28 March 2022

The Brighton Pier Group PLC

(the "Company" or the "Group")

Interim results for the 26 weeks ended 26 December 2021

Very strong first half trading performance

Brighton Pier Group is pleased to announce results for the 26 weeks ended 26 December 2021 which highlight the strength of the business model, with revenues up by 178% to £22.8 million on the same 2020 period and importantly up 33% on the same pre-covid period in 2019. This has been driven by the sound underlying performance in all divisions as well as the successful integration of Lightwater Valley which is trading above expectations. A consistent gross margin performance, the reduction in VAT and rates relief has enabled the Group to make good progress on maximising earnings and paying down debt. Since the end of the last financial year the Group has reduced net debt by 34%. The outlook for 2022 is robust. Given these excellent results and a current strong trading performance, the Board expects profits for the 52 weeks ending June 2022 to be ahead of market expectations.

Financial Highlights

- Reflecting high demand across all divisions revenue increased to £22.8 million (2020: £8.2 million)
- Group EBITDA was £7.9 million (2020: £1.9 million)
- Gross margins held at 87%
- Benefit from temporary reduced rate of VAT and rates relief
- Profit before tax was £6.6 million (2020: £2.7 million)
- EPS was 14.3p (2020: 7.1p)
- Net debt was down 34% to £8.2 million (2020: £12.5 million)

Operational highlights

- Record summer trading period boosted by pent-up demand and disposable incomes accrued during lockdown
- Lightwater Valley traded ahead of initial expectations and is now being positioned for a good summer with investment in new food and beverage outlets and rides
- Brighton Pier delivered another consistent performance - new EPOS technology installed to better capture customer data going forward
- Bar portfolio has been optimised for growth and traded ahead of expectations
- Good performance from the Golf portfolio with the two recently integrated sites meeting ROI targets

Outlook for FY 2022

- Trading ahead of market expectations for the year
- UK family entertainment market in a growth phase buoyed by an increasing preference for "staycations"
- Ability to mitigate inflationary cost pressures in the most part through targeted price increases and operational improvements
- Primary focus on organic growth and on looking at opportunities to add golf sites and exploit the potential of Lightwater Valley

Anne Ackord, Chief Executive Officer, said:

"These excellent results show the popularity and cash generative nature of our diversified portfolio of entertainment businesses.

The underlying trend for the first half is well above 2019 levels – a more meaningful comparison due to the pandemic. The period has also been boosted further by one off VAT and rates benefits. These factors combined have resulted in the Group trading ahead of market expectations.

Looking forward, we expect the sales trends to continue, benefiting also from the opportunistic Lightwater Valley acquisition. We believe our asset-backed Group is well placed to record an excellent result for the full-year and beyond."

For all investors Anne Ackord (CEO) and John Smith (CFO) will be giving a presentation on the HY results Tuesday 29 March at 2.00p.m. via Investor Meet Company, to register please click on the following link:

https://www.investormeetcompany.com/brighton-pier-group-plc-the/register-investor

All Company announcements and news are available at www.brightonpiergroup.com

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Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

About The Brighton Pier Group PLC

The Brighton Pier Group PLC, is a UK family-led entertainment business spread across four divisions:

- Brighton Palace Pier offers a wide range of attractions including two arcades (with over 300 machines) and eighteen funfair rides, together with a variety of on-site hospitality and catering facilities. According to Visit Britain, it was the fifth most popular free attraction in the UK prior to the pandemic, with over 4.9 million visitors in 2019, making it the UK's most visited landmark outside of London.
- The Golf division (which trades as Paradise Island Adventure Golf) operates eight indoor mini-golf sites at high footfall retail and leisure centres.
- The bars trade under a variety of concepts including Embargo República, Lola Lo, Le Fez, Lowlander and Coalition. The Group's Bars division targets a customer base of sophisticated students' midweek and stylish over-21s and professionals at the weekend.
- Lightwater Valley theme park, a leading North Yorkshire attraction, which is focused on family days out. Set within 175 acres of landscaped parkland, the theme park operates a variety of attractions including rides, amusements, crazy golf, children's outdoor and indoor play, entertainment shows, together with numerous food, drink and retail outlets.

Business Review

Introduction

The Group performed better than expected for the 26 weeks ended 26 December 2021 (2020: 26 weeks ended 27 December 2020) with the restrictions from the pandemic being less extensive than in the prior period and, when the businesses were able to trade, they performed well and benefitted from pent-up consumer demand. Consequently, the Group delivered substantial increases in both sales and profitability.

The strategy of the Group remains focused on capitalising on the potential of its diversified portfolio of leisure and family entertainment assets in the UK. The Board believe there is significant organic growth potential across the portfolio in particular from the Golf division and the recently acquired Lightwater Valley theme park. Alongside maximizing the opportunities in the existing business, the Group continues to pursue earnings enhancing strategic acquisitions which are synergistic, scalable, and fit with the Company's expertise.

Operational review

Whilst COVID restrictions prevented the Bars division from reopening until 20 July 2021 and some restrictions were reintroduced in December 2021 due to the emergence of the Omicron variant, the Group has otherwise been fully open throughout the period and able to trade mostly unhindered.

The latter 13-week period of summer trading to the end of September 2021, represents about 73% of the sales for the 26 weeks and is therefore a crucial trading period for the Group. The warmer summer weather, school vacations, a record August bank holiday weekend, and the addition of Lightwater Valley all contributed to the Group's sales during this first half.

This key 13-week trading period was boosted by pent-up consumer demand and higher levels of disposable income that consumers accrued during lockdown, together with a significant increase in people choosing domestic holidays. In addition, the temporarily reduced rate of VAT and rates relief by way of Government support enabled the Group to make good progress repaying debt taken on during the height of the pandemic. Collectively, these factors provided a unique opportunity for the business to maximise revenue and earnings as it re-opened.

The trading results demonstrate the real potential of the Group's four divisions, including Lightwater Valley where trading has significantly exceeded initial expectations.

The Group successfully completed the full integration of Lightwater Valley in the first few months of this period. During the quieter winter months, the Group also completed the installation of a new EPOS system which will improve the ability to manage pricing and provide more detailed reporting on the different activities in the park.

In September 2021, the Bars division concluded its disposal program by disposing of its one remaining marginal site (Smash in Reading). This disposal resulted in a gain of £0.7 million realised upon the extinguishment of lease liabilities. No further contingent liabilities have arisen from the disposal.

Financial review and KPI's

Total Group revenue for the period was up 178% at £22.8 million (2020: £8.2 million) and up 33% on the same pre-COVID period in 2019 (2019: £17.3m).

Revenue split by division:

• Pier division	£9.2 million	(2020: £5.8 million)
• Golf division	£3.7 million	(2020: £1.7 million)
• Bars division	£6.0 million	(2020: £0.7 million)
• Lightwater Valley	£3.9 million	(2020: £nil)

On a divisional basis and comparing with the pre-COVID like for like period in 2019:

- Brighton Palace Pier like for like sales were up 15% on 2019
- Golf division like for like sales were up 33% on 2019
- Bars division like for like sales (for only 23 weeks as the division was only able to re-open from the end of July 2021) were up 27% on 2019

Group gross margin for the period continued in line at 87% (2020: 87%) reflecting the high-margin nature of all four divisions — and this despite the numerous ongoing supply and cost challenges that have appeared in the economy over the period.

Highlighted items totalling £0.8 million of gains (2020: £2.4 million of gains) were recognised during the period. These gains arise from;

- £0.7 million – gain on extinguishment of lease liabilities following the disposal of Smash in Reading, and
- £0.1 million – gain from the derecognition of other lease liabilities during the period.

Group profit on ordinary activities before tax was up 150% at £6.6 million (2020: £2.7 million).

Group *profit on ordinary activities after tax* was up 96% at £5.3 million (2020: £2.7 million) - there being no tax payable in the prior period due to utilisation of losses which occurred during lockdown.

In summary, for the 26-week period ended 26 December 2021 (compared to the equivalent 26-week period ended 27 December 2020):

• Revenue:	£22.8 million	(2020: £8.2 million)
• Operating profit:	£7.2 million	(2020: £3.1 million)
• Group EBITDA excluding highlighted items *:	£7.9 million	(2020: £2.0 million)

- Group EBITDA: £7.9 million (2020: £1.9 million)
- Operating profit excluding highlighted items: £6.4 million (2020: £0.8 million)
- Profit before tax and excluding highlighted items: £5.8 million (2020: £0.2 million)
- Profit before tax: £6.6 million (2020: £2.7 million)
- Profit after tax: £5.3 million (2020: £2.7 million)
- Net debt at the end of the period: £8.2 million (2020: £12.5 million)
- Basic earnings per share (excluding highlighted items): 12.6p (2020: 0.6p)
- Basic earnings per share: 14.3p (2020: 7.1p)
- Diluted earnings per share (excluding highlighted items): 12.5p (2020: 0.6p)
- Diluted earnings per share: 14.3p (2020: 7.1p)

* Highlighted items are detailed in note 4 to the financial statements and relate to gains arising on the extinguishment of lease liabilities following site disposals (less costs) in the current and prior periods.

The Group's key performance indicators remain centred on organic growth coupled with continued expansion to drive revenues, EBITDA and earnings growth.

The Board is pleased to report growth in revenue, EBITDA and earnings during this period with profit after tax and earnings per share for the 26-week period - up 96% and 101% respectively and Group EBITDA up 316%.

EBITDA split by division shows all divisions trading strongly:

- Pier division £2.4 million (2020: £0.8 million)
- Golf division £2.2 million (2020: £1.6 million**)
- Bars division £1.9 million (2020: £0.0 million**)
- Lightwater Valley £1.8 million (2020: £nil)
- Group overhead costs £(0.5) million (2020: £(0.4) million)

** 2020 EBITDA includes business interruption insurance receipts of £0.9 million in the Golf division and £0.5 million in the Bars division.

Lightwater Valley Theme Park (the Group's latest acquisition in June 2021) follows on from the acquisitions of Paradise Island Adventure Golf in December 2017 and of Brighton Palace Pier (including freehold) in April 2016. These leisure/entertainment assets capitalise on the core skills of the Group and have all proven to be profitable additions. Paradise Island and Lightwater Valley both offer good growth opportunities in new mini-golf sites as they become available and development and expansion of the offer at Lightwater Valley within its substantial 175 acre park.

Group profit before tax for the period was £6.6 million (2020: £2.7 million).

Cash flow and balance sheet

The Group generated net cash flow of £7.2 million (2020: £2.0 million) from operations (after interest and tax payments), all of which was available for investment or the repayment of debt.

In this period there was minimal capital expenditure totalling only £0.1 million (2020: £nil) across the Group, with focus on successful re-opening of the businesses and capitalising on the opportunities at Lightwater Valley.

In September 2021, the Group paid £1.3 million to settle the deferred consideration and working capital for the purchase of Lightwater Valley Attractions Limited. These payments were as agreed in the sale and purchase contract and were detailed in the June 2021 Group Annual Report.

During the period, the Group made net debt repayments of £4.9 million (2020: £0.1 million), which includes full repayment of the £3.6 million revolving credit facility used to acquire Lightwater Valley together with a total of £1.3 million scheduled repayments on the Group's principal term loan and its Coronavirus Business Interruption Loans.

Total bank debt at the end of the period was £15.5 million (2020: £16.7 million), comprising a £11.4 million term loan and two Coronavirus Business Interruption Loans totalling £4.1 million.

At the period end, cash and cash equivalents were £7.3 million (2020: £4.2 million).

Net debt at the period end stood at £8.2 million (2020: £12.5 million). The Directors continue to take a cautious approach to net debt levels for the Group.

Since the end of the last financial year, the net debt of the business has reduced by £4.9 million from £13.1 million as at 27 June 2021 to £8.2 million as at 26 December 2021.

The Group currently has an undrawn revolving credit facility of £1.75 million, giving total cash availability to the Group of £9.0 million as at the period end.

On 16 March the Group signed a 1 year extension to its term loan and revolving credit facilities, which were due to expire in December 2022. The facilities will now expire on 5 December 2023.

Details of the Group's banking covenants can be found on p88 of the June 2021 Annual Report.

Outlook

These results demonstrate the underlying strength of the Group's diverse portfolio of assets and this positive trend is expected to continue through the seasonally quieter second half.

The success of the vaccination programme and the relaxation of restrictions is expected to benefit the family leisure and entertainment sectors over the coming months as consumer confidence returns.

Accelerating cost inflation across the UK is likely to translate into further cost increases over the coming months. Whilst this is an unwelcome change to the business environment, the Group believes it will be able to mitigate these inflationary cost pressures in the most part through targeted price increases and by operational improvements.

Preparations at the Pier and at Lightwater Valley for Easter and the early summer trading periods are well advanced.

'Staycationing' is expected to continue to benefit our businesses this summer as is the gradual increase of inbound tourism to the Pier as travellers return to the UK.

Lightwater Valley is introducing a raft of new initiatives under a "New for 22" campaign, which includes an updated food and beverage offer (with fish & chips and health food options), a new Lightwater Dragon mascot, new rides, a new hall of mirrors, a new games arcade, a new outdoor play area, school and educational packages, and a new Brown's Wood Discovery Trail.

The Bars division started the second half well with New Year's sales 9% up on 2019 (i.e. pre-pandemic) levels despite the emergence of the Omicron variant in the final weeks of December 2021. We continue to see returning students and young professionals enjoying their nights out in much the same way as they did before the closures. Focus continues to be on quality products, exceptional service and varied entertainment. The Group believes reduced competition in many towns and cities (as a result of permanent business closures following the pandemic) will continue to benefit the business.

The Golf division intends to further capitalise on the success of its new sites at Rushden Lakes and Plymouth Drakes Circus as it actively seeks new sites to add to its current estate.

In light of these strong half year results and robust current trading performance detailed above, the Board expects profits for the 52 weeks ending June 2022 to be ahead of market expectations.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	*Unaudited* **26 weeks ended 26 December 2021**	*Unaudited* **26 weeks ended 27 December 2020**[1]	*Audited* **52 weeks ended 27 June 2021**
		£'000	***£'000***	*£'000*
Revenue		22,784	8,199	13,541
Cost of sales		(2,988)	(1,092)	(1,781)
Gross profit		**19,796**	**7,107**	**11,760**
Operating expenses - excluding highlighted items		(13,427)	(7,809)	(15,064)
Highlighted items	*4*	804	2,421	2,746
Total operating expenses		**(12,623)**	**(5,388)**	(12,318)
Other operating income		-	1,400	5,693
Operating profit - excluding highlighted items		6,369	698	2,389
Highlighted items	*4*	804	2,421	2,746
Operating profit		**7,173**	**3,119**	**5,135**
Finance income		24	16	24
Finance cost		(551)	(479)	(961)
Profit before tax and highlighted items		**5,842**	**235**	**1,452**
Highlighted items	*4*	804	2,421	2,746
Profit on ordinary activities before taxation		**6,646**	**2,656**	**4,198**
Taxation on ordinary activities	*5*	(1,309)	-	81
Profit for the period		**5,337**	**2,656**	**4,279**
Earnings per share – Basic*	*6*	14.3	7.1	11.5
Adjusted earnings per share – Basic**	*6*	12.6	0.6	5.7
Earnings per share - Diluted	*6*	14.3	7.1	11.5
Adjusted earnings per share – Diluted**	*6*	12.5	0.6	5.7

* 2021 basic weighted average number of shares in issue was 37.29m (Dec 2020: 37.29m)

** Adjusted basic and diluted earnings per share are calculated based on the profit for the period adjusted for highlighted items

No other comprehensive income was earned during the period (2020: £nil).

[1] The results for the 26 week period ended 27 December 2020 have been adjusted to reflect the reclassification of gains arising from the derecognition of lease liabilities as a result of COVID-19-related concessions from landlords. Gains of £565,000 are now included within highlighted items, rather than within operating expenses and is consistent with the final reporting in the Annual Accounts for the full year dated 27 June 2021. This adjustment has no impact on the profit for the period.

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

	As at 26 December 2021 £'000	*As at 27 December 2020 £'000*	*As at 27 June 2021 £'000*
Non current assets			
Intangible assets	10,428	9,428	10,457
Property, plant & equipment	28,347	25,161	29,008
Right-of-use assets	23,330	16,682	23,191
Net investment in finance leases	-	698	635
Other receivables due in more than one year	115	276	209
	62,220	**52,245**	**63,500**
Current assets			
Inventories	712	520	731
Trade and other receivables	1,345	1,587	4,002
Income tax receivable	-	-	5
Cash and cash equivalents	7,256	4,246	7,080
	9,313	**6,353**	**11,818**
TOTAL ASSETS	**71,533**	**58,598**	**75,318**
EQUITY			
Issued share capital	9,322	9,322	9,322
Share Premium	15,993	15,993	15,993
Merger reserve	(1,111)	(1,111)	(1,111)
Other reserve	452	452	452
Retained deficit	(44)	(7,004)	(5,381)
Equity attributable to equity shareholders of the parent	**24,612**	**17,652**	**19,275**
TOTAL EQUITY	**24,612**	**17,652**	**19,275**
LIABILITIES			
Current liabilities			
Trade and other payables	4,296	3,716	8,321
Other financial liabilities - current	14,533	2,214	5,913
Lease liabilities - current	2,135	2,105	2,090
Income tax payable	1,007	-	-
	21,971	**8,035**	**16,324**
Non-Current liabilities			
Other financial liabilities - non-current	914	14,490	14,456
Lease liabilities - non-current	23,197	18,421	24,683
Deferred tax liability	524	-	265
Other payables due in more than one year	315	-	315
	24,950	**32,911**	**39,719**
TOTAL LIABILITIES	**46,921**	**40,946**	**56,043**
TOTAL EQUITY AND LIABILITIES	**71,533**	**58,598**	**75,318**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued share capital	Share Premium	Other reserves	Merger reserve	Retained (deficit)/ earnings	Total shareholders' equity
	£'000	£'000	£'000	£'000	£'000	£'000
At 28 June 2021	9,322	15,993	452	(1,111)	(5,381)	19,275
Profit for the period	-	-	-	-	5,337	5,337
As at 26 December 2021	9,322	15,993	452	(1,111)	(44)	24,612

	Issued share capital	Share Premium	Other reserves	Merger reserve	Retained (deficit)/ earnings	Total shareholders' equity
	£'000	£'000	£'000	£'000	£'000	£'000
At 29 June 2020	9,322	15,993	452	(1,111)	(9,660)	14,996
Profit for the period	-	-	-	-	2,656	2,656
As at 27 December 2020	9,322	15,993	452	(1,111)	(7,004)	17,652

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited **26 weeks to 26 December 2021** ***£'000***	Unaudited **26 weeks to 27 December 2020** ***£'000***	Audited **52 weeks to 27 June 2021** ***£'000***
Operating activities			
Profit before tax	6,646	2,656	4,198
Net finance costs	527	463	937
Amortisation of intangible assets	36	39	80
Depreciation of property, plant and equipment	755	625	1,218
Depreciation of right-of-use assets	697	625	1,414
Impairment of net investment in finance lease	-	-	47
Gain on derecognition of lease liabilities due to disposal	(669)	(1,896)	(1,838)
Gain on derecognition of lease liabilities due to waivers & concessions	(135)	(565)	(1,334)
Profit on disposal of property, plant and equipment and assets held for sale	-	(1)	-
(Increase)/decrease in provisions and deferred tax	258	-	(21)
Decrease/(increase) in inventories	19	42	(59)
Decrease/(increase) in trade and other receivables	2,757	447	(1,738)
(Decrease)/increase in trade and other payables	(3,115)	(253)	2,985
Interest paid on borrowings	(216)	(150)	(320)
Interest paid on lease liabilities	(335)	(28)	(641)
Interest received	24	7	6
Income tax paid	-	(52)	(52)
Net cash flow from operating activities	**7,249**	**1,959**	**4,882**
Investing activities			
Purchase of property, plant and equipment, and intangible assets	(99)	(36)	(258)
Acquisition of business, net of cash acquired	(254)	-	(2,251)
Settlement of deferred consideration	(1,000)	-	-
Proceeds from disposal of property, plant and equipment	-	11	11
Net cash flows used in investing activities	**(1,353)**	**(25)**	**(2,498)**
Financing activities			
Proceeds from borrowings	-	-	3,634
Repayment of borrowings	(4,922)	(85)	(1,291)
Principal paid on lease liabilities	(798)	(252)	(296)
Net cash flows (used in)/generated from financing activities	**(5,720)**	**(337)**	**2,047**
Net increase in cash and cash equivalents	**176**	**1,597**	**4,431**
Cash and cash equivalents at beginning of period	7,080	2,649	2,649
Cash and cash equivalents at period end date	**7,256**	**4,246**	**7,080**

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Brighton Pier Group PLC (registered number 08687172) is a public limited company incorporated and domiciled in England and Wales. The Company's ordinary shares are traded on AIM. Its registered address is 36 Drury Lane, London, WC2B 5RR. The Company is the immediate and ultimate parent of the "Group".

The Brighton Pier Group PLC owns and operates Brighton Palace Pier, one of the leading tourist attractions in the UK. The Group is also a leading operator of eight premium bars nationwide, eight indoor mini-golf sites and Lightwater Valley theme park in North Yorkshire.

The principal accounting policies adopted by the Group are set out in Note 2.

2. ACCOUNTING POLICIES

The financial information for the 26-week periods ended 26 December 2021 and 27 December 2020 does not constitute statutory accounts for the purposes of section 435 of the Companies Act 2006 and has not been audited. The Group's latest statutory financial statements were for the 52 weeks ended 27 June 2021 and these have been filed with the Registrar of Companies.

Information that has been extracted from the 28 June 2020 accounts is from the audited accounts included in the annual report, published in November 2020, on which the auditor gave an unmodified opinion and did not include a statement under section 498 (2) or (3) of the Companies Act 2006. A copy of these accounts can be found on the Group's website, www.brightonpiergroup.com.

The interim condensed consolidated financial statements for the 26 weeks ended 26 December 2021 have been prepared in accordance with the AIM Rules issued by the London Stock Exchange. They do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 27 June 2021, which were prepared using IFRS, in accordance with The International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019.

The accounting policies used in preparation of the financial information for the six months ended 26 December 2021 are the same accounting policies applied to the Group's financial statements for the 52 weeks ended 27 June 2021. These policies were disclosed in the 2021 Annual Report and are in accordance with IFRS as set out in The International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019.

3. SEGMENTAL INFORMATION

Management has determined the operating segments based on the reports reviewed by the Chief Operating Decision Maker ("CODM") comprising the Board of Directors. During the 26 week period ended 26 December 2021, there have been no changes from prior periods in the measurement methods used to determine operating segments and reported segment profit or loss.

The segmental information is split on the basis of those same profit centres - however, management report only the contents of the consolidated statement of comprehensive income and therefore no balance sheet information is provided on a segmental basis in the following tables.

26 week period ended 26 December 2021	Brighton Pier £'000	Golf £'000	Bars £'000	Lightwater Valley £'000	**Total segments £'000**	Overhead £'000	**December 2021 consolidated total £'000**
Revenue	9,169	3,719	6,044	3,852	**22,784**	-	**22,784**
Cost of sales	(1,365)	(54)	(1,100)	(469)	**(2,988)**	-	**(2,988)**
Gross profit	**7,804**	**3,665**	**4,944**	**3,383**	**19,796**	**-**	**19,796**
Gross profit %	85%	99%	82%	88%	**87%**	-	**87%**
Operating expenses (excluding depreciation and amortisation)	(5,396)	(1,414)	(3,029)	(1,593)	**(11,432)**	(507)	**(11,939)**
Divisional earnings/(loss)	**2,408**	**2,251**	**1,915**	**1,790**	**8,364**	**(507)**	**7,857**
Highlighted items						804	**804**
Depreciation and amortisation (excluding right-of-use assets)						(791)	**(791)**
Depreciation of right of use assets						(697)	**(697)**
Net finance cost (excluding interest on lease liabilities)						(192)	**(192)**
Net finance cost arising on lease liabilities						(335)	**(335)**
Profit/(loss) before tax	**2,408**	**2,251**	**1,915**	**1,790**	**8,364**	**(1,718)**	**6,646**
Income tax						(1,309)	**(1,309)**
Profit/(loss) after tax	**2,408**	**2,251**	**1,915**	**1,790**	**8,364**	**(3,027)**	**5,337**
EBITDA (excluding highlighted items)	2,408	2,251	1,915	1,790	**8,364**	(507)	**7,857**
EBITDA	2,408	2,251	1,915	1,790	**8,364**	(507)	**7,857**

3. SEGMENTAL INFORMATION (continued)

26 week period ended 26 December 2020[2]	Brighton Pier £'000	Golf £'000	Bars £'000	**Total segments £'000**	Overhead £'000	**December 2020 consolidated total £'000**
Revenue	5,811	1,660	728	**8,199**	-	**8,199**
Cost of sales	(852)	(11)	(229)	**(1,092)**	-	**(1,092)**
Gross profit	**4,959**	**1,649**	**499**	**7,107**	**-**	**7,107**
Gross profit %	85%	99%	69%	**87%**	-	**87%**
Operating expenses (excluding depreciation and amortisation)	(4,141)	(1,040)	(955)	**(6,136)**	(383)	**(6,519)**
Other income	-	900	500	**1,400**	-	**1,400**
Divisional earnings/(loss)	**818**	**1,509**	**44**	**2,371**	**(383)**	**1,988**
Highlighted items					2,421	**2,421**
Depreciation and amortisation (excluding right-of-use assets)					(664)	**(664)**
Depreciation of right of use assets					(625)	**(625)**
Net finance cost (excluding interest on lease liabilities)					(135)	**(135)**
Net finance cost arising on lease liabilities					(329)	**(329)**
Profit before tax	**818**	**1,509**	**44**	**2,371**	**285**	**2,656**
Income tax	-	-	-	**-**	-	**-**
Profit after tax	**818**	**1,509**	**44**	**2,371**	**285**	**2,656**
EBITDA (excluding highlighted items)	818	1,509	44	**2,371**	(383)	**1,988**
EBITDA	818	1,509	44	**2,371**	(423)	**1,948**

4. HIGHLIGHTED ITEMS

	26 weeks to 26 December 2021 £'000	*26 weeks to 27 December 2020 [2] £'000*	*52 weeks to 27 June 2021 £'000*
Acquisition and pre-opening costs			
Acquisition costs	-	-	254
Restructuring costs	-	-	66
Impairment, closure and legal costs			
Gain on derecognition of lease liabilities for continuing sites using:			
- IFRS 9 derecognition criteria	(97)	(413)	(590)
- IFRS 16 practical expedient	(38)	(152)	(744)
Gain on derecognition of lease liabilities for disposed sites	(669)	(1,896)	(1,838)
Other disposal costs	-	40	106
Total	**(804)**	**(2,421)**	**(2,746)**

[2] Comparative period figures have been adjusted to reflect the reclassification of gains from COVID-19-related rent concessions as a highlighted item. Previously these had been included within operating expenses and as such were allocated on a divisional basis.

4. HIGHLIGHTED ITEMS (continued)

The above items have been highlighted in order to provide users of the financial statements visibility of non-comparable costs included in the Consolidated Statement of Comprehensive Income for this period.

The onset of the COVID-19 pandemic prompted the IASB to issue a practical expedient to provide relief for lessees from lease modification accounting for rent concessions related to COVID-19. The practical expedient allows entities to recognise the value of any agreed rent concessions in the Statement of Comprehensive Income rather than adjusting the underlying right-of-use asset and lease liability. The Group has recognised total credits of £38,000 (2020: £152,000) within highlighted items in the Statement of Comprehensive Income for the period ended 26 December 2021.

The practical expedient can only be used for rent concessions covering the period to 30 June 2022. In some instances, the Group has agreed temporary lease variations that extend beyond this date. These variations amount, in substance, to forgiveness of rent payable without materially changing the present value of total cash outflows over the life of the lease. In such circumstances, the Group de-recognises the appropriate portion of its total liability in accordance with the provisions of IFRS 9: Financial Instruments. The value of these extended waivers is recognised in the Statement of Comprehensive Income. The Group has recognised total credits of £97,000 (2020: £413,000) within highlighted items in the Statement of Comprehensive Income during the period ended 26 December 2021.

Lease liabilities of £669,000 were extinguished during the period as a result of the disposal of the Reading Smash site. The right-of-use asset relating to this site was impaired to £nil during the period ended 28 June 2020 and was included in highlighted items for that period.

In the prior period, £1,896,000 were extinguished during the period as a result of the disposal of sites in Bath, Cambridge and Wimbledon. The right-of-use assets relating to these sites were impaired to £nil during the period ended 28 June 2020 and were included in highlighted items for that period.

5. TAXATION

The tax charge has been calculated by reference to the expected effective current and deferred tax rates for the 52 week period to the 26 June 2022 applied against the profit before tax for the period ended 26 December 2021. The full year effective tax charge on the underlying trading profit is estimated to be £1.3 million (2020: £nil).

Deferred tax liabilities have increased as a result of fixed asset timing differences, the utilisation of all available carried forward losses from prior periods and an increase in the tax rate used to calculate the liability.

6. EARNINGS PER SHARE

The weighted average number of shares in the period was:

	26 weeks to 26 December 2021	*26 weeks to 27 December 2020*	*52 weeks to 27 June 2021*
	Thousands of shares	Thousands of shares	Thousands of shares
Ordinary shares	**37,286**	37,286	37,286
Weighted average number of shares - basic	**37,286**	37,286	37,286
Dilutive effect on ordinary shares from share options	**58**	-	-
Weighted average number of shares - diluted	**37,334**	37,286	37,286

Basic and diluted earnings per share are calculated by dividing the profit for the period into the weighted average number of shares for the year. In order to provide a measure of underlying performance, management have chosen to present an adjusted profit for the period, which excludes items that may distort comparability. Such items arise from events or transactions that fall within the ordinary activities of the Group but which management believes should be separately identified to help explain underlying performance.

6. EARNINGS PER SHARE (continued)

	26 weeks to 26 December 2021	*26 weeks to 27 December 2020*	*52 weeks to 27 June 2021*
Earnings per share from profit for the period			
Basic (pence)	14.3	7.1	11.5
Diluted (pence)	14.3	7.1	11.5
Adjusted earnings per share from profit for the period [3]			
Basic (pence)	12.6	0.6	5.7
Diluted (pence)	12.5	0.6	5.7

7. RECONCILIATION TO EBITDA

Group profit before tax can be reconciled to Group EBITDA as follows:

EBITDA Reconciliation	*26 weeks to 26 December 2021*	*26 weeks to 27 December[4] 2020*	*52 weeks to 27 June 2021*
Profit before tax for the year	6,646	2,656	4,198
Add back depreciation (property plant and equipment)	755	625	1,218
Add back depreciation (right-of-use-assets)	697	625	1,414
Add back amortisation	36	39	80
Add back finance costs	527	464	937
Add back highlighted items	(804)	(2,421)	(2,746)
Group EBITDA excluding highlighted items	**7,857**	**1,988**	**5,101**
Highlighted items	804	2,421	2,746
Remove gains arising on lease liability derecognition (see note 4)	(804)	(2,461)	(3,172)
Group EBITDA	**7,857**	**1,948**	**4,675**

8. EVENTS AFTER THE REPORTING PERIOD

On 16 March the Group signed a one year extension to its term loan and revolving credit facilities, which were due to expire in December 2022. The facilities will now expire on 5 December 2023.

[3] The comparative period Adjusted EPS has been amended to reflect the reclassification to highlighted items of gains of £565,000 arising from COVID-19 related rent concessions.

[4] The comparative period Group EBITDA has been adjusted to reflect the reclassifications cited above as well as the removal of gains arising on lease liability derecognition, as these are non-cash items.