

Victoria PLC (AIM: VCP)

Company Summary

Investment profile

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Share information

Ticker	VCP
Share Price	99p
Shares in issue	114m
Market Cap	£113.61m
12m Hi/Low	293/37p

(Source: The London Stock Exchange, March 2025)

12-Month share price



(Source: The London Stock Exchange, March 2025)

Major shareholders (as of March 2025)

Name	%
Camden Holdings Limited*	17.49
Morgan Stanley Investment Management	13.92
Wood River Capital LLC**	10.96
Philosophy Capital Management	6.56
Saqib Karim	7.00
The Capital Group Companies Inc	4.70
Orbis Investment Management	3.00

(Source: Company website)

*Board & Management Shareholders

**Shares held on behalf of KED Victoria Investments LLC

Company overview

www.victoriapl.com

Established in 1895 and listed since 1963 (on AIM since 2013), Victoria PLC (the "Group" or "Company"), is an international manufacturer and distributor of innovative flooring products. The Group, which is headquartered in Worcester, UK, designs, manufactures, and distributes a range of carpet, rugs, flooring underlay, ceramic tiles, LVT, artificial grass and flooring accessories. Victoria has supplied carpets to Buckingham Palace, Sandringham, Balmoral and **the red carpet at the Duke and Duchess of Cambridge's Royal Wedding.**

Victoria has operations in the UK, Spain, Italy, Belgium, the Netherlands, Germany, Turkey, the USA, and Australia and employs approximately 6,300 people across 30 sites. Victoria is Europe's largest carpet and rug manufacturer and the second largest in Australia, as well as the largest manufacturer of underlay in both regions.



The Group strategy is to create value for its shareholders and focuses on consistently increasing earnings and cash flow per share via acquisitions and sustainable organic growth. The management team is focused on deleveraging the business using free cash flow.

Flooring a stable long-term growth market

Flooring is an extremely resilient long-term growth sector, with a CAGR of 3% in global flooring volume (m²) growth (2% in Europe, 2.5% in the US) over the past 15 years. **Short term deviation from the growth trend-line is always recovered within 24 months.** The combined value of the US and European flooring markets was estimated to be worth £113 billion in 2020, growing to £152 billion by 2026 (Sources: Mordor Intelligence/ AMA Research).

Strong position to leverage market recovery

Despite challenging market conditions, Victoria has improved its competitive differentiation and continued to gain market share in key markets it operates in. This gain has been camouflaged by the temporary fall in the size of the market and pricing pressures, but it is no less real for that.

The Company has also removed significant costs and sold surplus real estate, with efficiency gains realised as a result of the continued integration of recent acquisitions. As such, the Board is confident it is well positioned to take advantage of a market recovery with lower fixed costs, higher operational gearing and increased market share.

Investor site

You can visit the Company's AIM Rule 26 investor site [here](#).



'Self-help' programme streamlining business

Victoria is currently implementing a 'self-help' programme aimed at cutting costs, making efficiency gains and realising value from its surplus real estate. £12 million was permanently removed from the fixed cost base during first half of the year, and a further £20 million per annum of savings is being executed during FY2025.

It is expected that the positive impact on FY2026 earnings will be circa £32 million in total and the cumulative cost savings targeted by the end of FY2027 is expected to be in excess of £80 million. Victoria is focused on deleveraging and looking ahead to refinancing the 2026 senior notes (bonds).

Improving demand outlook

A key driver of flooring demand is housing transactions and in the last quarter increased mortgage approvals, rising house prices, and lower interest rates have been reported in Victoria's key markets, and these are all precursors to increased transactions and consequently flooring demand.

As incomes have caught up with inflation alongside lower mortgage expenses, consumer discretionary spending is also likely to increase, which also drives flooring sales. Weak consumer demand for flooring has historically always resulted in revenue deferred, not revenue forgone - the threadbare rug or stained carpet reluctantly tolerated during economic hard times is immediately replaced when a recovery in discretionary spending power allows.

Industry-leading logistics platform

Apart from further enhancing Victoria service proposition, Victoria's logistics operation, Alliance Flooring Distribution, is also now generating third-party logistics income. Alliance continues to be a key differentiator, separating Victoria from the continental carpet suppliers by meaningfully enhancing its service proposition. Retailers place great value on fast, on-time delivery as it allows them to reduce their inventory levels and warehouse overheads.

Meet Victoria

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Management team



Victoria PLC is led by **Executive Chairman Geoff Wilding**. Geoff was appointed Executive Chairman in 2012 and has driven the Company's strategy, resulting in a period of exponential growth. Under his leadership, Victoria's market capitalisation and earnings have grown substantially. Geoff is a former investment banker with a strong track record of delivering acquisition-led growth.

Geoff is supported operationally by **CEO Philippe Hamers**. Philippe has over 25 years' experience in the flooring industry and headed Europe's largest carpet manufacturing operation at Balta Group. Prior to this, Philippe was General Manager of the Tufted and Woven Division of Beaulieu International Group.



Brian Morgan joined Victoria in 2022 as **CFO**, prior to which he was Director of Group Finance at Synthomer plc. Brian worked in several FTSE 250 multi-national companies in senior commercial finance and head office roles.

Both the Board and executive management team have invested in the business and are therefore **highly committed and heavily aligned with investors**. As such, both are focused on driving value for Victoria's shareholders.

Forecasts (Source: Factset)

	FY'23 (Actual)	FY'24 (Est.)	FY'25 (Est.)	FY'26 (Est.)
Sales (£m)	1,461	1,257	1,154	1,225
EBITDA (£m)	196	161	120	164
PBT (£m)	77	27	(11)	24
EPS (p)	51.2	19.1	(7.8)	12.8

