

23 January 2020

HOTEL CHOCOLAT GROUP PLC
(“Hotel Chocolat”, the “Company” or the “Group”)

Trading Update

Hotel Chocolat Group plc, a premium British chocolatier and omni-channel retailer, today announces the following trading update for the 13-week and 26-week periods ended 29 December 2019.

Total Group revenue for the 13-week period increased 11 per cent compared to the prior year.

Total Group revenue for the 26-week period increased 14 per cent compared to the prior year.

During the 26-week period, the Group opened nine new locations in the UK, ending with 125 locations. Internationally the Group opened two new locations in the US and three new joint-venture locations in Japan, ending the period with four and five locations respectively. The new openings contributed three percentage points of the 14 per cent total Group revenue growth.

Trading for the 13-week period and since December continues to be in line with management’s expectations, though the cost to deliver this growth was modestly higher due to inefficiencies in the supply chain which are being addressed in 2020. The Board expects to announce the Group’s results for the six months ended 29 December 2019 on 25 February 2020.

Angus Thirlwell, Co-Founder and Chief Executive Officer, said:

“This was another strong performance from Hotel Chocolat. In our domestic UK market, we grew our VIP-Me member base to over 1.1m active members, as well as driving strong organic growth from our existing physical locations. We will continue to bring Hotel Chocolat to more locations in the UK where the deals are appropriate.

“The USA and our joint venture in Japan are both delivering an encouraging performance, growing to four and five locations respectively by the end of period. While much of 2019 was about getting started in these large new markets, 2020 will see us accelerate our supply-chain transformation. This focus will rebalance us from being a UK-based company operating from owned channels, to one more suitable for multi-channel multi-territory international supply.

“Our Velvetiser in-home hot chocolate system continued to grow in popularity and is now supported by our new refill subscription service, with 12 flavours to choose from including new Dark Mint and Raspberry White. Customer demand for the new recipes has exceeded our initial forecasts and we are taking pre-orders for our next batch.

“We also launched Nutmilk, our outrageously creamy new ‘milk’ chocolate which just happens to be 100% vegan. It’s been five years in the making and is an immediate hit”

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 (MAR), and is disclosed in accordance with the Company’s obligations under Article 17 of MAR.

For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is being made on behalf of the Company by Matt Pritchard, Chief Financial Officer of Hotel Chocolat.

Enquiries:

Hotel Chocolat Group PLC

Tel: +44 (0) 1763 257 746

Angus Thirlwell, Co-Founder and CEO
Peter Harris, Co-Founder and Development Director
Matt Pritchard, CFO

Liberum (Nominated Adviser and Sole Broker)

Tel: +44 (0) 20 3100 2000

Clayton Bush
James Greenwood

Citigate Dewe Rogerson

Tel: + 44 (0) 20 7638 9571

Angharad Couch
Ellen Wilton
Kieran Farthing

Notes to Editors:

Hotel Chocolat is a premium British chocolatier with a strong and distinct brand. The business was founded in 1993 by Angus Thirlwell and Peter Harris and has traded under the Hotel Chocolat brand since 2003. The Group sells its products online and through a network of stores in the UK and abroad. The Group has a cocoa plantation and eco-hotel in Saint Lucia, offering complete cocoa immersion thorough tree-to-bar experiences and wellness treatments. The Group also has a flagship restaurant and cocoa roastery in London's Borough Market: Rabot 1745. The Group was admitted to trading on AIM in 2016.