

4 April 2023

Likewise Group plc

("Likewise", the "Company" or the "Group")

Q1 2023 Trading Update & Notice of Results

Likewise Group plc (AIM:LIKE), the fast growing UK floor coverings distributor, is pleased to announce that Group Revenue in Q1 2023 increased by 19.7% against the corresponding period last year. Revenue in the Likewise Branded businesses has grown by 25.7%, reflecting a continually improving return on the investment in the sales infrastructure.

Following research by Business Insider Magazine, Likewise was announced as the fastest growing business based in the Midlands over the last three years culminating in 2021. In 2022 the Group grew by a further 104%.

Over the last two years the Group has made significant progress in developing a comprehensive Logistics Infrastructure. In January 2021 the 80,000 square feet Distribution Hub was opened in Leeds, followed in H2 2021 with establishing the 57,000 square feet high bay Birmingham Distribution Hub, which became operational in 2022.

In January 2022 the Newcastle business moved into a much improved Logistics Centre. The Newbury Logistics Centre opened in July 2022 enabling the Group to develop business with customers in the South of England.

The Logistics Infrastructure continues to develop with the Likewise London business and Floors by Lewis Abbott completing their move to Sidcup in January 2023, providing much improved service to customers in the South East of England.

The Group now has possession of the 47,000 square feet high bay Distribution Centre in Glasgow. Racking systems and a Cutting Table are currently being installed and this facility will become operational during Spring 2023 which will allow the business in Scotland to significantly enlarge and also provide additional stocking capacity to support the Likewise Logistics Network in England and Wales.

Focus continues to be on relocating A&A in Manchester. Whilst this has been ongoing for some time we are optimistic of an imminent solution. This is the final piece in this stage of the Group's Logistics development.

Valley Wholesale Carpets Limited ("Valley"), acquired in January 2022, continues to be an important contributor to Group Profitability and Cash Flow reflecting a particularly positive return on the investment. Valley has now started supplying customers in South Wales and will imminently commence trading in the South West of England.

The Group's Distribution Hubs in Glasgow, Leeds, Birmingham and Sudbury, Manchester Distribution Centre, plus Facilities in Newcastle, Newbury and Sidcup in addition to the Valley Network in Erith, Derby and Newport totalling 15 million cubic feet, will allow the Group to meet its medium term objectives.

We stated in January that a key focus for this year was to achieve an improving return on the extensive investment in Sales Representatives and Point of Sale Displays. Whilst we are still early on this journey with many opportunities before us there is no doubt that significant progress has been made with a 25.7% increase in Likewise Branded Revenue.

The Group will continue to take a proactive approach to further Sales and Marketing investment in specific geographical locations. Whilst being very much focused on organic growth, the Group will consider further acquisitions if they provide the appropriate strategic rationale.

In conjunction with all of the above, the Group has created the logistics capability to double its current cutting capacity for Carpet, Residential Vinyl and Artificial Grass. This is consistent with the Group's aspirations to have a business well in excess of £200 million Group Revenue in the medium term.

Likewise has now become a key funding partner of Carpet Recycling UK, reflecting the Group's contribution to the floor covering industry combined with the wider environmental responsibilities. The Group is also investing in initiatives to recycle Cardboard and Polythene in addition to 73% of the Group's fleet of cars being Electric or Hybrid. The Group will continue to examine opportunities to improve its ESG credentials.

The Group has a strong Balance Sheet with Net Assets of c.£40 million including Freehold Property of £21.4 million. The Group is inherently cash generative which will accelerate as the speed of investment reduces from 2024.

Whilst the first three months can only ever provide limited indication of the year as a whole, early trends are positive and the Board remains confident in meeting market expectations for 2023.

Tony Brewer, Chief Executive of Likewise said:

"Q1 has been positive and the Group will continue to take market share in existing geographical regions notwithstanding the huge opportunity as the Group moves into new UK territories.

The Board would again like to thank all 466 staff and management, suppliers, customers and shareholders for their ongoing support and look forward to the future with increasing optimism."

Notice of Results

Likewise will release its Final Results for the year ended 31 December 2022 ("FY22") on 16 May 2023.

As previously announced Group Revenue in FY22 increased by 104% to c.£124.4 million (FY21: £60.5 million) and management expect that FY22 adjusted profit before tax will be in line with market expectations.

Investor Presentation

Tony Brewer will provide a live investor presentation via the Investor Meet Company platform on 5 April 2023 at 10:00am BST.

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