

8 January 2025

Likewise Group plc
(“Likewise”, the “Company” or the “Group”)
Trading Update and Launch of Share Buyback Programme

Likewise Group plc (AIM:LIKE), the fast growing UK floor coverings distributor, is very pleased to announce that Total Group Revenue for the year ended 31 December 2024 (“FY24”) was £150.8 million. It is particularly encouraging that this important milestone has been reached.

Total Group Revenue increased by 7.5% with Sales in Likewise Floors increasing by 15.5% and the Group is on track to deliver current market expectations for profit after tax for FY24 as well.

Whilst acknowledging they are traditionally the busiest months, Group Sales increased by 10.2% in Q4, and if extrapolated, would indicate annualised Sales approaching £175 million.

Importantly the logistics network created over the last four years was able to process and deliver these volumes, notwithstanding the Group has plans to increase capacity in Glasgow, Derby and Newport during 2025 which will create a further c.35% processing capability.

Furthermore, the months of H2 FY24 progressively provided evidence of operational gearing and improving profitability as the Group aspires towards a more acceptable return on sales.

The Group now has 94 Sales Executives, including 14 that have been recruited in the last 12 months. Inevitably they are at various stages of development and one of the key objectives for 2025 is to have as many as possible achieving the minimum sales benchmark during the year.

The timing of the product launches and additional Point of Sale during Q4 have had limited impact to date but with extensive activity planned in H1 2025 provides an exciting platform for further expansion.

Valley, being an established business was more affected by the challenging market conditions in FY24 and subsequently delivered a slight year on year shortfall in sales of 3%. Four changes in the Sales Executive Team of eleven, plus additional Display Stands and an extended product range for 2025, creates added confidence for the New Year.

Valley is a key contributor to Group profitability and positive operational cash flow. This allows the Group to undertake various capital projects from internal cash generation.

Strategic Developments

The Group has agreed Heads of Terms to acquire the freehold of a Logistics Centre near Plymouth from existing cash resources. This will allow both Likewise Floors and Valley the opportunity to develop business with customers in the South West of England and completes the logistics network to service the whole of the UK.

Planning permission is currently being applied for to extend the freehold Distribution Centre in Newport South Wales. It is expected this construction will be completed during 2025 which will meaningfully contribute to the aforementioned increase to overall capacity of the Group.

The Group Budget for 2025 envisages both the Plymouth and Newport developments being funded from operational cash flow.

The Board very much appreciates the effort and thanks all management and staff for their contribution during the year, also acknowledging the support from suppliers, customers and shareholders. Our thanks to all stakeholders, wishing you all a happy and prosperous New Year.

Share Buyback Programme

The Company intends to conduct a share buyback programme of ordinary shares of £0.01 each in the capital of the Company ("Ordinary Shares") up to a maximum aggregate consideration of £200,000 ("Maximum Amount") (the "Buyback Programme").

Under the Buyback Programme, the Company will, at appropriate times, seek to buy back its Ordinary Shares using the Company's existing cash resources for up to the Maximum Amount. The Buyback Programme is considered to be in the best interests of all shareholders.

The Company has entered into an agreement for its broker Zeus Capital Limited ("Zeus") to carry out purchases of its Ordinary Shares under the Buyback Programme on its behalf. As and when requested to do so by the Company, Zeus will seek to purchase Ordinary Shares with total purchases over the programme up to the Maximum Amount.

The Buyback Programme is in accordance with the terms of the Company's authority to make market purchases of its own Ordinary Shares granted to it by shareholders on 20 June 2024 (the "Authority"), including that the maximum price paid per Ordinary Share shall not exceed the higher of: (a) 105 per cent. of the average trading price of the Ordinary Shares as derived from the middle market quotations for an Ordinary Share on the London Stock Exchange Daily Official List for the five trading days immediately preceding the date on which an Ordinary Share is contracted to be purchased; and (b) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out.

Any Ordinary Shares acquired as a result of the Buyback Programme will be initially held in treasury and then may be cancelled periodically.

No Ordinary Shares will be sold by any member of the Board as part of the Buyback Programme.

The Buyback Programme, will also be effected within the parameters of the Market Abuse Regulation 596/2014/EU and the Commission Delegated Regulation 2016/1052/EU, each as incorporated into UK domestic law by the European Union (Withdrawal) Act 2018.

The Company will make further announcements in due course following any share purchases conducted through the Buyback Programme.

The Company confirms that it currently has no unpublished price sensitive information.

Tony Brewer, Chief Executive of Likewise, said:

"Following four years of developing the Group's Sales and Operational infrastructure we have stepped up to a new level of performance in H2 2024.

With significant new product launches in Q4 and more planned for Q1 and 2 this year, the Group is well placed to continue the exponential sales increase into 2025.

We have excellent Teams of people throughout our businesses, in Product, Sales and Marketing, Warehouse and Transport, to capitalise on the significant opportunities before us.

We are absolutely on the correct course to build a really meaningful flooring distribution business in the UK."

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