

9 December 2024

**Angling Direct PLC**  
(‘Angling Direct’, the ‘Company’ or the ‘Group’)

**Capital Allocation Policy**  
&  
**Commencement of Buyback Programme**

Since the end of COVID-19 and against a backdrop of continuing uncertainty for Omni channel retailers, the Group has focused on driving profitable growth and has firmly established itself as a cash generative operation. This has provided the Company with a solid platform to enable investment to further grow earnings and the addressable market of the Group. The level of cash generation has kept pace with the scale of the investment and the Group continues to maintain a robust balance sheet underpinned by strong levels of net cash which were £13.5m at 30 November 2024. The Group continues to carry no debt outside of store and other IFRS 16 leases as part of its Omni channel model.

***Strategic Objectives***

In May 2024, the Company published its medium-term objectives and periodically updates on progress against their delivery. One of these objectives covers the Company’s approach to the *‘deployment of surplus liquidity to further grow the business beyond the medium-term objectives’*.

The Board remains committed to investing in the business to support innovation and drive further profitable growth. The Company intends to increase capital investment, especially in technology alongside further working capital deployment which complements new retail space investment and further own brand development.

In line with recent acquisitions completed by the Company, management will continue to target further small strategic acquisitions including investment in the selective acquisitions of brands which complement the existing business, accelerate the Company’s ambitions and, the Board believes, would be accretive to long-term shareholder value. The Company has signed heads of terms on one such small strategic acquisition and will continue with its appraisal of a range of acquisition options. There can be no guarantee that any of the acquisitions being considered will ultimately be completed nor as to the terms of such acquisitions.

***Capital Allocation Policy***

The Board aims to maintain a robust balance sheet with a sustainable underlying net cash balance, providing the Group with the strategic flexibility to capitalise on opportunities to grow, whilst providing protection against headwinds for the UK retail sector.

Consistent with this objective, the Board’s stated priorities as part of its Capital Allocation Policy will be to:

- Retain appropriate levels of underlying cash to support the operations of the business in light of well publicised headwinds facing the UK retail sector;
- Maintain a sufficient working capital buffer above the natural seasonal requirement to maximise the Group’s scale and enable it to continue to take advantage of ad-hoc stock acquisition opportunities, in turn helping the Group to deliver compelling customer offers and favourable trading terms;

- Ensure sufficient capacity to accelerate the Group's planned UK store estate roll out ahead of plan should opportunities present themselves;
- Retain sufficient funds to invest in capital expenditure projects which deliver growth and efficiencies and / or protect against ongoing cost headwinds, ultimately maintaining or enhancing return on investment;
- Retain modest levels of cash to support the Company's stated UK M&A strategy; and
- Quantify, at least annually, any excess capital taking into account the above priorities, in particular the strength of organic cash generation and any use of the modest levels of cash retained for UK M&A.

In considering its formal approach to capital allocation, the Board has taken into account the following aspects in particular:

- The Group is forecasting to hold reduced levels of net cash at the end of FY25 compared to FY24;
- Its expectations of strengthening Group EBITDA performance underpinning medium term operating cash generation; and
- Small scale UK M&A remains a realistic target and the Board continues to pursue these opportunities where appropriate.

### ***Share Buyback Programme***

The Board has evaluated the Group's existing net cash balance in light of its new Capital Allocation Policy, taking into account feedback from its major shareholders. The Board is also of the view that the current value of the Group's equity represents an attractive opportunity for deployment of surplus capital.

The Company is therefore commencing a share buyback programme with a buyback of up to £4.0m ordinary shares of 1 penny each in the Company ("**Ordinary Shares**"), subject to remaining within the general authority of the Company to repurchase Ordinary Shares granted at the Company's last Annual General Meeting ("**AGM**") on 20 June 2024 (the "**Buyback Programme**").

The Company has instructed Singer Capital Markets Securities Limited ("**Singer Capital Markets**") to conduct the Buyback Programme on its behalf within certain pre-set parameters, including that the maximum amount (excluding expenses) of share value that can be traded in one week is £250,000.

If not terminated earlier, the Buyback Programme will expire at the close of business on 10 December 2025. The Company may terminate the Buyback Programme (at any time) provided that it is not in a closed period or party to any inside information which has not previously been disclosed via Regulatory Information Service. The Buyback Programme will also terminate if the general authority to repurchase Ordinary Shares is not renewed at the Company's next AGM in 2025.

The Company has determined that it will not rely on the safe harbour conditions for trading set out in Article 5 of EU Market Abuse Regulation (2014/596/EU) (which forms part of domestic UK law pursuant to the European Union (Withdrawal) Act 2018) ("**UK MAR**") given the limited liquidity in the Ordinary Shares and limitations that it would impose on the number of Ordinary Shares that can be purchased.

Singer Capital Markets will make its trading decisions in relation to the Ordinary Shares independently of the Company. There is no guarantee that the Buyback Programme will be implemented in full or that any purchases will be made.

Any purchases will be on market purchases of Ordinary Shares and made in accordance with the general authority of the Company to repurchase Ordinary Shares granted at the Company's AGM. Any Ordinary Shares purchased under the Buyback Programme will be held by the Company in treasury.

The Company is satisfied that it is not currently in a closed period, nor is it party to any inside information which is not disclosed in this announcement or has not been previously disclosed via Regulatory Information Service.

#### *Total Voting Rights*

As at the time of this announcement, the Company's total issued share capital consists of 77,267,304 Ordinary Shares, of which zero shares are held in treasury, therefore, the total number of Ordinary Shares carrying voting rights is 77,267,304.

The above figure of 77,267,304 may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

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This announcement contains inside information for the purposes of Article 7 of UK MAR. Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.

#### **About Angling Direct**

Angling Direct is the leading omni-channel specialist fishing tackle retailer in the UK, with an established and growing presence in Europe. Headquartered in Norfolk UK, the Company sells fishing tackle products and related equipment through its network of in excess of 50 UK retail stores, as well as through its leading digital platform ([www.anglingdirect.co.uk](http://www.anglingdirect.co.uk)) and the MyAD Fishing Club app. The Company has three further native language websites in its key European territories ([www.anglingdirect.de](http://www.anglingdirect.de), .fr, .nl), with orders fulfilled by its international distribution centre in The Netherlands.

Angling Direct's purpose is to inspire everyone to get out and enjoy an exceptional fishing experience, regardless of background or ability, in the great outdoors. Angling Direct's active digital channels and

over 500 colleagues contribute to the Company's ethos of care for the wider community and the environment ([www.anglingdirect.co.uk/sustainability](http://www.anglingdirect.co.uk/sustainability)). Angling Direct currently sells over 25,000 fishing tackle products from industry leading brands alongside its own brands 'Advanta', and entry level offering 'Discover'.