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EP Business in Hospitality

Outlook for the Foodservice market

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Key trends in the Foodservice market

COVID-19 has accelerated trends in the industry including health & wellness and the use of digital tools but also triggered the evolution of business models

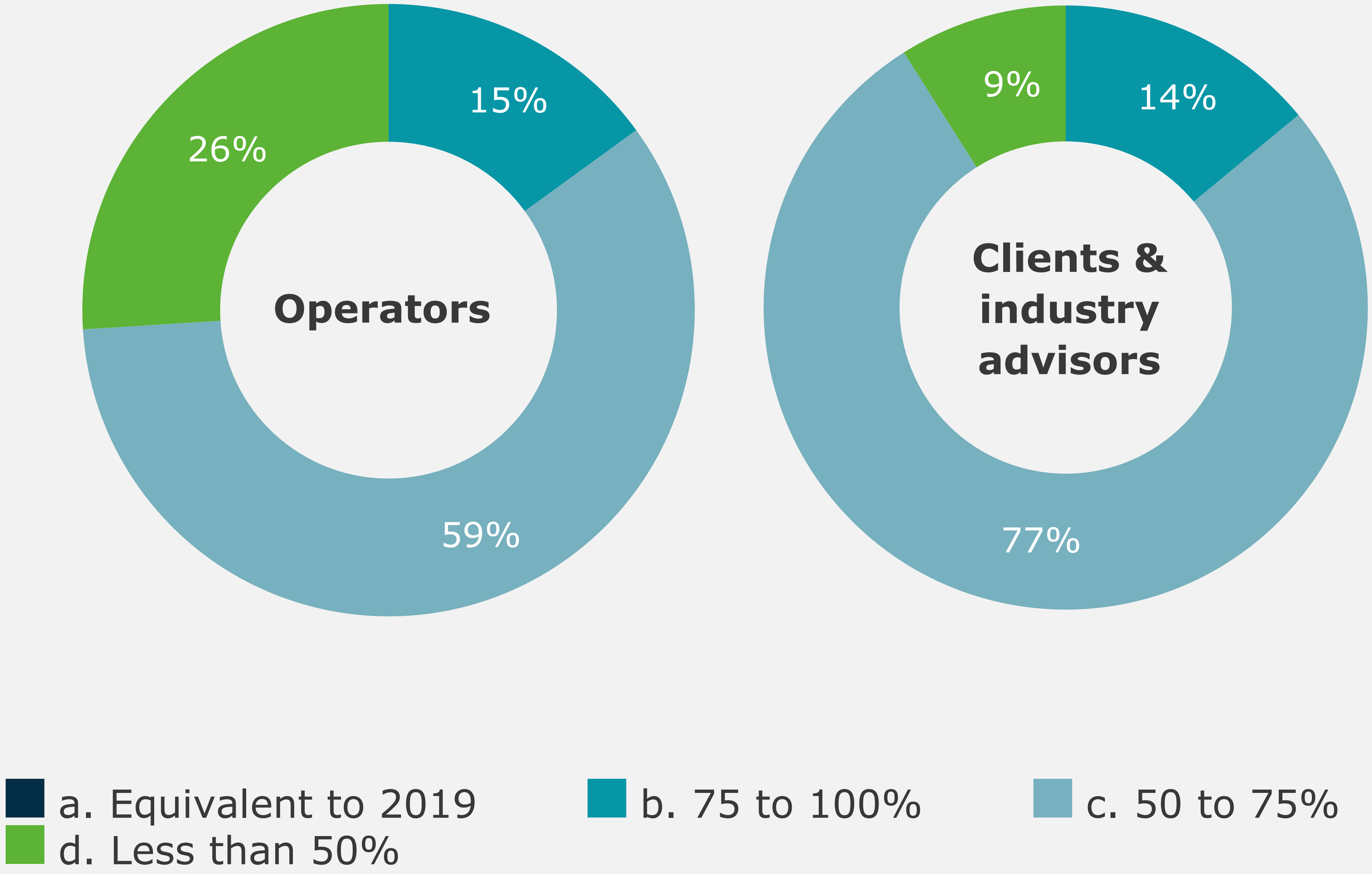
Education, healthcare and defence have proven to be resilient sectors, but B&I is the way to ride the recovery wave

Opportunity post crisis for caterers to partner with clients to address key business objectives such as attracting people back to the workplace and meeting ESG goals

Mindsets are shifting from survival to growth and we expect M&A to be back on the agenda in 2022

In comparison to 2019 levels, are you expecting UK office attendance in 2022 to be.....?

Operators are more pessimistic than clients and industry advisors regarding office attendance in 2022



Please rank the following sectors by expected revenue performance in 2022 vs. 2019

(first being the strongest recovery)

Corporate activity expected to still be in recovery mode through 2022

Please rank the following challenges for the UK foodservice sector

(first being the biggest challenge)

Labour shortages and supply chain issues are the main challenges viewed by the sector

1. Labour shortages
2. Logistics and supply chain issues
3. Unpredictable and varying demand patterns
4. Cost inflation
5. Competition

Please rank the following initiatives in terms of their importance in the market

(first being the most important)

OPERATORS

1 Environmental sustainability/ food waste

2 Health & Wellness

3 Use of digital tools

4 Hygiene protocols

5 Diversity & Inclusion

6 Reducing cost-to-serve

Please rank the following initiatives in terms of their importance in the market

(first being the most important)

ESG, Digital, Health & Wellness offer ways caterers can partner with their clients – focus on value not cost

CLIENTS & INDUSTRY ADVISORS

1 Environmental sustainability/ food waste

2 Hygiene protocols

3 Use of digital tools

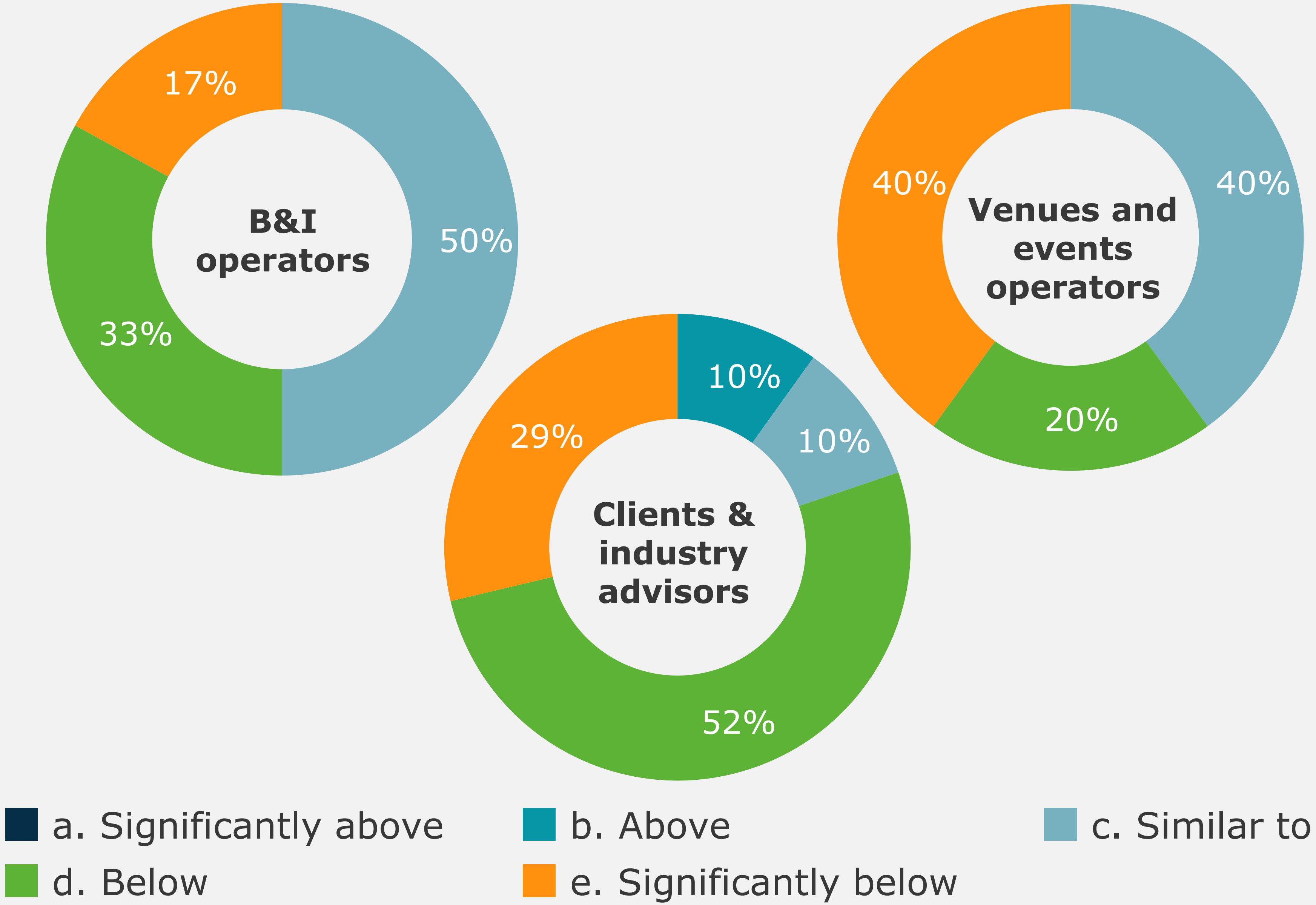
4 Health & Wellness

5 Reducing cost-to-serve

6 Diversity & Inclusion

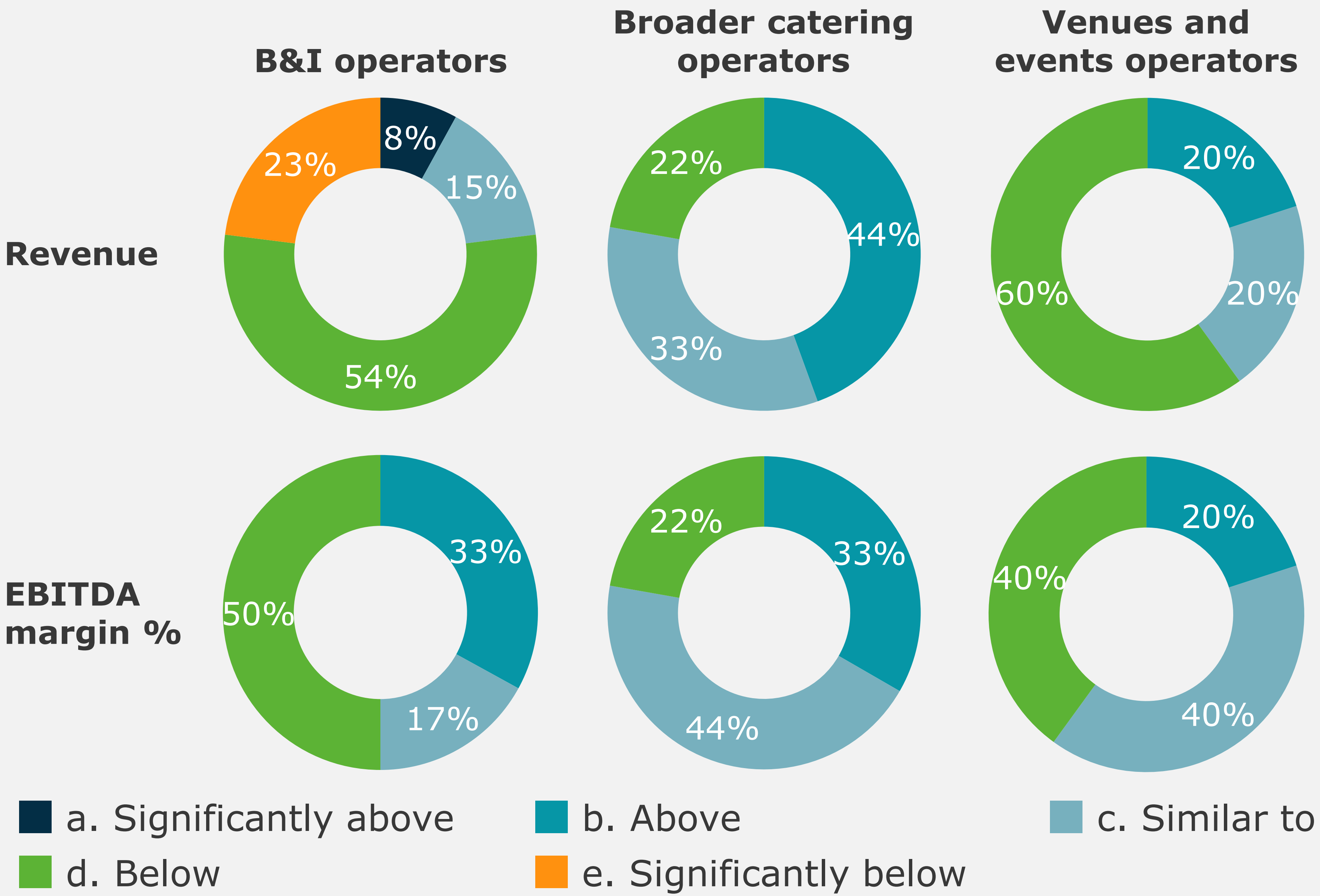
In comparison to 2019, what are the expectations of corporate event expenditure in 2022?

Clients and advisors are most pessimistic about the level of corporate event expenditure in 2022



In comparison to 2019, are you expecting revenue and EBITDA margin percentage for your company for 2022 to be…..?

As expected B&I and events remain most impacted on revenue but margin % is more resilient



Closing remarks

- The industry is set to continue its recovery from the pandemic through 2022
- Opportunity for caterers to partner with their clients to help them achieve their goals around return to the workplace and ESG – become a value centre not a cost centre
- Whilst 2022 revenues are, in many cases, expected to be below 2019 levels, margins have improved so profit could recover sooner
- Focus is now on growth and we expect M&A to return as part of this strategy

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WHEN IT REALLY MATTERS.