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2 October 2024

Topps Tiles Plc
Q4 Trading Update

Topps Tiles Plc ("Topps Group", or the "Group"), the UK's leading tile specialist, announces a trading update for the 52-week period ended 28 September 2024.

Group sales for the year, excluding revenues from the assets acquired from the administrators of CTD¹, were approximately £248 million, a decline of 5.7% from the Group record high of £263 million reported in the previous year and broadly in line with the year ending September 2022. Group sales in the fourth quarter were 4.4% lower¹, a slight improvement on the trends seen across the rest of the year, largely reflecting the weaker comparatives from the end of FY23.

The trading environment remained very challenging across the whole year with continued weak demand in the domestic Repair, Maintenance and Improvement ("RMI") sector, especially for bigger ticket projects. As previously announced, we believe that the market has declined by 10-15% year-on-year, indicating that the Group has continued to outperform the wider market.

Like-for-like sales² in Topps Tiles were 8.2% lower year-on-year in the fourth quarter with trading levels remaining stable. Like-for-like sales¹ for the year were 9.1% lower year-on-year. Sales to trade customers have continued to be more resilient than sales to homeowners.

The remainder of our Group operations have performed significantly ahead of the market with this progress being driven by our Online Pure Play operations which are continuing to grow robustly.

In August 2024, we announced the acquisition of the CTD Tiles brand, certain assets, direct selling teams and 30 stores for £9 million. Following receipt of an initial information request from the Competition and Markets Authority, the CMA has informed us that it intends to review the acquisition under UK merger control and we are now working with the CMA in connection with this process.

Rob Parker, Topps Group CEO said: "We remain focused on the delivery of our new Mission 365 goal³. In a year that has proved challenging in many ways, I am pleased by how well our teams have responded to the weaker market, demonstrating both our resilience and our ability to continue to outperform. I am also satisfied that despite these challenges we have been able to continue to deliver against our strategy and take opportunities as they have arisen, supported by our strong balance sheet."

"Looking ahead, macro-economic indicators point to a stronger market in 2025. While the timing and trajectory of the recovery remains hard to predict, we are confident that our clearly articulated and proven strategy will enable the further development of the Group in all market conditions."

The Group will report its results for the 52-week period ended 28 September 2024 on 26 November 2024.

Notes:

¹ Group sales for FY24 are stated before year end accounting adjustments including revenue recognition, loyalty scheme accounting and customer returns provisions. Group sales exclude the impact of the CTD business which was acquired on 19 August 2024.

² Topps Tiles like-for-like sales is defined as online sales and sales from Topps Tiles stores that have been trading for more than 52 weeks.

³ Goal to grow Group sales to £365 million per annum in the medium term

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The person responsible for arranging the release of this announcement on behalf of Topps Tiles is Rob Parker, CEO.

Notes to Editors

Topps Tiles Plc is the UK's largest specialist supplier of tiles and associated products, targeting the UK domestic and commercial markets and serving homeowners, trade customers, architects, designers and contractors from 301 nationwide Topps Tiles stores, 30 CTD Tile stores, a range of direct business to business selling teams, and nine customer-facing websites: www.toppstiles.co.uk, www.parkside.co.uk, www.protilertools.co.uk, www.northantstools.co.uk, www.premiumtiletrim.co.uk, www.warmfloorstore.co.uk, www.flooringmaterials.co.uk, www.tilewarehouse.co.uk and www.ctdtiles.co.uk.

Since opening its first store in 1963, Topps has maintained a simple operating philosophy - inspiring customers with unrivalled product choice and providing exceptional levels of customer service. For further information on the Group, please

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