Rank Group

The Rank Group Plc

Interim results for the six months ended 31 December 2025

John O'Reilly

Chief Executive

Overview

Revenue and profit growth in all businesses

- LFL NGR up 6% to £419.8m
- Underlying LFL operating profit up 15% to £40.6m
- Group underlying LFL operating margin of 9.7%, up from 8.9%
- ROCE up 2.6% pts to 15.9%
- Employee engagement score of 8.2, up YoY
- Average weekly Grosvenor NGR up 6% to £7.8m
- Mecca LFL NGR up 4%; Enracha LFL NGR up 6%
- Digital LFL NGR up 8%, with Grosvenor +17% and Mecca +5%
- 850 additional machines installed in Grosvenor in H1
- Strong Christmas & NY trading; January in line with expectations
- Interim dividend per share of 1.00p

LFL venues NGR

+5%

LFL digital NGR

+ 8%

Underlying LFL operating profit

40.6m (+15% YoY)

Interim dividend per share

1.00p (+54% YoY)

Return on capital employed

15.9%

Rank Group

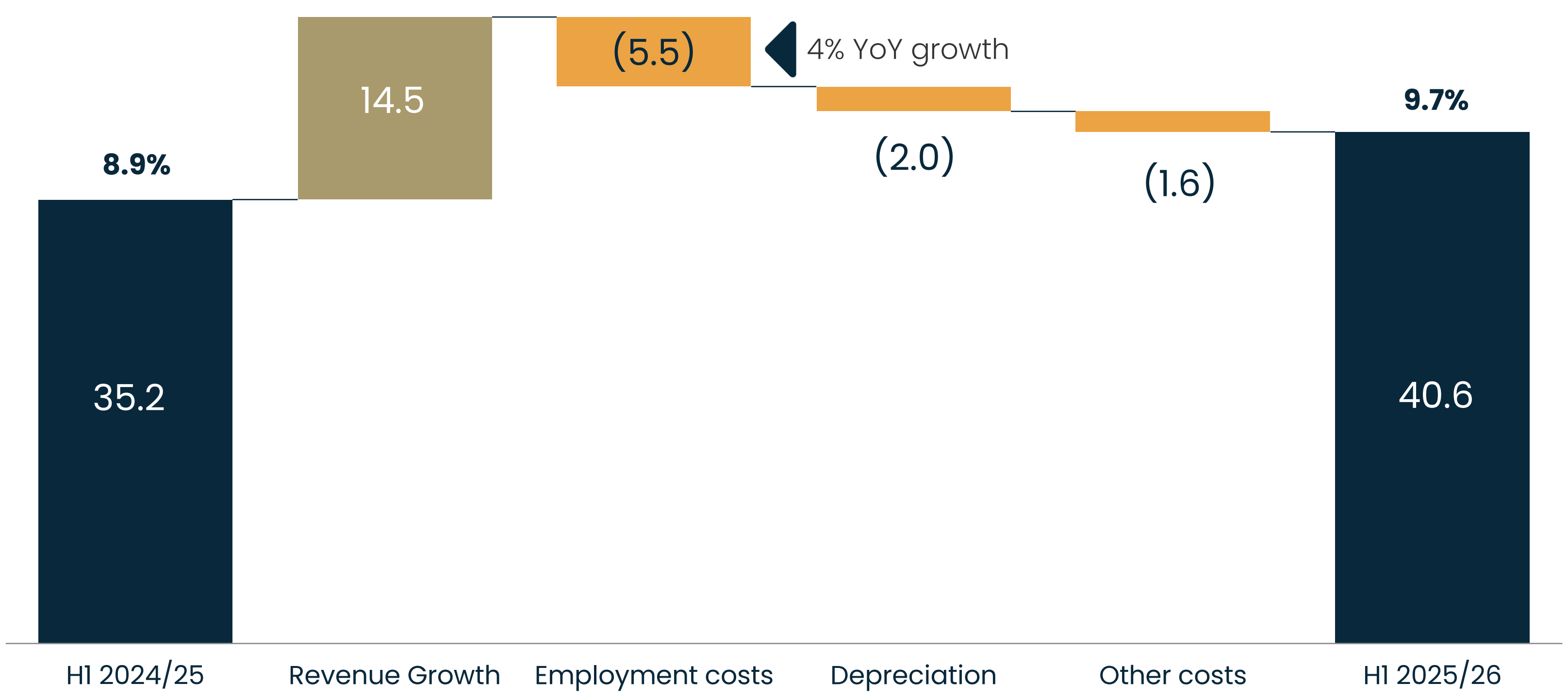
Financial performance and strategic update

Richard Harris

Chief Financial Officer

Operating profit up 15%

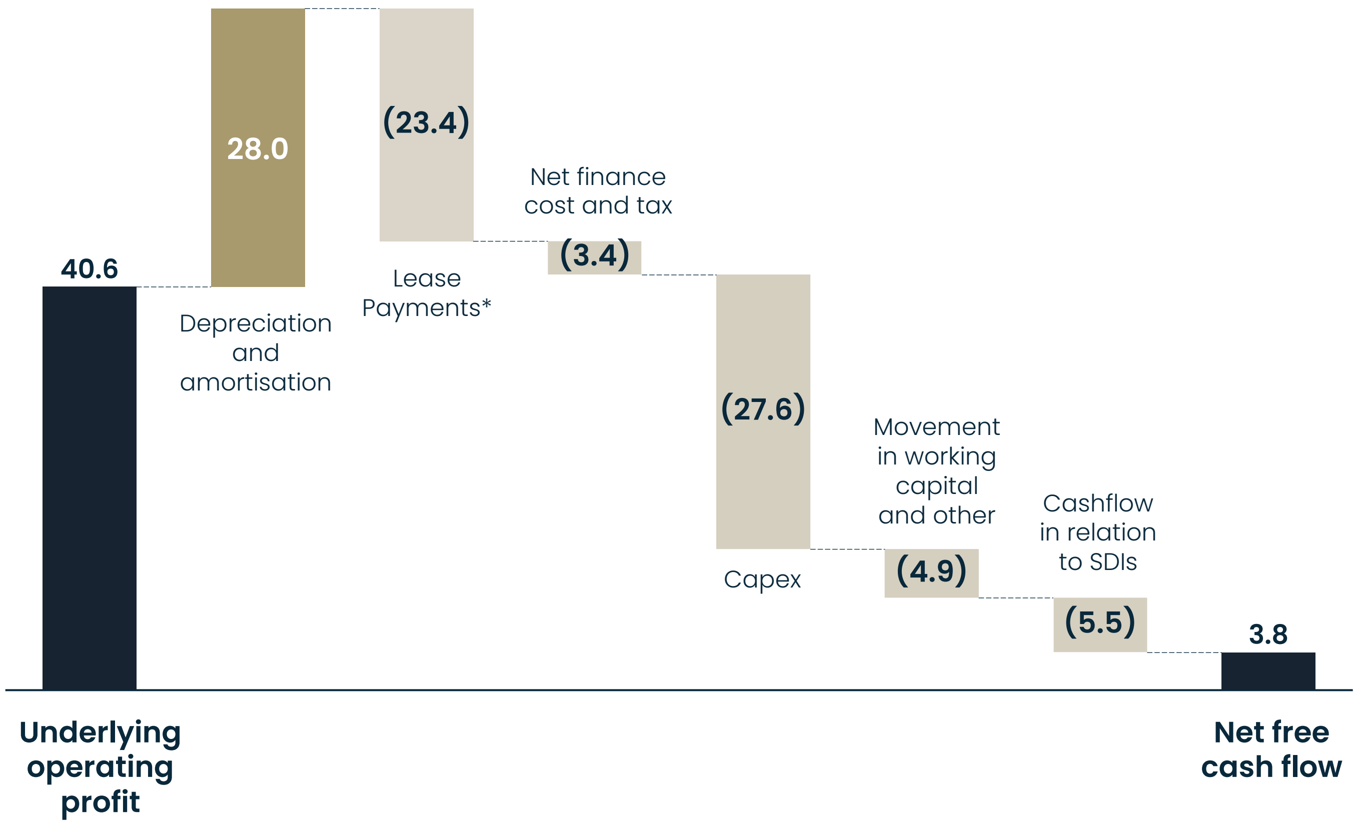
LFL Operating profit (£m) / LFL Operating margin (%)



- Total employment costs expected to grow c. 4% in 2025/26

Free cash flow bridge

£m



*Lease Payments includes lease principal of £17.8m and lease interest of £5.6m

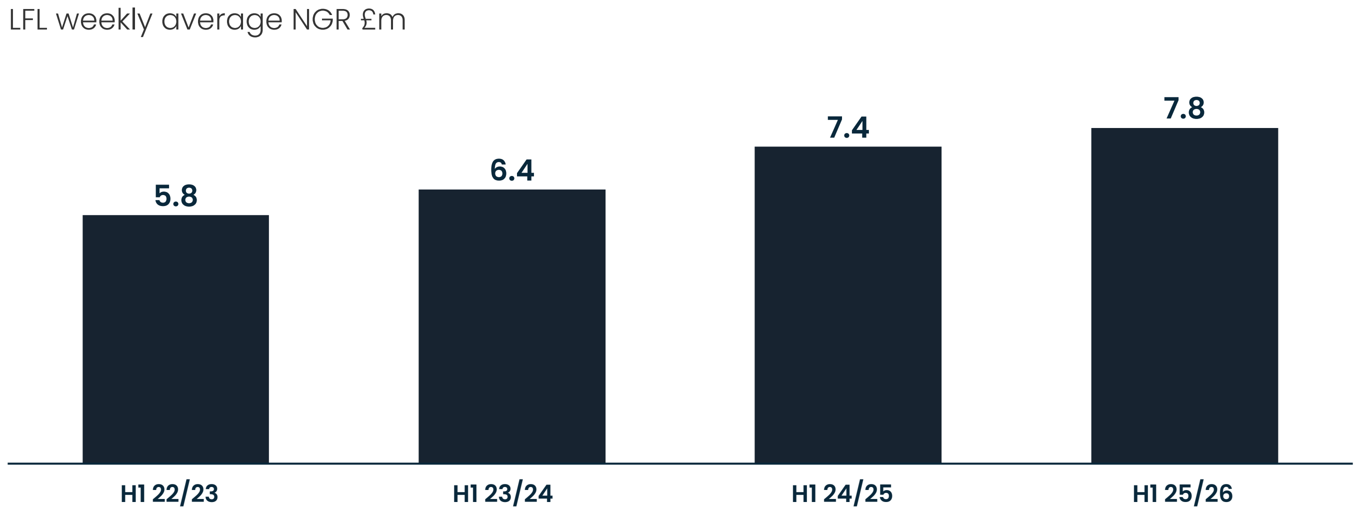
	H1 2025/26	H1 2024/25*
Opening net cash pre IFRS 16	45.4	20.9
Net free cash flow	3.8	4.3
Business disposal consideration	1.0	3.0
Purchase of shares for LTIP	(1.7)	-
Dividend paid	(9.1)	(4.0)
Closing net cash pre IFRS 16	**39.4**	**24.2**
Lease liabilities	(204.5)	(148.3)
Closing net debt post IFRS 16	**(165.1)**	**(124.1)**

*restated

- 2025/26 capital expenditure now expected to be in the range £50m - £55m
- Working capital outflow in the first half in line with expectations. Broadly neutral position expected for the full year
- Cashflows related to SDIs include the impact of a payment fraud in Spain
- Lease liabilities increased due to extension of leases in strategically important Grosvenor properties and capitalising of gaming machine leases.

Grosvenor venues

Continued progress against medium term plan



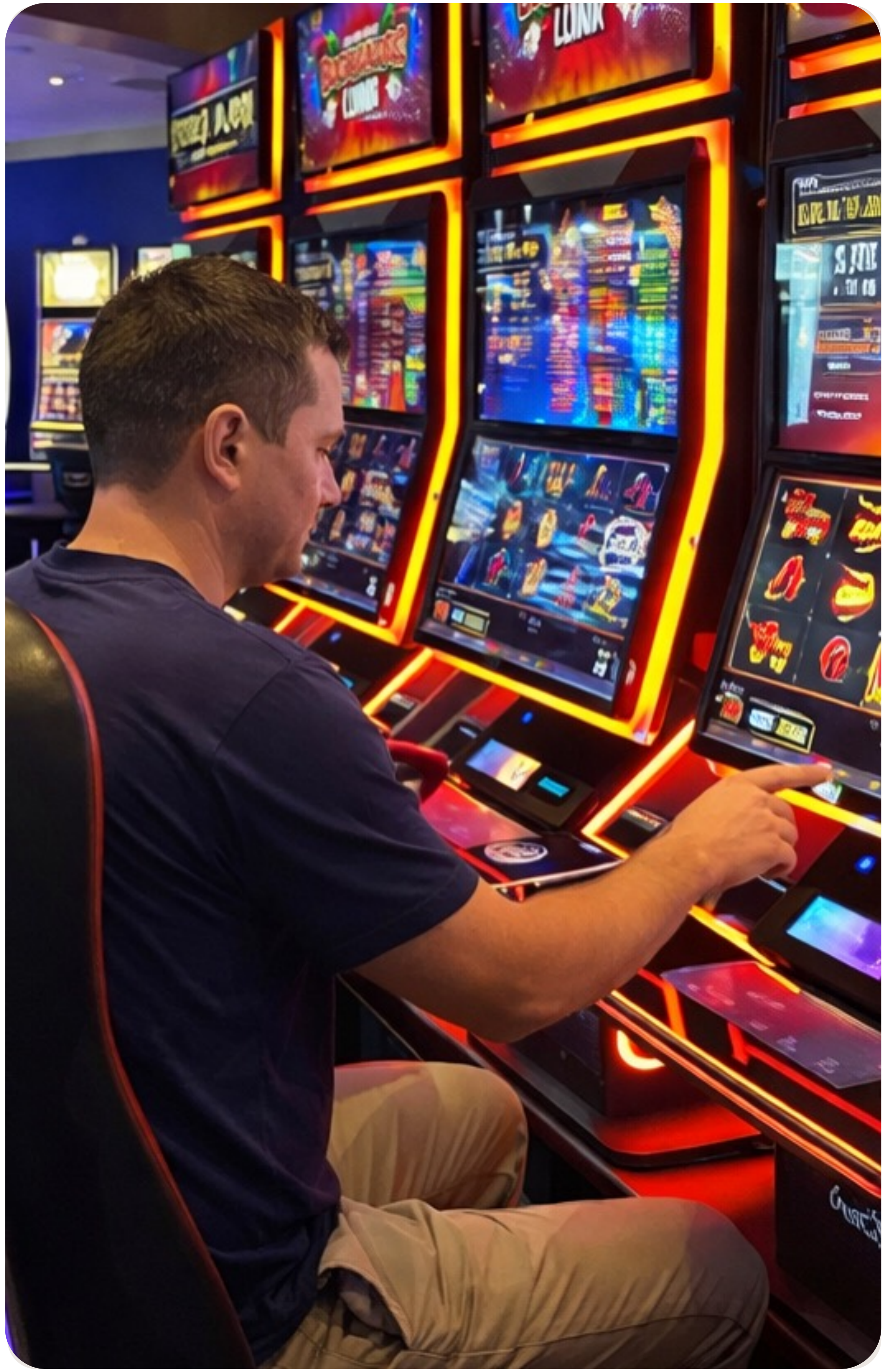
- LFL Revenue up 6%. Consumer confidence impacted performance in Q2
- Double digit growth in gaming machines, capturing unmet demand
- The Vic revenue growth of 13% on 2 years, with gaming machines +26%, over the same period
- Continued improvements in customer risk management
- Excellent colleague engagement scores as cultural programme embeds further throughout business

	H1 2025/26	H1 2024/25	Change
LFL NGR (£m)			
Table gaming	92.1	90.6	2%
Gaming machines	56.7	51.0	11%
Electronic gaming	31.1	29.3	6%
Other (inc. Poker)	24.1	21.9	10%
Total LFL NGR	**204.0**	**192.8**	**6%**
London	65.7	62.7	5%
Rest of UK	138.3	130.1	6%
Underlying LFL operating profit (£m)	**20.9**	**20.6**	**1%**
LFL EBIT margin (%)	**10.2**	**10.7**	**(0.5)**

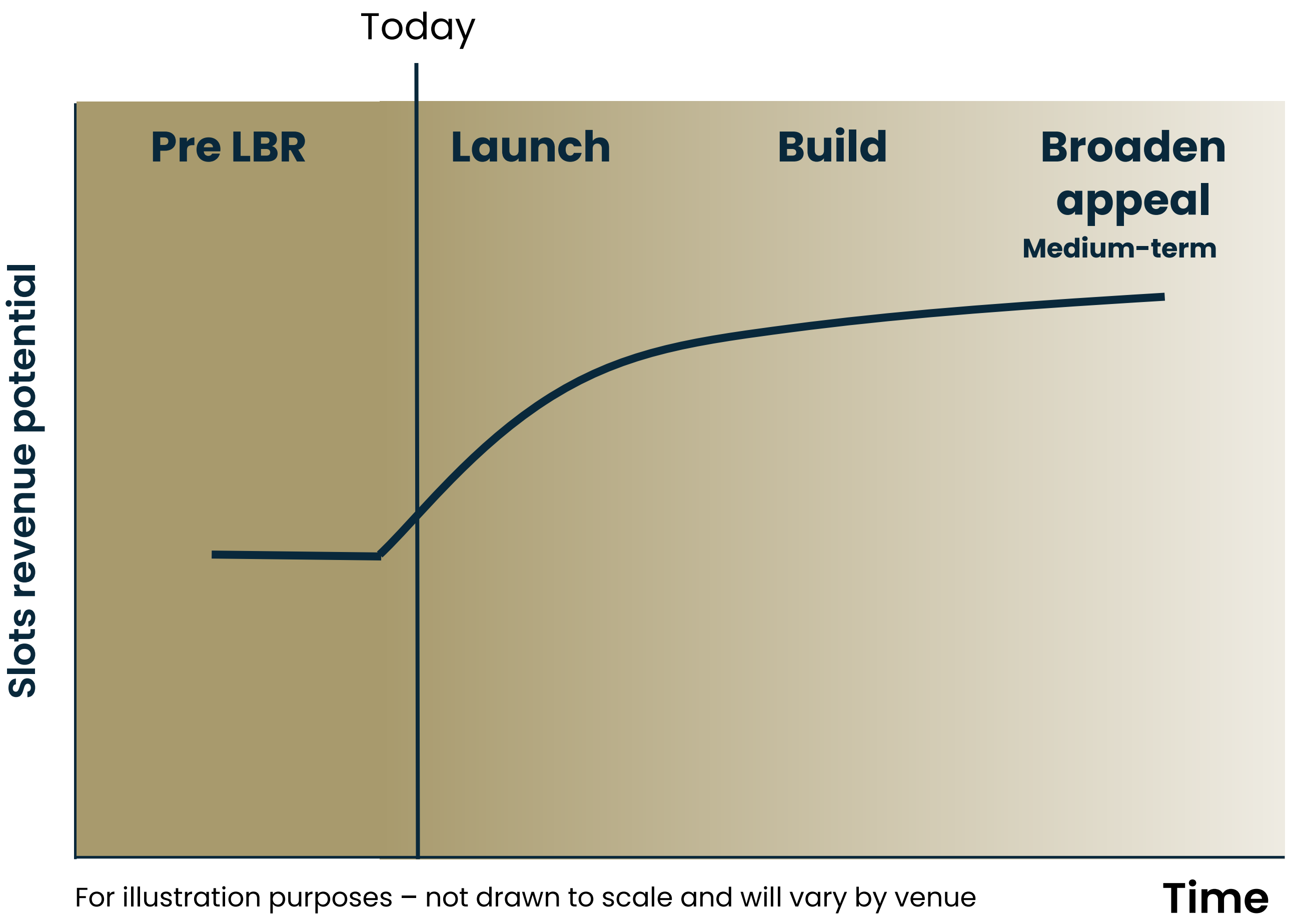
Initial machine rollout completed

Early results reaffirm medium term opportunity

- Plan to deliver average weekly NGR of £9.5m and grow operating margin by 500bps in the medium term
- 850 additional machines added in first half of the year, up 65%
- Gaming machine NGR up 11%, with venues benefitting from additional machines up 16%
- Average revenue per machine is strong in venues where we have increased from 20 machines to between 30 and 40.
- Revenue per machine in venues with 80 machines is inevitably lower, but is expected to build over time
- Demand is gradually building as customer awareness improves



Building demand and optimising performance



For illustration purposes – not drawn to scale and will vary by venue

Stages of growth

Launch: Satisfying unmet demand by installing additional slots

Build: Increasing market share across the wider gambling sector with more exciting game packs and hardware

Broaden appeal: Attracting new customers with a fully transformed slots proposition in modern, premium casinos

Looking forward: optimise machine mix, layouts and service levels. New reward scheme and targeted local marketing. Trial new gaming packs and suppliers.

Next phase of rollout shaped by customer and performance data

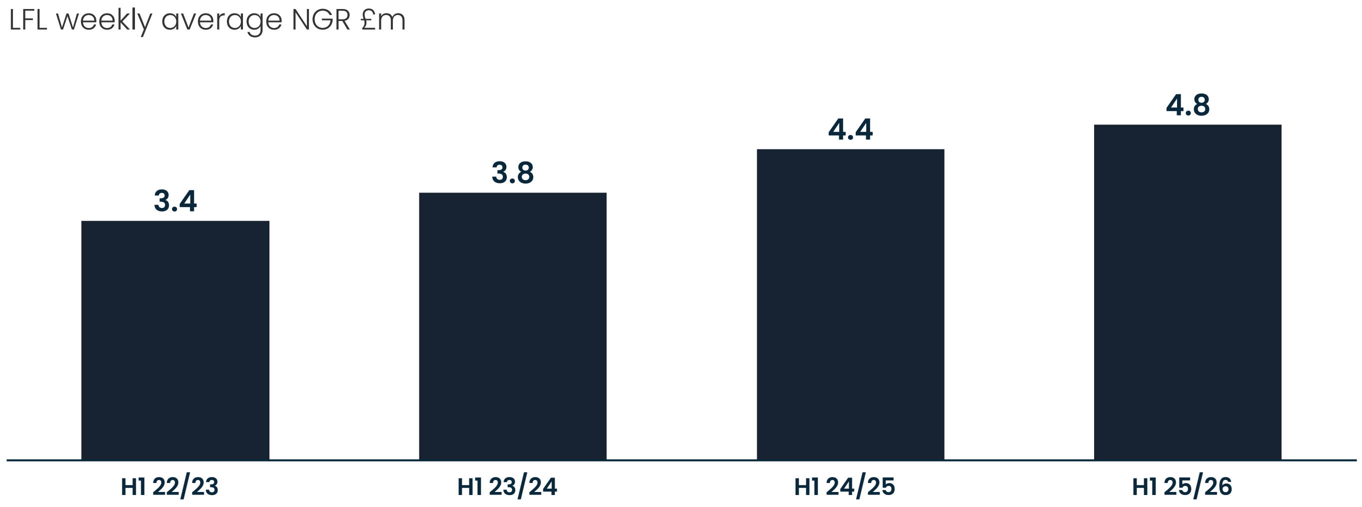
Sustained growth in Grosvenor

Confident in the medium-term plan

- Sports betting proposition being trialled in Luton, Leicester & Reading South to determine options for wider estate rollout
- Table gaming proposition to benefit from addition of more innovative side bets and progressive jackpots
- Table management system rollout completed, enabling optimised table opening and pricing
- Continue to improve customer risk management. Facial recognition trial in H2 to enhance safer gambling capabilities

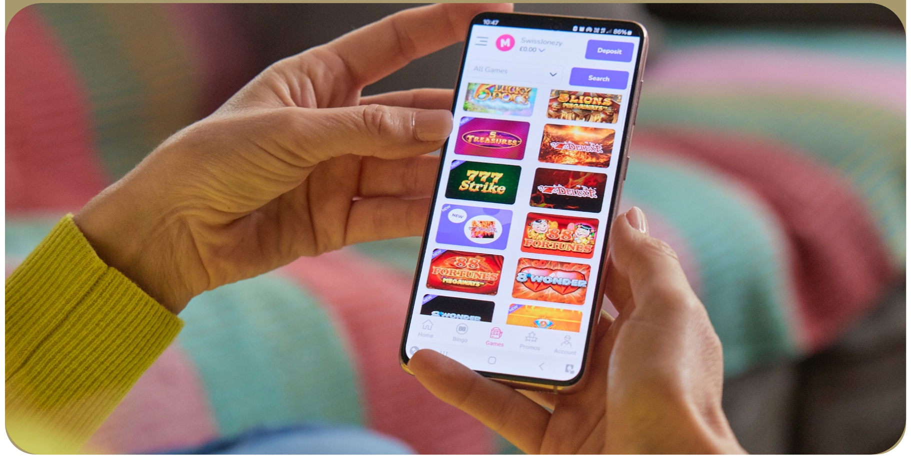
Digital

Accelerated growth in core businesses



- LFL revenue growth of 8% in line with medium term guidance
- Average revenue per customer +21%, reflecting appeal of products, service levels and improved data science capability
- Grosvenor digital performance continues to be strong at 17%
- Spanish digital back in growth and positive trajectory into H2
- Successful soft launch in Portugal (Nov 2025) with full launch in Feb 2026
- Statutory levy and maximum slots staking limits impact profit growth

	H1 2025/26	H1 2024/25	Change
LFL NGR (£m)			
Mecca	50.7	48.1	5%
Grosvenor	47.9	41.0	17%
Other proprietary brands	10.8	11.6	(7%)
Yo /Enracha	14.3	14.1	1%
Total LFL NGR (£m)	**123.7**	**114.8**	**8%**
Underlying LFL operating profit (£m)	**17.8**	**15.9**	**12%**
LFL EBIT margin (%)	**14.4**	**13.9**	**0.5**



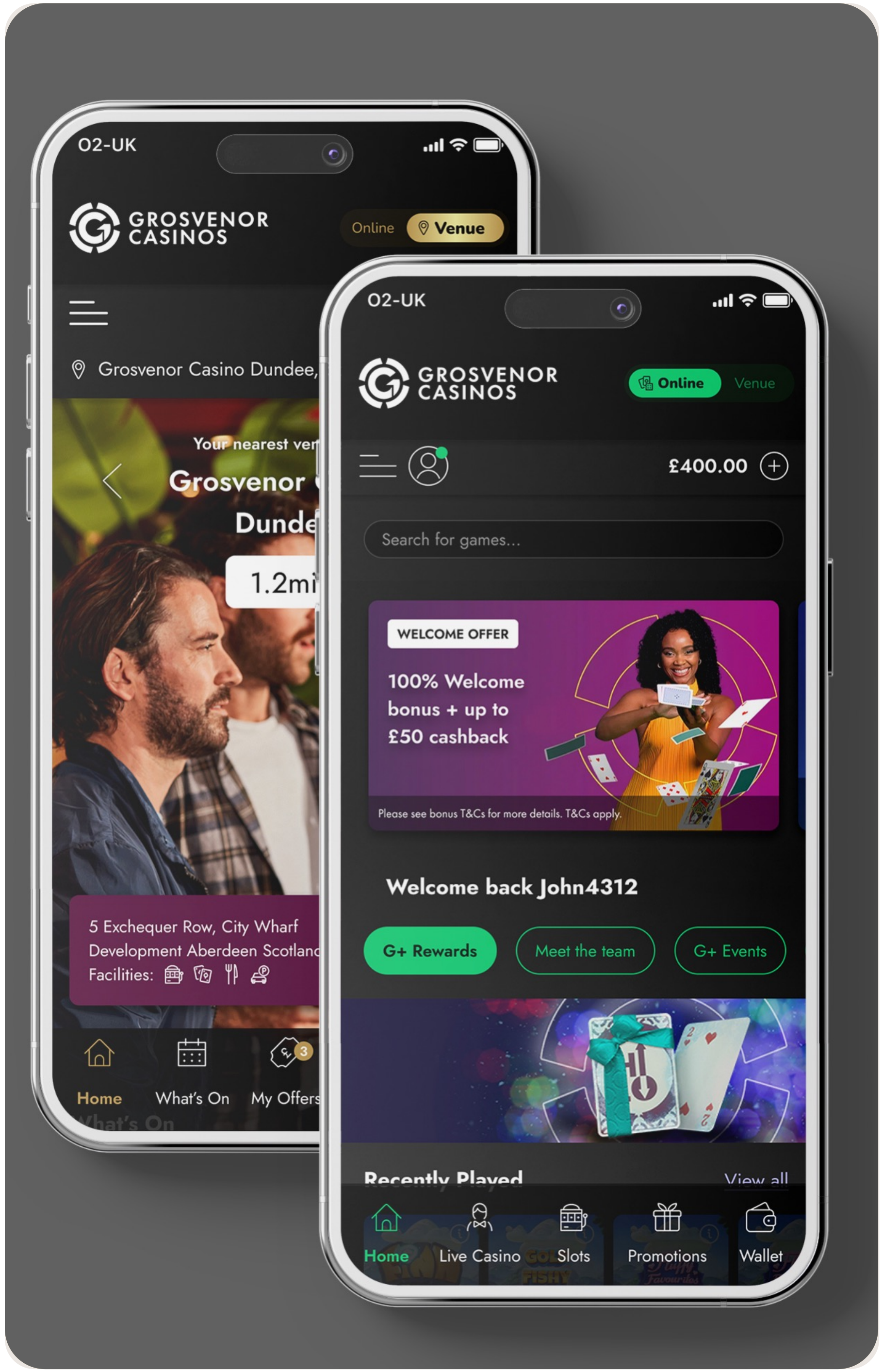
40% RGD – A seismic shift

Mitigation plan well underway

- Impact from 40% RGD on UK business (pre-mitigation): c. £46m p.a.
- Mitigation plan is well underway – material reductions to ATL marketing spend; renegotiating supplier contracts
- Further operational efficiencies expected pre Q4
- Profitability of UK digital business expected to be markedly lower in Q4 and 2026/27
- Agile approach to performance marketing, promotional activity and customer incentives
- Brand strength, billboard effect of venues & cross-channel experience will enable rebuilding of digital profitability as market stabilises

Continued focus on customer proposition

- Unified membership in Mecca in H2: personalised experience and cross-channel rewards
- Improvements to live casino experience, leveraging Grosvenor brand
- New bingo platform in Spain going live in Q3



Bingo

Further progress and growth in UK & Spain

MECCA

- Mecca LFL NGR grew 4% YoY
- Customers continue to switch to electronic bingo via tablet-based play
- Focus on modernising clubs with external signage schemes, gaming garden pilot and improved slots proposition
- Typical cash payback on investments within 18 months

enracha

- Continued LFL revenue and LFL profit growth
- Machine revenue growth of 10% underpins overall performance
- Sabadell and Cordoba investment projects completed

	H1 2025/26	H1 2024/25	Change
Mecca			
LFL visits ('000)	2,275.5	2,306.7	(1%)
LFL NGR (£m)	**69.8**	**67.0**	**4%**
Underlying LFL operating profit (£m)	**2.7**	**0.7**	**286%**
LFL EBIT margin (%)	**3.9**	**1.0**	**2.9**

	H1 2025/26	H1 2024/25	Change
Enracha			
LFL visits ('000)	871.6	872.8	0%
LFL NGR (£m)	**22.3**	**21.0**	**6%**
Underlying LFL operating profit (£m)	**5.9**	**5.6**	**5%**
LFL EBIT margin (%)	**26.5**	**26.7**	**(0.2)**

Bingo Duty abolition

A sustainable platform for Mecca's future

- Abolition of bingo duty, effective from Q4, will benefit Group by c. £6.5m p.a.
- Expect to deliver double digit operating profit in Mecca in 2026/27
- Unified membership in H2 to enable app as membership card for venues customers, and provide richer data to Mecca teams
- Investment continues in Mecca gaming machine areas and external signage
- UK Government consultation set to clarify licencing criteria, facilitating the progress of bingo legislative reforms
- Trialling immersive Bingo Boom concept in Enracha Seville

Clear investment case underpins positive outlook

- Well placed for further revenue growth in the second half
- Optimising new gaming machine performance to drive returns
- Rebasing the UK Digital business in light of 40% RGD and wider structural shifts – clear plan in place
- Expect Mecca to achieve double digit profitability in 2026/2027
- Retain clear path to driving operating profit beyond £100m
- Focussed on identifying new paths to growth and driving shareholder returns.

Appendices

Capital allocation policy

1 Maintain a strong balance sheet and appropriate financing structure

2 Disciplined capital investment in the customer proposition and to maximise the opportunity presented by land-based reforms

3 A progressive dividend, with a dividend payout ratio that grows to over 35%

4 Consideration of inorganic growth opportunities

5 Return surplus cash to shareholders

ROCE % Calculation

	H1 2025/26 £m	H1 2024/25* £m	FY 2024/25* £m
Total equity	**378.6**	**357.5**	**369.9**
Add back:			
Net cash	(39.4)	(24.2)	(45.4)
Lease liabilities	204.5	148.3	200.1
ROU assets	(138.2)	(66.6)	(118.5)
Retirement benefit obligations	3.4	3.3	3.4
Non-current provisions	39.2	39.1	38.6
Net deferred tax	(3.7)	(3.9)	(5.4)
Capital employed	**444.4**	**453.5**	**442.7**
Average capital employed	*449.0*	*449.6*	*446.2*
Underlying LFL operating profit (rolling 12 months)	71.2	59.6	65.8
ROCE %	**15.9%**	**13.3%**	**14.7%**

*Restated

Income statement

	H1 **2025/26**	H1 2024/25*
LFL underlying operating profit	40.6	35.2
FX, closed clubs and re-opening	-	(1.9)
Underlying operating profit	40.6	33.3
Underlying net financing charge	(7.0)	(5.4)
Underlying profit before taxation	**33.6**	**27.9**
Separately disclosed items	(9.7)	1.5
Profit before taxation	**23.9**	**29.4**
Taxation on underlying profit	(7.4)	(5.5)
Taxation on SDI	2.0	1.0
Profit after tax from continuing operations	**18.5**	**24.9**

*Restated

- Underlying net financing charge higher than prior year due to higher lease-related interest under IFRS16 partially offset by lower bank interest costs.
- Separately disclosed items include a £6.5m loss arising from a payment fraud in our Spanish businesses., amortisation of acquired tangible assets, and property-related provisions, partially offset by the profit on the sale of freehold land.

Separately Disclosed Items

	H1 2025/26	H1 2024/25*
Amortisation of acquired intangible assets	(0.3)	(1.9)
Closure of venues	1.3	2.3
Property-related provisions	(3.8)	(5.6)
Loss on payment fraud incident	(6.5)	-
Divestment of businesses	-	6.6
VAT refund from HMRC (in relation to a disposed business)	-	0.5
Separately disclosed items	**(9.3)**	**1.9**
Interest	(0.4)	(0.4)
Taxation	2.0	1.0
Total separately disclosed items relating to continuing operations	**(7.7)**	**2.5**

*Restated

- Closure of venues £1.3m relates to the sale of freehold land (£1.4m) associated with a former Mecca site, insurance rebate (£0.1m) offset by Mecca venues closure costs (£0.2m).
- Property- related provisions made up of (£1.1m) relating to dilapidations depreciation, a charge of (£2.0m) relates to additional provisions for Mecca venues and unused space in the Group's head office and a (£0.7m) write-off in relation to unused office space.

Balance sheet

	At 31 Dec 2025	At 30 Jun 2025*
Assets		
Non-current assets		
Intangible assets	442.2	442.3
Property, plant and equipment	140.4	133.7
Right-of-use assets	129.0	118.5
Deferred tax assets	7.3	8.9
Other receivables	7.3	7.6
	726.2	711.0
Current assets		
Inventories	2.3	2.1
Other receivables	20.0	15.9
Income tax receivable	0.7	0.7
Cash and short-term deposits	69.4	75.4
	92.4	94.1
Total assets	**818.6**	805.1

*Restated

	At 31 Dec 2025	At 30 Jun 2025*
Liabilities		
Current liabilities		
Trade and other payable	(153.1)	(155.2)
Lease liabilities	(42.9)	(42.1)
Income tax payable	(4.2)	(3.1)
Financial liabilities – loans & borrowings	(5.2)	(0.2)
Provisions	(1.8)	(1.1)
	(207.2)	(201.7)
Non-current liabilities		
Lease liabilities	(161.6)	(158.0)
Financial liabilities – loans & borrowings	(25.0)	(30.0)
Deferred tax liabilities	(3.6)	(3.5)
Provisions	(39.2)	(38.6)
Retirement benefit obligations	(3.4)	(3.4)
	(232.8)	(233.5)
Total liabilities	**(440.0)**	(435.2)
Net assets	**378.6**	369.9

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