

24 October 2024

LUCECO PLC - Q3 2024 TRADING UPDATE

Encouraging Q3 performance with healthy revenue growth Full year expectations unchanged and cautiously optimistic for 2025

Luceco plc ("Luceco" or "the Group"), the supplier of wiring accessories, EV chargers, LED lighting, and portable power products, is pleased to provide the following update for the three months ended 30 September 2024 ("Q3 2024" or the "third quarter").

Q3 2024 Trading

- The Group achieved 3.0% year-on-year revenue growth in Q3 2024, and year-to-date growth of 6.4%.
- Gross margin has remained in line with expectations for this quarter at just below 40%.
- On a like-for-like basis Q3 2024 revenue was down 3.6%. However, strong fourth quarter order book supports like-for-like revenue growth expectations for the second half.
- Encouraging sales growth in the Group's Residential RMI related divisions (circa two thirds of Group sales). This more than compensates for the reduction in infrastructure revenue (c.15% of Group sales) reflecting its dependence on individual project timings.
- Our Residential EV Charging business is growing strongly (up by 44% in Q3 year-on-year).

M&A activity

- £30m acquisition of CMD announced on 30 September 2024, adding a market-leading designer and manufacturer of wiring accessories for the workplace. Its products include under-floor and under-desk power distribution solutions, on-desk and in-desk sockets, and a range of award-winning ergonomic products.
- The Group is pleased by the good progress towards unlocking the significant sourcing and other operational synergies which are a feature of the two acquisitions made during the year.
- Luceco continues to review a healthy pipeline of M&A opportunities.

Balance Sheet

- Bank Net Debt at the third quarter end of £67.4m, giving a Bank Net Debt : EBITDA leverage ratio of 1.8x, comfortably within our target leverage range of 1-2x. Given the Group's excellent track record of strong cash generation, we expect to be towards the middle of this range by the end of 2025.
- In order to facilitate further investment in growth, the Group has recently exercised its option for its £40m accordion facility to provide a total bank debt facility of £120m.
- Strong balance sheet and cash flow generation provides optionality for further organic and M&A opportunities consistent with the Group's stated capital allocation objective.

Outlook

- The Group's profit expectations remain in line with full year consensus*.
- Healthy order book underpins our expectations for like-for-like revenue growth in the second half, and for full year total revenue growth to exceed 10%.
- Recent growth in UK residential property transactions suggests improving residential RMI sentiment, giving us cause for optimism for 2025 and beyond.
- Container shipping costs have eased considerably during the quarter and are now close to historic norms.
- We are excited by the imminent launch of EV Chargers for Commercial Premises, as well as a Home Energy Management System for integrating Residential Batteries, EV Chargers, PV Solar Systems and Heating Controls.
- We are mindful of macroeconomic uncertainty but remain very confident in the Group's long term prospects.

Commenting on trading, Chief Executive Officer, John Hornby said:

"Luceco continues to deliver growth despite a challenging market backdrop and we are excited by the recent acquisition of CMD, a market-leading manufacturer of wiring accessories for the workplace. Improving market sentiment underpins our belief that 2025 will see a return to more normalised growth in our markets. The Group's diverse portfolio and channels have contributed to the good trading performance in the year to date and our profit expectations for the full year remain unchanged."

**consensus at 23rd October 2024, full year 2024 Adjusted Operating Profit £26.5m (Analyst Range £26.0m - £27.2m)*

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being made on behalf of Luceco plc by Will Hoy, Chief Financial Officer.

Note to Editors

Luceco plc - Bringing Power To Life

Luceco plc (LSE:LUCE) is a supplier of wiring accessories, EV chargers, LED lighting, and portable power products.

For more information, please visit www.lucecoplc.com.

Forward-looking statements

This announcement contains forward looking statements that are subject to risk factors associated with, among other

things, the economic and business circumstances occurring from time to time in the countries, sectors and markets in which the Group operates. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a wide range of variables which could cause actual results to differ materially from those currently anticipated.

No assurances can be given that the forward looking statements in this announcement will be realised.

The forward looking statements reflect the knowledge and information available at the date of preparation of this

announcement and the Company undertakes no obligation to update these forward looking statements. Nothing in this

announcement should be construed as a profit forecast.

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