



ProCook Group plc

Second quarter trading update

Renewed trading momentum after a challenging Summer

ProCook Group plc (“ProCook” or “the Group”), the UK’s leading direct-to-consumer specialist kitchenware brand, today reports on Q2 trading results for the 16 weeks ended 16 October 2022.

£m	Quarter two			Year to date		
	FY23	YoY ¹	Yo3Y ²	FY23	YoY ¹	Yo3Y ²
Revenue	15.9	(9.1%)	53.9%	27.4	(14.8%)	45.6%
Ecommerce	6.3	(16.4%)	88.6%	11.4	(25.0%)	102.6%
Retail	9.6	(3.5%)	37.3%	16.0	(5.6%)	21.2%
LFL Revenue³	13.6	(15.8%)	110.4%	23.6	(15.8%)	119.7%
Ecommerce LFL ³	5.9	(14.8%)	234.2%	10.7	(12.6%)	258.9%
Retail LFL ³	7.7	(16.6%)	47.6%	12.9	(18.3%)	49.1%

Trading update

We are pleased to report revenue of £15.9m in quarter two which was -9.1% year on year, and +110.4% higher on a like for like basis than FY20 (pre-pandemic). Our trading performance during this quarter, against strong prior year comparative results, reflects the challenging market conditions driven by the combined effects of heightened pressures on consumers spending, the prolonged hot summer weather and the return of overseas summer holidays. We are encouraged by the much-improved run rate as we exited the second quarter.

The first half revenue of £27.4m was -14.8% year on year including the -4% point effect of the annualisation of our exit from Amazon UK at the end of June 2021. On a like for like basis our first half revenue was +119.7% higher than pre-pandemic levels.

In the year to date, we have attracted 320,000 new customers to shop with ProCook for the first time and we have increased our 12 month repeat purchase rate to 25.3% (FY22 H1: 24.7%). As a result, the number of active customers in the last 12 months has now increased to above one million (+36.5% year on year). However average transaction values have declined, largely driven by the by the sales mix shift back towards Retail.

We have opened one new store during the quarter and completed two relocations to larger sites in the same shopping centres. We continue with the development and fit-out of our new distribution centre and head office, having taken possession of the new site in September.

Net debt at the end of the first half was -£1.3m (FY22 year end: -£1.8m) with available facility headroom of £14.7m.

B Corp certification

ProCook recently became the first London Stock Exchange listed retailer to be certified as a B Corporation (B Corp). The certification follows a rigorous assessment set by B Lab, the non-profit organisation behind the B Corp movement, whereby ProCook was required to reach a benchmark score by providing evidence of socially and environmentally responsible practices including energy consumption and emissions, waste and water use, employee compensation, diversity and corporate transparency.

The certification reflects our long-held commitment to building a responsible brand with a strong purpose; we have already celebrated many milestones including eliminating Scope 1 and 2 emissions, committing to the Real Living Wage, and being recognised as one of the UK’s Best Workplaces™.

Alongside our existing sustainability goals, and the roadmap we are creating to reach Net Zero emissions by 2030, our new membership of B Corp provides a stringent framework by which we can continue to measure our performance and progress.

Outlook

Despite the difficult consumer and macro environment, we continue to attract new customers to the brand, and have made good progress with our retention marketing activity following the completion of our transition to a new CRM system.

Looking ahead to our peak trading period, while conscious of the many challenges that consumers are facing, we are focused on building on our recent trading momentum whilst managing our cost base carefully to support profitability.

Forecasting full year performance is challenging given the market conditions, however we expect full year underlying PBT will be within our previously guided range of £4-6m. We are confident that the Group remains well placed to capture increased share of the large kitchenware market and deliver medium to long term growth and value to all stakeholders.

Daniel O'Neill, Chief Executive Officer & Founder, commented:

"Whilst the consumer and macro environment remains uncertain, we are pleased to have seen a marked improvement in recent trading, as we enter the important pre-Christmas trading period.

"We remain confident in our specialist offer, with quality product ranges and fantastic service underpinned by our value-for-money credentials across all price points.

"We are focused on building on our recent trading momentum and strong foundations to develop the ProCook brand, strengthening our market position and customer proposition, and we continue to invest in areas that will improve our operational efficiency and capacity. This will leave us better placed to capture further growth opportunities as trading conditions improve.

"We are incredibly proud to be at the forefront of the B Corp movement in our sector, in which only a select group have been certified as B Corps. Being the first retail brand which is listed on the London Stock Exchange to have achieved B Corp status is an enormous achievement by everyone at ProCook."

¹ YoY reflects year on year performance between the relevant financial periods of FY23 (52 weeks ending 2 April 2023) and FY22 (52 weeks ended 3 April 2022).

² Yo3Y reflects year on year performance between the relevant financial periods of FY23 and FY20 (pre-pandemic).

³ LFL (Like For Like) revenue reflects:

- Retail YoY – Continuing Retail stores which were trading for at least one full financial year prior to the 3 April 2022, inclusive of any stores which may have moved location or increased/ decreased footprint within a given retail centre.
- Retail Yo3Y – Continuing Retail stores which were trading for at least one full financial year prior to the 29 March 2020, inclusive of any stores which may have moved location or increased/ decreased footprint within a given retail centre.
- Ecommerce YoY and Yo3Y – ProCook direct website channel only.

For further information please contact:

ProCook Group plc

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Next scheduled event:

ProCook expects to release its FY23 interim results in mid December 2022.

Notes to editors

ProCook is the UK's leading direct-to-consumer specialist kitchenware brand. ProCook offers a direct-to-consumer proposition, designing, developing, and retailing a high-quality range of cookware, kitchenware and tableware which provides customers with significant value for money.

The brand sells directly through its website, www.procook.co.uk, and through 56 own-brand retail stores, located across the UK. ProCook products are also available in Germany and France with delivery options extending to Belgium, Austria, Luxembourg, the Netherlands, and Poland.

Founded over 25 years ago as a family business, selling cookware sets by direct mail in the UK, ProCook has grown into a market leading, multi-channel specialist kitchenware company, employing over 600 colleagues, and operating from its Head Office in Gloucester.

ProCook has been listed on the London Stock Exchange since November 2021 (PROC.L).

Further information about the ProCook Group can be found at www.procookgroup.co.uk.