



9 April 2020

GREGGS plc
UPDATE ON FINANCING AND IMPACT OF CORONAVIRUS

***Greggs is the leading bakery food-on-the-go retailer in the UK,
with more than 2,050 retail outlets throughout the country***

In our update on trading and the impact of coronavirus dated 23 March 2020 we outlined the ways in which Greggs was working to both mitigate the impacts of the closure of our retail operations and to address the impact of this on liquidity.

Update on financing

We have now put in place the necessary processes and documentation to establish a commercial paper programme and have received confirmation from the Bank of England that Greggs is eligible to issue paper under the Covid Corporate Financing Facility (CCFF) scheme. The Board considers that the credit available to Greggs under the scheme is sufficient to meet the Company's liquidity needs for a prolonged closure period, including a scenario where our shops are unable to trade for the rest of the year.

Today we have partially accessed the liquidity available to us under this facility by issuing commercial paper at a value of £150 million and with a duration of 11 months. In addition, we continue to have a constructive dialogue with our banking partners and are keeping open all options to address current and future financing needs.

Update on financial position & outlook

In our statement dated 23 March 2020 we estimated that the impact of our shop operations remaining closed for a prolonged period would be a net weekly cash outflow of £5 million (including the benefit of mitigating actions), plus property rental costs of £11 million each quarter. Having now had clarification of the details of the Government's Job Retention Scheme and following further examination of our cost base we now expect that, after we have met our existing liabilities relating to recent trading and our capital investment programme over the near term, the net cash outflow whilst closed will be c.£3.5 million per week until the end of June. From July onwards the cost is anticipated to be c.£4.5 million per week including the cost of all property rents, which we expect in future to pay monthly in advance.

Our cash at bank position is currently £47 million, before receipt of CCFF funding. Whilst many uncertainties remain, we have ensured that Greggs and its many stakeholders will be well-supported through this difficult period and that the Company will be in a position to return to profitable growth as soon as conditions allow.

Roger Whiteside OBE
Chief Executive

ENQUIRIES:
Greggs plc

Roger Whiteside, Chief Executive
Richard Hutton, Finance Director
Tel: 0191 281 7721

Hudson Sandler

Wendy Baker / Hattie Dreyfus
Tel: 020 7796 4133