29 July 2021

Q3 Trading Update

This statement updates investors on the Group’s performance since 31 March 2021.

A further quarter of margin improvement, and first-time outsourcing momentum continues

<table>
<thead>
<tr>
<th>By region</th>
<th>Organic revenue</th>
<th>Operating margin</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1 2021</td>
<td>Q2 2021</td>
</tr>
<tr>
<td>North America</td>
<td>(36.7)%</td>
<td>(28.5)%</td>
</tr>
<tr>
<td>Europe</td>
<td>(34.6)%</td>
<td>(30.8)%</td>
</tr>
<tr>
<td>Rest of World</td>
<td>(12.3)%</td>
<td>(6.3)%</td>
</tr>
<tr>
<td>Group</td>
<td>(33.7)%</td>
<td>(26.8)%</td>
</tr>
</tbody>
</table>

% of 2019 revenues

<table>
<thead>
<tr>
<th>% of 2019 revenues</th>
<th>Q1 2021</th>
<th>Q2 2021</th>
<th>Q3 2021</th>
<th>Q3 YTD 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business &amp; Industry</td>
<td>61.5%</td>
<td>57.8%</td>
<td>60.8%</td>
<td>60.0%</td>
</tr>
<tr>
<td>Education</td>
<td>66.9%</td>
<td>72.0%</td>
<td>77.7%</td>
<td>71.9%</td>
</tr>
<tr>
<td>Healthcare &amp; Seniors</td>
<td>105.2%</td>
<td>105.2%</td>
<td>107.2%</td>
<td>105.8%</td>
</tr>
<tr>
<td>Sports &amp; Leisure</td>
<td>24.7%</td>
<td>28.3%</td>
<td>48.7%</td>
<td>34.6%</td>
</tr>
<tr>
<td>DOR</td>
<td>107.1%</td>
<td>108.6%</td>
<td>110.7%</td>
<td>108.8%</td>
</tr>
<tr>
<td>Group</td>
<td>71.1%</td>
<td>71.7%</td>
<td>76.2%</td>
<td>73.0%</td>
</tr>
</tbody>
</table>

The Group’s third quarter organic revenue grew by 36.4%, lapping the first full quarter of COVID-impacted revenues. As anticipated, revenues in B&I and Education improved gradually whilst the more defensive sectors of Healthcare & Seniors and Defence, Offshore & Remote continued to grow. Our Sports & Leisure business benefitted significantly from higher attendance levels following an easing of restrictions in North America.

The “flight to trust” continued, leading to strong new business wins across all regions, with around 50% of new wins coming from first time outsourcing. Year to date, the retention rate remained strong at 95.4%.

Notes:
These results are unaudited.
1 Year on year change.
2 Underlying operating margin pre resizing costs. Resizing costs of £21m in Q3, predominantly in Europe.
The Group’s operating margin increased by 80bps from 4.2% in Q2 to 5.0% in Q3 as we continued to manage our costs, resize our business, and adapt our operations.

Currency

Trading results from our overseas operations are translated at the average exchange rates for the period. If current spot rates were to continue for the remainder of the year, foreign exchange translation would negatively impact 2020 revenue by £968 million and operating profit by £39 million.

Summary and outlook

We continue to benefit from the acceleration in first-time outsourcing and market share gains. In Q4, with the ongoing reopening and mobilisation of sites in some of our biggest markets, we expect to be trading at 80-85% of pre-COVID levels and our operating margin is expected to increase by a further 50-100 bps to 5.5%-6.0%.

We are confident in our ability to return to a Group underlying margin above 7% before we return to pre-COVID volumes. In the longer term, we remain excited about the significant structural market opportunities globally, the potential for further revenue and profit growth, and shareholder returns over time.

We will provide a further update on trading performance on 21 September 2021 with a Q4 pre-close statement ahead of the FY 2021 results on 23 November 2021.

Conference call:

Compass will hold a conference call with investors and analysts today at 9:00 a.m. (UK time).

Participant dial in numbers:

UK Toll-Free Number: 0800 279 7209
UK Toll Number: +44 (0) 330 336 9434
US Toll-Free Number: 1 800 458 4148
US Toll Number: 1 929 477 0324
Confirmation Code: 7509722

Enquiries

Investors: Agatha Donnelly & Helen Javanshiri +44 (0) 1932 573 000
Press: Tim Danaher, Brunswick +44 (0) 207 404 5959
Website: www.compass-group.com
Note to Editors

a) Compass Group PLC is the world’s leading food service company, which generated annual revenues of £20.2 billion in the year to 30 September 2020. It operates in around 45 countries, employs and engages around 550,000 people and serves over 5.5 billion meals a year. The Company specialises in providing food and a range of support services across the core sectors of Business & Industry, Healthcare & Seniors, Education, Sports & Leisure and Defence, Offshore & Remote, with an established brand portfolio.

b) Organic revenue, a term used throughout the announcement, is calculated by adjusting for acquisitions (excluding current period acquisitions and including a full period in respect of prior period acquisitions), sale and closure of businesses (excluded from both periods) and exchange rate movements (translating the prior period at current period exchange rates).

c) Forward looking statements

Certain information included in this announcement is forward-looking and involves risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed or implied by forward-looking statements. Forward-looking statements cover all matters which are not historical facts and include, without limitation, projections relating to results of operations and financial conditions and the Company’s plans and objectives for future operations, including, without limitation, discussions of expected future revenues, financing plans, expected expenditures and divestments, risks associated with changes in economic conditions, the strength of the foodservice and support services markets in the jurisdictions in which the Group operates, fluctuations in food and other product costs and prices and changes in exchange and interest rates. Forward-looking statements can be identified by the use of forward-looking terminology, including terms such as "believes", "estimates", "anticipates", "expects", "forecasts", "intends", "plans", "projects", "goal", "target", "aim", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology. Forward-looking statements are not guarantees of future performance. All forward-looking statements in this announcement are based upon information known to the Company on the date of this announcement. Accordingly, no assurance can be given that any particular expectation will be met and readers are cautioned not to place undue reliance on forward-looking statements, which speak only at their respective dates. Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Other than in accordance with its legal or regulatory obligations (including under the UK Listing Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority), the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Nothing in this announcement shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.

d) A copy of this release, together with all other recent announcements and presentations can be found on Compass Group’s website at www.compass-group.com.

e) For definitions please refer to the glossary of terms in the 2020 Annual Report and Accounts.