

6 April 2020

Angling Direct plc

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

Covid-19 Further Trading and Operational Update, £2.5 million credit facility

Angling Direct plc (AIM: ANG), the largest specialist fishing tackle and equipment retailer in the UK, announces the following trading and operational update.

FY21 Trading Year to Date

Despite the well reported period of exceptional flooding across the UK at the start of the current financial year ending 31 January 2021 ("FY21"), trading was resilient in February, with overall sales growth of 23.3% and a like-for-like increase for in-store sales of 1.3% against the prior year period. Group e-commerce sales grew 3.5% with our UK channel growing by 9.1%. International e-commerce sales were down 27.6%, primarily due to our strategic decision taken last Autumn to withdraw from certain territories in order to protect margins and profitability.

Group sales increased 19.0% year-on-year over the first three weeks of March prior to the significant recent impact of Covid-19.

Update on the Impact of Covid-19

The welfare of our colleagues and customers remains paramount and, to this end, we are taking all appropriate measures to keep people safe whilst ensuring continuity of our operations to the extent possible. We are operating flexible working arrangements wherever possible and have installed the necessary technology to enable the maximum number of office-based employees possible to work from home. We continue to monitor this matter very closely and will provide updates as appropriate.

Further to our announcement on 24 March 2020, all of our stores remain temporarily closed following Government policy to limit social interaction.

Our webstores, however, continue to trade and our distribution centres remain open, with encouraging levels of trade in both the UK and international markets. The Board is therefore pleased to report that e-commerce sales remain robust for now, with strong levels of customer demand since 24 March 2020.

Given the current unprecedented circumstances, the Board has moved swiftly to preserve capital and improve cash flow. This includes taking steps to reduce fixed costs and other expenditure and putting investment plans on hold. To this end, we welcome the recent measures introduced by UK Government to protect businesses and their employees. We have taken the difficult decision to use the reliefs extended, including furloughing employees, to reduce cash outflows and provide the Group with additional liquidity during this uncertain trading period. The Company will continue to review all available options and plans to take full advantage of all relevant assistance offered to business by UK Government.

The Board also announces that the Company has secured a short term £2.5 million credit facility from NatWest with an expiry date of September 2020, which will be used to help manage working capital as required during this period of disruption.

FY21 Outlook

As a result of enforced store closures, the Group now expects a material reduction in FY21 revenue and profitability. The scale of the impact will be dependent on how the situation develops and over what timeframe, together with the impact of any further measures taken by UK Government to mitigate the disruption.

The Company retains healthy stock levels, allowing our e-commerce sales to continue, and ready for when people begin to return to fishing as and when conditions allow.

Due to the inevitable uncertainty caused, the Board has decided to withdraw current market guidance and will provide a further update on the anticipated FY21 out-turn only when it believes that there is sufficient clarity.

FY20 Financial Reporting

Further to the pre-close trading update released on 18 February 2020, the Board reiterates its previous guidance that it expects the Group to report turnover of £53.1 million and a pre IFRS 16 EBITDA loss of no more than £0.5 million for the year ended 31 January 2020 ("FY20").

The Board notes recent regulatory guidance around the extension of financial reporting deadlines in response to the exceptional events relating to the growing impact of Covid-19. It remains the Board's intention to announce its FY20 results on 13 May 2020, however the practical challenges of undertaking and completing a full year audit process in the current circumstances may lead to publication of the Company's results being delayed. Should this be the case, the Company will make a further announcement in due course.

Andy Torrance, Chief Executive Officer, said:

"The retail environment has never before been in a position where it has had to deal with a crisis of this magnitude. Our focus remains on protecting our valued members of staff, ensuring appropriate and safe working conditions and, where possible, providing an uninterrupted service to our loyal and supportive customers. Like many in the retail community, we are also extremely thankful to UK Government for the support provided at this difficult time."

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

Notes for editors

About Angling Direct plc

Angling Direct is the largest specialist fishing tackle retailer in the UK. The Company sells fishing tackle products and related equipment through its network of retail stores, located throughout the UK, as well as through its own website (www.anglingdirect.co.uk) and other third-party websites.

The Company currently sells over 21,500 fishing tackle products, including capital items, consumables, luggage and clothing. The Company also owns and sells fishing tackle products under its own brand 'Advanta', which was formally launched in March 2016.

From 1986 to 2003 the Company's Founders acquired interests in a number of small independent fishing tackle shops in Norfolk and, in 2003, they acquired a significant premise in Norwich, which was branded Angling Direct. Since 2003, the Company has continued to acquire or open new stores, taking the total number up to 35 retail stores. In 2015 the Company opened a 30,000 sq. ft central distribution centre in Rackheath, Norfolk, where the Company's head office is also located.

Angling Direct's shares are traded on the AIM market of the London Stock Exchange under the ticker symbol ANG.L.

For further information, please visit www.anglingdirect.co.uk