

This announcement may contain inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR. Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.

1 October 2021

**AO WORLD PLC**  
**FIRST HALF TRADING UPDATE FOR THE 6 MONTHS TO 30 SEPTEMBER 2021**  
*Continued growth in a challenging operating environment*

AO World plc ("the Group" or "AO"), a leading European online electrical retailer, today issues a post close trading update for the six months ended 30 September 2021.<sup>1</sup>

On a one-year like-for-like basis, Group revenues for the first half increased c.5% against strong comparatives during the initial Covid lockdown. In the UK, revenues over the period increased c.6%, with growth impacted by the nationwide shortage of delivery drivers and ongoing disruption in the global supply chain. In Germany, revenues in local currency rose c.3% despite the competitive online market. The challenging market dynamics in both the UK and Germany resulted in lower volumes than expected which affected operational leverage, particularly in the second quarter.

Given the exceptional operating environment over the past 18 months, our performance over the comparable period in H120<sup>2</sup> provides a more meaningful overview of our business performance than a comparison with H121<sup>2</sup>. Therefore, on a two-year like-for-like basis, Group revenues grew c.66%, with our UK business growing c.63%. Like-for-like revenues in Germany grew c.84% over the same period.

Whilst we continue to see industrywide issues relating to ongoing supply chain disruption, we have implemented measures to help mitigate these challenges in our logistics operations. We expect revenue growth in the second half of the year to record a similar growth rate to the first half of this year and anticipate that Group Adjusted EBITDA<sup>3</sup> for the full year to be between £35m and £50m, with profits more heavily weighted than usual towards the second half of the year driven by the peak trading period.

Whilst the macro-outlook remains uncertain, we have confidence in the proven resilience of our business model and are well placed to meet customer demand in our peak third quarter sales period.

AO World will announce its interim results for the half year on Tuesday, 23 November 2021.<sup>5</sup>

**Enquiries**

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## About AO

AO World plc, headquartered in Bolton and a constituent of the FTSE 250, is a leading online electrical retailer, with a mission to be the global destination for electricals. Our strategy is to create value by offering our customers brilliant customer service and making AO the destination for everything they need, in the simplest and easiest way, when buying electricals.

In the UK, we sell major and small domestic appliances and a growing range of mobile phones, AV, consumer electricals and laptops, delivering them via our in-house logistics business and carefully selected third parties. We also provide ancillary services such as the installation of new products and recycling of old products as well as offering product protection plans and customer finance. AO Business serves the B2B market in the UK, providing electricals and installation services at scale. AO launched in Germany in October 2014 selling major and small domestic appliances, AV and electrical floorcare products. AO also has a majority equity stake in AO Recycling, a WEEE processing facility, allowing AO to ensure its customers' electronic waste is dealt with responsibly in the UK.

## Notes

<sup>1</sup>Preliminary unaudited figures based on management estimates.

<sup>2</sup>H120 covers the period 1 April – 30 September 2019. H121 covers the similar period in 2020.

<sup>3</sup>Group Adjusted EBITDA is defined as profit/(loss) before tax, depreciation, amortisation, net finance costs, and other adjusting items.

<sup>4</sup>Peak trading covers the period October to December.

<sup>5</sup>Details will be posted on our website [Investor Centre | AO World \(ao-world.com\)](https://www.ao-world.com) and in our interim results announcement to be published on the day.

## Cautionary statement

This announcement contains certain forward-looking statements (including beliefs or opinions) with respect to the operations, performance and financial condition of the Group. These statements are made in good faith and are based on current expectations or beliefs, as well as assumptions about future events. By their nature, future events and circumstances can cause results and developments to differ materially from those anticipated. Except as is required by the Listing Rules, Disclosure Guidance and Transparency Rules and applicable laws, no undertaking is given to update the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise. Nothing in this document should be construed as a profit forecast or an invitation to deal in the securities of the Company. This announcement has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to AO World plc and its subsidiary undertakings when viewed as a whole.

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