



FY24 Full Year Results

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A copy of this presentation can be found on our corporate website at www.ao-world.com.

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Welcome

Mark Higgins
Group CFO



Financial Performance

Mark Higgins
Group CFO

FY24 Financial Summary



- Adjusted PBT £34m (3.3% of revenue)
- Strong Gross Margins 23.4%
- Increase in net funds £34m (FY23: £4m)
- EPS at 4.29p (FY23: 1.13p)
- Revenue £1,039m



Revenue Highlights

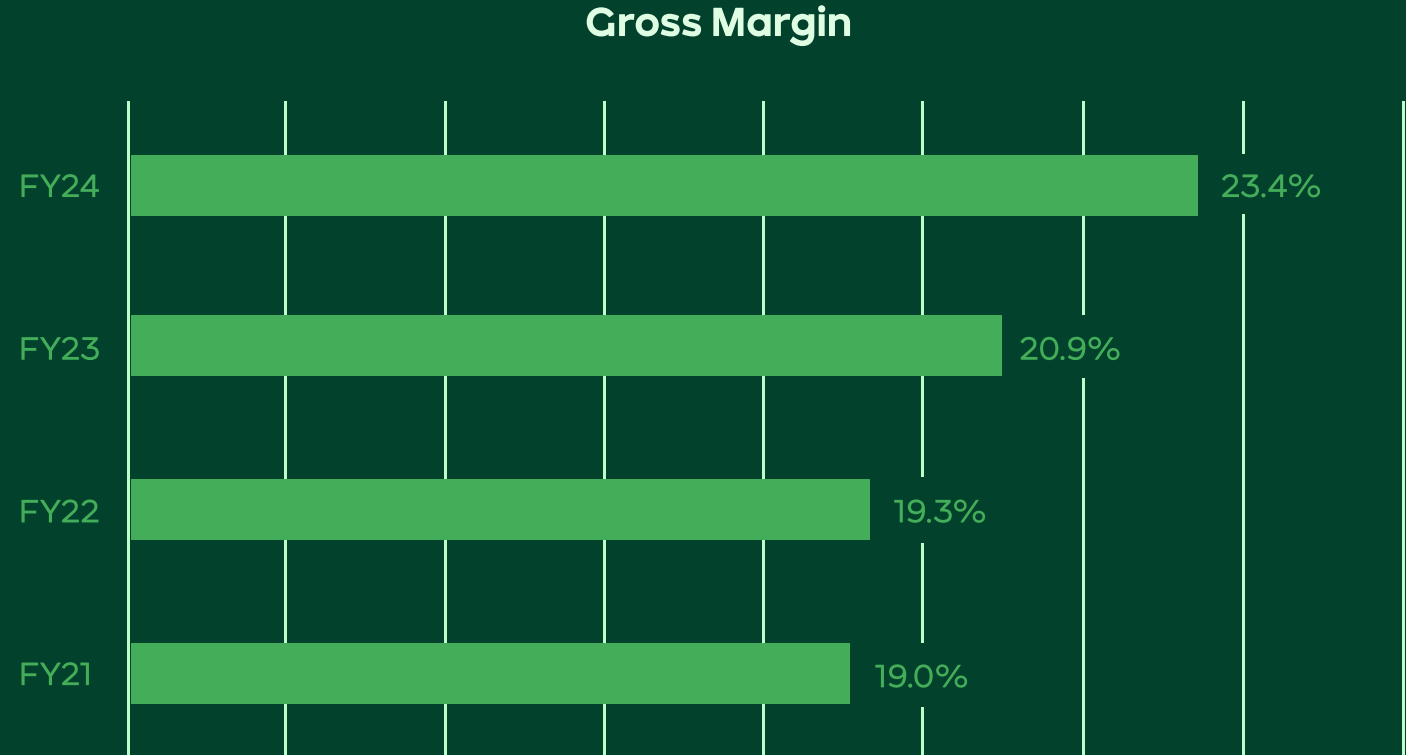


- **Pivot to profit produced expected impact to revenue**
- **15% share of the total MDA market**
- **Annualisation of delivery charges**
- **Contract Mobile Market 14% down YoY**

£m	FY24	FY23	YoY Change
Product revenue	798	875	-9%
Services revenue	63	56	12%
Commission revenue	128	156	-18%
Logistics revenue	28	28	0%
Recycling revenue	22	24	-6%
Total revenue	1,039	1,139	-9%

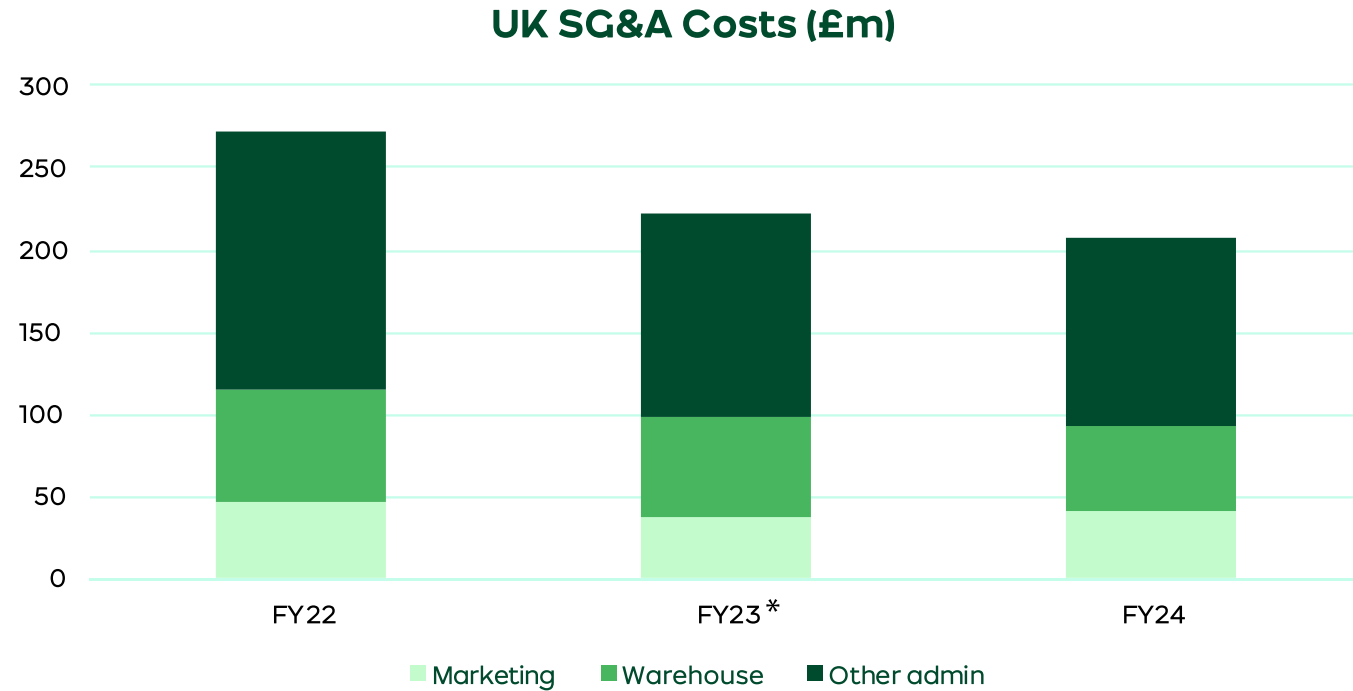
Gross Margin

- **Compounding benefits of:**
 - Range rationalisation
 - Removal of discount codes
 - Delivery charging



SG&A costs

- YoY saving of £19m; 2 YoY saving of £65m
- Marketing investment focused on brand and away from direct acquisition
- Continued control of spend
- Remaining focused on efficiency in warehousing costs
- Investment in ERP systems



Certain financial data have been rounded. As a result of this rounding, the total of data presented may vary slightly from the arithmetic totals of such data
*Excludes impact of adjusting items in FY23

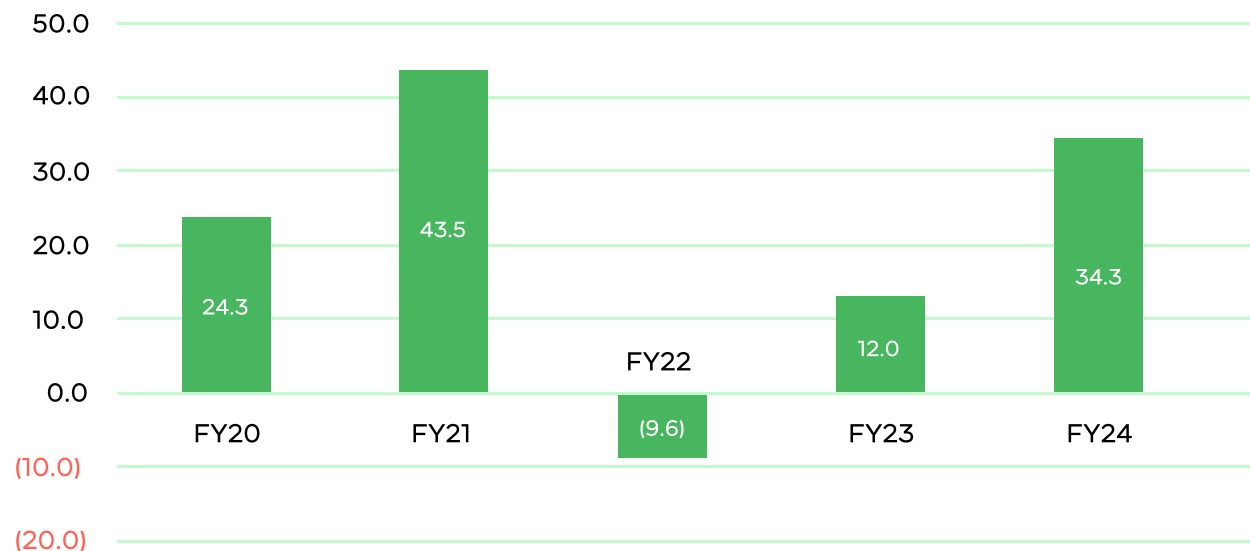


Adjusted PBT continuing operations



- **PBT at 3.3%**
- **Cost structure appropriate for ongoing business**
- **Still opportunities for further efficiencies**
- **Now operationally geared for growth with little further overhead anticipated**

Adjusted PBT FY20 - FY24



Cashflow

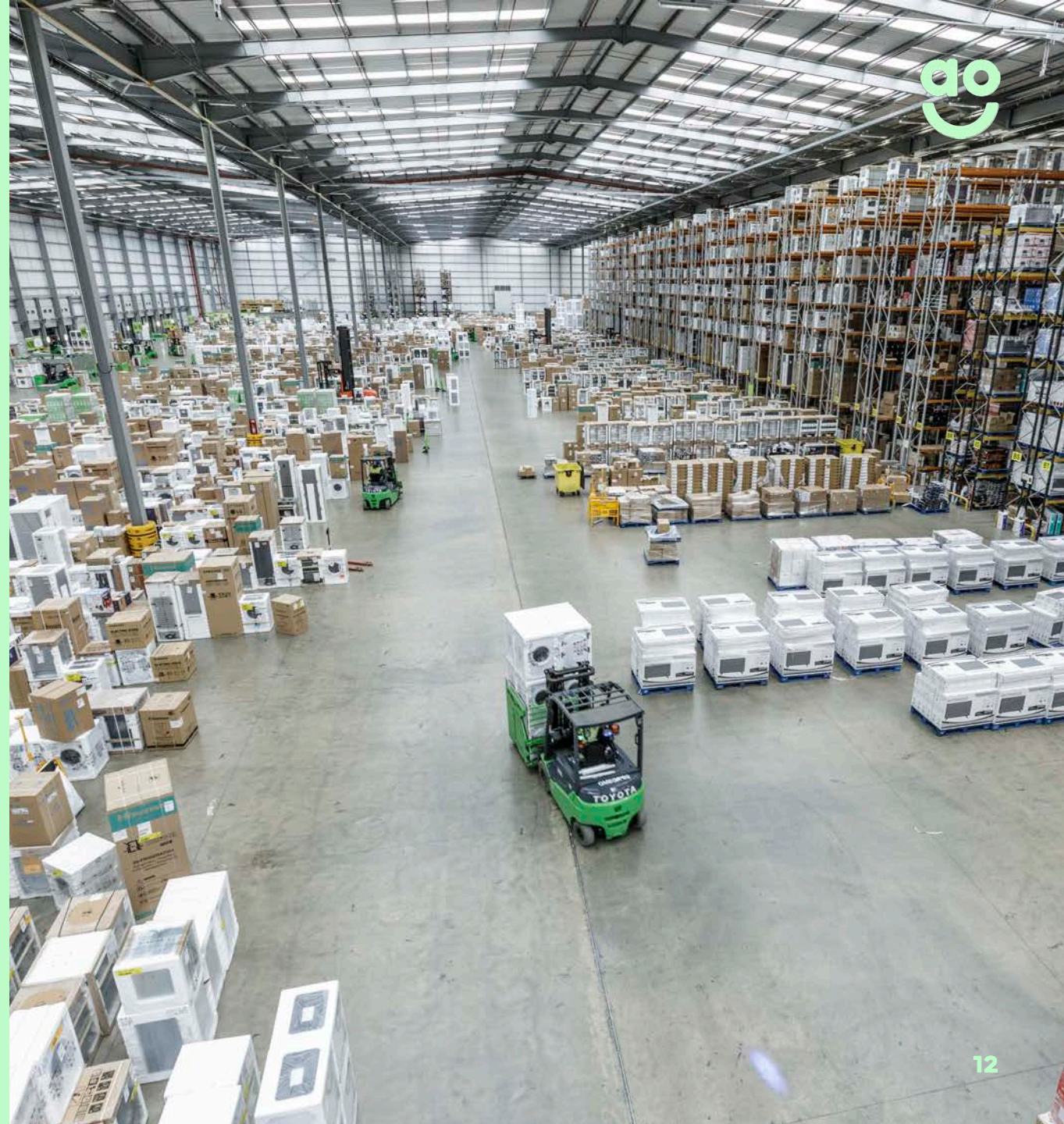
- **Efficient management of working capital**
- **Capex spend of £8m including**
 - **£3.5m on the purchase of recycling site**
 - **£2.4m for the acquisition of affordablemobiles.co.uk and buymobiles.net.**
- **£80m Revolving Credit Facility extended to April 2027**

	FY24 £'m	FY23 £'m
Adjusted EBITDA	60	45
<i>Movement in inventories</i>	(6)	9
<i>Movement in receivables</i>	29	15
<i>Movement in payables and provisions</i>	(26)	(40)
Change in working capital	(3)	(17)
Share placing	0	39
Capex	(8)	(2)
Movement in borrowings	(8)	(35)
Lease repayments and interest	(25)	(25)
Other including discontinued operations	5	(6)
Opening cash	19	20
Closing cash	40	19



FY25 Financial outlook

- Return to profitable growth
- Guidance FY25
 - Group Adj. PBT £36m to £41m
 - Double digit revenue growth
 - Capex of £11m
- Medium term ambitions unchanged:
 - Scale leverage PBT margins (+5%)
 - Continued double digit revenue growth
 - EPS growth





Strategic Update

John Roberts
Founder and CEO

FY24 progress

- Continued progress on improving profitability
- Simplified business, better for customers, record unit economics and a strong culture
- Firm focus on driving profitable growth
- Ambition is to be a double-digit growth business for the next five years
- Self-help plan to grow market share, creating operational gearing:
 - Current MDA market share 15%
 - Other categories market share <2%





Foundations for growth



- Brilliant retail basics
- 3m customers transacted during Covid period likely to repeat purchase
- Improving our proposition and unit economics in non-MDA categories
- Build and drive increased customer loyalty across multiple customer cohorts
- Medium-term tailwind of Covid purchase replacement cycle

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ao.com

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VERIFIED COMPANY



Currys

Reviews 180,845 • Great



VERIFIED COMPANY



John Lewis

Reviews 63,577 • Great



VERIFIED COMPANY



Argos

Reviews 217,957 • Great



VERIFIED COMPANY



The UK's
most trusted
electrical retailer



Summary

Questions

