



FY25 Interim Results

Strong first half trading momentum as we deliver on our plan to accelerate profitable growth

11 December 2024



Strategy update

Lee Tappenden
CEO



My reflections: One year in role

Strong foundations well-established; significant opportunity to accelerate profitable growth and value-creation for all stakeholders

1

Direct-sourced business model



- 100% own brand
- Trusted suppliers
- Price advantage (30%+)

2

Specialist retail, quality product



- Award winning product
- Breadth of range
- Serve mid to premium budgets

3

Attractive market dynamics



- Highly fragmented
- >£5bn UK market size
- Steady growth

4

Brand awareness opportunity



- Store presence
- Lifestyle and emotional connection
- Social marketing

5

Outstanding service



- Trustpilot excellent
- Loyalty opportunity
- Improved range availability

6

Strong infrastructure



- DC ready for growth
- Bespoke technology
- In-house CS, logistics, and creative operations

7

Highly engaged team



- Expertise in functions
- Building performance culture
- The right SLT in place

8

A responsible retailer



- B Corp certified
- Plan for net zero
- Real Living Wage employer

Our plan for profitable growth and value creation

Becoming the customers' first choice for kitchenware

Medium term objectives

100

UK retail stores

£100m

Revenue

10%

Operating profit margin

Our strategic priorities

Accelerate profitable sales growth

Improve operating efficiency

Create an even better place to work

Being a force for good

FY25 H1 highlights

Strong first half trading momentum as we deliver on our plan to accelerate profitable growth

GROWING MARKET SHARE +5% outperformance

CONTINUED TRADING MOMENTUM revenue +7.5% YoY

RECORD ACTIVE CUSTOMERS +11.7% YoY

GROWTH THROUGH VOLUME H1 GM% as expected

COST DISCIPLINE and investment for long term growth

NEW STORE PIPELINE 4 opened in H1, 5 opened since

PRODUCT DEVELOPMENT Electricals phase 3 launched



Expand our UK store network

Enabling more customers to shop with us as we progress towards 100 stores

- 12 new stores to open in FY25
 - 4 opened in H1, 5 more opened before Black Friday
 - 3 more planned to open in Q4
- Strong site selection
 - A-grade locations give access to >150m footfall p.a. across 12 new centres
 - Early performance is encouraging
 - Average payback 1.5Y on new stores
- Optimising estate as we go, closed 2 garden centre stores
- New store pipeline for FY26 in progress



Strengthen our specialist product offer

Creating more reasons to shop with us and broadening our appeal to more customers

- Improving and expanding award-winning product ranges
 - Electricals phase 3 launched, phase 4 ready for launch in Q4
 - Range refresh of 9.5% in H1
- Black Friday promotional special-buys
- Christmas seasonal gifting range
- Focus on strategic supplier relationships
- Range review and category strategy process improvements

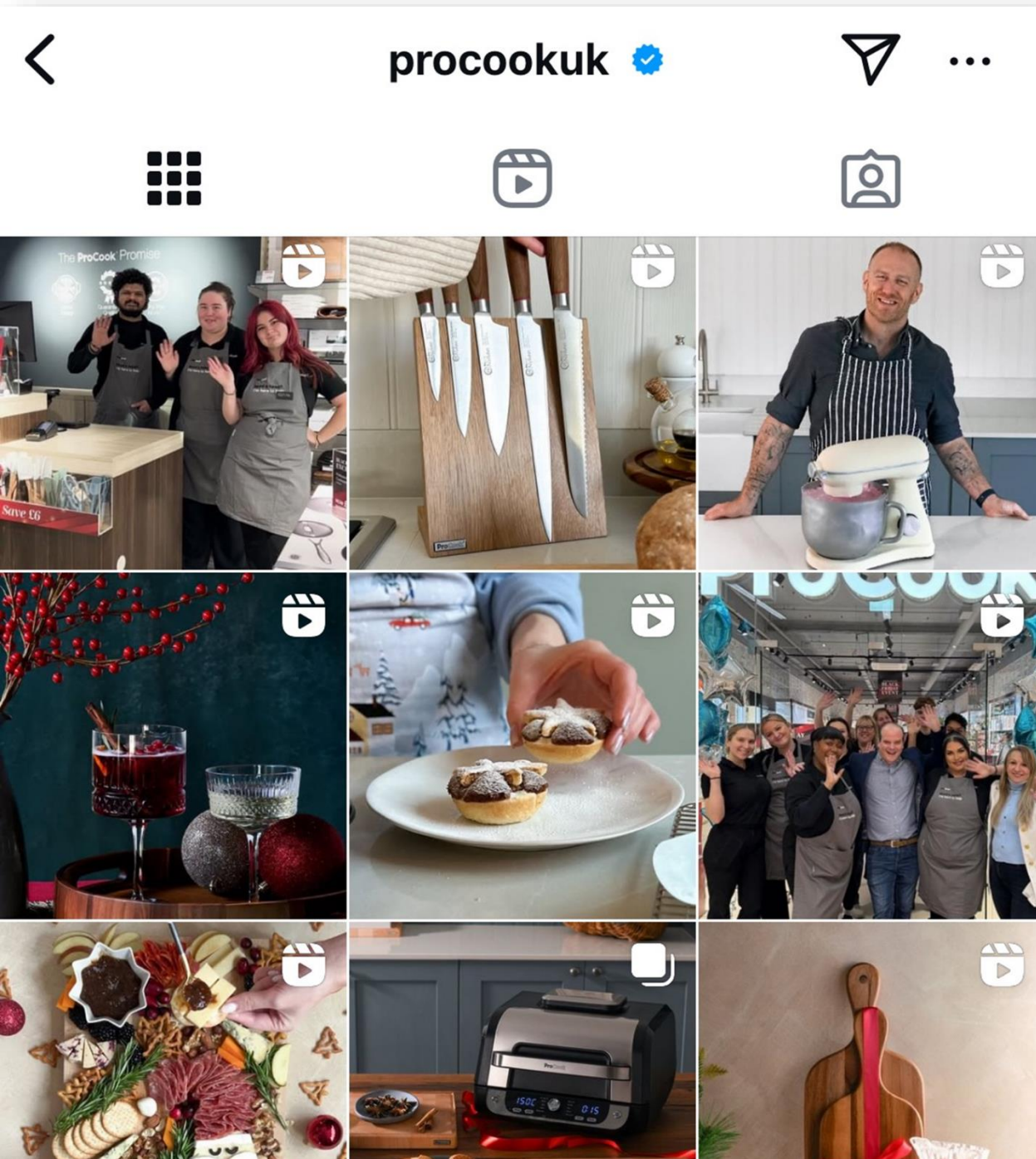


Deliver best in class omnichannel service

Putting the customer first to improve service and experience across all touchpoints

- Trustpilot excellent-rated with >120,000 5* reviews
- NPS now embedded across our business operations
 - Proactively removing points of friction
 - Improving NPS trend in both channels
- Enhancing user experience in Ecomm
 - Navigation, basket and checkout experience
 - Conversion rate +14% YoY
- Improved Customer Service team metrics pre-peak
 - Transitioned to live chat for faster resolution





Grow brand awareness and customer engagement

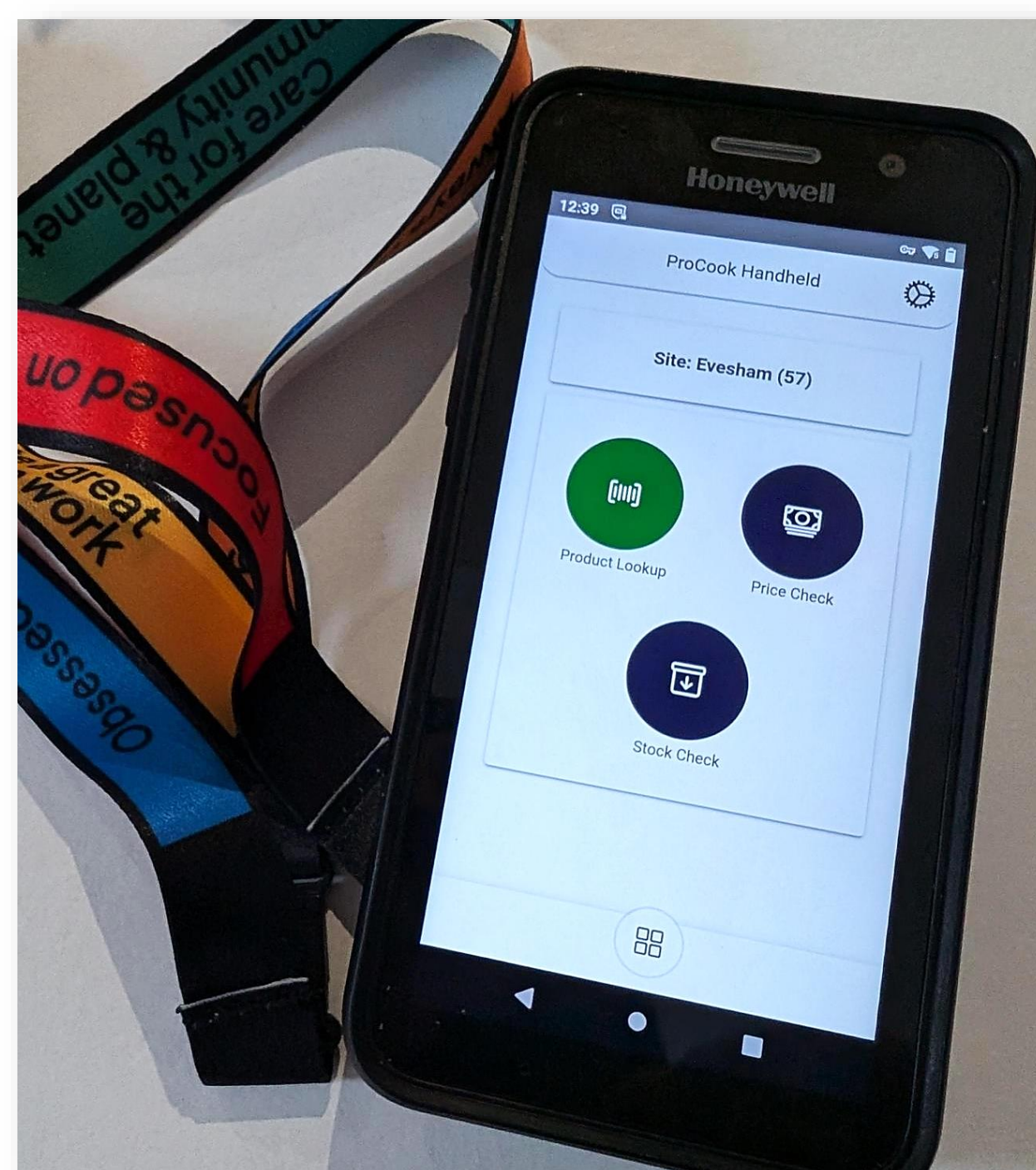
Helping new customers discover ProCook and encouraging existing customers to shop with us again

- Improved creative pivoting to lifestyle and inspirational content across all channels
 - Autumn and Christmas campaign inspiration
 - Improved email and recipe content
- Social marketing experimentation
 - Increased brand reach +34% YoY
 - Meta followers now >100,000
 - Improving marketing efficiency
- Relunched Amazon UK with a curated range

Supply chain transformation

Making our operations more efficient to deliver better service and availability for customers at lower cost

- End to end mindset shift
- Retail delivery trials underway with new 3PL partner
 - Cage deliveries to protect stock, reduce waste, and improve put-away process
 - Increased delivery frequency to improve availability and reduce stock in store
- Stock file accuracy and replenishment
 - Hand-held terminals developed and deployed
 - Replenishment system enhancements
- Warehouse pick and pack process improvements



Financial update

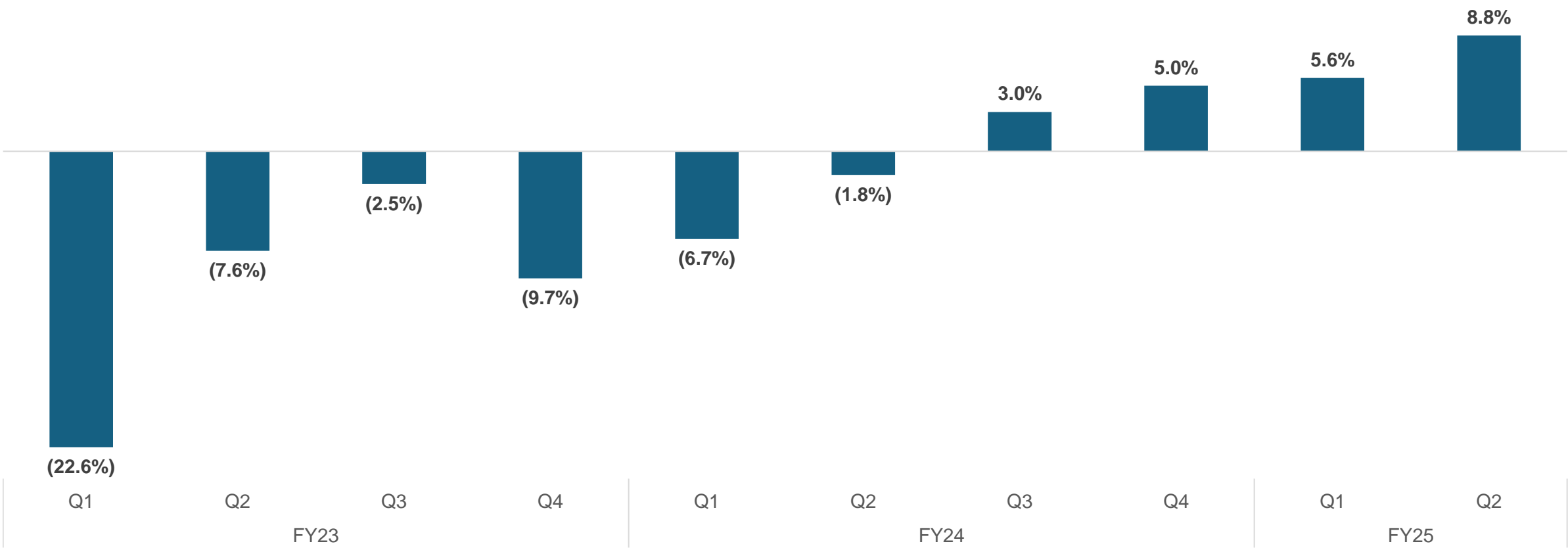
Dan Walden
CFO



Continued trading momentum

FY25 H1 revenue +7.5% YoY, and +4.2% LFL, outperforming the UK Kitchenware market by +6%

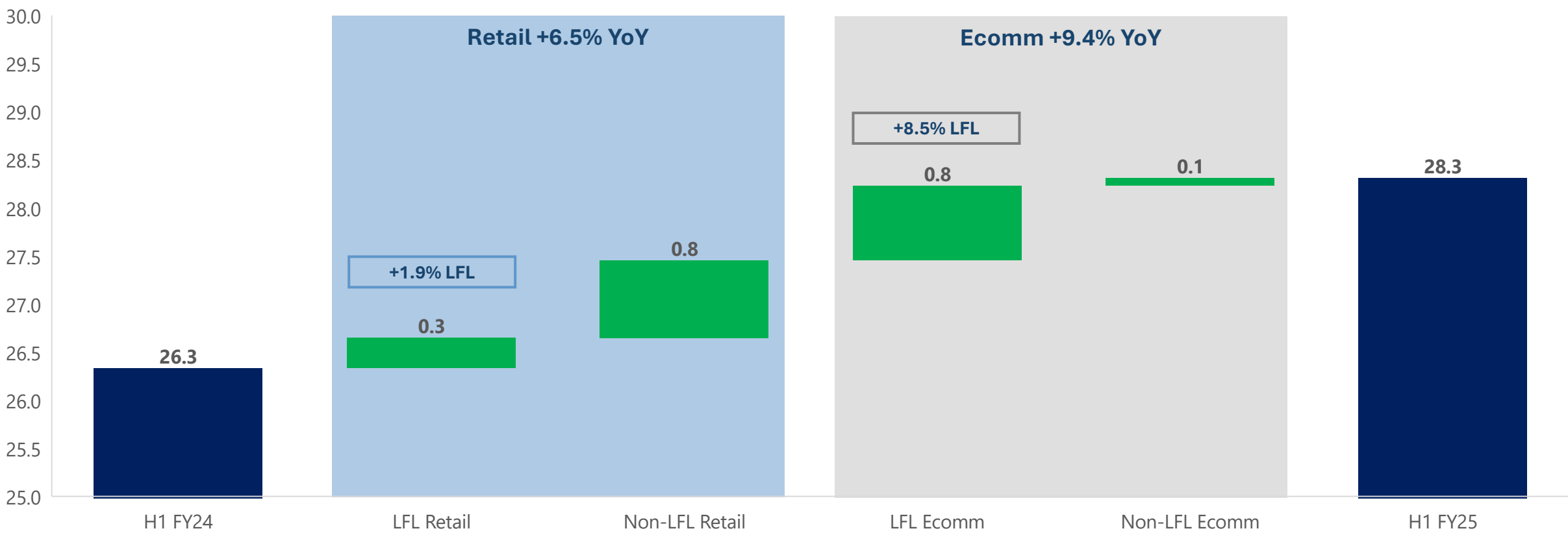
Quarterly revenue growth %



Continued trading momentum

FY25 H1 revenue of £28.3m, with positive LFL growth in both channels

Revenue growth by channel (£m)



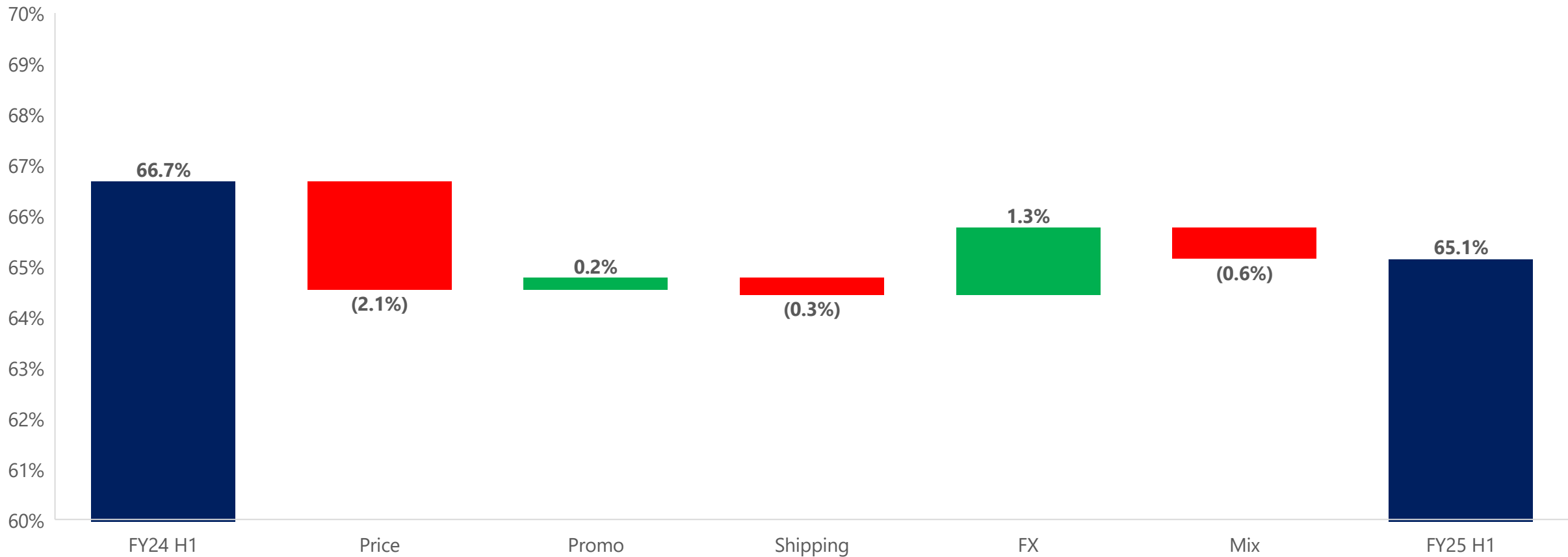
LFL (Like For Like) revenue reflects:

- Ecommerce : ProCook direct website channel only.
- Retail : Continuing Retail stores which were trading for at least one full financial year prior to the 1 April 2024, inclusive of any stores which may have moved location or increased/ decreased footprint within a given retail centre.

Gross margin

Gross profit increased by +5.1% YoY with GM% reducing by -160bps driven by price investment, shipping costs and product mix, partly offset by FX benefits and lower promotional discounting YoY

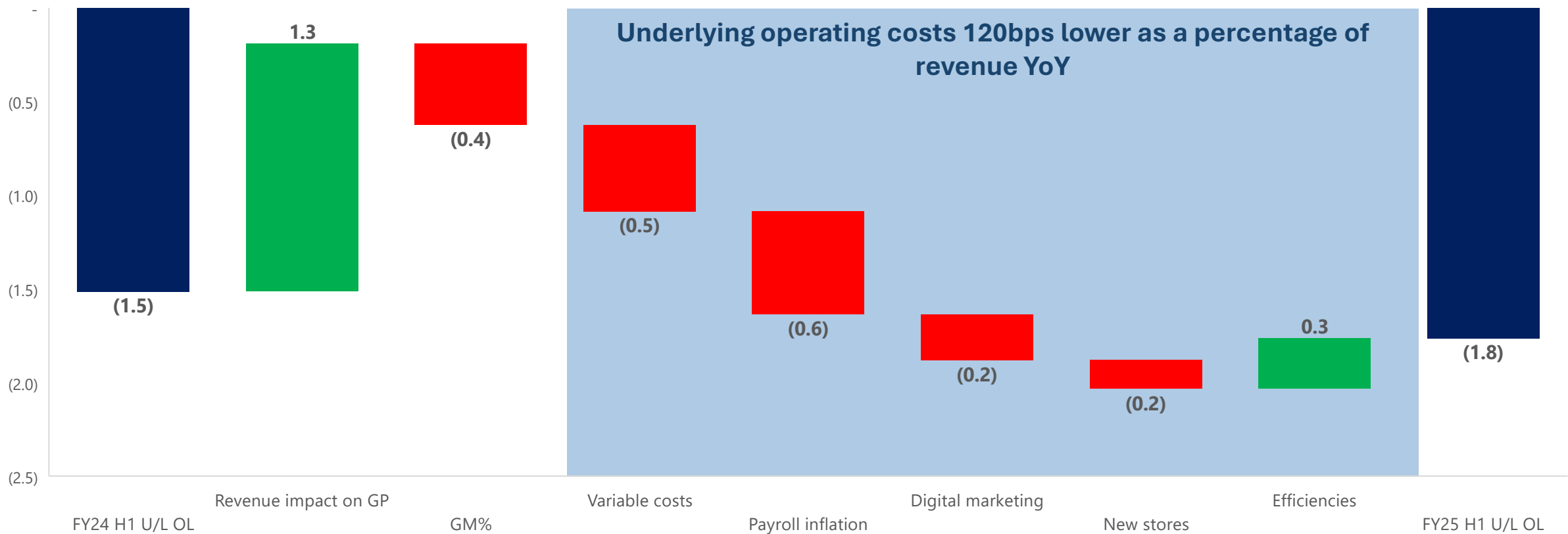
Gross margin % YoY



Underlying operating loss

Operating loss of £1.8m in H1 is £0.3m higher than last year. Continued cost discipline with operating costs reducing as percentage of revenue despite inflationary headwinds and investment choices

H1 Underlying operating loss YoY (£m)



¹ Underlying operating profit/ (loss) presented before non-underlying items

Income statement

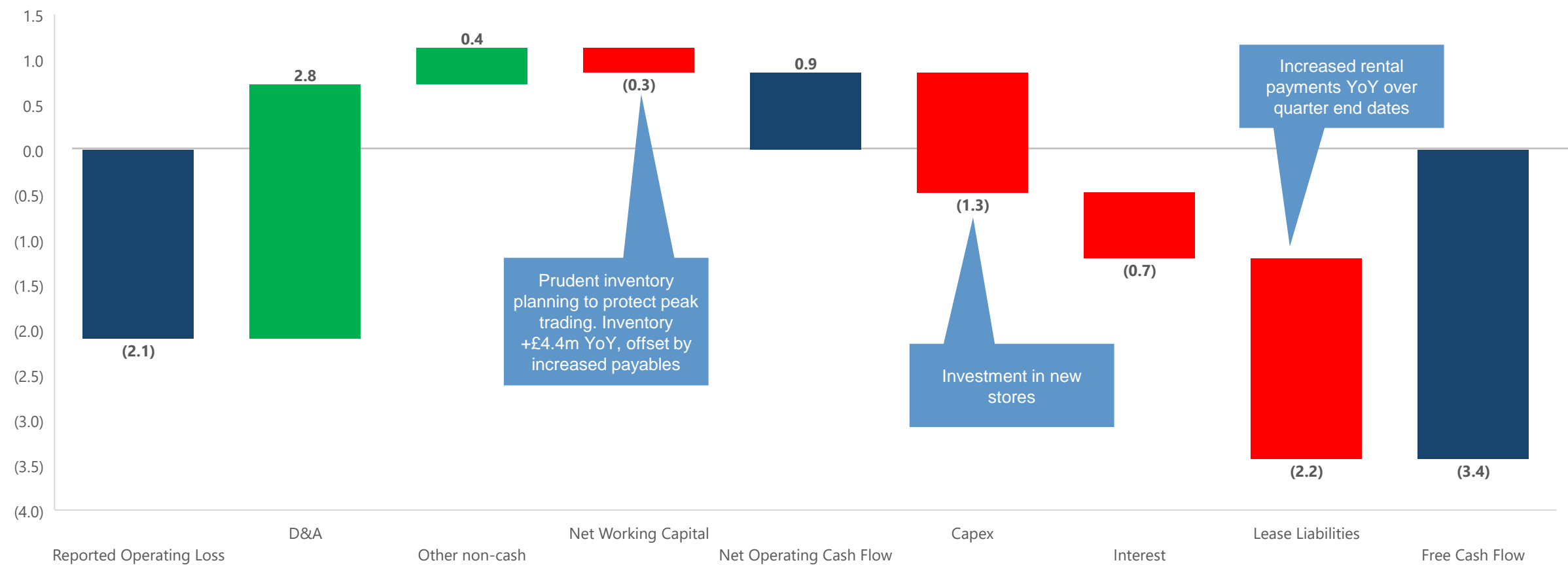
£0.9m adverse swing year on year from temporary unrealised FX losses in H1 impacting Underlying PBT. Underlying EBITDA flat year on year at £1.2m

£m	FY25 H1	FY24 H1
Revenue	28.3	26.3
Gross profit	18.4	17.6
GP%	65.1%	66.7%
Net operating costs	(20.2)	(19.1)
Operating loss	(1.8)	(1.5)
OP %	(6.4%)	(5.8%)
Finance expense	(0.7)	(0.7)
Other (losses)/ gains	(0.4)	0.5
Underlying LBT	(2.9)	(1.7)
LBT %	(10.2%)	(6.5%)
Non-underlying items	(0.3)	(1.5)
Reported LBT	(3.2)	(3.2)
Underlying EBITDA	1.2	1.2

- Revenue growth of +7.5% and +4.2% LFL
- Gross margins -160bps driven by price investment
- Operating costs +£1.1m year on year, 1.2% point improvement as % revenue:
 - Investment in marketing and new stores (+£0.5m)
 - Payroll inflation (+£0.6m)
 - Volume growth in LFL Retail and Ecomm (+£0.4m)
 - Cost efficiencies (-£0.3m)
- Unrealised FX losses of -£0.4m in H1 compared to +£0.5m gain in prior year
- Non-underlying items related to IPO Share based payments end in Nov 2024

Free cash flow

H1 net debt of £4.2m with £11.8m available liquidity, covenant compliant and reflecting prudent earlier inventory intake as a result of supply chain disruption



Note: Other non-cash relates to share-based payments

Current trading update

Continued trading momentum in H2 to date despite challenging consumer backdrop

	8 weeks to 8 Dec 2024		
£m	FY25	FY24	YoY%
Revenue	14.7	13.7	7.5%
Ecommerce	6.0	5.5	9.3%
Retail	8.7	8.2	6.3%
LFL Revenue ¹	13.2	13.1	0.9%
LFL Ecommerce	5.9	5.5	7.7%
LFL Retail	7.3	7.6	(4.0)%

- Weak footfall during early weeks, coinciding with Budget and later Black Friday, but has improved since
- Retail LFL -4%, new stores contributing +10.3%pts towards total Retail growth of 6.3%
- Continued Ecommerce momentum, LFL revenue +7.7%

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FY25 full year outlook unchanged

H2 seasonality, new store benefits, GM% improvement, and established efficiencies provide confidence around ability to deliver the full year outturn

Operating profit margin bridge H1 to FY



Summary

Strong first half trading momentum as we deliver on our plan to accelerate profitable growth

Continued **sales momentum** in a subdued market

Investment and **strategic progress** will support growth

Improving **customer** proposition and **brand** awareness

Confident in **business model** and foundations

Delivering our plan to **accelerate profitable growth**

100

UK retail stores

£100m

Revenue

10%

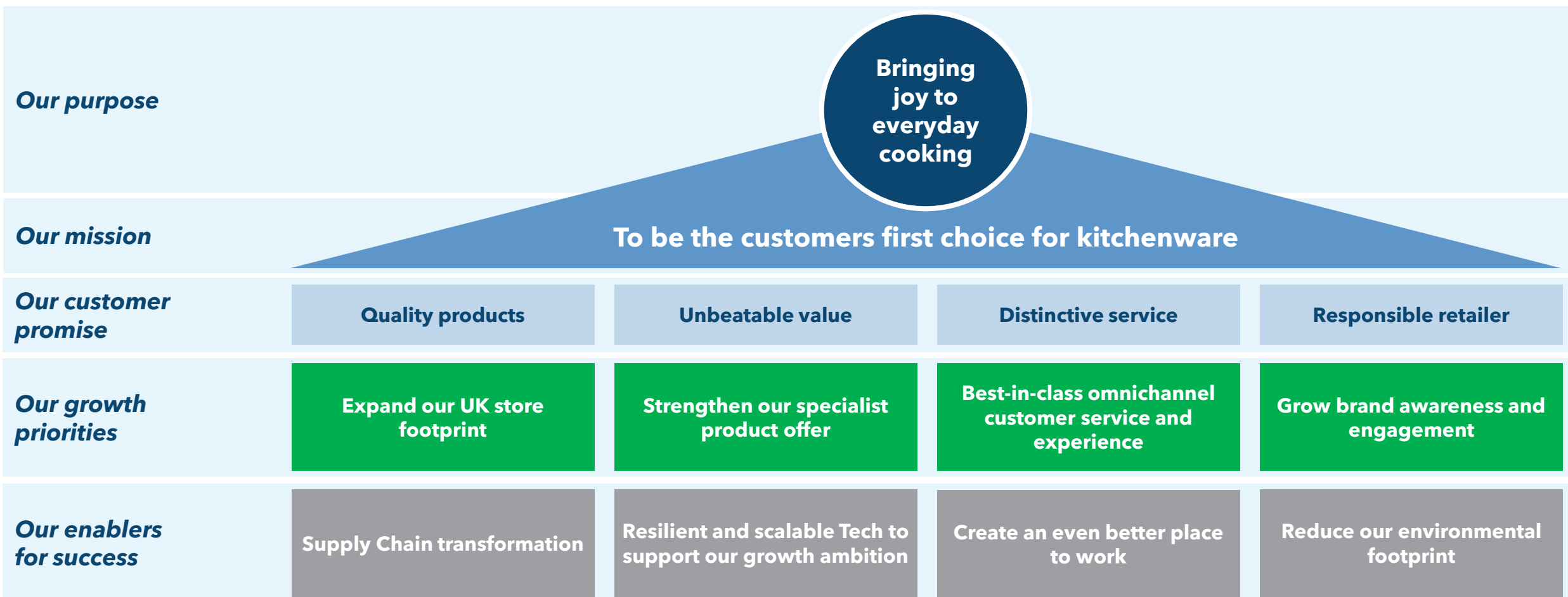
Operating profit margin



Appendices



Strategic plan



Medium term targets

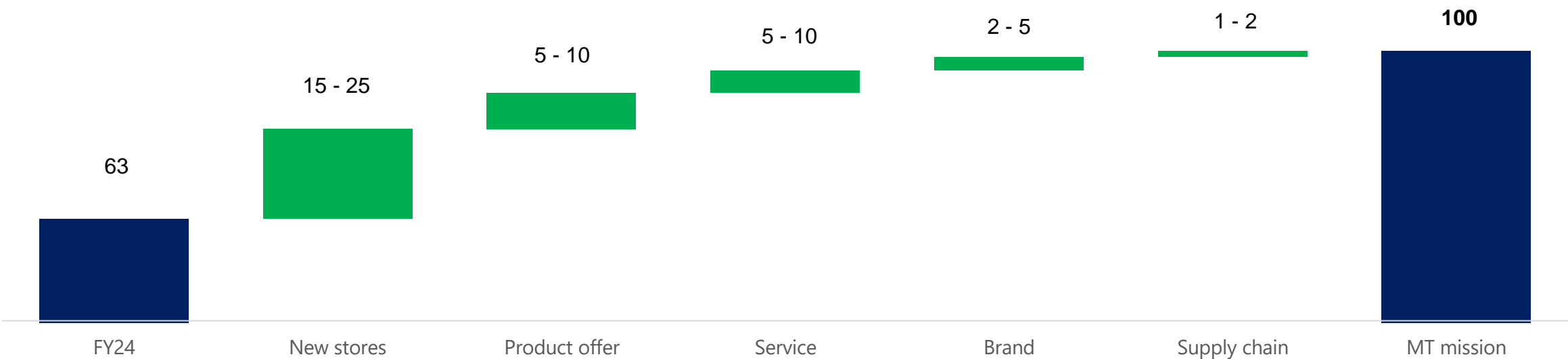
Accelerating profitable growth

100
UK retail stores

£100m
Revenue

10%
Operating profit margin

Revenue ambition £m



Revenue

H1 revenue +7.5% YoY, with positive LFL growth in both channels

£m	FY25 H1	FY24 H1	YoY%
Revenue	28.3	26.3	7.5%
Ecommerce	10.0	9.1	9.4%
Retail	18.3	17.2	6.5%
LFL Revenue ¹	26.7	25.7	4.2%
LFL Ecommerce	9.9	9.1	8.5%
LFL Retail	16.8	16.5	1.9%

Ecommerce

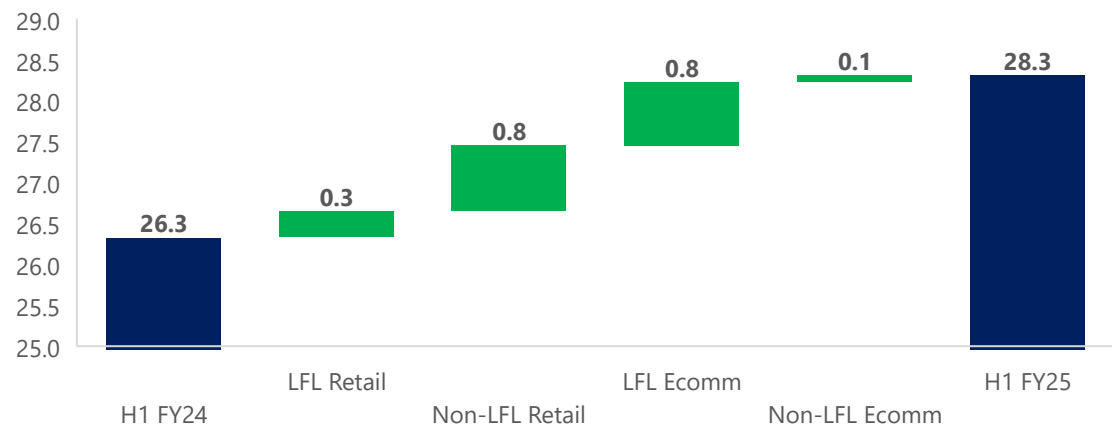
- Website +8.5% recuperating LY website migration challenges
- £0.1m (+0.9%pt) impact of re-launch of Amazon UK

Retail

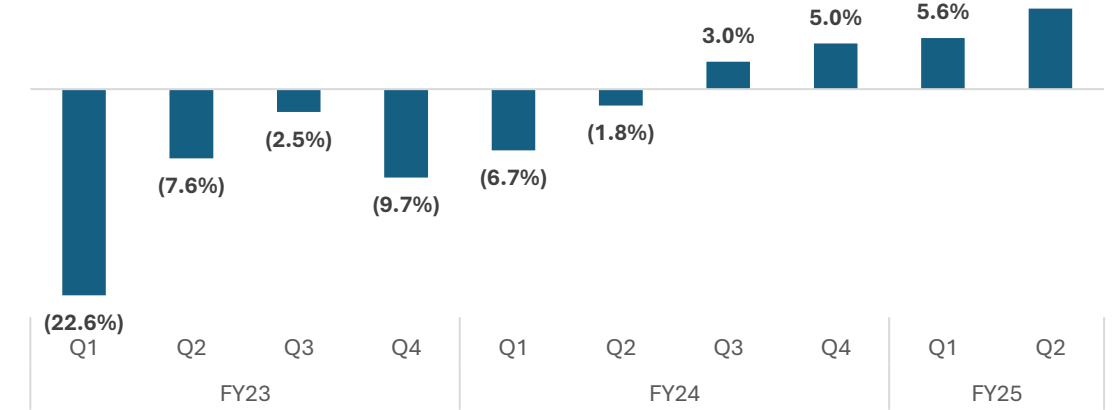
- Total +9.4% YoY, 4 new stores plus 2 new stores LY
- LFL of +1.9%, fifth consecutive quarter of growth

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Year on Year revenue £m



Quarterly revenue growth %



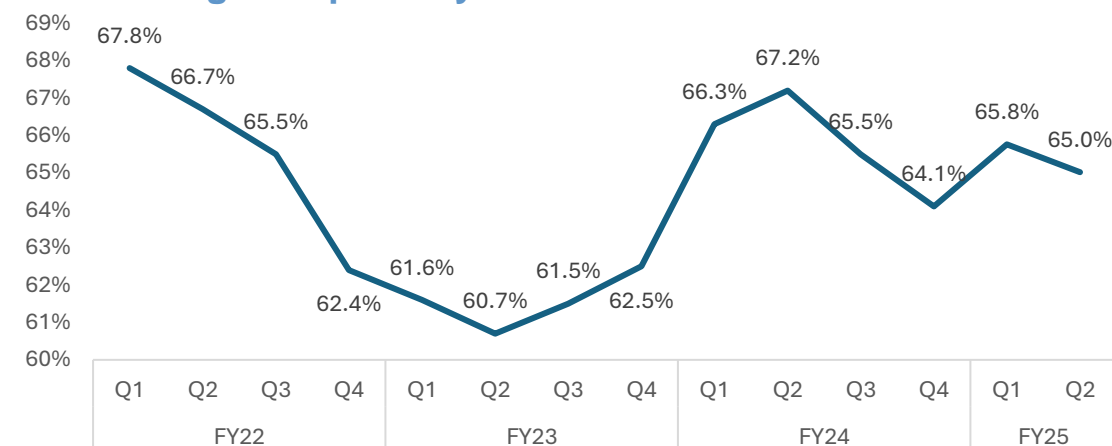
Gross margin

Gross profit increased by +5.1% YoY with GM% reducing by -160bps primarily driven by price investment and shipping costs, partly offset by FX benefits YoY

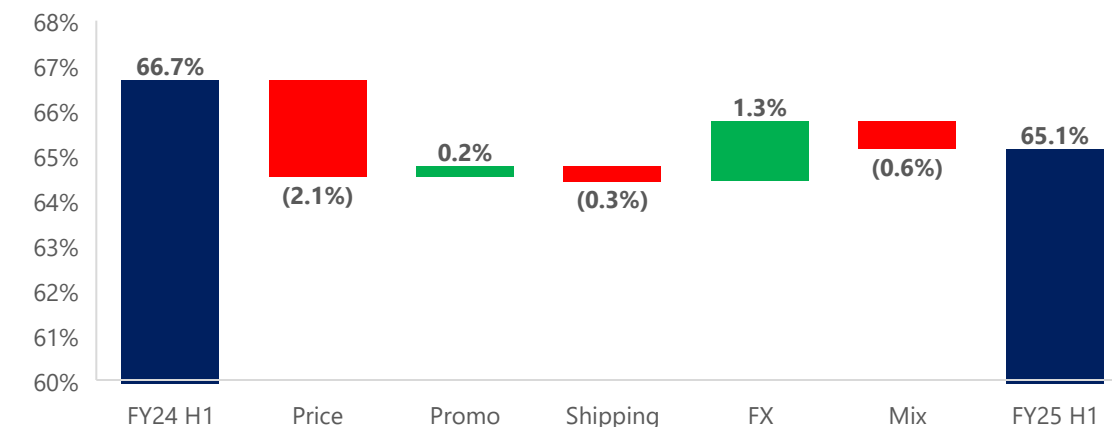
£m	FY25 H1	FY24 H1	YoY %
Gross profit	18.4	17.6	5.1%
Gross margin %	65.1%	66.7%	(160) bps
Ecommerce gross margin %	66.8%	68.0%	(120) bps
Retail gross margin %	64.5%	66.2%	(170) bps

- Price investment from H2 FY24 continued through majority of FY25 H1 with -210bps impact YoY
- Heightened shipping costs year on year reflect timing of intake into Inventory average costs
- Weaker USD through H1 delivered +130bps FX benefit
- Continued targeted reduction in promotional discounting year on year

Gross margin % quarterly trend



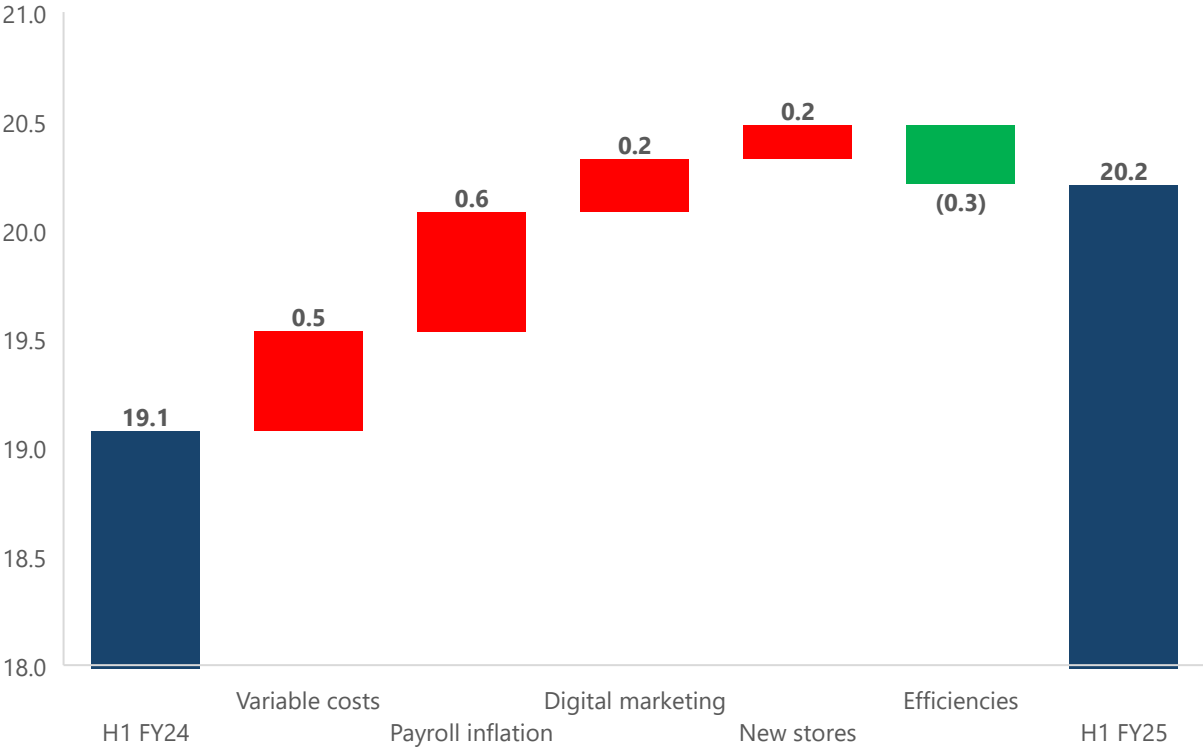
Gross margin % year on year



Underlying net operating expenses

Operating expenses reflect continued cost discipline with costs reducing as a percentage of revenue despite inflationary headwinds and investment choices including retail expansion digital marketing experimentation

Underlying net operating expenses £m



Underlying operating profit £m ¹	FY25 H1	FY24 H1	YoY %
Ecommerce	1.9	1.9	0.3%
OP%	18.8%	20.5%	
Retail	2.2	2.3	(6.9)%
OP%	11.9%	13.6%	

- Variable costs increase with volumes in both channels
- Wage inflation reflects increase to National Living Wage and SSC pay increases
- Investment in website marketing
- Pre-opening costs of new store openings
- Cost efficiencies reflect continued focus on discretionary spend and marketing effectiveness

¹ Underlying operating profit presented before non-underlying costs

Income statement

	H1 FY25	H1 FY25	H1 FY25	H1 FY24	H1 FY24	H1 FY24
£m	Underlying	Non-underlying	Reported	Underlying	Non-underlying	Reported
Revenue	28.3	-	28.3	26.3	-	26.3
Gross profit	18.4	-	18.4	17.6	-	17.6
<i>GP%</i>	<i>65.1%</i>		<i>65.1%</i>	<i>66.7%</i>		<i>66.7%</i>
Net operating costs	(20.2)	(0.3)	(20.5)	(19.1)	(1.4)	(20.5)
Operating (loss) / profit	(1.8)	(0.3)	(2.1)	(1.5)	(1.4)	(3.0)
<i>OP %</i>	<i>(6.4%)</i>		<i>(1.4%)</i>	<i>(5.8%)</i>		<i>(11.2%)</i>
Finance expense	(0.7)	-	(0.7)	(0.7)	(0.1)	(0.8)
Other (losses) / gains	(0.4)	-	(0.4)	0.5	-	0.5
(Loss) / Profit before tax	(2.9)	(0.3)	(3.2)	(1.7)	(1.5)	(3.2)
<i>PBT %</i>	<i>(10.2%)</i>		<i>(11.3%)</i>	<i>(6.5%)</i>		<i>(12.3%)</i>
Taxation	0.7	-	0.7	0.4	0.4	0.8
Profit for the period	(2.2)	(0.3)	(2.5)	(1.3)	(1.1)	(2.4)

Financial position

£m	13 October 2024	15 October 2023	31 March 2024
Non-current assets	9.6	9.2	8.9
Right of use assets	20.5	25.5	20.5
Inventories	16.9	11.9	9.7
Trade and other receivables	2.2	3.4	3.7
Corporation tax	0.9	0.8	0.2
Cash and cash equivalents	3.1	1.4	2.0
Total current assets	23.1	17.5	15.6
Trade and other payables	(16.2)	(10.7)	(10.4)
Lease liabilities	(3.3)	(3.8)	(3.3)
Borrowings	(7.3)	(4.6)	(2.8)
Other current liabilities	(0.2)	(0.2)	(0.2)
Total current liabilities	(27.0)	(19.3)	(16.7)
Lease liabilities	(19.3)	(26.3)	(19.3)
Other non-current liabilities	(0.6)	(0.9)	(0.6)
Total non-current liabilities	(19.9)	(27.2)	(19.9)
Net assets	6.3	5.7	8.4

Cash flow statement

£m	H1 FY25	H1 FY24
Reported loss before tax	(3.2)	(3.2)
D&A, impairment and loss on disposal	2.8	2.6
Share based payments	0.4	0.7
Net working capital (outflow) / inflow	(0.2)	2.6
Finance expense	0.7	0.8
FX losses / (gains)	0.3	(0.5)
Net operating cash flow	0.8	2.9
Net capital expenditure	(1.3)	(1.0)
Interest	(0.7)	(0.8)
Payment of lease liabilities	(2.2)	(1.4)
Free Cash Flow	(3.4)	(0.3)
Change in borrowings	4.5	(0.2)
Dividends	-	-
Net Cash Flow	1.1	(0.5)
Cash	3.1	1.4
Borrowings	(7.3)	(4.6)
Net debt / cash	(4.2)	(3.2)

Revolving credit facility	
Facility	£10.0m
Expiry	April 2025
Committed	Yes
Covenants¹	
Leverage: (net debt : EBITDA)	<2.0x
Fixed charge cover: (EBITDAR : Fixed charges)	>1.3x H1 FY25, then >1.4x
Trade finance facility	
Facility	£6.0m
Expiry	February 2025
Committed	No
KPI tests	
KPI: Stock ratio (Inventory : facility)	>1.5x

¹ Covenants are calculated on a pre-IFRS 16 basis

- £11.8m available liquidity in current facilities at H1
- Positive and long-standing relationship with HSBC, in ongoing and regular dialogue