



eve Sleep plc (“eve” or the “Company”)

Trading update

Strong trading through November, further upgrade to expectations

eve Sleep (“eve”, the “Company”), the direct to consumer sleep wellness brand operating in the UK, Ireland and France announces a trading update covering the eleven months ended 30 November 2020, following a successful Black Friday trading period.

As previously reported on 3 September trading was strong through the summer months. As a result the Board raised revenue expectations for the full year ended 31 December 2020 to at least £22m, with a commensurate reduction in EBITDA losses. Since that announcement, trading momentum has continued at elevated levels, with particularly strong performances across our mattress and bedframe ranges. The November Which? consumer group review of the UK mattress market concluded that eve now has the two best mattresses in the UK and three of the top five. This, combined with recent product launches, such as the ‘well slept’ range of sleep accessories, fueled by the initial success of the ‘switch off’ TV campaign - which launched on 1 November and will run every Sunday evening until April 2021 on Channel 4 - has resulted in year-on-year revenue growth of some 15% for the five months ended 30 November 2020. As a result the Board now expects full year revenues of at least £24m and a reduced Underlying EBITDA loss of approximately £2.5m, which would represent a 77% year-on-year reduction.

As at 30 November 2020 the Company had a net cash position of c.£8m. December is also an important trading period and accordingly the Company will provide a more detailed trading update for the full year on 21 January 2021.

Cheryl Calverley, CEO of eve Sleep commented:

“We have had a strong November and a remarkable performance over the Black Friday period, with sales over the four days totalling £1.1m, up 45% on the previous year. On Black Friday itself we sold a mattress on average every three minutes. eve continues to cement its position as a premium provider of sleep wellness products and it is pleasing to see this increasingly recognised by independent review bodies such as Which?, who’ve recognised eve’s hybrid

range as the best mattresses in the UK, as well as partnerships with premium store based brands, such as Olivier Desforges in France and Dunelm and Next in the UK.

We are undoubtedly benefitting from structural tailwinds, with the shift to online continuing at pace, as well as ongoing strength in the homewares sector. There is no visibility as to how long these positive drivers will continue and uncertainties around Brexit and consumer spending remain. However, what is certain is that eve is in a far better place, in terms of its differentiated brand positioning, its superb product portfolio and its robust financials, to realise the opportunities that 2021 will no doubt bring.”

The information contained within this announcement is deemed by the Company to constitute inside information stipulated under the Market Abuse Regulation (EU) No. 596/2014.

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