

15 October 2024

Victorian Plumbing Group plc
("Victorian Plumbing" or "Group")

Full Year Trading Update and Notice of Results

Victorian Plumbing Group plc (AIM: VIC), the UK's leading bathroom retailer, today provides an update on trading for the year ended 30 September 2024 ("FY24").

Trading Update

The Group is pleased to report that revenue for FY24 increased by c.4% on the prior year (decreased c.1% on a like-for-like basis, excluding the impact of the acquisition of Victoria Plum¹). Adjusted EBITDA for FY24 is anticipated to be in line with market expectations.

The trends experienced in the first half have continued through the balance of FY24. Robust customer demand, together with the acquisition, have driven further market share gains and strong order volume growth of 10% versus FY23 (+3% like-for-like), with a record 1,021,000 orders delivered in the year (FY23: 932,000).

Customers are responding well to the Group's own brand proposition and have continued to trade away from third party brands into the Group's own brand range, resulting in an average order value reduction of c.5% versus FY23 (c.4% like-for-like). However, this has been more than offset by strong gross margin gains, which increased 300bps to 50% (FY23: 47%).

Cessation of Victoria Plum operations

Victoria Plum was acquired on 17 May 2024; it contributed c.£15m of revenue and incurred an adjusted EBITDA loss of c.£2m in the period since acquisition. The Group has recently finalised a consultation process with Victoria Plum's workforce and has taken the decision to close the business and its operations in Doncaster, which is expected to be completed by 31 December 2024.

New Distribution Centre

The Group is pleased to confirm that its new 544,000 square feet semi-automated distribution centre in Leyland, Lancashire, is now operational, with more than half of all daily orders being dispatched from the new site. Management expects all orders to be dispatched from the new distribution centre by the end of the calendar year.

Notice of Preliminary Results

Preliminary results for the year ended 30 September 2024 will be published on 15 January 2025. This extended schedule will allow the Group sufficient time to manage the discontinuation of Victoria Plum.

Mark Radcliffe, CEO of Victorian Plumbing, commented:

"I am pleased with the Group's performance in FY24 which has been a very busy year for Victorian Plumbing. We have increased profitability, as our higher margin own brand proposition continues to resonate with customers and consolidated our leading position as the UK's number one bathroom retailer. At the same time, we have delivered a year of transformational change with significant investment in our people, technology and operations."

"Our state of the art new distribution centre is now operational and will remove previous capacity constraints, enabling us to serve customers more efficiently and execute on our strategic growth plans in our expansion categories and our trade proposition. Moreover, the recent decision to close Victoria Plum provides the Group with a significant opportunity to accelerate growth and continue to further the investment in our brand and marketing."

"This positive momentum and the successful delivery of our warehouse transformation reaffirms confidence in our profitable growth strategy that is delivering long-term value for all stakeholders."

1 Acquisition of AHK Designs Ltd trading as Victoria Plum

-ENDS-

For further information, please contact:

Victorian Plumbing Group plc

Mark Radcliffe, Chief Executive Officer
Daniel Barton, Chief Financial Officer

**via FTI Consulting
+44 20 3727 1000**

FTI Consulting (Financial PR)

Alex Beagley, Harriet Jackson, Amy Goldup, Lia Bevan

+44 20 3727 1000
VictorianPlumbing@fticonsulting.com

Houlihan Lokey UK Ltd (Nominated Adviser)

Sam Fuller, Tim Richardson

+44 20 7839 3355

Barclays Bank PLC (Joint Broker)

Nicola Tennent, Stuart Muress

+44 20 7623 2323

Deutsche Numis Securities Limited (Joint Broker)

Luke Bordewich, Oliver Steele

+44 20 7260 1000

About Victorian Plumbing Group

Victorian Plumbing is the UK's leading bathroom retailer, offering a wide range of over 34,000 products to B2C and trade customers. The Group provides a one-stop shop solution for the entire bathroom with more than 150 own and third party brands across a wide spectrum of price points.

Victorian Plumbing's product design and supply chain strengths are complemented by its creative and brand-focused marketing strategy to drive significant and growing traffic to its platforms.

Headquartered in Leyland, the Group employs over 600 people across several locations in Lancashire, Manchester and Birmingham.