

Restaurant Group PLC

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UK restaurants' demand 'looks bleak' says Third Bridge after The Restaurant Group results

Harry Barnick, Senior Analyst at Third Bridge, talks to Proactive London following The Restaurant Group PLC results this morning.

The Restaurant Group (LON:TRG) was hit hard by the coronavirus lockdown when restaurants, bars and pubs were forced to shut for several months. The group reported a pretax loss of £62.6m for the 26 weeks to 28 June, compared with a profit of £28.1m a year earlier. Including restructuring costs, it made a statutory loss of £234.7m.

Barnick notes that the entire casual dining sector faces an immense challenge and some brands simply won't survive into the new year. Although these insolvencies will mean less competition for Restaurant Group's brands they probably won't mean more customers, and that's the problem.

On a positive note, Barnick notes that delivery has sky-rocketed during lockdown and whilst government schemes like 'Eat Out to Help Out' encouraged diners back to restaurants, Wagamama is likely to focus its attention in this space.

Price: 106.312

Market Cap: £625.77 m

1 Year Share Price Graph



March 2020 September 2020 March 2021

Share Information

Code: RTN

Listing: LSE

| | | |
|----------------|-------------|------------|
| 52 week | High | Low |
| | 119.71 | 20.26 |

Sector: Food & drink

Website: www.trgplc.com

Company Synopsis:

The Restaurant Group Plc (TRG) is a significant player in the UK casual dining market, operating over 500 restaurants and pubs which include Frankie and Benny's, Chiquito, Coast to Coast, Garfunkel's, Firejacks, Brunning & Price and Joe's Kitchen. We also operate a concession business which trades over 60 outlets across more than 30 brands, primarily in UK airports.

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