



PRET A MANGER ANNOUNCES AMBITION TO DOUBLE SIZE OF BUSINESS WITHIN FIVE YEARS

- Next phase of transformation strategy underway, including goal of expanding into five new markets by the end of 2023
- £100 million net investment by JAB and Pret founder Sinclair Beecham to accelerate expansion plans, on top of the initial £185m net investment to support Pret through Covid.
- UK recovery now approaching pre-pandemic levels, with regional shops performing at strongest ever levels, and London City shops recovering to over 72% of pre-pandemic weekly sales
- More than 200 UK shops to open in the next two years, focusing on regional and suburban areas, transport hubs and motorways – including 100 franchise shops
- Plans come as Pret recovers from significant challenges of COVID-19, with 2020 revenue £299m, down 58% on 2019.

London, Victoria: 22 September 2021: Pret A Manger has today announced plans to double the size of its business within the next five years, backed by a new £100 million net “war chest” from JAB and Pret Founder Sinclair Beecham.

The plans, which include expanding into new international markets, growing its shop estate and investing in new digital capabilities, are the next phase of Pret’s transformation plan – a plan which shifts the business from “following the skyscraper”, to bringing Pret to more people across the UK and beyond.

Pret first embarked on its transformation programme during the summer of 2020, as sales fell significantly due to the impact of the COVID-19 pandemic. In accounts filed this week at Companies House, revenue for 2020 was £299m, down compared to 2019 (£708m). Pret’s operating loss for the year after tax and total comprehensive income was £256.5m.

Over the last month however, Pret’s recovery has gathered pace, with trade now approaching pre-pandemic levels, once again making profit and a major recruitment drive underway. The number of employees now working across the business has grown 28% since the start of 2020, with over 6,000 employees in the UK alone.

At the heart of Pret’s transformation plan has been a significant shift in the way the business serves customers, serving delicious food and coffee through new digital and retail channels. A year ago this month, Pret launched the UK’s first Coffee Subscription service, with customers able to enjoy up to five hot drinks every day for £20 a month. The move came alongside new retail partnerships with Tesco, Sainsburys, Amazon and other leading retailers to sell bake-at-home frozen, Granolas, coffee and barista coffee beans for customers to enjoy at home.

As Pret continues its transformation, the business will continue to invest in its customer loyalty programme, while also putting a renewed focus on menu development and product innovation. The launch of Pret’s recent autumn menu with the Chicken & Chilli Burrito and Naked Chicken Katsu Baguette marked the return of Pret’s famous record of new recipe launches and product innovation for customers, following a period of a slimmed down menus through the height of the pandemic.



As well as continuing to develop its menu and transform Pret's digital footprint, the business will expand its shop estate in the UK, with more than 100 shops due to be opened in the next two years, largely located in regional and suburban areas.

The first major franchise partnership was signed over the summer, with further agreements expected later this year. Many of the new shops will be located in transport hubs and motorway service stations, further building on Pret's existing partnership with independent forecourt operator, MFG, and motorway services operator, Moto.

As the company expands, Pret will roll out a recruitment programme across markets, aiming to hire at least [3,000] Team Members and Baristas by the end of 2023. This follows news last week that Pret was increasing pay by at least 5% for its UK shop Team Members, in addition to the £1 Mystery Shopper bonus and free food on shift.

Commenting on the expansion plans, Pret's CEO, Pano Christou, said:

"Last year we were in the eye of the storm during the height of the pandemic. Now we have the chance to build a bright new future for Pret.

"What the pandemic has shown us is that even at the darkest moments, more people want to experience Pret – whether that's customers outside of London and other big cities, new franchise partners who want to work with us here and overseas, investors in our business, or people who want to grow their careers here and be part of what we're trying to build.

"It's been an incredibly tough two years, but we have an incredibly opportunity ahead. Last year, we delivered more change than in thirty years of Pret history. As we move into the next phase of our transformation, we want to keep the same pace of innovation, but use it drive new growth.

I would like to thank all the Pret Team as we would not be in this position without all of their efforts through Covid. I also want to thank JAB and Sinclair Beecham our founder for supporting the Pret team and I know everyone involved with Pret is excited for what the future holds.

Notes to editors:

- Pret employs 8000 Team Members globally, including ~6,400 in the UK
- Pret runs ~550 shops across five markets in UK, USA, France, Dubai and Hong Kong

Please find below more information on **Pret's transformation programme**, which aims to bring Pret to more people:

- **Retail coffee:** In May 2020, Pret launched its first retail range, with three organic coffee products going on sale on Amazon UK and in Pret shops, meaning consumers can enjoy the company's much-loved coffee from the comfort of their own homes. Later in the year, Pret announced the retail coffee range would be available in Waitrose, Sainsbury's and via Ocado.
- **Coffee Subscription:** In September 2020, Pret A Manger launched the UK's first ever in-shop coffee subscription– the company's first major step to deliver against its new multichannel strategy to bring Pret to more people. The **YourPret Barista** coffee subscription covers all drink options prepared by Pret's specially trained barista team, including all its 100% organic and 100% Arabica coffee products. All Pret's organic teas, hot chocolates, smoothies, and frappes are also included. As always, organic milk



alternatives are also free of charge. YourPret Barista comes at a fixed subscription rate of just £20 a month and customers can enjoy their first month free.

- **Delivery platforms:** In 2020, Pret broadened its delivery and digital footprint through partnerships with Deliveroo, Just Eat and Uber Eats, and launched a Click & Collect trial in select shops. Sales across these digital channels have grown markedly and continue to perform strongly.
- **Order Ahead:** In November 2020 the company launched a brand-new Order Ahead service, enabling customers to arrange a takeaway from their local Pret for breakfast or lunch. Customers can visit the Pret website and order directly through the new system to safely pickup their order at their designated shop at the specified time.
- **Bake-at-home croissants:** In March 2021 Pret announced that its much-loved croissants will be available to buy from Tesco supermarkets across the UK, marking the launch of Pret's first ever grocery food range. The range consists of three different bestselling flavours including: **Classic All Butter**, **Chocolate Filled** and **Vegan**.