

RNS Miscellaneous

## Trading update and Extension of reporting deadline

### JOHN LEWIS OF HUNGERFORD PLC

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John Lewis Of Hungerford PLC  
17 December 2020

This announcement contains inside information as stipulated under the Market Abuse Regulations (EU) no. 596/2014 ("MAR")

17 December 2020

#### **John Lewis of Hungerford plc**

(the "Company")

#### **Update on trading and current financial position**

#### **Extension of reporting deadline for publication of the audited accounts**

#### **for year ended 30 June 2020**

John Lewis of Hungerford Plc (AIM: JLH), the specialist manufacturer and retailer of kitchens, bedrooms and freestanding furniture, announces the following update for the financial year ended 30 June 2020 and trading for the first 24 weeks to 16 December 2020 of the current financial year.

As reported on 3 November 2020, the Company announced that it would be delaying the announcement of the final results for the year ended 30 June 2020 to enable the management team to focus on operational responsibilities throughout the November lockdown which, as a consequence, diverted attention away from the reporting processes.

Guidance for the final results for the year ended 30 June 2020 was provided in the Pre-Close trading update on 21 September 2020 which remains unchanged. Given the strong design quoted activity during January and February 2020, together with the effect of the cost savings, the Board had been cautiously confident of a profitable second half, which was expected to offset much of the first half loss.

However, since the national lockdown began in March 2020, the Company's immediate focus switched to cash preservation. As soon as it became clear that the final quarter disruption would have an adverse impact on our cash reserves, the Company explored all available options to mitigate the revenue loss by implementing cost-cutting measures immediately. We sought to agree preferential terms from landlords and suppliers and we thank them for their support during this difficult period.

In addition, the Company utilised UK Government support measures, including VAT payment holidays and PAYE deferral, the local business grants, business rates relief and the Job Retention Scheme. This support helped the business to reduce monthly cash operating costs throughout lockdown.

The Board met regularly to provide support for the Executive team, both as a sounding board for the many challenges we encountered and assisting in making critical decisions which were taken to secure the financial resilience of the Company.

The new financing facility announced on 30 June 2020, supported the business with operating costs as we emerged from the lockdown. Liquidity (cash and unutilised overdraft) at 30 June 2020 was £559k (2019: £538k). Liquidity has improved through strong trading since the Summer and on 16 December 2020 stood at £775k (2019: £312k).

Our despatched sales and forward orders (which we normally consider to be the best measure of current trading) for the first 24 weeks of trading stood at £4.5m (2019: £3.7m). Future orders against which a first stage deposit has been taken stood at £1.4m (2019: £1.0m). Therefore, the total of all despatched sales and forward orders is £5.9m, which is 25% ahead of the corresponding period in the prior year. Overall design

quotation activity within the business is substantially up on the previous year which reflects sustained consumer interest in home improvements.

During the November lockdown, our design team worked remotely with our customers, offering video design consultations via Zoom and Teams. Customers have engaged without interruption during this period, now that they are more familiar with the technology. Our virtual showroom tours and video content have supported our sales process and we have successfully taken orders throughout lockdown. With FCA approval granted, we are now offering finance facilities to our customers, which has been well received. Our production facility has continued to operate throughout this period, together with continuity in our installations service taking place in customers' homes.

The Board will continue to manage the Company's business in accordance with market conditions and will give further updates accordingly.

#### **Annual report and accounts**

Due to the COVID-19 pandemic, the Company will not be able to post its annual audited report and accounts for the financial year ended 30 June 2020 (the "Annual Report") to shareholders by 31 December 2020. The Company has applied to AIM Regulation, pursuant to the guidance provided by AIM Regulation in "Inside AIM" on 26 March 2020, for an additional period of up to three months to publish the Annual Report. AIM Regulation has granted the extension and therefore the Company will publish the Annual Report by no later than 31 March 2021.

The Company has been granted an extension of time to file the Annual Report with the Companies House to 31 March 2021.

Enquiries:

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