

3 December 2021

Wickes Group plc - Trading Update

Resilient trading and strong margin performance, FY2021 profit guidance raised

Wickes Group plc, the home improvement retailer, today provides a trading update and raises FY2021 adjusted PBT* guidance to no less than £83m.

Wickes has continued to perform well in the fourth quarter to date, benefitting from our balanced business model, with sales in line with expectations. Delivered sales in Do It For Me (DIFM) are strengthening as we work through an elevated order pipeline. Additionally, we continue to expect a higher carry over order book in DIFM, supported by continued strong sales which will benefit the first half of FY2022. As expected, Core sales are lower year-on-year against tough comparatives, remaining materially ahead on a two-year basis driven by a further strong performance from local trade underpinned by our digital TradePro loyalty scheme.

Our agile business model and strong supplier relationships have resulted in a better than expected margin performance. We have been able to mitigate the pressures resulting from rising inflation and freight costs, while continuing to deliver excellent value for customers.

As a result our revised FY2021 underlying PBT guidance is now no less than £83m, ahead of prior guidance and consensus expectations**.

Whilst the recent changes to UK Government Covid-related guidance are unlikely to have a material impact on performance over the balance of the year, the trading environment continues to remain uncertain and we will monitor the situation closely.

David Wood, CEO of Wickes commented: "This has been a period of further progress for Wickes, where our focus on value, stock availability and exceptional service have underpinned our customer offer. Our forward planning and early strategic decisions have resulted in an improved profit performance, and we continue to navigate inflationary pressures and raw material constraints well. Clearly, this remains a time of uncertainty, however our differentiated business model leaves us well-placed to continue to outperform within a large and growing home improvement market."

Wickes

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**Adjusted PBT represents profit before tax on an IFRS basis and excludes adjusting items which will comprise demerger costs and IT separation costs for 2021*

***Prior guidance from the interim results, and repeated at the Q3 stage, was "underlying PBT towards the upper end of a £67-75m range". Current analyst consensus is £74-75m*

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 232 right-sized stores, which support nationwide fulfilment from convenient locations throughout the United Kingdom, and through its digital channels including its website and TradePro mobile app for trade members. These digital channels allow customers to research and order an extended range of Wickes products and services, arrange virtual and in-person.