.7)	(14.1)	5.4	(8.5)
Tax on profit/loss on ordinary activities	1.4	(1.1)	3.2	3.9	5.7
Net interest payable and similar charges	3.0	3.7	10.6	12.9	9.9
Exceptional ^(c) expenses/(income) ..	1.6	9.9	19.7	(0.6)	11.4
Amortisation	3.0	2.8	9.1	9.1	9.3
Depreciation and impairment of tangible assets	4.8	3.7	13.6	11.2	14.7
Loss on disposal of assets	0.1	-	0.5	0.5	0.5
EBITDA	11.7	11.3	42.6	42.4	43.0
Pre-opening costs ^(a)	0.9	1.1	3.6	3.0	3.4
Corporate expenses ^(b)	0.1	0.0	0.4	0.1	0.4
Adjusted EBITDA.....	12.7	12.4	46.6	45.5	46.8
53rd Week	-	-	(0.9)	-	(0.9)
Adjusted EBITDA – 52 week.....	-	-	45.7	45.5	45.9

(a) For the period ended 13 August 2017 exceptional expenses included administrative expenses incurred as part of the Group's refinancing in July 2017 including a redemption premium of £5.9 million and the write off of previously capitalised refinancing fees relating to the Group's previously outstanding 7.785% Senior Secured Notes due 2020. For the period ended 19 August 2018, exceptional costs related to the strategic review of the business.

(b) Pre-opening costs represents costs incurred prior to the opening of a new restaurant, including rent incurred prior to opening, wages of employees in training and food costs incurred for training of new employees.

(c) Corporate expenses represent fees paid to our principal shareholders and security agent under our bond and RCF agreement, professional fees incurred relating to syndication and listing of loan notes under that agreement and fees in respect of our corporate status.

General information

Wagamama operates popular award winning pan-Asian inspired noodle restaurants based in the United Kingdom. In addition to our Company-operated restaurants across the United Kingdom and the United States, we have franchised restaurants operating in 22 markets around the world spread across Western Europe, Eastern Europe, the Middle East and New Zealand.

Wagamama offers fresh, pan-Asian cuisine in a friendly, vibrant setting. Our menu features a wide variety of noodle and rice dishes, as well as salads and side dishes, juices, hot drinks, wine, sake and Asian beers. Freshness and quality are two ingredients that we believe go into every dish. Many Wagamama signature dishes can be found in all of our restaurants across the globe and we also have local specialties that take advantage of regional produce and tastes.

Presentation of financial information

Unless otherwise indicated, the financial information presented in this report is the historical consolidated financial information of Mabel Mezzco Limited and its subsidiaries (the "Group").

This report includes or derives information from the following financial sources:

- the unaudited consolidated financial information of the Group as of and for the 16 weeks ended August 19, 2018 ("First Quarter 2018/19", "Q1 2018/19", or "the quarter"), and the comparative period as of and for the 16 weeks ended August 13, 2017 ("First Quarter 2017/18" or "Q1 2017/18"), prepared in accordance with FRS 102.

The financial year for the Group runs from the calendar day following the previous financial year end to the Sunday nearest to April 30 of each calendar year. Accordingly, from time to time, the financial accounting period covers a 53-week period, which impacts the comparability of results. Our 2018/19 financial year will end on April 28, 2019 and will constitute a 52-week period.

Further information for noteholders

This report was prepared in accordance with the indenture dated July 10, 2017 among Wagamama Finance plc, as Issuer, the guarantors named therein, U.S. Bank Trustees Limited, as Trustee and Security Agent and Elavon Financial Services DAC, UK Branch, as paying agent.

This interim report may include forward-looking statements. All statements other than statements of historical facts included in this interim report, including those regarding the Group's financial position, business and acquisition strategy, plans and objectives of management for future operations are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Many factors could cause the Group's actual results, performance or achievements to differ materially from those in the forward-looking statements. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this interim report. The Group expressly disclaims any obligations or undertaking, except as required by applicable law and applicable regulations to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Group's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

The quarterly financial results presented in this report include calculations or figures that have been prepared internally by management and have not been reviewed or audited by our independent chartered accounting firm. This financial data should not be viewed as a substitute for full financial statements prepared in accordance with FRS 102 and is not necessarily indicative of the results to be achieved for any future periods.

In this report, we present turnover of our US business in US dollars as well as Pounds Sterling equivalent. To present this information, current and comparative prior period results are converted using the average exchange rates of the respective quarters.

Use of non-FRS 102 financial information

Certain parts of this report contain non-FRS 102 measures and ratios, including EBITDAR, rent expense, EBITDA, EBITDA margin, Adjusted/(Adj.) EBITDA, Adjusted/(Adj.) EBITDA margin, new site capital expenditures, refurbishment expenditures, maintenance capital expenditures, other capital expenditures, total capital expenditures, like-for-like sales growth, working capital and leverage ratios that are not required by, or presented in accordance with, FRS 102. We believe that these measures are useful indicators of our ability to incur and service our indebtedness and can assist certain investors, security analysts and other interested parties in evaluating us. Because all companies do not calculate these measures on a consistent basis, our presentation of these measures may not be comparable to measures under the same or similar names used by other companies. Accordingly, undue reliance should not be placed on these measures in this interim report. In particular, EBITDAR, EBITDA, Adjusted / (Adj.) EBITDA are not measures of our financial performance or liquidity under FRS 102 and should not be considered as an alternative to (a) net income/(loss) for the period as a measure of our operating performance, (b) cash flows from operating, investing and financing activities as a measure of our ability to meet our cash needs or (c) any other measures of performance under FRS 102.

Our non-FRS 102 measures are defined by us as follows:

- We define “EBITDAR” as EBITDA plus rent expense.
- We define “rent expense” as the aggregate fees incurred for the period indicated pursuant to our property lease obligations.
- We define “EBITDA” as profit for the financial period plus tax on profit on ordinary activities, net interest payable and similar charges, exceptional administrative (expenses)/income, gain/(loss) on disposal of fixed assets, goodwill amortisation and depreciation and impairment of tangible assets.
- We define “EBITDA margin” as EBITDA divided by company operated sales.
- We define “Adjusted/(Adj.) EBITDA” as EBITDA adjusted for the impact of restaurant pre-opening costs and corporate expenses. We define LTM performance as FY18 audited full year results less YTD Q1 2017/18, plus YTD Q1 2018/19.
- We define “Adjusted/(Adj.) EBITDA margin” as Adjusted EBITDA divided by turnover.
- We define “sales” as income generated from company operated restaurants. We define “turnover” as income generated from company operated restaurants and franchise income.
- We define “new site capital expenditure” as the capital expenditures we incur in order to purchase and outfit a new restaurant in preparation for its opening.
- We define “refurbishment expenditure” as expansion capital expenditure in existing restaurants.
- We define “maintenance capital expenditure” as the capital expenditures we incur to maintain our restaurants.
- We define “other capital expenditure” as the capital expenditures we incur for overhead costs relating to our central kitchen and other centralised capital expenditures relating primarily to training and IT.
- We define “total capital expenditure” as the purchase of tangible fixed assets as reflected in our cash flow statements.
- We define “like-for-like sales growth” as sales from our United Kingdom and/or United States restaurants that traded for at least 17 full four-week periods. Restaurants are included on a rolling basis as each new restaurant is included in the like-for-like comparison once it has traded for 17 full four-week periods. Any week in which a restaurant did not have revenue and the preceding and following week are excluded both in the period considered and in the comparative period.

Mabel Mezzco Limited

Interim financial information
For the 16 weeks ended 19 August 2018

Registered number: 07556501

Mabel Mezzco Limited

Group profit and loss account for the period ended 19 August 2018

	Note	Unaudited 16 weeks to 19 August 2018 £'000	Unaudited 16 weeks to 13 August 2017 £'000	Audited 53 weeks to 29 April 2018 £'000
Turnover	2	97,389	86,724	306,713
Cost of sales		(58,089)	(49,893)	(177,929)
Gross profit		39,300	36,831	128,784
Administrative expenses before exceptional items		(35,550)	(32,045)	(109,250)
Operating profit before exceptional items	3	3,750	4,786	19,534
Exceptional administrative expenses	3	(1,555)	(1,182)	(11,012)
Operating profit after exceptional items		2,195	3,604	8,522
Interest receivable and similar income		145	61	166
Interest payable and similar charges before exceptional items		(3,113)	(3,736)	(10,804)
Exceptional items		-	(8,737)	(8,737)
Interest payable and similar charges	4	(3,113)	(12,473)	(19,541)
Loss on ordinary activities		(773)	(8,808)	(10,853)
Tax on loss on ordinary activities		(1,403)	1,086	(3,204)
Loss after tax for the financial period		(2,176)	(7,722)	(14,057)

All of the activities of the Group are continuing.

Mabel Mezzco Limited

Group statement of comprehensive income for the period ended 19 August 2018

	Unaudited	Unaudited	Audited
	16 weeks to	16 weeks to	53 weeks to
	19 August	13 August	29 April
	2018	2017	2018
	£'000	£'000	£'000
Profit/loss for the financial period	(2,176)	(7,722)	(14,057)
Foreign exchange differences arising on consolidation	506	(241)	(1,042)
Total comprehensive income/expense for the period	(1,670)	7,963	(15,099)

Group statement of changes in equity for the period ended 19 August 2018

	Unaudited	Unaudited	Audited
	16 weeks to	16 weeks to	53 weeks
	19 August	13 August	to 29 April
	2018	2017	2018
	£'000	£'000	£'000
Profit/loss for the financial period	(2,176)	(7,722)	(14,057)
Other comprehensive income for the period	506	(241)	(1,042)
Total comprehensive income/expense for the period	(1,670)	(7,963)	(15,099)
Intra-Group Dividend ¹	-	(59,700)	(59,700)
Total transactions with owners recognised directly in equity	-	(59,700)	(59,700)
Net change in shareholders' funds	(1,670)	(67,663)	(74,799)
Opening shareholders' funds	(6,949)	67,850	67,850
Closing shareholders' funds	(8,619)	187	(6,949)

¹ Intra-Mabel Topco Group dividend of £59.7 million paid to Mabel Midco Limited as part of mechanism to pay down shareholder loan note debt on refinancing in July 2017 as described in the listing prospectus.

Mabel Mezzco Limited

Group balance sheet as at 19 August 2018

	Note	Unaudited 19 August 2018 £'000	Unaudited 13 August 2017 £'000	Audited 29 April 2018 £'000
Fixed assets				
Intangible assets	5	116,902	124,626	119,886
Tangible assets	6	117,425	105,065	112,773
		234,327	229,691	232,659
Current assets				
Stocks		2,264	1,873	2,017
Debtors	7	16,314	12,225	15,991
Cash at bank and in hand		23,425	31,579	29,312
		42,003	45,677	47,320
Creditors: amounts falling due within one year	8	(53,103)	(48,410)	(55,413)
Net current liabilities		(11,100)	(2,733)	(8,093)
Total assets less current liabilities		223,227	226,958	224,566
Creditors: amounts falling due after more than 1 year	9	(222,334)	(221,538)	(222,118)
		893	5,420	2,448
Provisions for liabilities and charges		(9,512)	(5,233)	(9,397)
Net (liabilities)/assets		(8,619)	187	(6,949)
Capital and reserves				
Called-up share capital		20,000	20,000	20,000
Profit and loss account		(28,619)	(19,813)	(26,949)
Total shareholders' funds		(8,619)	187	(6,949)

Mabel Mezzco Limited

Group cash flow statement for the period ended 19 August 2018

		Unaudited 16 weeks to 19 August 2018	Unaudited 16 weeks to 13 August 2017	Audited 53 weeks to 29 April 2018
	Note	£'000	£'000	£'000
Net cash inflow from operating activities	10	8,582	9,240	36,070
Taxation		(2,244)	(3,224)	(4,390)
Net cash generated from operating activities		6,338	6,016	31,680
Cash flow from investing activities				
Interest received		145	61	166
Payments to acquire tangible fixed assets		(7,708)	(10,854)	(32,700)
Net cash used in investing activities		(7,563)	(10,793)	(32,534)
Cash flow from financing activities				
Interest paid		(4,686)	(5,263)	(9,753)
New bond issue		-	225,000	225,000
Repayment of bond		-	(155,907)	(150,000)
Expenses paid in connection with issue of debt		-	(1,744)	(9,323)
Intra-Group Dividend paid ¹		-	(59,700)	(59,700)
Net cash used in financing activities		(4,686)	2,386	(3,776)
Net increase in cash and cash equivalents	11	(5,911)	(2,391)	(4,630)
Cash and cash equivalents at the beginning of the period		29,312	33,979	33,979
Exchange adjustments		24	(9)	(37)
Cash and cash equivalents at the beginning of the period		23,425	31,579	29,312

¹ Intra-Mabel Topco Group dividend of £59.7 million paid to Mabel Midco Limited as part of mechanism to pay down shareholder loan note debt on refinancing in July 2017 as described in the listing prospectus.

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 19 August 2018

1. Basis of preparation

The unaudited interim financial information contains consolidated financial information for Mabel Mezzco Limited and its subsidiary undertakings (the "Group") for the 16 weeks ended 19 August 2018.

The unaudited interim financial information has been prepared using consistent accounting policies, presentation and a method of computation to those applied in the latest annual audited financial statements of the Group for the 53 week period ended 29 April 2018. This financial information should be read in conjunction with the Group's financial statements for the period ended 29 April 2018, which have been prepared under FRS 102.

The statutory accounts for the 53 week period ended 29 April 2018 have been approved by the Board of Directors. The auditors reported on those accounts, their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

2. Turnover

The turnover and operating profit for the period was derived from the Group's continuing activity which was carried out primarily in the UK. The analysis of turnover is as follows:

	Unaudited 16 weeks to 19 August 2018 £'000	Unaudited 16 weeks to 13 August 2017 £'000	Audited 53 weeks to 29 April 2018 £'000
UK location analysis			
Town	47,184	42,191	150,970
Shopping centre	33,489	28,880	104,046
Other location	12,490	11,936	38,255
Total UK company operated	93,163	83,007	293,271
Franchise revenue	1,043	849	3,109
Total UK revenue	94,206	83,856	296,380
US revenue	3,183	2,868	10,333
Total Revenue	97,389	86,724	306,713

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 19 August 2018 (continued)

3. Operating profit

Operating profit is stated after charging:

	Unaudited 16 weeks to 19 August 2018 £'000	Unaudited 16 weeks to 13 August 2017 £'000	Audited 53 weeks to 29 April 2018 £'000
Amortisation	3,038	2,804	9,115
Depreciation of owed fixed assets	4,840	3,750	13,725
Auditors' remuneration			
as auditors	30	25	86
for taxation services	57	60	163
for other advisory services	-	110	141
Loss on disposal of fixed assets	59	-	462
Operating lease costs - land & buildings	8,036	7,532	25,254
Exceptional administrative expenses/(income)	1,555	1,182	11,012

For the period ended 19 August 2018 exceptional expenses included costs incurred as part of a strategic review of the business.

For the period ended 13 August 2017 exceptional expenses included administrative expenses incurred as part of the Group's refinancing in July 2017. Also included are salary costs relating to David Campbell. As previously announced on 26 April 2017, David Campbell stepped down as CEO with immediate effect and Jane Holbrook was appointed as CEO.

For the period ended 29 April 2018, the exceptional administrative expenses incurred comprise of expenditure relating to executive team restructuring, costs related to the Group's refinancing and movements in onerous lease and impairment provisions.

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 19 August 2018 (continued)

4. Interest payable and similar charges

	Unaudited	Unaudited	Audited
	16 weeks to	16 weeks to	53 weeks to
	19 August	13 August	29 April
	2018	2017	2018
	£'000	£'000	£'000
Interest payable on bond	2,856	3,392	9,817
Interest payable on bank borrowings	41	38	144
Amortisation of loan fees	216	306	773
Foreign exchange difference	-	-	70
Interest payable and similar charges before exceptional items	3,113	3,736	10,804
Exceptional items	-	8,737	8,737
Interest payable and similar charges after exceptional items	3,113	12,473	19,541

Interest payable on bank borrowings relates to non-utilisation fees on bank facilities. The Group does not have any bank borrowings.

The exceptional finance cost in the 16 week period ended 13 August 2017 arose on the Group's refinancing in July 2017 and relate to accelerated loan cost write-off and early redemption premium on repayment of the Group's previous bond.

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 19 August 2018 (continued)

5. Intangible Assets

	Goodwill £'000	Trademarks £'000	Software and IT Development £'000	Total £'000
Cost				
As at 30 April 2018	181,989	180	1,893	184,062
Additions	-	-	53	53
Disposals	-	-	-	-
As at 19 August 2018	181,989	180	1,946	184,115
Accumulated amortisation				
At 30 April 2018	63,793	61	322	64,176
Disposals	-	-	-	-
Charge for the period	2,800	4	233	3,037
At 19 August 2018	66,593	65	555	67,213
Net book value				
At 19 August 2018	115,396	115	1,391	116,902
At 29 April 2018	118,196	119	1,571	119,886

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 19 August 2018 (continued)

6. Tangible fixed assets

	Leasehold property £'000	Restaurant and office equipment £'000	Total £'000
Cost			
At 30 April 2018	114,573	43,444	158,017
Additions	4,178	4,614	8,792
Disposals	(851)	(6)	(857)
Foreign exchange differences	1,072	216	1,288
At 19 August 2018	118,972	48,268	167,240
Accumulated depreciation			
at 30 April 2018	32,464	12,780	45,244
Charge for the period	2,234	2,606	4,840
Disposals	(791)	(7)	(798)
Foreign exchange difference	481	48	529
At 19 August 2018	34,388	15,427	49,815
Net book value			
At 19 August 2018	84,584	32,841	117,425
at 29 April 2018	82,109	30,664	112,773

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 19 August 2018 (continued)

6. Tangible fixed assets (continued)

	Leasehold property £'000	Restaurant and office equipment £'000	Total £'000
Cost			
At 24 April 2017	103,094	39,211	142,305
Additions	2,320	6,439	8,759
Disposals	-	-	-
Foreign exchange differences	(162)	(35)	(197)
At 13 August 2017	105,252	45,615	150,867
Accumulated depreciation			
at 24 April 2017	27,692	14,388	42,080
Charge for the period	1,842	1,908	3,750
Disposals	-	-	-
Foreign exchange difference	(4)	(24)	(28)
At 29 January 2017	29,530	16,272	45,802
Net book value			
At 13 August 2017	75,722	29,343	105,065
at 23 April 2017	75,402	24,823	100,225

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 19 August 2018 (continued)

6. Tangible fixed assets (continued)

	Leasehold property £'000	Restaurant and office equipment £'000	Total £'000
Cost			
At 24 April 2017	103,094	39,211	142,305
Additions	15,304	15,172	30,476
Disposals	(3,082)	(8,889)	(11,971)
Reclassification to intangible assets	-	(1,893)	(1,893)
Foreign exchange difference	(743)	(157)	(900)
At 29 April 2018	114,573	43,444	158,017
Accumulated depreciation			
At 24 April 2017	27,692	14,388	42,080
Charge for the period	6,334	7,391	13,725
Impairment	1,907	(78)	1,829
Disposals	(3,040)	(8,469)	(11,509)
Reclassification to intangible assets	-	(322)	(322)
Foreign exchange difference	(429)	(130)	(559)
At 29 April 2018	32,464	12,780	45,244
Net book value			
At 29 April 2018	82,109	30,664	112,773
At 23 April 2017	75,401	24,822	100,225

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 19 August 2018 (continued)

7. Debtors

	Unaudited 19 August 2018 £'000	Unaudited 13 August 2017 £'000	Audited 29 April 2018 £'000
Trade debtors	2,859	2,609	3,209
Other debtors and prepayments	13,455	9,616	12,782
	16,314	12,225	15,991

8. Creditors: amounts falling due within one year

	Unaudited 19 August 2018 £'000	Unaudited 13 August 2017 £'000	Audited 29 April 2018 £'000
Trade creditors	17,119	13,928	20,714
Amounts owed to parent undertakings	296	449	302
Corporation tax	565	(1,127)	1,573
Other taxation & social security	13,145	13,070	10,864
Other creditors	4,076	3,477	5,702
Accruals	17,902	18,613	16,258
	53,103	48,410	55,413

9. Creditors: amounts falling due after more than one year

	Unaudited 19 August 2018 £'000	Unaudited 13 August 2017 £'000	Audited 29 April 2018 £'000
Bond	222,334	221,538	222,118
	222,334	221,538	222,118

On 10 July 2017, a refinancing of the Mabel Topco Group was completed. At this date, the Group's bond debt of £150 million was repaid in full and a new bond issue to the value of £225 million was completed. The bond is stated net of unamortised issued costs of £3,462,000. The issue costs are being amortised over the five year term of the bond.

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 19 August 2018 (continued)

10. Reconciliation of operating profit to net cash inflow from operating activities

	Unaudited	Unaudited	Audited
	16 weeks to	16 weeks to	53 weeks
	19 August	13 August	to 29 April
	2018	2018	2018
	£'000	£'000	£'000
Operating profit	2,195	3,604	8,522
Amortisation	3,038	2,804	9,115
Depreciation	4,840	3,696	13,725
Loss on disposal of fixed assets	59	-	462
Foreign translation gain	(101)	-	-
Impairment	-	-	1,738
Increase in stocks	(250)	(248)	(389)
Increase in debtors	(284)	(2,161)	(5,831)
Decrease/(increase) in creditors	(863)	1,704	5,147
Onerous lease	(52)	(159)	3,581
Net cash inflow from operating activities	8,582	9,240	36,070

11. Reconciliation of net cash flow to movement in net debt

	Unaudited	Unaudited	Audited
	16 weeks to	16 weeks to	53 weeks to
	19 August	13 August	29 April
	2018	2018	2018
	£'000	£'000	£'000
Increase/ (decrease) in cash in the period	(5,911)	(2,391)	(4,630)
Exchange adjustments	24	(9)	(37)
New bond issue	-	(225,000)	(225,000)
Repayment of bond	-	150,000	150,000
Accelerated loan cost write-off	-	(2,829)	(2,829)
Expenses paid in connection with issuing debt	-	3,529	3,416
Amortisation of loan issue fees	(216)	(306)	(773)
Change in net debt	(6,103)	(77,006)	(79,853)
Opening net debt	(192,806)	(112,953)	(112,953)
Closing net debt	(198,909)	(189,959)	(192,806)

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 19 August 2018 (continued)

11. Analysis of changes in net debt (continued)

Non-cash changes

	Unaudited	Unaudited	Audited
	16 weeks to	16 weeks to	53 weeks to
	19 August	13 August	29 April
	2018	2018	2018
	£'000	£'000	£'000
Amortisation of loan issue fees	(216)	(306)	(773)
Currency translation	24	(9)	(37)
	(192)	(315)	(810)

12. Analysis of changes in net debt

16 weeks ended 19 August 2018

	At 29 April	Cash flows	Other	At 19 August
	2018	£'000	non-	2018
	£'000	£'000	cash	£'000
	£'000	£'000	changes	£'000
	£'000	£'000	£'000	£'000
Net cash:				
Cash in hand and at bank	29,312	(5,911)	24	23,425
Debt:				
Debt due within 1 year	-	-	-	-
Debt due after 1 year	(222,118)	-	(216)	(222,334)
	(222,118)	-	(216)	(222,334)
Net debt	(192,806)	(5,911)	(192)	(198,909)
Financing issue costs	(2,882)			(2,666)
Net debt before financing issue costs	(195,688)			(201,575)

Mabel Mezzco Limited

Notes to the interim financial information for the period ended 19 August 2018 (continued)

12. Analysis of changes in net debt (continued)

16 weeks ended 13 August 2017

	At 24 April 2017 £'000	Cash flows £'000	Other non- cash changes £'000	At 13 August 2017 £'000
Net cash:				
Cash in hand and at bank	33,979	(2,391)	(9)	31,579
Debt:				
Debt due within 1 year	-	-	-	-
Debt due after 1 year	(146,932)	(74,300)	(306)	(221,538)
	(146,932)	(74,300)	(306)	(221,538)
Net debt after financing issue costs	(112,953)	(76,691)	(315)	(189,959)
Financing issue costs	(3,068)			(3,462)
Net debt before financing issue costs	(116,021)			(193,421)