

7 October 2024

Lords Group Trading plc
(‘Lords’, the ‘Company’ or the ‘Group’)

Property Transaction

Lords, a leading distributor of building materials in the UK, announces that it has exchanged and completed binding agreements for the sale and leaseback of the Heathrow branch from which its George Lines Civils & Landscaping Merchants has been operating from for more than 40 years (the “Property”).

The Property, which covers an area of 1.52 acres including 5,570 square feet of covered storage, is being sold to Outback UK Propco 2 A Limited, for a cash consideration of £7.1 million and will be leased back to George Lines on a fifteen-year lease on market terms. Purchased from the vendor of George Lines for £6.3 million, as outlined in the Company’s announcement of 12 January 2023, to ensure Lords retained control of the site, the Group has to date paid £3.2 million in cash with the balance of the remaining consideration payable of £3.1 million to be settled on completion of the sale and leaseback of the Property.

The net proceeds of the sale of £3.9 million will be applied towards reducing Group borrowings, and in doing so providing additional liquidity capable of selectively supporting future organic and acquisitive growth opportunities.

Commenting on the transaction, Shanker Patel, Chief Executive Officer of Lords, said: *"We are pleased to agree this transaction to support future trading from the highly sought-after Heathrow site, that has exceptional logistic and trading benefits for the George Lines merchanting brand and we look forward to continuing to grow organically through new branch openings. The financial benefits of the transaction are also supportive of our strategy to scale the business and, as outlined at the recent interim results, the Group's focus on operational efficiency and working capital management have ensured that we are well positioned for a market recovery."*

- Ends -

FOR FURTHER ENQUIRIES:

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Notes to editors:

Lords is a specialist distributor of building, plumbing, heating and DIY goods. The Group principally sells to local tradesmen, small to medium sized plumbing and heating merchants, construction companies and retails directly to the general public.

The Group operates through the following two divisions:

Merchanting: supplies building materials and DIY goods through its network of merchant businesses and online platform capabilities. It operates both in the ‘light side’ (building materials and timber) and ‘heavy side’ (civils and landscaping), through 31 locations in the UK.

Plumbing and Heating: a specialist distributor in the UK of plumbing and heating products to a UK network of independent merchants, installers and the general public. The division offers its customers an attractive proposition through a multi-channel offering. The division operates over 17 locations enabling nationwide next day delivery service.

Lords was established over 35 years ago as a family business with its first retail unit in Gerrards Cross, Buckinghamshire. Since then, the Group has grown to a business operating from 48 sites.

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