

The Wickes logo is a blue shield-shaped emblem with the word "Wickes" written in white, bold, sans-serif capital letters.

# Wickes

The background is a collage of three images related to home improvement. On the left, a man with dreadlocks and safety glasses is using a hand saw to cut a piece of wood. In the center, a woman with long blonde hair is smiling and gesturing in a modern kitchen with dark blue cabinets and a white countertop. On the right, a woman in a blue and white striped shirt is painting a wall with a roller, with a cardboard box labeled "LOUNGE" in the foreground.

## 2025 Half Year Results

10 September 2025



# Introduction

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David Wood

# Agenda

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David Wood

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David Wood & Mark George

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# Profits increased 17% in H1, driven by both Retail and D&I volume growth

- **Both Retail and D&I performing well**
  - Continued Retail volume growth; record market share
  - D&I self-help actions driving strong project volume growth, ahead of market
- **Sales growth and productivity drive operating leverage**
  - Group revenue +5.6%
  - Productivity savings helping to mitigate inflation
  - Adj. PBT of £27.3m +17%
- **Targeted investment in current and future growth**
  - 1 new store and 4 refits<sup>1</sup> support further sales growth
  - Tech investments underpin growth & productivity
  - Investment in new D&I ranges
- **Delivering attractive returns to shareholders**
  - Interim dividend maintained at 3.6p
  - 2025 share buyback of £20m ongoing
- **Comfortable with market expectations<sup>2</sup> for 2025 adj.PBT**



1) Includes lighter touch store refreshes; 2) Consensus adjusted PBT for FY25 is £48.2m as at 1 September 2025, with a range of £46.8m to 51.5m



# Financial Review

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Mark George

# Strong sales performance delivering increased profits and good shareholder returns

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Revenue **£848m**

Growth **+5.6%**

Adj.gross margin

**+79 basis points**

Strong balance sheet

**£158m** cash

Retail<sup>1</sup> revenue **+6.8%**

Design & Installation<sup>2</sup>  
revenue **+2.1%**

Adjusted PBT

**£27.3m**

**+16.7%**

Interim dividend **3.6p**

**£20m** share buyback  
ongoing<sup>3</sup>

All figures are on an adjusted basis; 1) Retail revenue refers to all products and related delivery income sold to customers (both DIY and local trade), in stores or online, excluding those reported as Design & Installation Ranges; 2) Design & Installation revenue includes all product categories which could be sold as part of a design and/or installation and where the majority of sales of those products are designed and/or installed. This relates principally to projects such as kitchens, bathrooms and solar, sold by our Design Consultants. Revenue is recognised when delivery and installation (where applicable) is complete. Design & Installation includes Solar Fast from 21 May 2024 onwards; 3) £8.1m was transacted in H1 2025

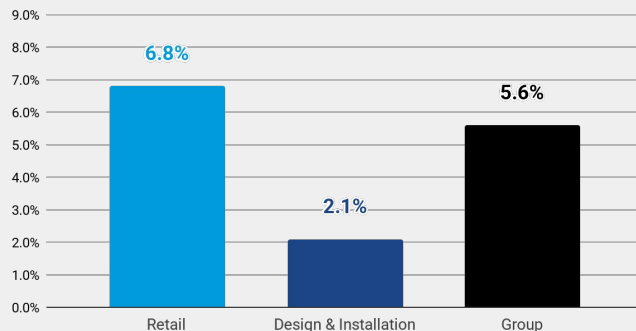
# Sales growth and productivity programme deliver operating leverage

£m <sup>1</sup>	HY 2024	HY 2025	Change %
Revenue	803.2	847.9	5.6%
LFL %	(3.9)%	4.5%	N/A
Gross profit	289.2	312.0	7.9%
Gross profit margin	36.0%	36.8%	+0.8ppts
Operating costs	(254.1)	(271.9)	7.0%
% of sales	(31.6)%	(32.1)%	-0.4ppts
Operating profit	35.1	40.1	14.2%
Operating profit margin	4.4%	4.7%	+0.4ppts
Interest	(11.7)	(12.8)	9.4%
Adjusted PBT	23.4	27.3	16.7%

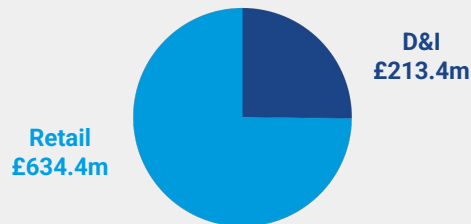
- **Sales** growth in both Retail and Design & Installation
- **Gross margin +79bps** as a result of volume growth, category mix and lower consumer credit costs
- Operating costs impacted by **significant cost inflation** including increases in NLW and NICs
- **Productivity** plan and tight control helping **to mitigate cost** inflation

# Volume driving revenue growth in both Retail and Design & Installation

H1'25 revenue growth



H1'25 revenue split



## Retail (Trade & DIY)

- Record Retail market share
- LFL driven by volume growth, with broadly stable pricing; additional sales from new store rollout
- TradePro sales +10% with active TradePro members increasing to 615k
- DIY sales in mid-single digit growth

Retail	Q1	Q2	HY
Volume/mix <sup>1</sup>	4.7%	7.1%	5.9%
Inflation <sup>2</sup>	(0.3)%	0.8%	0.5%
<b>LFL sales</b>	<b>4.4%</b>	<b>7.9%</b>	<b>6.4%</b>

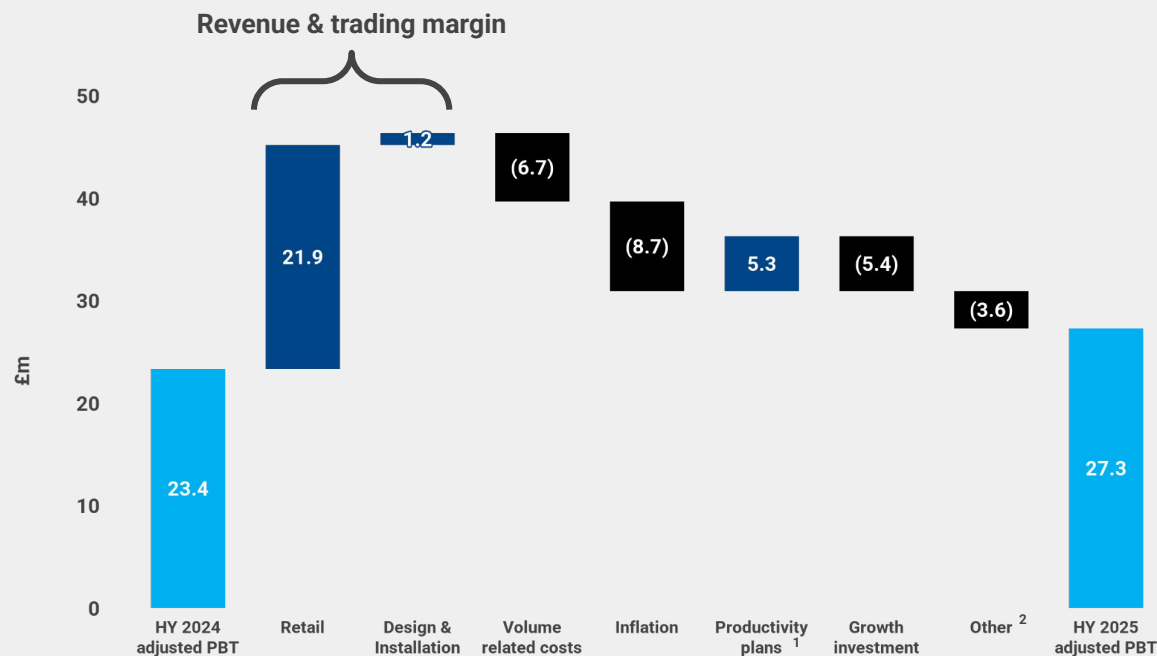
## Design & Installation

- Actions to improve customer offer in H2'24 driving positive momentum
- Q2 saw third consecutive quarter of ordered sales growth and first quarter of LFL delivered sales growth since Q2'23

D&I	Q1	Q2	HY
LFL sales	(5.6)%	3.5%	(1.0)%



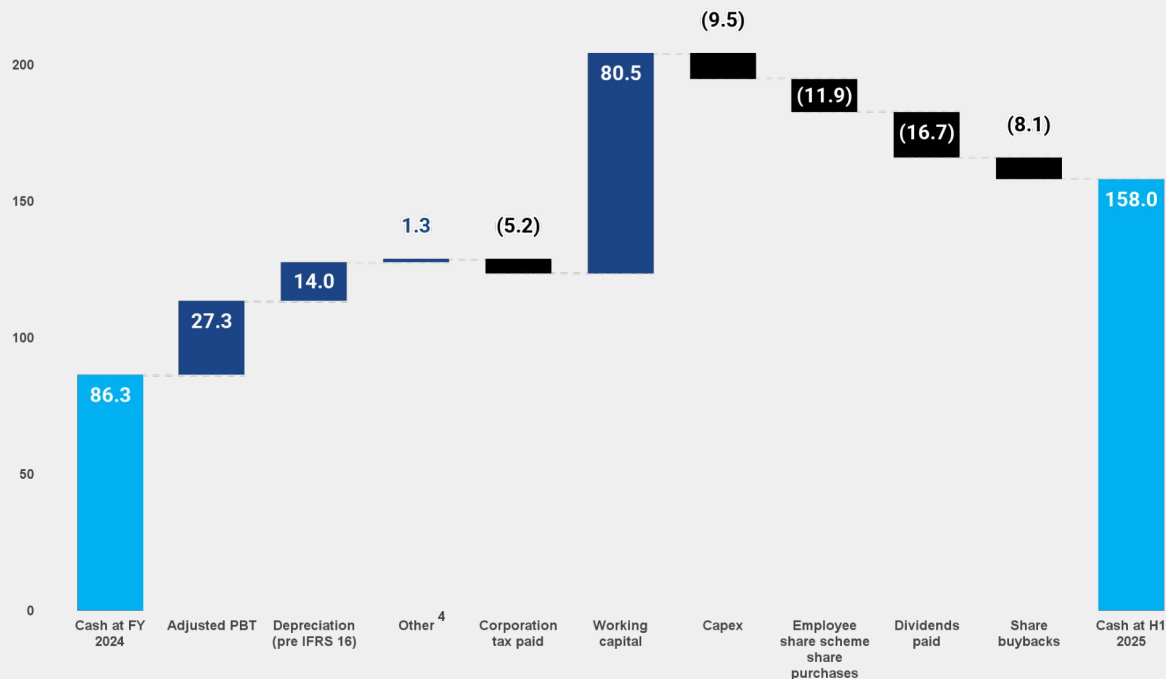
# Strong sales momentum delivering growth in PBT



- Increase in retail margin from **growth in sales and margin rate**
- **Positive momentum in D&I** helping to deliver margin growth
- Increase in volume-related costs across distribution, stores and marketing
- Inflationary pressures in wages, NI and other costs
- Planned **productivity** initiatives enabled savings across distribution, stores, IT and customer services
- Investment in **digital**, distribution initiatives and property
  - Tech investment to step up in H2

1) The impact of YoY savings in distribution costs is displayed in productivity plans, whereas in the statutory income statement this is included in gross margin; 2) 'Other' comprises phasing of colleague leave, employee share scheme and bonus, amongst other factors.

# Cash generation supports significant investment programme & shareholder returns



- £80m seasonal working capital benefit, higher than in prior years, reflecting strong H1 trading
- **Capex to be H2 weighted**
  - 2025 guidance c.£30-35m<sup>1</sup>
- £11.9m purchases for employee share schemes<sup>2</sup>
- **£25m shareholder returns**
  - £16.7m paid in dividends (FY24 final dividend)
  - £8.1m share buybacks<sup>3</sup> from £20m announced programme

# Outlook and guidance for 2025

## Outlook

- Trading in Q3 so far has been in line with expectations
- Phasing of increased costs from NLW, NICs and new stores to impact fully in H2
- Tech investment in SaaS projects to increase P&L costs by c£10m on a full year basis
- Notwithstanding increased costs, comfortable with consensus expectations for 2025 adj.PBT<sup>1</sup>

## Technical guidance for 2025 - unchanged

- Net interest costs c£25m
- Capex £30-35m<sup>2</sup>
- £20m share buyback programme ongoing
- Based on current expectations FY dividend expected to be maintained at 10.9p



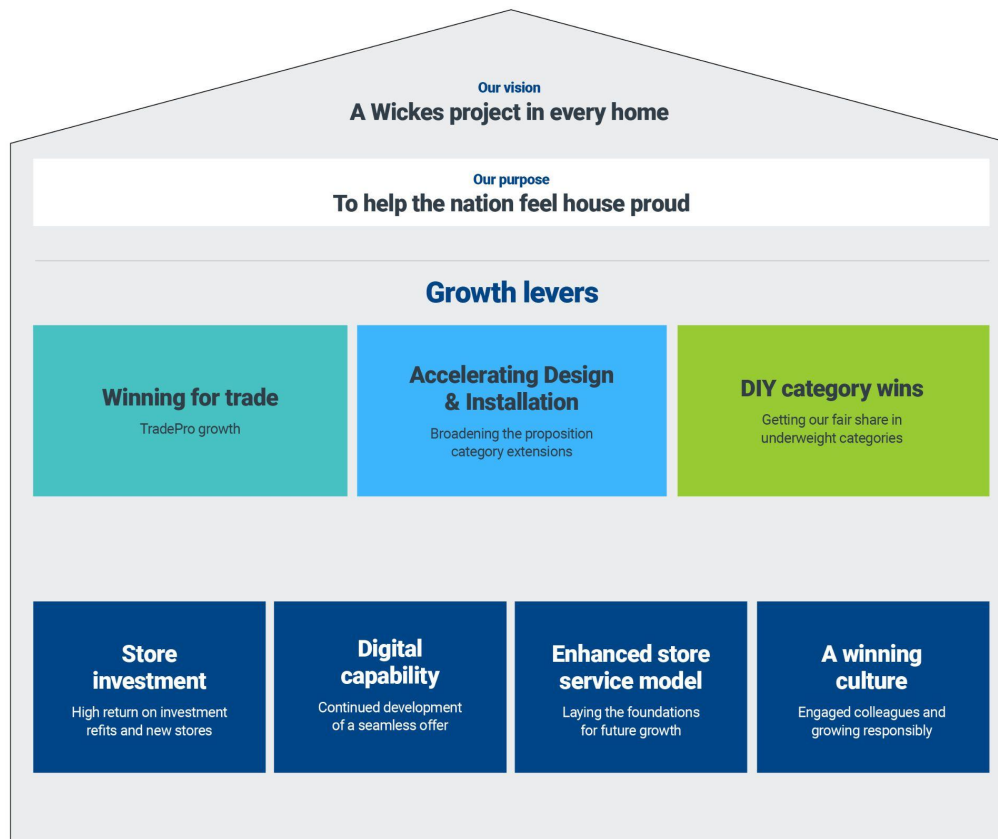


# Business Update

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David Wood

# Winning strategy based on balanced business model and proven growth levers



# Current market trends

## Local Trade



Trade pipelines remain healthy: 1 in 4 tradespeople have work for >12 months<sup>1</sup>

## Design & Installation



Planned spend remains below historical norms, but stable over recent months<sup>1</sup>

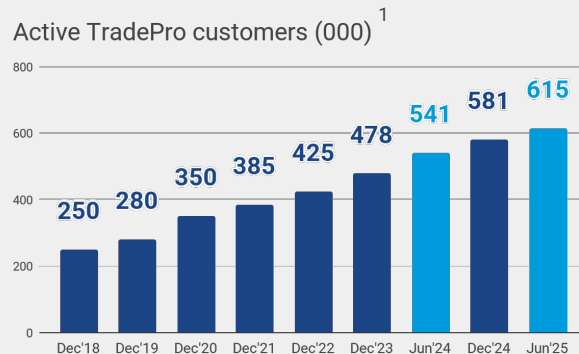
## DIY



DIY projects still a priority  
c60% expect faster deliveries and will pay more for same-day service<sup>2</sup>

# Customer growth driving volume growth in Retail


- TradePro **sales +10%**
  - Growth in active members to 615,000<sup>1</sup>
- **Broadening DIY appeal** through category innovation and new marketing
- **Very strong Customer Satisfaction metrics<sup>2</sup>**
  - Click & Collect CSAT 85% 'excellent' or 'good'
  - Home Delivery CSAT 85% 'excellent' or 'good'
- Importance of **convenience, choice & speed**
  - 15 minute Click & Collect
  - Wickes Extra - 'more to explore than we've got in store'
  - Wickes Rapid - 800kg local delivery in 3 hours



## Wickes Rapid - new rapid delivery service, to home or site

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- Highly differentiated service, with a specialist partner
- **Delivery to your door or site within 3 hours**
  - 7 days per week
  - Over 10,000 SKUs available
  - Up to a total 800kg per delivery
  - From £9
- **Nationwide rollout in August<sup>1</sup>**
  - Follows successful trial in selected stores
  - Great customer feedback

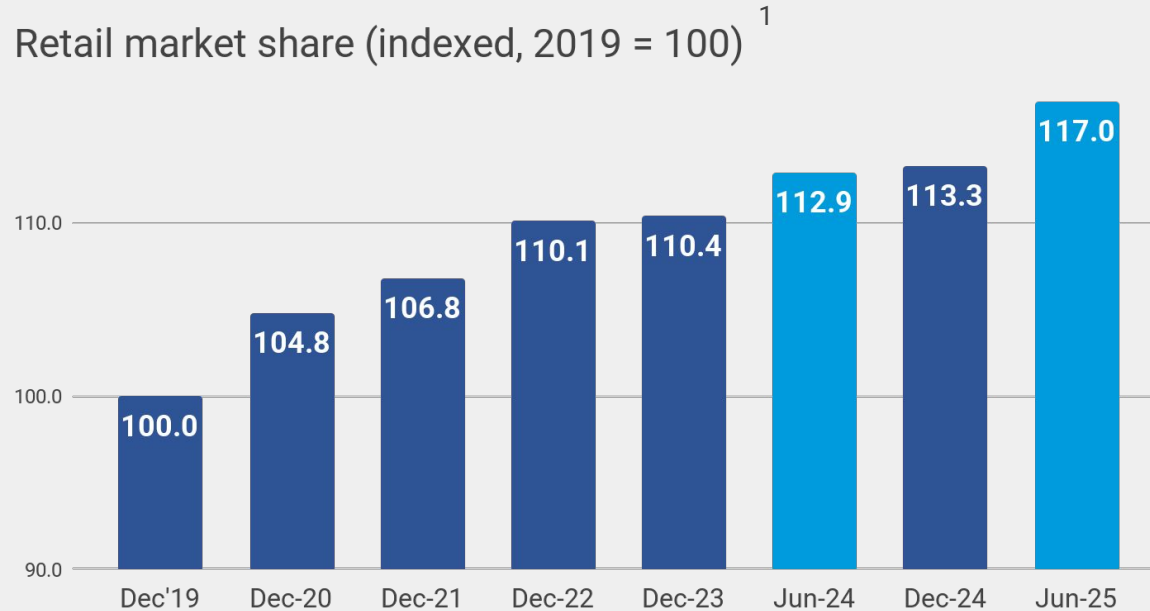
A blue rectangular graphic with a white truck icon carrying a clock, with motion lines behind it. Below the icon is the text 'Rapid Delivery'. Further down, the text 'Order online or in store today for delivery within 3 hours\*' is displayed. At the bottom, there is a link 'Find out more' and a small disclaimer '\*Charges and exclusions apply'.

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1) Currently available from 159 stores, covering over 50% of UK households.



# Clear strategy and outstanding execution delivering record market share



# Improved customer offer in D&I driving sales momentum

- **Transformational actions taken in H2'24**
  - Bespoke and Lifestyle ranges combined into Wickes Kitchens and Wickes Bathrooms with unified brochures, advertising, promotions
  - Online booking for design appointments
  - Increased availability of Design Consultants
  - Improved installation scheduling through FSM<sup>1</sup> tool
- **Strategic initiatives for 2025 and beyond**
  - Successful range enhancements eg.SMEG appliances
  - Paint to Order launching in October
  - 8 new colour choices in Lifestyle kitchens
  - New design software rollout from H2'25
- **Wickes-generated leads now represent >80% of total Wickes Solar installations**



## Range development in bathrooms

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## Range development in kitchens

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# Digital investments underpinning improved customer experience and productivity

## Ongoing drivers of growth

Direct-to-diary bookings for D&I

Greater proportion of leads continuing through sales funnel

Machine learning tool (MME)

Driving incremental revenue in Retail

Improved functionality in colleagues' handheld devices

Click & Collect from 30 mins to 15 mins; Launch of Wickes Rapid

Stock forecasting platform

70% reduction in 3rd party storage use, store availability +150 bps

Installation scheduling

Enhanced customer experience and reduced costs

## Current projects for future growth

Design software (for Winter Sale 25/26)

Transform customer experience: faster, inspirational visualisations

New till systems (H2 2026)

Seamless online/in-store shopping

Order management system (H1 2026 & H2 2027)

Improve customer order accuracy



# Investment in new stores and refits continues to drive growth

- **Refitted/refreshed 4 stores**
  - 82% of estate now in new format
  - Lighter touch 'refresh' programme underway
- **One new store**
  - Leeds Moor Allerton
  - Former Homebase store
- **Growth pipeline for 2025**
  - 10 - 15 refits / refreshes
  - 5 - 7 new stores
  - Four former Homebase stores in our 2025 opening programme



## 'Built to Last' Responsible Business strategy

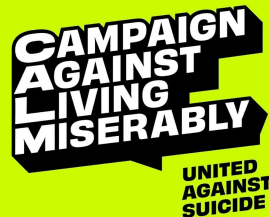
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The logo for Financial Times (FT) in a large, black, serif font on an orange background.

UK's #1 retailer  
Europe's Best  
Employers 2025



Supported 1,200  
community  
projects

The logo for the Campaign Against Living Miserably (CALM). It features the text "CAMPAIGN AGAINST LIVING MISERABLY" in a bold, black, sans-serif font, with "UNITED AGAINST SUICIDE" in a smaller font below it. The background is bright yellow.

New charity partner  
£2m target  
over 2 years



Wickes Solar rollout  
100 Design Consultants  
now offer Wickes Solar  
in store and in the home

# Distinctive business model underpins long term growth and cash generation

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- **Highly differentiated business model**
  - Continuing to win market share
- **Headroom to increase market share**
  - c6% share of c£27bn UK home improvement
  - Nascent share of home energy solutions
- **Strong cashflow generation**
  - Enabling investment in proven growth levers
  - Delivering attractive returns to shareholders with strong dividend and £20m share buyback ongoing







**Q&A**

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# Appendix

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# A balanced business supporting three customer propositions

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## Winning for trade

Our TradePro membership scheme offers a simple digital loyalty scheme for tradespeople, designed to save them time and money



## Accelerating Design & Installation

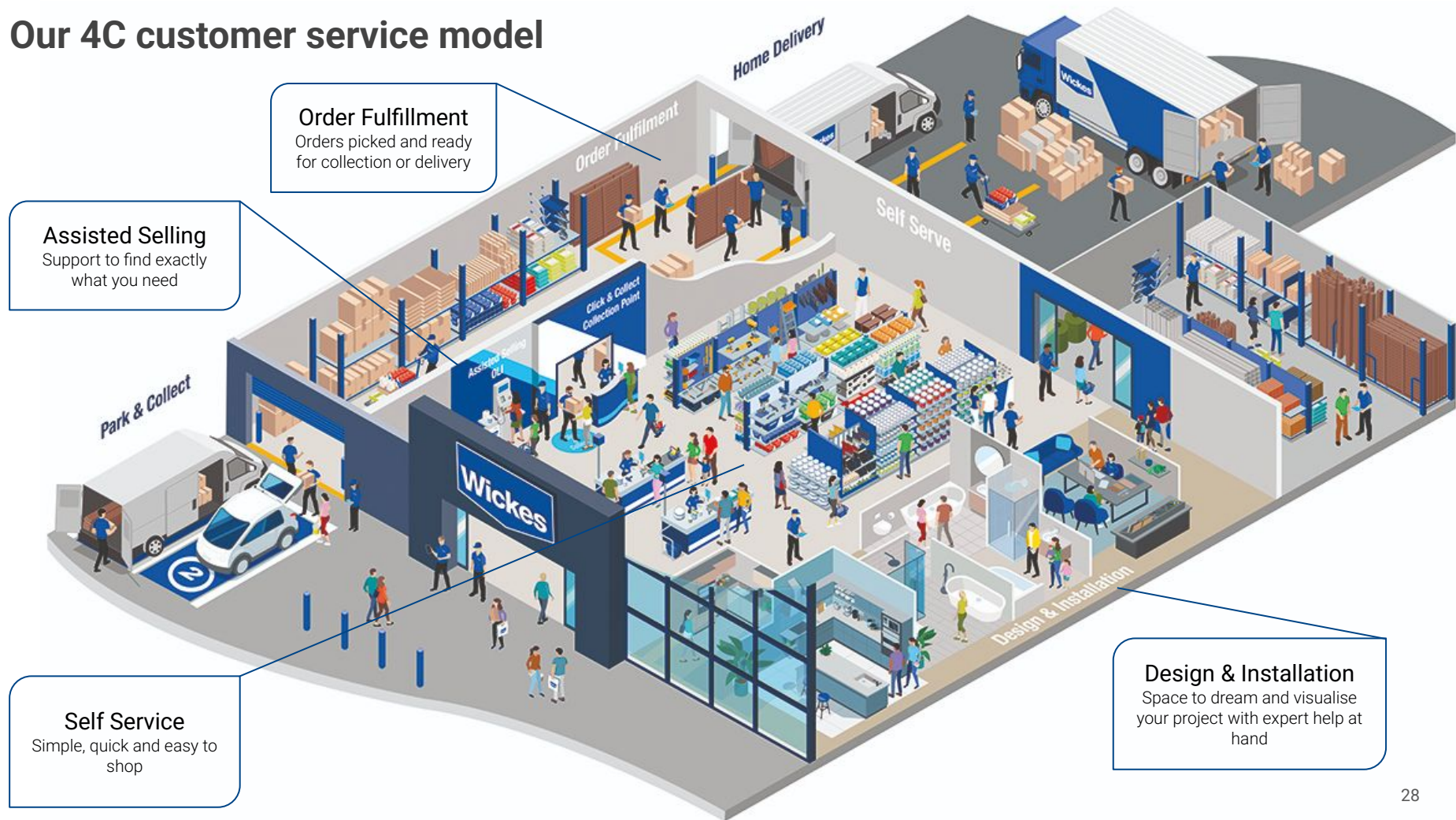
Accelerate growth in Design & Installation through digital development and product innovation



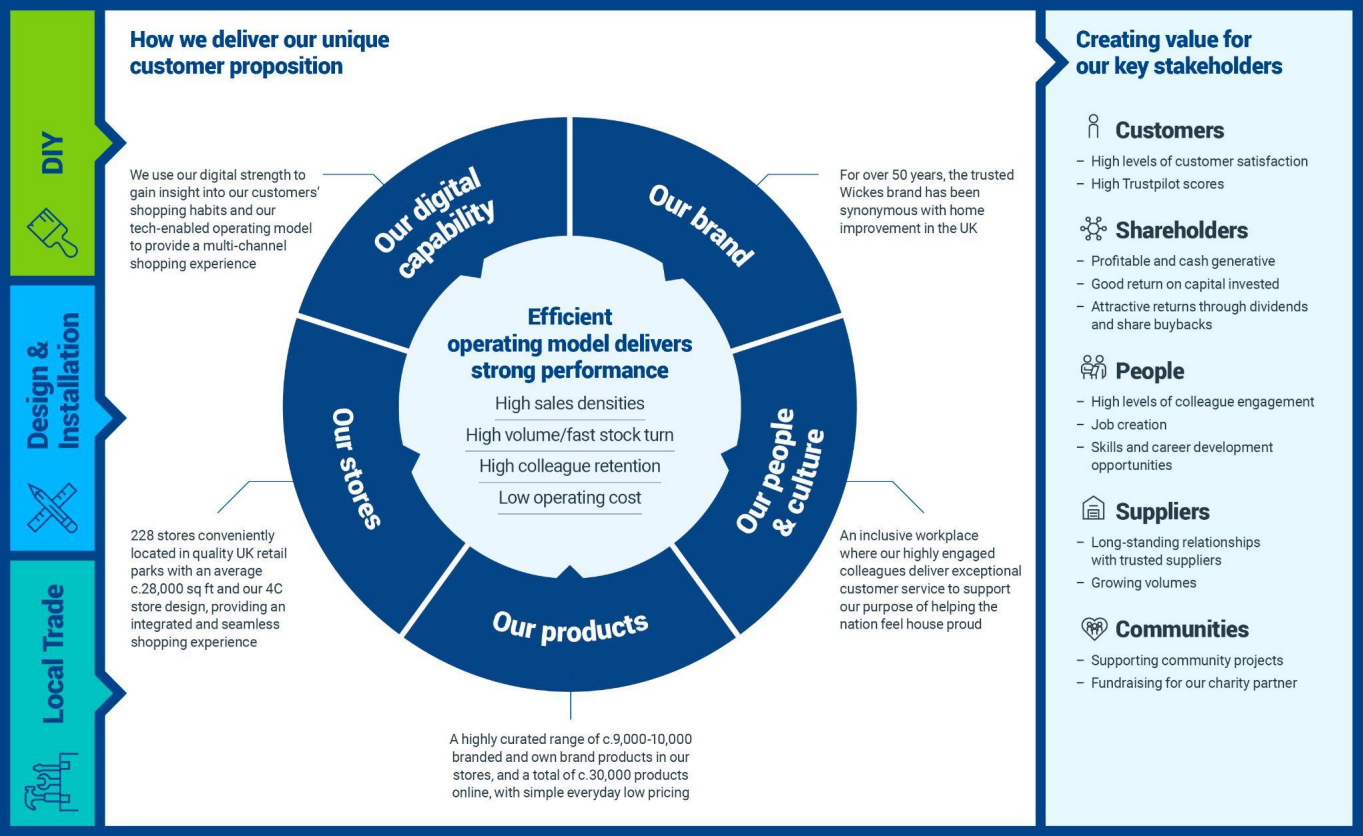
## DIY category wins

Provide a curated range in store with an extended range online to offer the best range, price, availability and convenience

# Our 4C customer service model



# How we deliver our unique customer proposition





# Sustainable competitive advantage driving investment returns

## Large and growing market

UK home improvement worth £27 billion per year.

## Distinctive business model

Digitally-led, service-enabled, with a highly efficient operating model.

## Sales growth: mid-single digit

Our balanced business model enables us to access three customer propositions of Local Trade, Design & Installation and DIY, offering greater resilience through the economic cycle.

Wickes has just c6% share of the home improvement market, offering significant opportunity for future growth. Through consistent market share gains and underlying market growth we aim to generate mid-single digit revenue growth over the cycle.

7

Growth levers

## Profit growth > revenue growth

Our proven growth levers are successfully driving sales densities, profit contribution and returns from stores. Our efficient model keeps operating costs low, generating operating leverage so that over the economic cycle we would expect to grow profit faster than revenue.

c.20

new stores over four to five years

## Strong cash flow

Our profitable business model generates strong operational cash flow. This cash flow supports future investment into proven growth levers such as store refits and digital, as well as enhancing shareholder returns through dividends and share buybacks. In 2023 we unveiled a revised Capital Allocation Policy and announced our first share buyback.

£41m

returned to Shareholders in 2024

# Disclaimer

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