

24 February 2021

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

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 update in relation to trading for the financial year ended 31 January 2021 ("FY21"), ahead of announcing its Final Results on 11 May 2021.

Since its update on 2 December 2020, the Group has maintained positive sales momentum and expects to report a 27% increase in revenue to £67.6m (FY20: £53.2m) for FY21. This strong performance has been achieved despite all of the Group's retail stores being forced to close between 24 March and 14 June (82 days) and subsequently only able to operate on a "call & collect" basis from 5 November to 1 December and again from 5 January 2021 to the year end (53 days).

The Company's strong growth was driven by robust momentum in online sales which grew 40% to £35.3m (FY20: £25.2m). UK online sales increased 62% while online sales in the Company's key European territories of Germany, France and Netherlands grew 35%. The number of unique visitors to the Company's UK website increased by 2.5m in the year to 7.4m, as many people returned to angling as a recreational activity with the associated well-being benefits. The Company's web fulfilment centre was quick to adopt COVID-safe working practices at the onset of the pandemic and continues to safely operate through lockdowns and different tiering scenarios.

Total store sales (which included call & collect) increased 16% to £32.3m (FY20: £27.9m), while the total number of stores increased from 34 at 31 January 2020 to 38 at 31 January 2021, with the new stores contributing £2.2m in sales. Like-for-like store sales were down 8% as a consequence of the aforementioned store trading restrictions imposed for over 30% of the financial year.

Despite significant management time being appropriately invested in dealing with the unique challenges presented by COVID-19, the Board remained focused on delivering the Group's long-term strategy of profitable growth and made good progress in the key areas of developing margin, reducing promotional activity, increasing own brand sales penetration, improving working capital and leveraging operational efficiencies from previous supply chain and store investments. As a result of these actions and the strong trading performance in line with recently upgraded market expectations, the Board expects to report a pre IFRS-16 EBITDA of at least £3.8m for the year, a significant improvement on the prior year (FY20: pre IFRS-16 EBITDA loss of £0.5m).

The balance sheet resilience was strengthened in June 2020 through a placing, raising £5.5m gross proceeds. Management has maintained tight working capital discipline through the pandemic and this, combined with the strong trading performance and associated cash conversion, has led to a significantly improved cash position as at 31 January 2021 of £15.0m (31 January 2020: £5.9m).

Current Trading and Outlook

The new financial year has started with lockdowns in place across the UK and in many of the Company's key European markets. In common with other retailers and despite rigorous preparation, the Company has also experienced some post-Brexit disruption to logistics as well as less predictable Far East supply. Notwithstanding the current abnormal trading conditions which will impact the first half, the Board believes that Angling Direct's leading omni-channel model combined with its strategic and operational progress in FY21, leaves the Company well placed to benefit from the heightened interest in angling as customers seek to take advantage of its numerous wellbeing benefits. Moreover, the strong balance sheet means the Company is well positioned to withstand further challenges, while also continuing to seize opportunities to invest in key growth areas.

Whilst the Board welcomes the signposting from the government that non-essential retail could fully open from 12th April 2021, in light of the continued uncertainties caused by the pandemic, at this early stage of the Group's current financial year the Board believes it prudent to maintain its position of not providing guidance

for FY22 until such time that there is further clarity over the timing and extent of the disruption. The Board expects to provide more detail on the new financial year and current trading at the Final Results in May.

Andy Torrance, CEO of Angling Direct, commented:

“On behalf of the Board I would like to take this opportunity to thank all Angling Direct employees who have worked tirelessly throughout the COVID-19 pandemic, often in challenging circumstances, to deliver for our growing customer community. I am pleased with the performance that we have delivered through FY21, with good progress made on all fronts, both operationally and strategically, and look forward to reopening our stores in April, in line with the government’s roadmap as announced on 22 February 2021. The actions taken in FY21 ensure that the Company is well positioned to withstand future challenges and I firmly believe that when we are through the other side of the pandemic, the Company’s market leading omni-channel offering and scale will enable us to continue on our growth trajectory in the UK and internationally, as angling grows in popularity.”

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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 and .nl) 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 20,000 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 38 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 has an established, and rapidly growing, presence in Europe with native language websites set up in key regions to address demand.