

22 February 2023

Angling Direct plc
("Angling Direct" or the "Company" or the "Group")

Full Year Trading Update and Notice of Results

Angling Direct plc (AIM: ANG), the leading omni-channel specialist fishing tackle and equipment retailer, provides the following unaudited trading update in relation to the financial year ended 31 January 2023 ("FY23"), ahead of announcing its Final Results on 16 May 2023.

Financial Highlights

£m	FY 2023	FY 2022	Change
Revenue	74.1	72.5	2.2%
UK sales	71.0	69.8	1.6%
Retail store sales	41.3	38.7	6.8%
Online sales	32.8	33.8	-3.0%
UK Online sales	29.6	31.1	-4.8%
European Online sales	3.1	2.7	18.4%
<i>Of which European key territory sales</i>	<i>3.0</i>	<i>2.2</i>	<i>32.3%</i>

Since the Company's last update on 12 October 2022, trading has been in line with the Board's expectations and has delivered a 2.2% increase in revenue for FY23 to £74.1m (FY22 £72.5m). This sales growth has been achieved despite significant consumer headwinds across all of the Company's key markets including inflation and cost of living pressures.

The Company's growth was underpinned by robust store sales (up by 6.8% to £41.3m) as the store roll out strategy continued. The total number of stores increased from 42 to 45 in the year, with new openings in Washington (July), Coventry (August) and Stockton-on-Tees (September). These new stores contributed £0.9m of sales in the year. Like for like store sales were £38.0m (including the previously reported disruption caused by the unusually hot weather in the UK and Europe in August 2022), flat against the prior year. Post financial year end, the Company has today opened a new store in Cardiff, its first one outside of England.

Total online sales decreased by 3.0% to £32.8m (FY22: £33.8m). UK online sales, representing 90% of total online sales, decreased by 4.8%, driven by tough H1 comparatives, however, UK online sales returned to growth in H2 (against the prior year). Furthermore, despite online sales falling across the year as a whole, UK online sales were still 57.9% above pre-Covid levels illustrating a significant step change in the Group's omni-channel offering.

Over the course of the year, the Group has invested its product margin in order to protect and enhance its competitive position in the market place, and as a result the Board believes it has taken further market share.

Following the successful opening of its European Distribution centre in March 2022, the Company's European revenue saw a return to growth as sales increased by 18.4%, with sales in the key European territories of Germany, France and the Netherlands increasing by 32.3%. The Board is pleased with the Company's progress in recent months in Europe and going forward expects this market to play an increasing role in the growth of the business.

Despite the turbulent consumer environment and sustained cost pressures, management remains focused on delivering the Company's long-term strategy of profitable growth. The Company continues to make progress in the key areas of developing both its UK and European customer proposition, growing market share, as well as operational efficiencies. FY23 included the first 11 months of in-region EU sales fulfilment, however this significant strategic initiative generated larger first year losses than expected, due to the scale of unanticipated consumer spending pressures created by macro-economic and geopolitical developments during the launch phase. Associated costs with the European expansion have been absorbed within the resilient trading performance of the UK operations. As a result, the Board expects to report pre-IFRS 16 EBITDA of no less than £2.2m for FY23, in line with market expectations*.

Management has continued to optimise stock investment resulting in record product availability to customers ahead of the 2023 fishing season, as well as a curated range to satisfy its European growth plans. The resilient trading performance and associated cash conversion has substantially mitigated these working capital investments, enabling the Group to continue its store roll out strategy. This has delivered a net cash position at 31 January 2023 of £14.1m (31 January 2022: £16.6m).

Within the period, the Company settled residual claims with its insurers in relation to the disruption caused by the cyber-attack in November 2021.

Andy Torrance, CEO of Angling Direct, commented:

"We are pleased with the progress achieved in FY23 despite the difficult macro-economic environment. Following the opening of our European Distribution centre in March, it was particularly pleasing to see such strong sales growth in Europe, which is further evidence of the opportunity that lies ahead for the Group. Angling Direct's leading omni-channel model, combined with the strategic and operational progress achieved in FY23, leaves the Company well placed to benefit from ongoing consolidation in the industry. The Group will therefore continue to invest, where prudent to do so, in order to drive market share growth, leveraging its strong balance sheet, to ensure it is best placed competitively to benefit when consumer confidence returns.

Ahead of the start of the 2023 fishing season, the Board re-affirms its view that the Company is well-placed to capitalise on the opportunities ahead and gain market share both within the UK and Europe whilst remaining vigilant as to continuing challenges for consumers in the macro-environment."

**Angling Direct believes that current market expectations for the year ended 31 January 2023 are revenue of £73.8 million and pre-IFRS 16 EBITDA of £2.2 million.*

For further information please contact:

Angling Direct plc
Andy Torrance, Chief Executive Officer
Steven Crowe, Chief Financial Officer

via FTI Consulting

Singer Capital Markets - NOMAD and Broker

+44 (0) 20 7496 3000

Peter Steel
Alex Bond
Tom Salvesen
James Fischer

FTI Consulting - Financial PR

+44 (0) 20 3727 1000

Alex Beagley
Sam Macpherson
Alice Newlyn

anglingdirect@fticonsulting.com

The information communicated in this announcement is inside information for the purposes of Article 7 of Regulation 596/2014.

About Angling Direct

Angling Direct is the leading omni-channel specialist fishing tackle retailer in the UK. The Company sells fishing tackle products and related equipment through its network of retail stores, located strategically throughout the UK as well as through its leading digital platform (www.anglingdirect.co.uk .de, .fr, .nl and .eu) and other third-party websites.

Angling Direct is committed to supporting its active customer base and widening access to the angling community through its passionate colleagues, store-based qualified coaches, social media reach and [ADTV YouTube](#) channel. The Company currently sells over 25,000 fishing tackle products, including capital items, consumables, luggage and clothing. Angling Direct also owns and sells fishing tackle products under its own brand 'Advanta', which was formally launched in March 2016.

From 1986 to 2002, the Company's founders acquired interests in a number of small independent fishing tackle shops in Norfolk and, in 2002, they acquired a significant premise in Norwich, which was branded Angling Direct. Since 2002, the Company has continued to acquire or open new stores, taking the total number up to 45 retail stores. In 2015, the Company opened a 2,800 sq. metres central distribution centre in Rackheath, Norfolk, where the Company's head office is also located. In January 2022 Angling Direct acquired an additional 3,900 sq. metres distribution centre in Venlo, Netherlands to service its established, and rapidly growing, presence in Europe with native language websites set up in key regions to address demand.