



28 January 2025

Wickes Group plc - Trading Update for six months ending 28 December 2024

***Continued growth in Retail; Improving performance in Design & Installation
FY24 profit expected to be towards upper end of market forecast range***

In the second half of 2024 Wickes delivered continued sales and volume growth in Retail¹ with revenue up 3.0% year on year. Despite challenging market conditions, our Design & Installation² business continues to improve, with the decline in revenue slowing considerably. Overall Group revenue increased by 1.8% year on year in H2.

		H1 26 weeks to 29 June	H2 26 weeks to 28 Dec	FY 52 weeks to 28 Dec
Retail ¹	Revenue	£633.2m	£579.1m	£1,212.3m
	Revenue growth	1.0%	3.0%	1.9%
	LFL revenue growth	0.6%	2.6%	1.5%
Design & Installation ²	Revenue	£166.7m	£159.7m	£326.5m
	Revenue growth	(17.0%)	(2.5%)	(10.5%)
	LFL revenue growth	(18.3%)	(8.4%)	(13.9%)
Group	Revenue	£799.9m	£738.9m	£1,538.8m
	Revenue growth	(3.4%)	1.8%	(1.0%)
	LFL revenue growth	(3.9%)	0.1%	(2.0%)

Retail sales delivered good growth in H2, demonstrating the continued strength of Wickes' great value and service-led proposition. We increased market share further, with particularly strong performance in interior paint, decorative accessories and garden projects. This sales performance was driven by volume growth, with deflation of around 2% in the second half.

Within Retail, TradePro continues to perform strongly, with sales up 14% year-on-year in the second half, as local trade professionals continue to choose Wickes to save them time and money. Active TradePro members³ have increased by 19% year-on-year to 581,000. DIY sales remain in moderate decline as customers continue to focus on smaller projects.

Design & Installation sales improved across the second half, reflecting a number of actions we have taken to improve our customer offer and experience during 2024. While the market environment for larger ticket purchases remains challenging and the outlook uncertain, the changes we made to the business enabled ordered sales⁴ to move into year-on-year growth in the fourth quarter. Delivered sales⁵ saw a LFL improvement from -13.3% in Q3 to -3.1% in Q4.

Investment in our strategic growth levers continues, with our new store in Leamington Spa having opened in October, our fourth new store for the year. We have refitted two further stores (seven in total for the year) and c.80% of the store estate is now in the new format.

The balance sheet remains strong, with net cash at the year end of £86.3m, after the acquisition of our 51% stake in Solar Fast for £5.1m, the completion of the £25.0m share buyback programme⁶ and the sale and leaseback of our Braintree store, which raised £6.2m. Average cash across the year was £142.6m, reflecting our normal cycle

of working capital.

Adjusted profit before tax for FY24 is expected to be towards the upper end of the £39.7-£44.0m consensus forecast range. Wickes' proven growth strategy and consistent market share gains position us well for faster growth as we continue to invest in our strategic growth levers.

We expect to report full year results for the period ending 28 December 2024 in the second half of March 2025.

David Wood, Chief Executive of Wickes, commented:

"Wickes' differentiated model continues to deliver. We've grown sales and volumes in Retail, and TradePro had yet another period of double-digit sales growth, as local tradespeople continue to choose us to save them time and money.

"Meanwhile, measures we took to improve our offer in Design & Installation have enabled us to return to ordered sales growth.

"We expect to deliver FY24 profit towards the upper end of the forecast range and looking to the year ahead we are well positioned to outperform the market as we continue to invest in our strategic growth levers."

Enquiries

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About Wickes

Wickes is a digitally-led, service-enabled home improvement retailer, delivering choice, convenience, value and best-in-class service to customers across the United Kingdom, making it well placed to outperform its growing markets. In response to gradual structural shifts in its markets over recent years, Wickes has a balanced business focusing on three key customer journeys - TradePro, DIY (together reported as Retail) and our project-based Design & Installation division.

Wickes operates from its network of 228 right-sized stores, which support nationwide fulfilment from convenient locations throughout the United Kingdom, and through its digital channels including its website, TradePro mobile app for trade members, and Wickes DIY app. These digital channels allow customers to research and order an extended range of Wickes products and services, arrange virtual and in-person design consultations, and organise convenient Home Delivery or Click-and-Collect.

Quarterly LFL

		Q1 13 weeks to 30 March	Q2 13 weeks to 29 June	Q3 13 weeks to 28 Sept	Q4 13 weeks to 28 Dec
Retail ¹	Revenue	£282.9m	£350.3m	£312.1m	£267.0m
	Revenue growth	1.9%	0.3%	4.7%	1.0%
	LFL revenue growth	1.7%	(0.2%)	4.2%	0.7%
Design & Installation ²	Revenue	£80.8m	£85.9m	£79.2m	£80.5m
	Revenue growth	(17.3%)	(16.7%)	(7.1%)	2.6%
	LFL revenue growth	(17.6%)	(18.9%)	(13.3%)	(3.1%)
Group	Revenue	£363.7m	£436.2m	£391.3m	£347.5m
	Revenue growth	(3.1%)	(3.6%)	2.1%	1.4%
	LFL revenue growth	(3.3%)	(4.4%)	0.4%	(0.2%)

Footnotes

- 1) Retail refers to the revenue stream formerly described as Core. Retail revenue relates to products sold directly to customers (both DIY and local trade), in stores or online.
- 2) Design & Installation refers to the revenue stream formerly described as DIFM or Do-it-for-me. Design & Installation revenue relates to projects such as kitchens and bathrooms, sold by our showroom Design Consultants. Revenue is recognised when delivery and installation (where applicable) is complete. Design & Installation includes Solar Fast from 21 May 2024 onwards.
- 3) Active members of the TradePro scheme are defined as those who have shopped with us in the last 12 months.
- 4) Ordered sales refers to the value of orders at the point when the order has been agreed.
- 5) Delivered sales refers to the revenue which is recognised when the Group has satisfied its performance obligation to the customer and the customer has obtained control of the goods or services being transferred.
- 6) £10.1m of the £25m share buyback programme was executed in 2023, with the remaining £14.9m completed in 2024.

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