

3 November 2023

Wickes Group plc – Trading Update for the 13 weeks to 30 September 2023

Balanced business model continues to deliver; on track to meet full year expectations

Wickes Group plc ("Wickes") announces third quarter Group LFL sales broadly in line with the prior year and reiterates guidance for full year adjusted PBT.

LFL sales	Total	Core	DIFM
Quarter 1 (13 weeks to 1 April)	(1.8)%	(4.4)%	6.2%
Quarter 2 (13 weeks to 1 July)	3.0%	2.3%	5.3%
Quarter 3 (13 weeks to 30 Sept)	(0.2)%	1.1%	(4.4)%
Year to date (39 weeks to 30 Sept)	0.4%	(0.2)%	2.5%

Note: DIFM represents delivered sales

Core LFL sales growth for the third quarter was 1.1%, with growth in volume for the first time since the second quarter of 2021. TradePro sales continue to show double digit growth, with the customer base continuing to grow strongly. DIY sales remain moderately down on the prior year. Core market share¹ improved in Q3, with particularly strong performances in decorative, tiling and insulation. Selling price inflation in the period was broadly flat, a position which we expect to continue for the remainder of the year and into 2024. Our relative price position remains strong.

DIFM LFL delivered sales in Q3 were -4.4%, partially driven by a more normalised order book compared with the first half. We have also experienced some delays to delivered sales as a result of the transition to a new software solution fulfilling customer orders. Actions are being taken to enable this to be resolved, although there will be some impact on Q4 delivered sales which will now fall into FY2024. DIFM orders were down modestly in the third quarter, with some pressure on conversion rates, particularly in September, as customers are taking longer to commit to big ticket purchases.

Investment in growth levers continues across the business. During the third quarter we completed one refit and opened a new store in Chelmsford. For the fourth quarter two new stores have already opened (Widnes in mid-October and Torquay today), and there will be four further refits. We remain confident regarding the pipeline for new stores in 2024.

Based on trading to the end of October, we remain comfortable with current market consensus for FY2023 adjusted PBT of £45.3-49.0m on a post-IAS38 basis.

¹ Source: GfK GB Point of Sales: DIY Total Store (Leader Panel) Reporting, July-September

David Wood, Chief Executive of Wickes, commented:

“Once again thanks to our amazing colleagues we have delivered a solid performance in a challenging market as we continue to deliver against our strategic growth drivers. In our Core business we have gained further market share and achieved a return to volume growth. We have fulfilled strong demand from our Trade customers and been encouraged by greater stability in DIY.

“As we continue to rollout our programme of store openings and refits, I am confident that we have the right product offer and the most attractive locations – enabling us to deliver value for customers and shareholders.”

Wickes

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About Wickes

Wickes is a digitally-led, service-enabled home improvement retailer, delivering choice, convenience, value and best-in-class service to customers across the United Kingdom making it well placed to outperform its growing markets. In response to gradual structural shifts in its markets over recent years, Wickes has a balanced business focusing on three key customer journeys - Local Trade, DIY (together "Core") and Do-it-for-me ("DIFM").

Wickes operates from its network of around 230 right-sized stores, which support nationwide fulfilment from convenient locations throughout the United Kingdom, and through its digital channels including its website, TradePro mobile app for trade members, and Wickes DIY app. These digital channels allow customers to research and order an extended range of Wickes products and services, arrange virtual and in-person design consultations, and organise convenient home delivery or click-and-collect.