
# FY24 Full Year Results

**Halfords Group PLC**

27th June 2024

# Agenda

## Overview
Graham Stapleton

## FY24 Financial Performance
Jo Hartley

## Business & Strategic Update
Graham Stapleton

## Outlook
Graham Stapleton

## Q&A

# Overview

- **Successfully delivered on the areas within our control**
- **Made good strategic progress**
- **Headwinds outside of our control were worse than anticipated**
- **FY25 focus is to further optimise the unique platform we have created and mitigate continued headwinds**

***'Building a stronger and more resilient Halfords for the future'***


# FINANCIAL PERFORMANCE

*Jo Hartley*

## Basis of financial information

- Covers the 52-week period from 1 April 2023 to 29 March 2024
- All comparators are on a one-year basis
- All figures are post IFRS 16 unless otherwise stated
- All figures relating to the Income Statement are based on ALL Operations (Continuing plus loss-making Discontinued operations), unless otherwise stated

# Our actions helped to mitigate the difficult macro-economic backdrop

**Macro-economic**

- Consumer Confidence for big-ticket items
- High Interest Rates & Inflation
- Wage and Energy Inflation
- Hedged USD FX rate

**Mitigating actions**

- Growing market share
- Cost & Efficiency
- Good cash management
- Improving Autocentres profitability

# Strong sales growth driven by share gains; Cost savings mitigating ongoing inflation; Very strong profit performance in Autocentres

## Strong revenue growth

**LFL: +5.0%**
**Total: +7.6%**

## Gross margin resilient

Group Gross Margin
**48.2%**
(-50 bps YoY*)

## Costs well managed in challenging environment

Cost as % Revenue
**45.3%**
(+10 bps YoY)

## Profit down YoY

Underlying PBT
**£36.1m**
(-£8.1m YoY*)

## Strong performance in Autocentres

Underlying EBIT
**£13.8m**
(+£10.7m YoY*)

## Strong balance sheet

Net debt, exc. leases
**£8.2m**
(+£6.4m YoY)

*FY23 PBT restated to reflect adjustments relating to Cost of Goods Sold. See Note 12 contained in the results announcement for further details.



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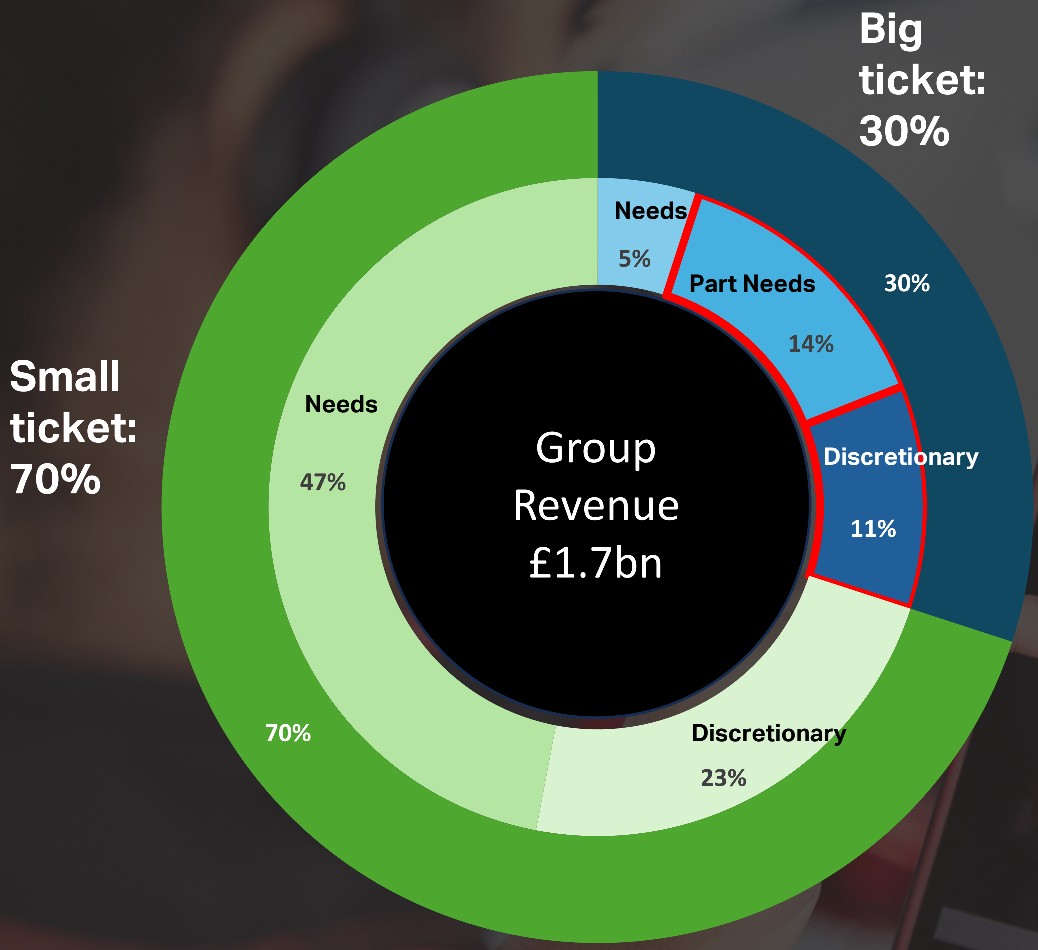
# Weak demand for big-ticket, discretionary purchases had significant impact on results




- Big ticket categories represent c. 30% of Group revenue
- Two-thirds of big-ticket revenue is purely discretionary or part needs-based spend
- Consumers remain cautious about major purchases, particularly in discretionary categories:
  - ➢ LFL growth was c. 6 ppts lower in big ticket categories vs small-ticket, in both Halfords Retail and Autocentres Consumer Garages
  - ➢ LFL growth was c. 9 ppts lower for discretionary categories than needs-based

**Definitions**

- Big-ticket: items with a sales price of >£150. e.g. bikes, roof boxes, car repairs, car tyres
- Discretionary: e.g. bikes, touring equipment, car cleaning
- Part-Needs: e.g. car tyres, car servicing

# Impact of Discontinued Operations – Viking and BDL

- Announced in January 2024, we have restructured our tyre supply chain. This involved the closure of our loss making Viking and BDL operations and the outsourcing of these activities to Bond International, a specialist tyre distributor.

| | FY24 | | | | FY23 | | | |
|---|---|---|---|---|---|---|---|---|
| **£m, Underlying** | **Retail EBIT** | **Autocentres EBIT** | **Interest & Amortisation** | **Group PBT** | **Retail EBIT** | **Autocentres EBIT** | **Interest & Amortisation** | **Group PBT** |
| **Continuing Operations** | 41.1 | 20.8 | **(18.8)** | **43.1** | 58.6 | 5.7 | **(17.5)** | **46.8** |
| **Discontinued Operations – Viking and BDL** | - | (7.0) | **-** | **(7.0)** | - | (2.6) | **-** | **(2.6)** |
| **Total Operations** | 41.1 | 13.8 | **(18.8)** | **36.1** | 58.6 | 3.1 | **(17.5)** | **44.2** |

- As required by accounting standards, we have reported these operations as Discontinued. However, in the interests of comparison to previous market guidance, we have presented Total Operations as the primary view in this presentation. This view is also more indicative of future profitability as the cost of tyre distribution will continue to be borne by Halfords, albeit not directly and with a c. £5m benefit per year.

# Strong sales growth and cost actions partly mitigated inflation and challenging market conditions

| £m | FY24 | Vs FY23* |
|---|---|---|
| Revenue | 1,712.8 | +121.0<br>+7.6% |
| Gross margin (%) | 48.2% | -50bps |
| Operating expenses | (776.1) | (57.2)<br>(8.0%) |
| Underlying EBIT | 49.2 | (7.1)<br>(12.6)% |
| Interest | (13.1) | |
| Underlying PBT | 36.1 | (8.1)<br>(18.3)% |
| Non-underlying items (before tax)** | (16.2) | |
| PBT | 19.9 | |

**Commentary on key movements**

- Strong revenue growth driven by market share gains in all four core markets. Autocentres growth particularly strong, up +10.7% LFL
- Very strong GM% performance in Autocentres and success of Better Buying programme helped offset FX headwind and effect of Cycling market consolidation
- Opex growth equal to revenue growth – cost savings of c. £35m largely offset c. £37m of cost inflation
- Non-underlying items of £16.2m includes:
  - The closure of tyre supply chain operation, £11.9m
  - Several restructuring events, £7.7m
  - Other items, including provision releases, -£3.4m

*FY23 PBT restated to reflect adjustments relating to Cost of Goods Sold and Operating costs. See Note 12 contained in the results announcement for further details.
** Excludes a £2.5m gain on disposal relating to the sale of discontinued operations. Further details provided in the Discontinued Operations note in the results announcement.



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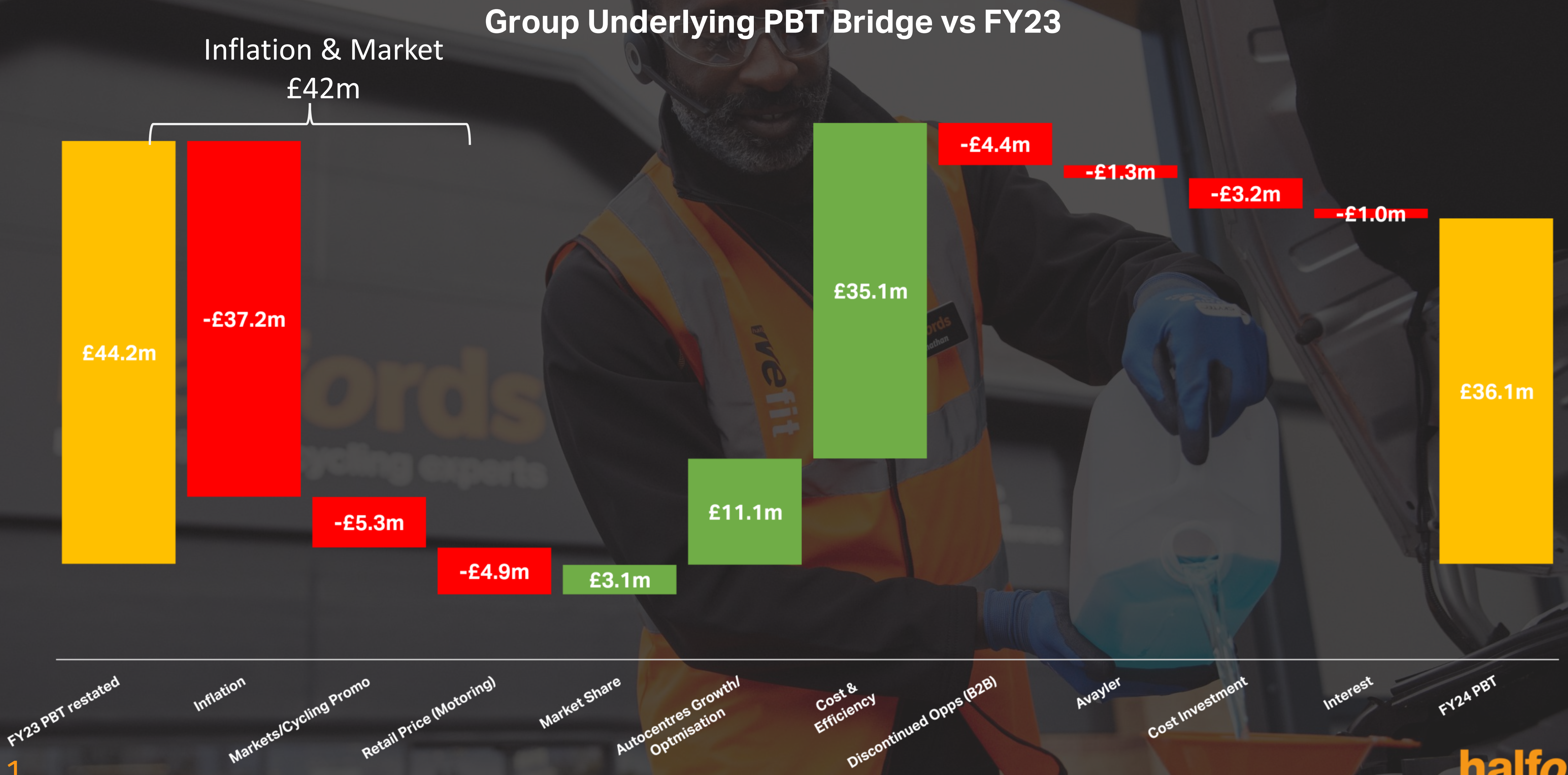
# Cost savings, share gains and profit growth in Autocentres largely offset £42m of cost inflation and market headwinds



# Inflation added £37m to the cost base and brought the cumulative impact to c. £120m in the last three years, well in excess of normal levels

**FX Rate**
*Average exchange rate through COGS $1.22*

**Utilities**
*Utilities costs have doubled*

**Pay**
*National Minimum Wage increases, +10%*

**Freight**
*YOY cost savings of £6m*

*Our actions to hedge FX and energy costs postponed the inflation impact until FY24.*

# > £35m of cost savings delivered in FY24 - higher than original target due to outperformance of our Better Buying programme

### Product Cost Reduction

*c.£19m savings*

### Outsourcing / Organisational Structure

*c.£6m savings*

### Property & Warehousing Savings

*c.£5m savings*

### "Goods Not For Resale" Reduction

*c.£5m savings*



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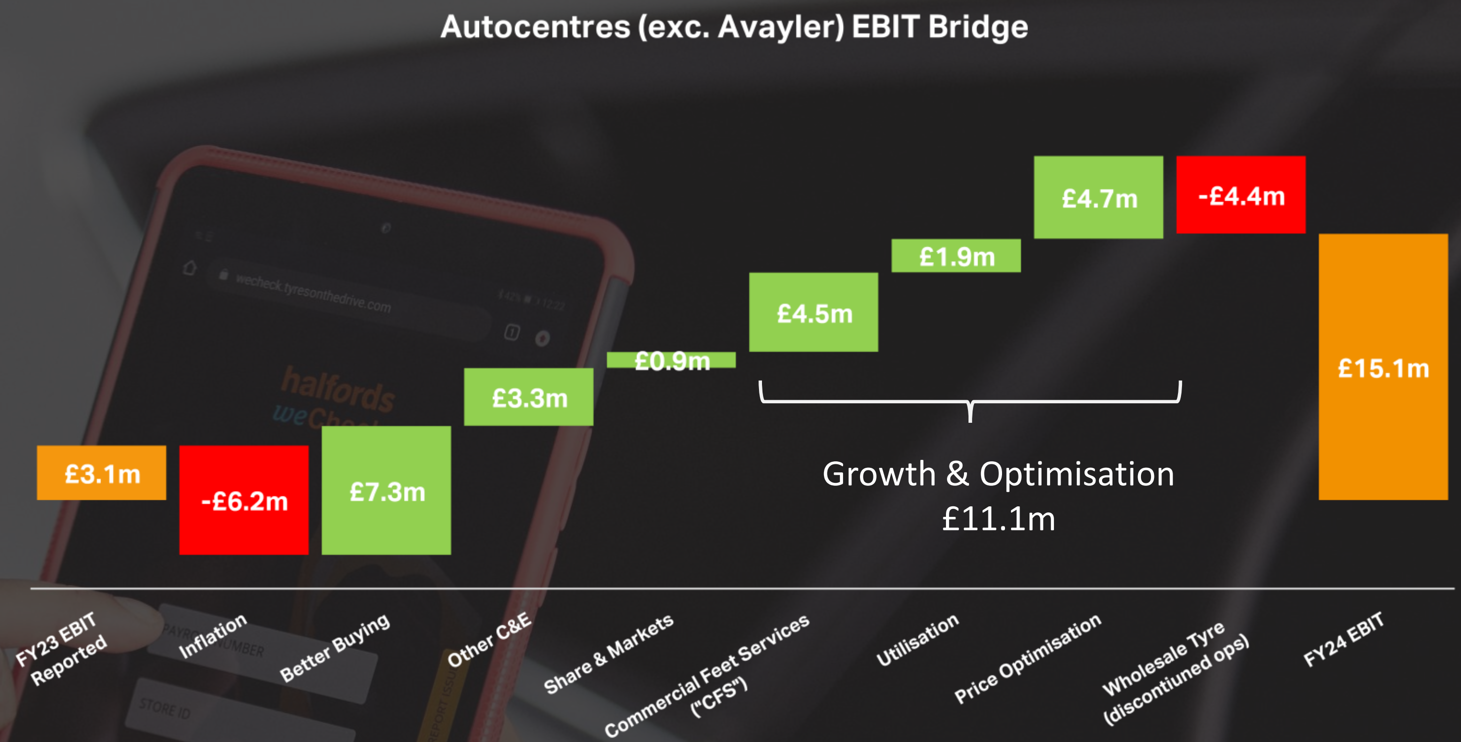
# AUTOCENTRES GROUP

# Underlying EBIT in Autocentres, excluding Avayler, up £12m year-on-year

| Autocentres, exc. Avayler[1] | FY24 | vs. FY23[2] |
|---|---|---|
| **Revenue** | £713.4m | £101.6m<br>+16.6%<br>(LFL +10.7%) |
| **Gross Margin %** | 49.3% | +150bps |
| **Operating Costs** | -£336.8m | -£47.5m<br>+16.4% |
| *% of revenue* | 47.2% | -10bps |
| **Underlying EBIT** | £15.1m | +£12.0m<br>+387% |

| Avayler | FY24 | vs. FY23* |
|---|---|---|
| **Revenue[3]** | **£2.3m** | +£0.2m<br>+9.5% |
| **Underlying EBIT** | **-£1.3m** | -£1.3m |




- Material wage inflation more than offset by market share gains, success of Better Buying programme, pricing optimisation and improved utilisation of technicians
- Significant profit growth in Commercial Fleet Services due to annualisation of Lodge acquisition and new contract wins



1. Reconciliation to reported Autocentres results, for Continuing Operations, provided in the appendix
2. FY23 PBT restated to reflect adjustments relating to Cost of Goods Sold. See Note 12 contained in the results announcement for further details.
3. Avayler revenue excludes recognition of intercompany sales to other Halfords Group companies. YoY revenue growth was £6.7m, up +219%, when including

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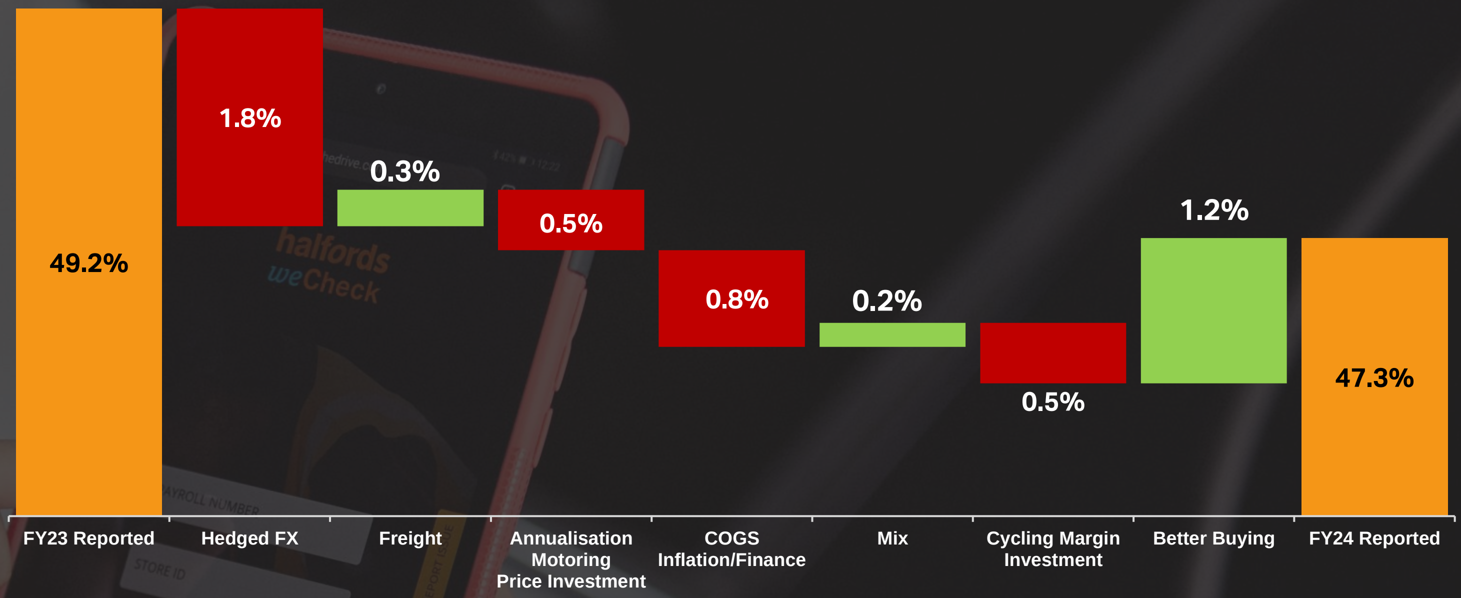
# RETAIL

# In Retail, share gains and better buying mitigated the impacts of market declines in discretionary products, a consolidating Cycling market, and FX headwinds

| £m | FY24 | vs. FY23* |
|---|---|---|
| **Revenue** | **997.1** | +2.0% YoY<br>+2.2% LFL |
| *Motoring* | ***644.6*** | *+4.6% YoY*<br>*+4.9% LFL* |
| *Cycling* | ***352.5*** | *-3.0% YoY*<br>*-2.8% LFL* |
| **Gross Margin %** | **47.3%** | (190)bps |
| **Operating Costs** | **(430.4)** | (8.3)<br>(2.0)% |
| **Underlying EBIT** | **41.1** | (17.5)<br>(29.8)% |

**Gross Margin Bridge – year-on-year**




- Revenue growth despite continued Cycling market decline
- Needs-based Motoring products performing significantly better
- Gross margin contraction driven by:
  - Lower hedged FX rates
  - Cycling market consolidating rapidly and becoming more promotional; offset by
- Significant benefit from our Better Buying programme



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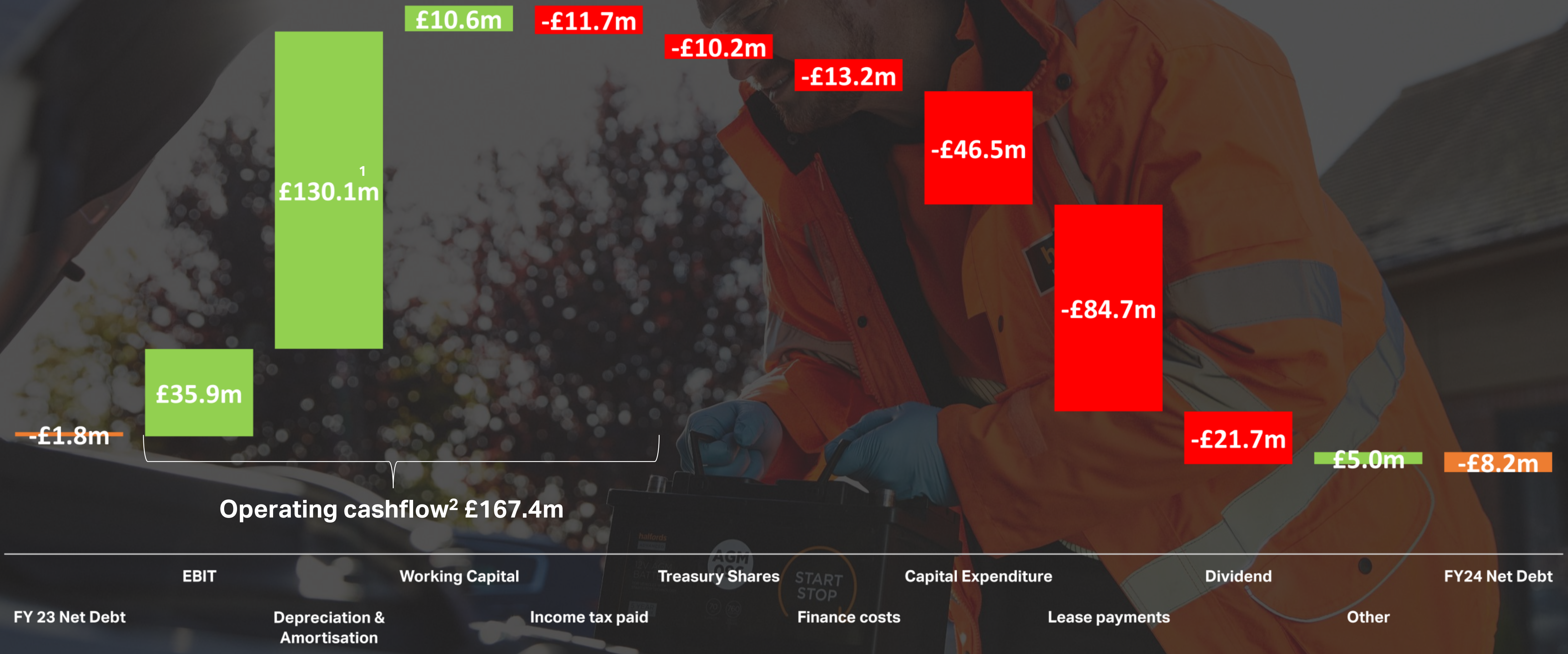
*FY23 restatement to Cost of Goods Sold and Operating costs. No impact on EBIT. See Note 12 contained in the results announcement for further details.

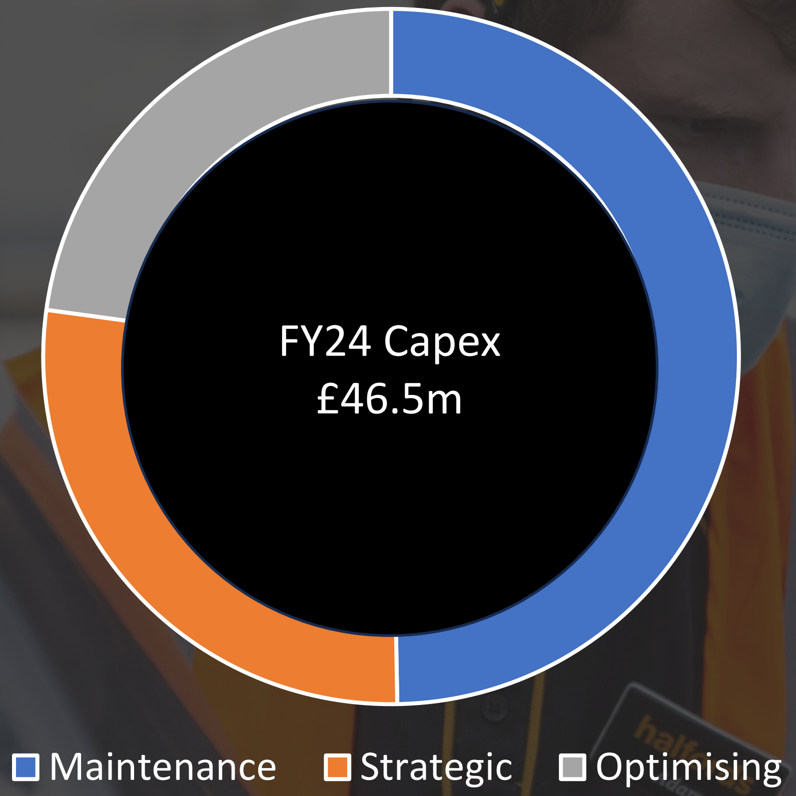

# CASH & BALANCE SHEET

# Good inventory management in Retail drove operating cashflow £13m higher than FY23, leaving net debt broadly in line with last year



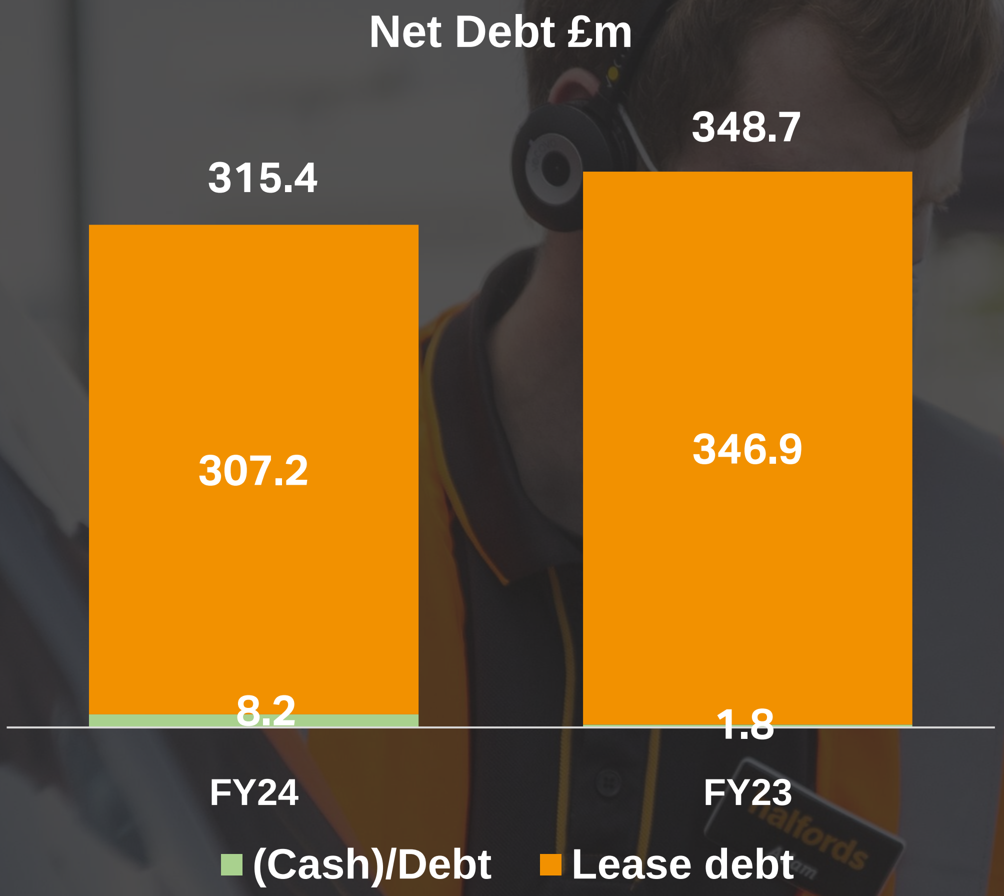

1. Included in total depreciation and amortisation is £82.5m relating to amortisation and impairment of right of use assets
2. The sum of the columns in the chart is £164.9m. For ease of presentation, £2.5m of operating cashflow has been included in the Other column

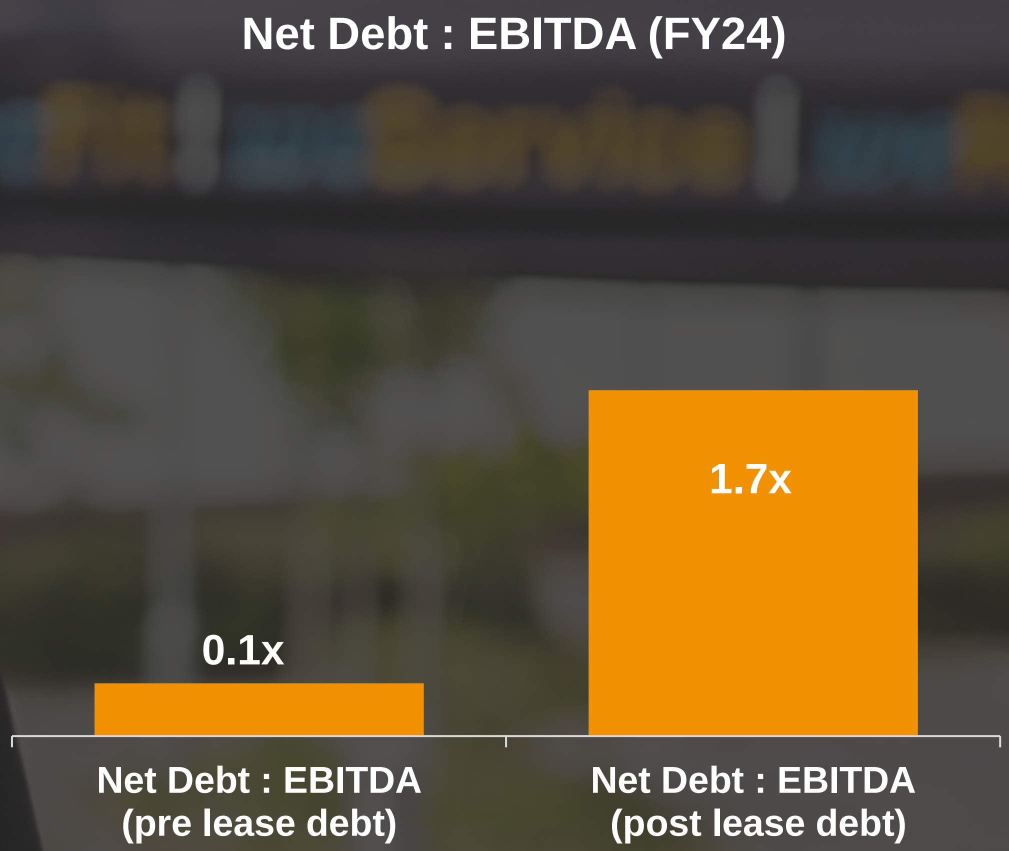
# Mid-term ROCE target of >15%. Attractive returns from targeted investments




- Half of capex in FY24 was spent on maintaining the physical and digital estate
- Remaining capex spent on projects with attractive returns – including Group website, motoring club, data capabilities, and Avayler
- Mid-term ROCE target of >15% - project hurdle rates higher to offset non-returning maintenance capex and drive higher returns

# Net debt excluding leases of £8.2m. Leverage below the guided range. £180m debt facility extended to April 2028




- Net debt (post lease debt) : EBITDA ratio just below targeted range of 1.8x – 2.3x (post M&A).
- £180m committed debt facility (inclusive of a £20m overdraft) extended to April 2028.



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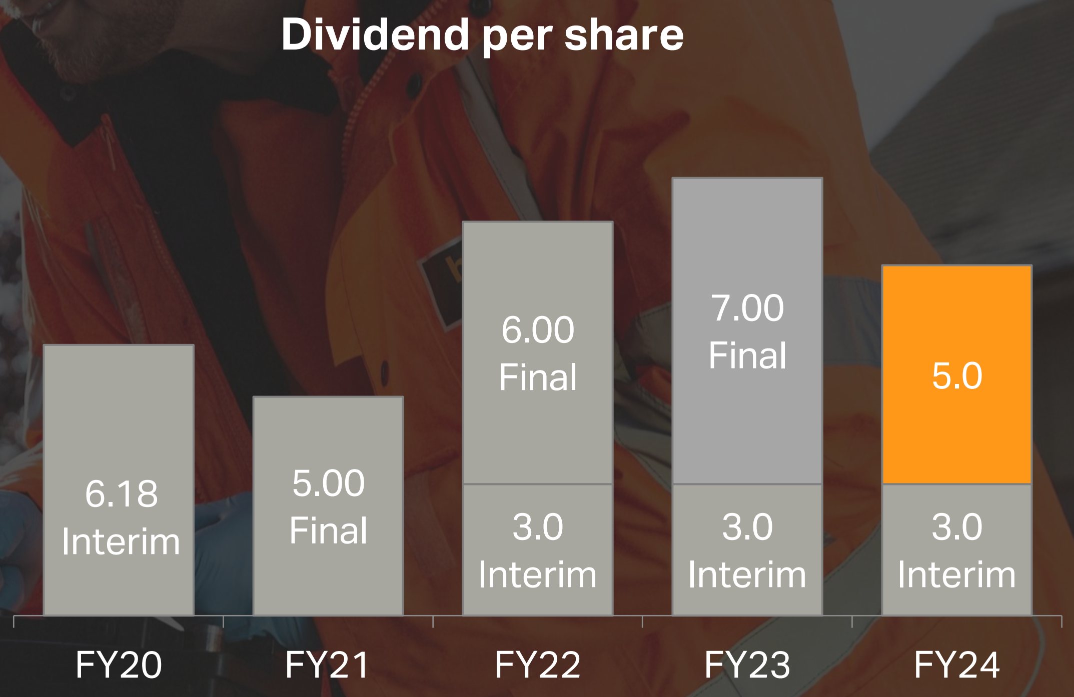
# Proposed final dividend of 5p per share, bringing full year dividend to 8p

## Capital Allocation Priorities

- Maintaining a prudent balance sheet
- Investment for growth
- M&A focused on Autocentres
- Dividend covered by 1.5x – 2.5x underlying P.A.T.
- Surplus cash returned to shareholders



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# FY24 Summary: delivered well on the areas within our control

1. Strong revenue growth of +7.6% and +5.0% on a LFL basis. Market share gains in all core categories, above expectations

2. Autocentres delivered significant revenue and profit growth

3. Gross margin 50 bps below last year. Very strong margin expansion in Autocentres and success of Better Buying programme mitigated significant FX and Cycling market headwinds

4. Over £35m of cost savings delivered, above our initial expectation, contributing towards a profit before tax of £36.1m

5. Cash well managed and balance sheet strong. Operating cashflow increased by £13m, leaving net debt broadly in line with the prior year

6. Final dividend of 5p per  share proposed, bringing the full year to 8p per share


# BUSINESS & STRATEGIC UPDATE

***Graham Stapleton***

# The Group's purpose was set in 2018 and remains as relevant as ever

"

***To inspire and support a lifetime of motoring and cycling***

"

## The progress this year has delivered against our long-term strategy

> *To evolve into a **consumer and B2B services-focused** business, with a greater emphasis on **motoring**, generating higher and more sustainable financial returns.*




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## Our focus in the mid-term is clear

*"To fully leverage our unique, digital and data-enabled omnichannel platform, driving improved financial returns."*

# The strategic shift of the Group has resulted in a more resilient business, 60% larger than it was in 2019

| | FY19 | FY24 |
|---|---|---|
| Group Revenue | £1.1bn | £1.7bn |
| Revenue from Services | 24% | 51% |
| Revenue from B2B | 12% | 29% |
| Revenue from Motoring | 66% | 79% |
| Revenue from need-based categories[1] | 49% | 65% |

1. Need-based categories include Motoring Services, Tyres, Car Maintenance



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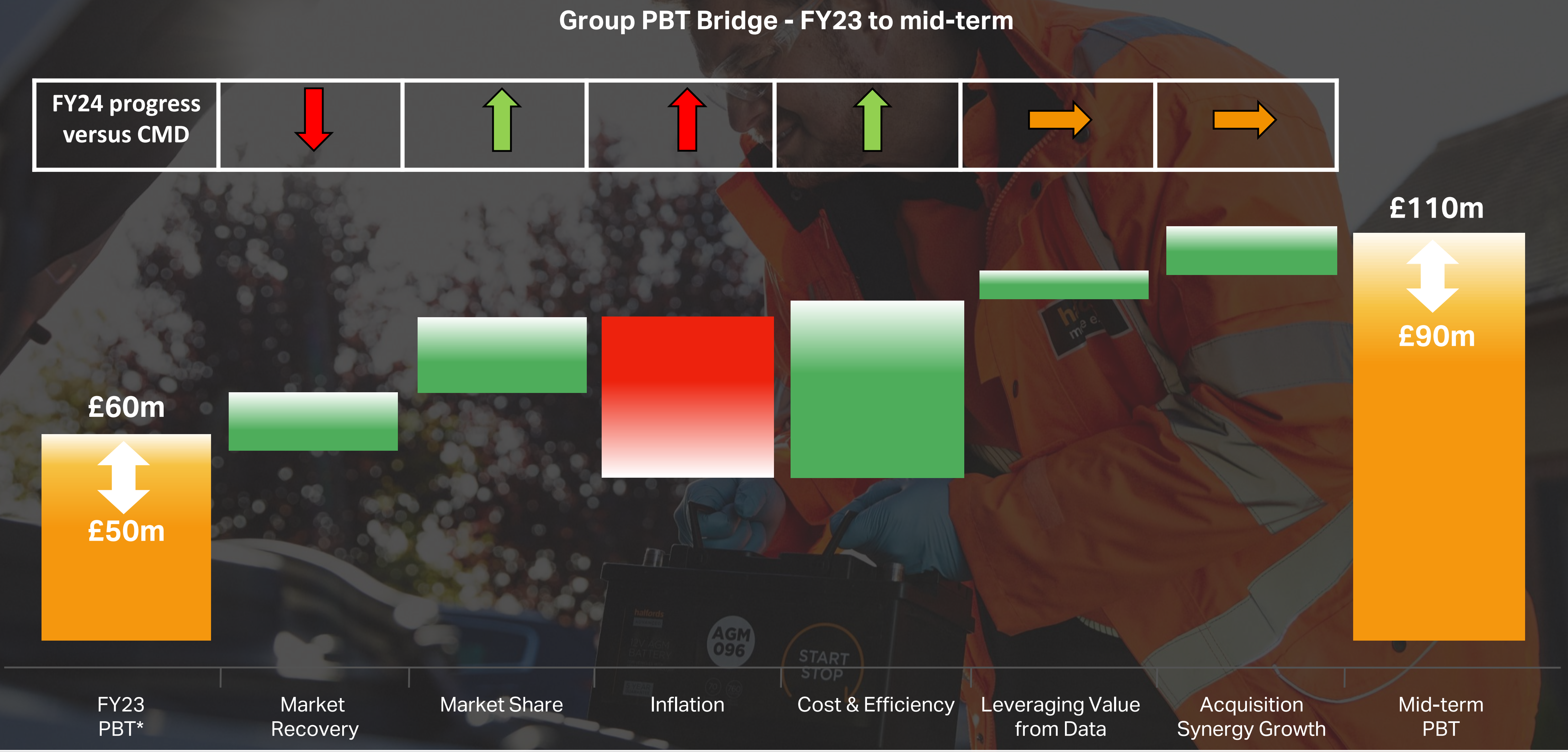
# Performance since the CMD has been mixed, with share gains and cost efficiency outperforming, but market volumes and inflation worse than anticipated




*FY23 as per guidance at 18th April 2023 Capital Markets Day

Market Volumes

# Consumer tyres and cycling markets have underperformed expectations

| | Autocentres | | Retail | |
|---|---|---|---|---|
| | Consumer Tyres | Motoring Servicing | Retail Motoring | Cycling |
| **Volume growth assumed Year 1** FY24 vs FY23 | c.+2.6% | Broadly flat | c.+0.5% | c. -1.0% |
| **Volume growth actual** | -1.3% | +0.9% | +0.9% | -4.0% |
| **Market Volumes vs Pre-Covid** | -14% | +4% | n/a | -30%[1] |
| **Source of data** | GfK | DVSA (MOT data) | GfK | Bicycle Association |

[1] Bike volumes 30% below pre-Covid.

Market Share

# We exceeded our original market share targets

| | Autocentres | | Halfords Retail | |
|---|---|---|---|---|
| | Consumer Tyres | Motoring Servicing | Retail Motoring | Cycling |
| **Share expectation year 1** FY24 vs FY23 | c.+0.2ppts YOY | c.+0.2ppts YOY | c.+0.6ppts YOY | +0.7ppts YOY |
| **Share movement actual** YOY | +0.4ppts YOY | +0.2ppts YOY | c.+1.3ppts YOY | c.+1.3ppts YOY |
| **Source of data** | GfK | DVSA (MOT data) | GfK | Bicycle Association |

Note: Market growth and share figures are based on Volumes.

Market Share - Autocentres

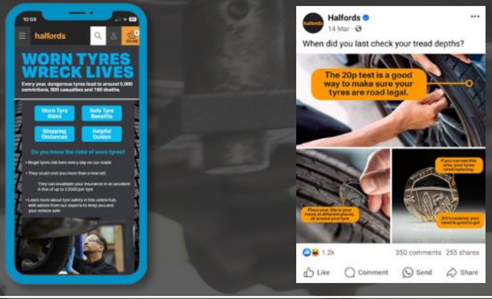
# The launch of several customer propositions drove share growth in Autocentres

## Better value & greater convenience


## Motoring Club

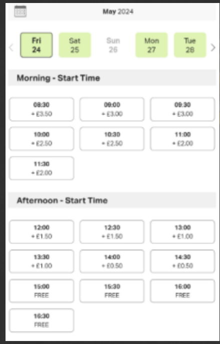
halfords motoring club

## Tyre awareness campaigns

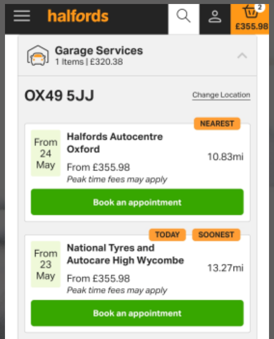



## Market leading credit


## Dynamic pricing




## Better utilisation



# Motoring Club membership doubled to 3.4m in FY24, providing customers and Halfords with significant benefits

## halfords motoring club

The club is driving share in Retail and Consumer Garages, with membership reaching 3.4m people in FY24

**45%**
of members joining in FY24 new to Halfords

**c. 40%**
Of all MOTs are to loyalty members

**2x**
Members visit twice as often as non-members

**+16%**
Cross shop for members, 4x more than non-members

**Premium**

**8.0%**
of members pay for premium

**£20**
more per visit spent by premium members

# Product innovation and exclusivity continued to set Halfords apart

**Car Parts extended range and market leading convenience**


**World's first truly smart 4G dash cam**


**Kids Bikes growth & Cycling innovation**



**New pet travel range**


**New Bulb & Oil Brands**

tredz

Tredz
Reviews 74,706 • Excellent
4.6
VERIFIED COMPANY

**Tredz share gains**

# Tredz like-for-like revenue grew +11.1%, taking significant share and growing profit in a rapidly consolidating market

## tredz FY24 highlights

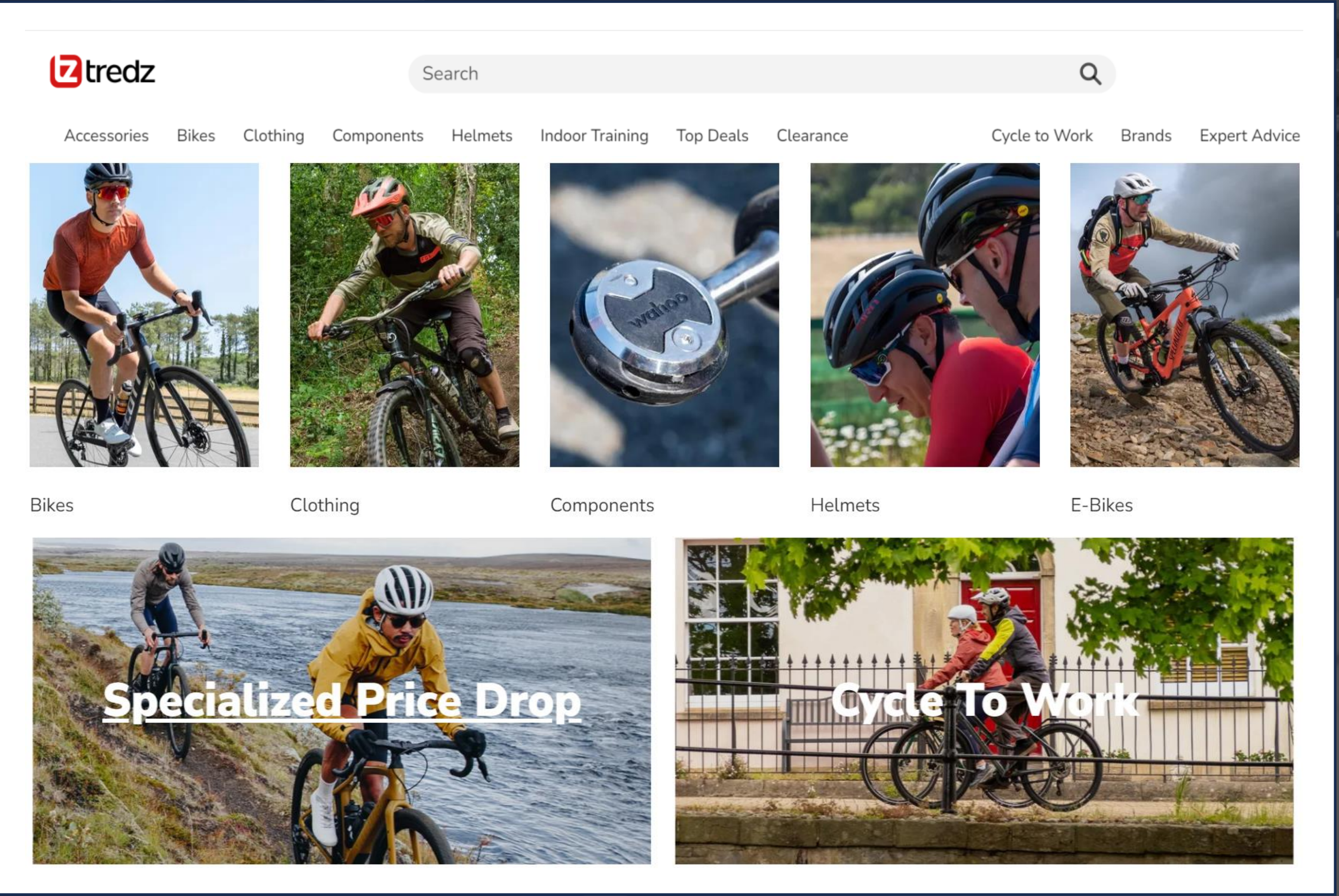
**+11.1%**
LFL revenue growth

**+19%**
Increase in customer base

**+3.0 %pt**
Increase in Brand awareness

Tredz
Reviews 74,706 • Excellent
VERIFIED COMPANY

**4.7** Trustpilot score, increasing 0.1



# Synergy delivery on track in Lodge and National

**LODGE TYRE** Commercial Fleet Services

- With the acquisition of Lodge, Halfords is now the UK's largest provider of commercial tyre services
- Synergies tracking ahead of expectations
  - Back-office teams centralised
  - Initiated co-branding
  - Increasingly successful with national fleet customers – new contracts secured with Yodel and AW Jenkinson.
- Strong revenue growth in FY24 in Commercial Fleet Services: +47% in total and +5.3% LFL

**NATIONAL** TYRES AND AUTOCARE

- Synergy delivery on track, including:
  - Closed loss-making garages and consolidated support structures
  - Leveraged Halfords buying terms
  - Implemented Avayler and integrated garage bookings onto Halfords.com
  - Strong growth in SMR revenues
- EBIT increase of £3m YoY. Autocentres Group, in which synergies are also realised, recorded EBIT up £12m YoY[1]
- Lack of market recovery for consumer tyres means overall financial performance is currently behind business case

1. Autocentres EBIT excluding Avayler was up £12m YoY. Including Avayler, it was up £11m YoY.

# FY24 STRATEGIC PROGRESS

# Restructuring our tyre supply chain will deliver for customers, whilst improving ROCE through cost efficiencies and working capital benefits

- Tyre supply chain now outsourced to specialists, Bond International
- Customers will benefit from:
    - Same day delivery service from 10% to over 80% of our estate.
- Shareholders will benefit from:
    - Cost reduction of c. £5m per year from FY25
    - Improved operational processes in garages
    - Significant stock reduction / working capital opportunities

# The strength of our Avayler SaaS business was demonstrated by major contract wins and an equity stake investment from Bridgestone

Avayler

- 15-year commercial agreement signed with Bridgestone
- Bridgestone invest $3m for 5% equity stake
- Further Contract wins in the US with Triple A, ZipTire and Point S signed in Q4
- Separated Avayler as a standalone business
- Revenue grew 219% to £6.7m in FY24[1]. Operating loss was £1.3m, in line with forecast and reflecting investment for growth

UK

Europe

United States

1. Including recognition of intercompany revenues earned from other Halfords Group companies

# FY24 Summary

**Headwinds outside of our control were worse than anticipated:**

- Consumer Tyres and Cycling markets declined and remain depressed vs pre-Covid

  Cycling market consolidated at a faster rate, leading to gross margin pressure
- Elevated cost inflation continued in FY24, worse than we expected

**We delivered on the areas within our control:**

- Share gains in all four core markets, outperforming expectations
- Delivered >£35m of cost savings, ahead of original target
- Cash well managed, with operating cashflow up £13m and net debt broadly in line with last year

**We made solid operational and strategic progress:**

- Restructured our tyre supply chain, improving customer service and reducing cost
- Avayler signed four new clients, including a 15-year agreement with Bridgestone


# FY25 FOCUS

*Graham Stapleton*

# FY25 focus is to further optimise the platform and mitigate significant headwinds

**_Context for FY25_**

- Consumer confidence low, particularly for big-ticket discretionary purchases
- Heavy rainfall in the spring impacted footfall and the cycling and staycation season
- Elevated cost inflation will continue driven by National Minimum Wage increases and freight rate increases beyond previous expectations

**_Our response_**

- Further optimise the unique platform we have created
- Mitigate headwinds by driving further cost and working capital efficiencies, and taking market share
- Strategic progress, focussed on Fusion and Avayler

# FY25 represents Year 2 of our CMD plan. Our expectations in this year are underpinned by the following building blocks

- Market Volumes ↓
- Market Share ↑
- Inflation ↓
- Cost & Efficiency ↑

Note: direction and colour of arrows represent expectations for how each factor is likely to impact profit year-on-year.

# Expect market volumes to decline in FY25 in Consumer Tyres and Cycling markets, with continued progress on market share gains

| | Autocentres | | Retail | |
|---|---|---|---|---|
| | Consumer Tyres | Motoring Servicing | Retail Motoring | Cycling |
| **Market growth[1] assumed Year 2** FY25 vs FY24 | c. -2.0% | Broadly flat | Broadly flat | -2.0% |
| **Market share[1] expectation Year 2** FY25 vs FY24 | +0.5 ppts to flat | +0.25 ppts to flat | Flat to -1.5 ppts | +1.5 to +0.5 ppts |

[1] Market growth and share figures are based on Volumes.

# In premium cycling, we will attract the more resilient commuter/enthusiast cyclist with a new range of premium bikes

- 40 new bikes, including adult mechanical and E-Bikes – across our Boardman, Voodoo, and Carrera brands
- Priced from £1,000 to £5,500
- Offering unbeatable value, high specification, and ultimate performance

BOARDMAN
carrera
VOODOO

# Expect to incur over £35m of net cost inflation. Uncertainty on sea freight rates given current market volatility

### Pay
*National Minimum Wage increase of 10%*

### Utilities
*100% of FY25 energy requirements purchased*

### Freight
*Expected to cost £4-7m more than previously anticipated*

### Other
*Including business rates and FX*

# In FY25, we expect to deliver over £30m of cost savings. Adding to those achieved in FY24, this would significantly exceed our £51m mid-term CMD target

**Product Cost Reduction**

**Tyre supply chain restructuring**

**Leverage technology and data**

**Other**

*Including higher utilisation, and warehouse efficiencies*

# Roll-out further Fusion towns to create a unique and market-leading Motoring Services business

- Results from Halifax and Colchester trials are compelling – in our garages, revenue grew by >100% and EBITDA doubled
- In FY25, we will invest c. £5m to roll-out the highest returning, motoring services elements of Fusion to at least 25 towns
- Potential to accelerate if results continue to be compelling
- Over time, up to 150 towns could benefit from Fusion



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# Investment in colleague and leadership capability to drive business performance

- Significantly increased focus on **leadership development** and **recruitment** for garage managers
- Hire up to **200 new Autocentre apprentices**, building to 600 over 3 years
- Reinstatement of performance related, variable **financial rewards**



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FY25 strategic actions

# Avayler, our SaaS business, offers customers a market leading omnichannel solution

Avayler

## Deliver on existing accounts

*Drive implementation and adoption within our existing customer base, specifically Bridgestone US, ATD & Mobivia*

## Acquire new clients

*Continue to secure commercial agreements with enterprise businesses within our core markets, USA, Europe & Australia*

## Develop the business

*Continued development of our software products. Build skills, drive engagement and create culture for our teams to thrive*


# SUMMARY

*Graham Stapleton*

# Summary

- **FY24 has been a year of strategic and operational progress, but market headwinds have been worse than anticipated**

- **We are building a stronger and more resilient platform, that will enable us to drive strong profit growth once markets recover**

- **We are cautiously planning for headwinds to continue in FY25**

- **Focus this year is to mitigate headwinds by delivering additional cost and working capital efficiencies, further market share gains, and continuing to optimise the unique platform we have created**

- **In the mid-term, we are confident that the April 2023 CMD target of PBT in the range of £90-£110m remains achievable assuming markets recover as forecast, albeit this will take longer than we envisaged last year**

***'Building a stronger and more resilient Halfords for the future'***

# Q&A

## Contact and Newsflow

For further information, please go to
www.halfordscompany.com
or contact:

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Director of Investor Relations and ESG
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# APPENDIX



halfords

# Impact of Discontinued Operations

| | Discontinued Operations | | Autocentres | | | | Group | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Continuing Operations | | Total Result | | Continuing Operations | | Total Result | |
| £m | **FY24** | FY23 | FY24 | FY23 | FY24 | FY23 | FY24 | FY23 | FY24 | FY23 |
| **Revenue** | **16.3** | 19.1 | **699.4** | 594.8 | **715.7** | 613.9 | **1,696.5** | 1,572.7 | **1,712.8** | 1,591.8 |
| **Gross profit** | **2.7** | 6.5 | **351.1** | 288.0 | **353.8** | 294.5 | **822.6** | 768.7 | **825.3** | 775.2 |
| **Opex** | **(9.7)** | (9.1) | **(330.3)** | (282.3) | **(340.0)** | (291.4) | **(766.4)** | (709.8) | **(776.1)** | (718.9) |
| **Underlying EBIT** | **(7.0)** | (2.6) | **20.8** | 5.7 | **13.8** | 3.1 | **56.2** | 58.9 | **49.2** | 56.3 |
| **Interest** | **-** | - | | | | | **(13.1)** | (12.1) | **(13.1)** | (12.1) |
| **Underlying PBT** | **(7.0)** | (2.6) | | | | | **43.1** | 46.8 | **36.1** | 44.2 |
| **Non-underlying items[1]** | **(11.9)** | (0.2) | | | | | **(4.3)** | (7.8) | **(16.2)** | (8.0) |
| **PBT** | **(18.9)** | (2.8) | | | | | **38.8** | 39.0 | **19.9** | 36.2 |



halfords

1. Excludes a £2.5m gain on disposal relating to the sale of discontinued operations. Further details provided in the Discontinued Operations note in the results announcement.

# Autocentres Group

| | Avayler | | Autocentres exc. Avayler | | | | Autocentres | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Continuing Operations | | Total Result | | Continuing Operations | | Total Result | |
| £m | FY24 | FY23 | FY24 | FY23 | FY24 | FY23 | FY24 | FY23 | FY24 | FY23 |
| Revenue | 2.3 | 2.1 | 697.1 | 592.7 | 713.4 | 611.8 | 699.4 | 594.8 | 715.7 | 613.9 |
| Gross profit | 1.9 | 2.1 | 349.2 | 285.9 | 351.9 | 292.4 | 351.1 | 288.0 | 353.8 | 294.5 |
| Opex | (3.2) | (2.1) | (327.1) | (280.2) | (336.8) | (289.3) | (330.3) | (282.3) | (340.0) | (291.4) |
| Underlying EBIT | (1.3) | - | 22.1 | 5.7 | 15.1 | 3.1 | 20.8 | 5.7 | 13.8 | 3.1 |

# FY23 prior period restatement to underlying PBT of -£7.3m

| | Full Year | | | |
|---|---|---|---|---|
| **Prior Period Restatement (FY23)** | **Retail** | **Autocentres** | **Central and Finance costs** | **Group*** |
| **FY23 Reported PBT (all operations)** | £58.6m | £10.4m | (£17.5)m | **£51.5m** |
| **FX accounting adjustment** | - | - | - | **-** |
| **Supplier arrangements & period end cut-off** | - | (£7.3)m | - | **(£7.3)m** |
| **FY23 Restated PBT (all operations)** | **£58.6m** | **£3.1m** | **(£17.5)m** | **£44.2m** |

- Retail: FX accounting on hedged derivative instruments and inventory valuation. H1 FY23 adjustment reducing profit by (£5.4)m fully offset by H2 23 adjustment increasing profit by £5.4m, such that there is no change to FY23 full year profit.
- Autocentres: GRNI* reconciliation adjustment resulting in an increase to Cost of Sales of (£5.2)m in H1 FY23 and (£7.3)m for the FY23 full year. Reporting error driven by the accounting complexity of a new wholesale tyre purchase and distribution arrangement in FY23, and the significant growth of purchases, inventory holding, and intercompany transactions in the enlarged Autocentres Group.
- Appropriate steps have been taken to gain assurance over the FY24 reported results, with enhancements made to processes and controls.

**Goods received not invoiced*