

22 January 2025

Headlam Group plc
(‘Headlam’ or the ‘Group’)

Pre-Close Trading Update

Headlam (LSE: HEAD), the leading floorcoverings distributor, today provides a pre-close update in respect of the year ended 31 December 2024.

Further to our trading update published on 5th December 2024, the Group's revenue for the full year declined 9.7% to £593 million. Good growth in revenue from the strategic growth areas of Larger Customers and Trade Counters was offset by the impact of the weak market conditions on the Regional Distribution business. Group revenue in H2 2024 declined by 7.4% compared to an 11.8% decline in H1 2024. The Group expects the underlying loss before tax for the year to be circa £34 million, subject to audit.

On 20th December 2024, the Group announced a significant milestone against its transformation plan, disposing of property for cash proceeds of £54m, a 14% premium to its last market valuation. The Group ended the year with net cash¹ of £11 million and a property portfolio valued² at £95 million.

The Group's full year results, as well as an update on the progress made during the year on the transformation plan, will be announced in March 2025.

Footnotes

1. On a pre-IFRS 16 basis, i.e. before capitalised leases
2. As at the market valuation undertaken in January 2023

Enquiries

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Notes to Editors

Operating for over 30 years, Headlam is the UK's leading floorcoverings distributor. The Group works with suppliers across the globe manufacturing the broadest range of products, and gives them a highly effective route to market, selling their products into the large and diverse trade customer base. The Group has an extensive customer base spanning independent and multiple retailers, small and large contractors, and housebuilders. It provides its customers with a market leading service through the largest product range, in-depth knowledge, ecommerce and marketing support, and nationwide next day delivery service. To maximise customer reach and sales opportunity, Headlam operates businesses, trade brands and product brands across the UK and Continental Europe (France and the Netherlands), which are supported by the group's network, central resources and

processes.

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