

2 May 2024

**Kitwave Group plc**

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

**Trading Update**

Kitwave Group plc (AIM: KITW), the delivered wholesale business, today announces a pre-close trading update for the six-month period ended 30 April 2024 (the "Period").

The Board is pleased to report that the Group continues to trade in line with current market expectations for the full year ending 31 October 2024. This performance will reflect both continued organic growth and the benefit from acquisitions made over the past 18 months.

Operating profit performance during the Period is expected to be slightly behind the prior year. This reflects lower levels of demand in the hospitality customer base of the higher margin Foodservice division, due to a historically high and sustained period of wet weather over recent months. The Group has also increased investment in its infrastructure ahead of the revenue generating opportunities associated from these investments. Some of the benefits of these investments, in addition to the H2 inclusion of trade from the recent acquisition of Total Foodservice, will further increase this year's weighting of trading toward the second half of the year.

During the Period, the Group completed two acquisitions in its Foodservice division. In November 2023, it acquired Wilds of Oldham, a composite, family-run drinks wholesaler supplying the on-and-off trade based in Oldham, Manchester, and in March 2024, the Group acquired Total Foodservice Solutions, a leading independent food wholesaler in the North of England. The integration of both businesses into the Group is going well.

Overall, the Board remains confident in the outlook of the Company.

**Ben Maxted, Chief Executive Officer of Kitwave, commented:**

"I am pleased to report that the Group has continued to make progress towards its operational and financial targets and that we remain confident of achieving a positive outcome for the full-year results.

"The Group has an excellent platform for growth in the form of organic developments and incorporating the full benefits from its strategic acquisitions. The most recent acquisitions demonstrate that we continue to capitalise on the opportunities available to us in a fragmented delivered wholesale market.

"Kitwave is well positioned to continue delivering value to its customers and shareholders and we look forward to updating the market on further progress in due course."

**- Ends-**

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## **Company Overview**

Founded in 1987, following the acquisition of a single-site confectionery wholesale business based in North Shields, United Kingdom, Kitwave is a delivered wholesale business, specialising in selling and delivering impulse products, frozen, chilled and fresh foods, alcohol, groceries and tobacco to approximately 42,000, mainly independent, customers.

With a network of 32 depots, Kitwave is able to support delivery throughout the UK to a diverse customer base, which includes independent convenience retailers, leisure outlets, vending machine operators, foodservice providers and other wholesalers, as well as leading national retailers.

The Group's growth to date has been achieved both organically and through a strategy of acquiring smaller, predominantly family-owned, complementary businesses in the fragmented UK grocery and foodservice wholesale market.

Kitwave Group plc was admitted to trading on AIM of the London Stock Exchange in May 2021.

For further information, please visit [www.kitwave.co.uk](http://www.kitwave.co.uk).

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