2020 Interim Results

September 2020

Agenda

Introduction and highlights	John Hornby
Financial overview	Matt Webb
Strategy and outlook	John Hornby
Q&A	

Introduction

We deliver high quality, innovative electrical products to attractive markets worldwide through sustainable investment in our products, people and channels to market

Wiring Accessories

Revenue **£31.3m** (2019: £34.1m)

of Group **44%** (2019: 41%)

LED Lighting

Revenue **£19.8m** (2019: £25.6m)

of Group **28%** (2019: 31%)

Portable Power

Revenue **£18.7m** (2019: £20.5m)

of Group **26%** (2019: 25%)

Ross

Revenue **£1.8m** (2019: £2.5m)

of Group **2%** (2019: 3%)

With over 70 years' experience, the brands of BG, Luceco, Kingfisher, Masterplug and Ross are market leaders in key electrical categories.

Customers across **73** countries	Number of employees c.**1,600**	Research and Development staff **79**	Number of product innovations 2019 **43**	Number of customers c.**2,600**

Highlights

Financial highlights

- Revenue of £71.6m, 13.4% lower than last year (H1 2019: £82.7m):
    - Outperforming the UK market during COVID disruption
    - Run-rate stabilising at c90% of last year by period end
- Reduction in revenue offset by record gross margins and stringent overhead control
- Adjusted Operating Profit of £9.0m, 25% higher than last year (H1 2019: £7.2m)
- Adjusted Free Cash Flow doubled to £10.2m (H1 2019: £5.1m):
- Closing net debt of £22.7m (H1 2019: £36.4m), equal to 0.8x (H1 2019: 1.5x) Adjusted LTM EBITDA
- Adjusted EPS of 4.3p, 39% higher than last year (H1 2019: 3.1p)
- Dividends:
    - Revised policy: Payout increased from 20-30% to 40-60%
    - 3.2p dividend declared: 1.5p 2020 interim (40% payout), 1.7p additional interim in lieu of suspended 2019 final

Note: 'Adjusted' has been used throughout this presentation and is defined in note 1 of the consolidated financial statements

COVID-19

- Early awareness of COVID due to China presence
- Early and comprehensive response
- Primary focus on employee safety and wellbeing
- Cost mitigation and cost reduction actions implemented as planned
- Demand better than expected thanks to high share of both online channels and the DIY market
- All employees now returned full-time after initial furlough
- Cost base remains under tight control in H2

Operational highlights

- Key strategic initiatives remain unchanged:
    - New product development
    - Manufacturing transformation
    - Supply chain transformation
    - IT enhancements
- Progress will accelerate in H2 with COVID less dominant

2020 Interim Results

Financial Overview

Income statement

£m	Adjusted H1 2020	Adjusted H1 2019	Adjusted LTM H1 2020
Revenue	**71.6**	82.7	161.0
Gross profit	**27.5**	**28.9**	**60.9**
Gross margin %	***38.4%***	*35.0%*	*37.8%*
Overhead costs	**(18.5)**	(21.7)	(41.1)
Operating profit	**9.0**	**7.2**	**19.8**
Operating margin %	***12.6%***	*8.7%*	*12.3%*
Net finance expense	**(0.7)**	(1.1)	(1.8)
Profit before tax	**8.3**	6.1	18.0
Tax	**(1.6)**	(1.2)	(4.1)
Profit for the period	**6.7**	**4.9**	**13.9**
Basic EPS (p)	**4.3p**	3.1p	8.9p

- Revenue reduced by 13.4% to £71.6m:
  - Q1: -11.3% due to COVID supply disruption
  - Start of Q2: -50% due to COVID lockdown in key markets
  - End of Q2: improving to -10% as initial lockdown shock subsided
- Gross margin up by 3.4ppts to 38.4%:
  - A new peak
  - Aided by key strategic initiatives
  - Further progress expected in H2 2020
- Overheads reduced by 14.7% to £18.5m – matching the reduction in revenue
- Adjusted effective tax rate reduced from 23.4% in FY 2019 to 19.3% in H1 2020 through better tax planning
- EPS increased by 38.7% to 4.3p

COVID-19 impact on revenue

LUCECO

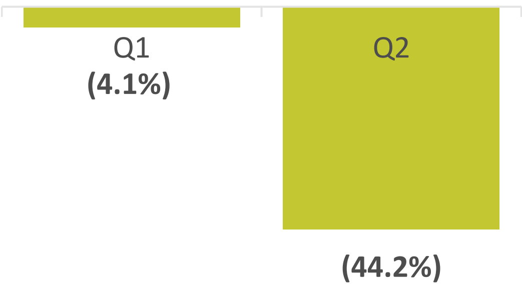
2020 LTM revenue by day (£m)

- Jan:
  - Chinese New Year
  - China lockdown begins
- Feb:
  - China factory closed for 2 weeks, then reopens at much reduced capacity
- Mar:
  - Lack of finished goods in China during the month
  - Back to normal production capacity by month-end
  - Lockdown hits European markets
- Apr:
  - Lockdown impacts demand in key UK market
- May:
  - Gradual emergence from lockdown
- Jun:
  - Strong demand from online channels and for consumer / DIY products
  - Slower recovery in professional channels
- Jul / Aug:
  - Continued recovery in professional channels
  - Some channel restocking

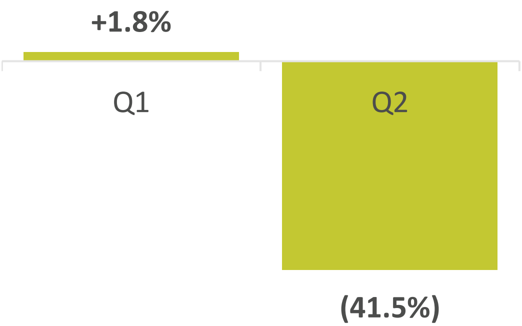
Revenue by geography

UK Retail % change (c50% of revenue)

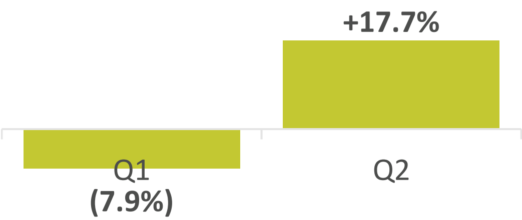
UK Professional % change (c30% of revenue)



Europe % change (c10% of revenue)



Rest of the World % change (c10% of revenue)

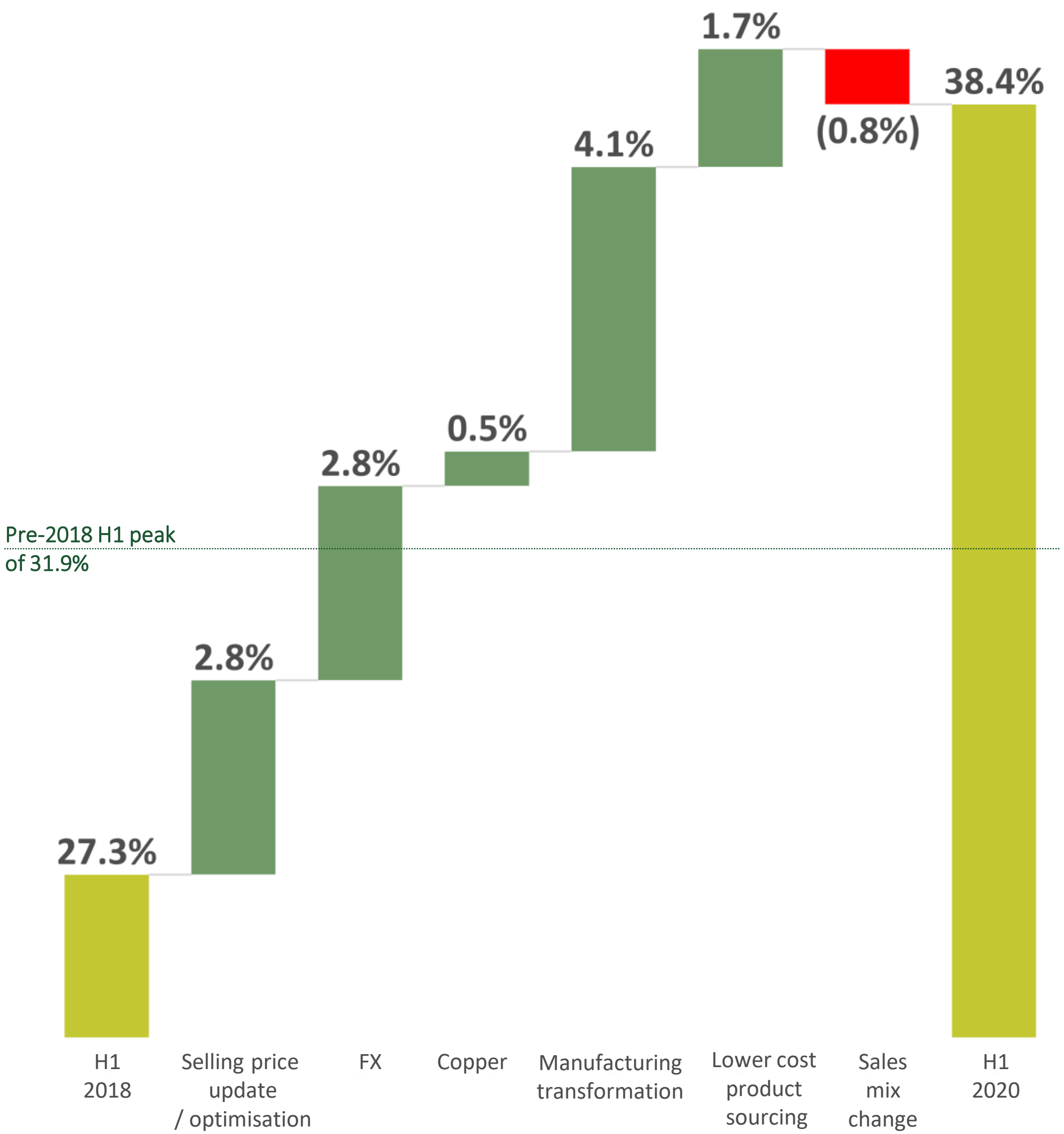


- UK Retail – H1 decline of 11.4%:
  - Pure-play online +53%
  - Hybrid -2%
  - Grocery -23%
  - DIY -28%
- UK Professional – H1 decline of 23.3%:
  - Demand driven by discretionary capex
  - Curtailed by COVID
  - Wholesale channel locked down longer than DIY and Hybrid channels
  - Demand improved by the end of H1
- Europe – H1 decline of 19.6%:
  - COVID lockdowns earlier and stricter than the UK
  - Solid growth either side of lockdown
- Rest of the World – H1 growth of 7.7%:
  - Asian markets impacted by COVID early then recovering
  - Other markets performing well but could still be impacted by COVID in H2

Note: growth rates are like-for-like in constant currency

Gross margin bridge – 2018 to 2020

Adjusted Gross Margin bridge (%)



- Gross margin comprehensively rebuilt since H1 2018 trough
- Progress has helped mitigate COVID impact in 2020
- Mostly arisen from internal actions, not market forces
- Targeting further progress in H2
- Selling price update:
  - In 2018 in response to cost inflation
  - None since
- FX:
  - Strong USD vs RMB
  - Hedged for short/medium term
- Manufacturing transformation:
  - Factory goal is efficiency gain, not capacity expansion
- Lower cost product sourcing:
  - Particularly LED
- Sales mix change:
  - Unusually low professional sales in H1 2020

Lower product costs

Manufactured products

Components	% of total cost	% change H1 2018 to H1 2020
Raw materials	60%	(13.0%)
Production labour	15%	(18.0%)
Production overheads	15%	-
Non-production overheads	10%	(20.0%)
Total	**100%**	**(12.5%)**

Actions taken

- New management team
- Rigorous tender process for raw materials
- Faster production lines, quicker changeover, better operator retention
- More efficient material flow
- Lower overheads per unit volume despite lower production volumes in H1 2020

Sourced products

Downlights

Commercial panels

Industrial

Exterior

Actions taken

- Aided by on-time supplier payment
- Design-driven
- Extensive sourcing relationships throughout China
- Better buy vs build decision making

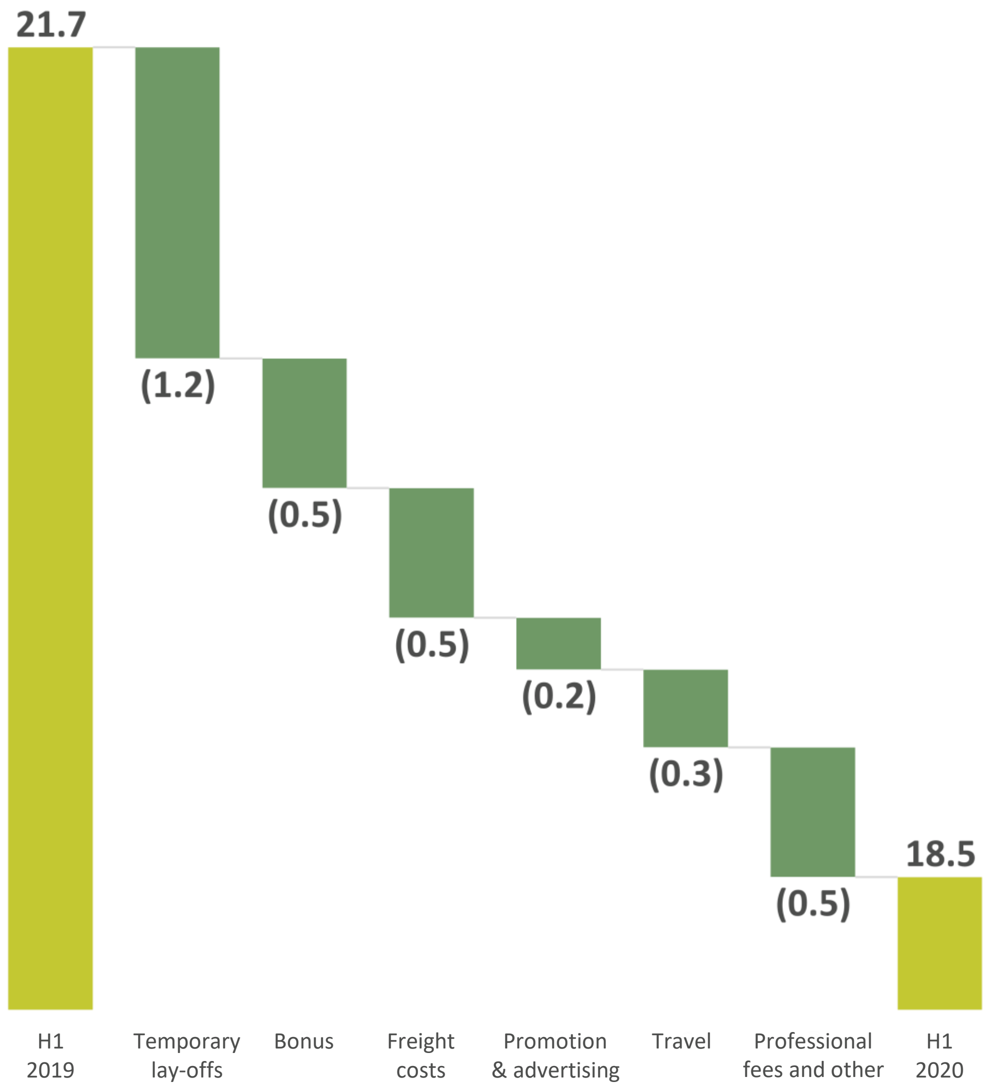
Gross margin benchmarking

Segment	% of Group revenue	Competitor GM% benchmarks: Average Performer	Competitor GM% benchmarks: Top Performer	Competitors used for benchmarking
Wiring Accessories	**44%**	42.5%	50%	Honeywell, Legrand, Greenbrook, Scolmore, Hamilton Litestat, ML Accessories
LED Lighting:				
- Project	**17%**	40%	45%	FW Thorpe, Dextra, Abacus, Orlight, Zumtobel, CU Phosco
- Non-Project	**11%**	35%	40%	Collingwood, Lucent, ASD, Mackwell, Aurora, Northgate
Portable Power	**26%**	25%	30%	No UK based benchmark available – based on internal data
Ross/Other	**2%**	30%	35%	No UK based benchmark available – based on internal data
Weighted average	**100%**	**36%**	**43%**	

Current mix of business and strong market positions
suggest gross margin of c40%

Overheads bridge

Adjusted Overheads bridge (£m)



- COVID overhead reduction plan set in late February, implemented in late March
- Temporary lay-offs / furlough now ended
- Bonus payments suspended in H1, reintroduced in H2
- Tight control of discretionary expenditure in H1 will be maintained in H2
- Expect H2 overheads to remain below prior year levels

Segmental results

£m	Adjusted H1 2020	Adjusted H1 2019	Growth %
Wiring Accessories			
Revenue	**31.3**	34.1	(8.2%)
Contribution profit	**10.9**	9.9	10.1%
Contribution margin %	***34.8%***	*29.0%*	*5.8ppts*
Operating profit	**7.3**	**5.9**	**23.7%**
Operating margin %	***23.3%***	*17.3%*	*6.0ppts*
LED Lighting			
Revenue	**19.8**	25.6	(22.7%)
Contribution profit	**2.6**	2.6	-
Contribution margin %	***13.1%***	*10.2%*	*2.9ppts*
Operating profit	**0.9**	**0.4**	**125.0%**
Operating margin %	***4.5%***	*1.6%*	*2.9ppts*
Portable Power			
Revenue	**18.7**	20.5	(8.8%)
Contribution profit	**3.1**	3.2	(3.1%)
Contribution margin %	***16.6%***	*15.6%*	*1.0ppts*
Operating profit	**0.9**	**0.9**	**-**
Operating margin %	***4.8%***	*4.4%*	*0.4ppts*
Ross / Other			
Revenue	**1.8**	2.5	(28.0%)
Contribution profit	**-**	0.3	(100.0%)
Contribution margin %	**-**	*12.0%*	*(12.0ppts)*
Operating profit / (loss)	**(£0.1m)**	**-**	**-**
Operating margin %	***(5.6%)***	-	*(5.6ppts)*

- Segmental operating profit includes allocation of fixed central overheads
- Segmental contribution (before fixed central overheads) also provided opposite to show true profit impact of revenue growth
- Wiring Accessories:
  - Revenue decline less than the Group average
  - Share gain in circuit protection
  - Share gain as professionals used online channels during lockdown
  - Improved manufacturing efficiency
- LED Lighting:
  - Revenue decline more than the Group average
  - Slowdown in project-driven sales in Q2, but improving in Q3
  - Margins benefiting from reductions in product cost
- Portable Power:
  - Revenue decline less than the Group average
  - Good demand for leads & reels during lockdown due to home working / home improvement

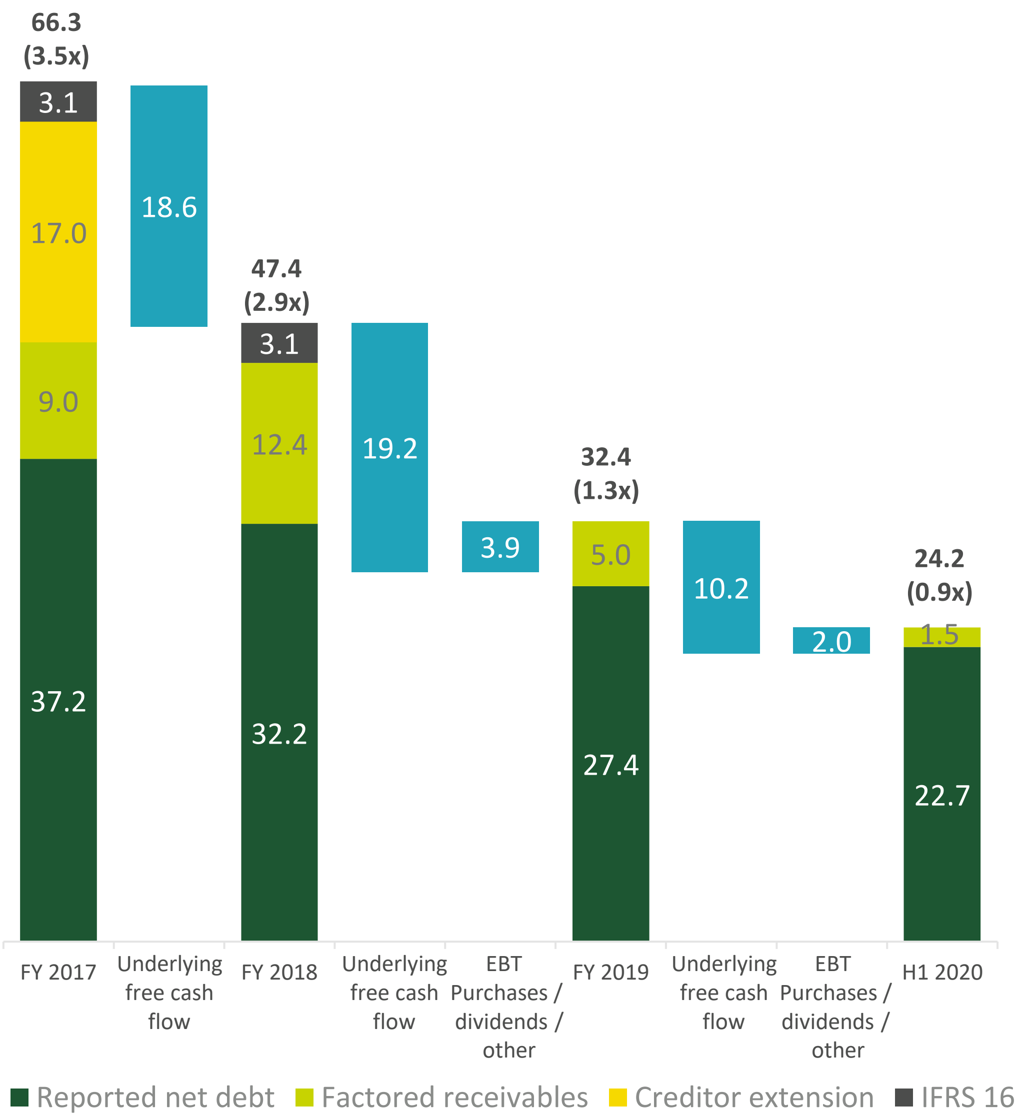
Adjusted free cash flow

£m	**Adjusted H1 2020**	Adjusted H1 2019	Adjusted LTM H1 2020
Operating profit	**9.0**	7.2	19.8
Depreciation and amortisation	**2.8**	3.4	7.3
EBITDA	**11.8**	**10.6**	**27.1**
Change in working capital	**1.6**	(1.2)	3.8
Other items	**0.4**	-	0.7
Cash from operations	**13.8**	**9.4**	**31.6**
Operating cash conversion	***117%***	*89%*	*117%*
Net capital expenditure	**(1.7)**	(1.4)	(3.9)
Interest paid	**(0.7)**	(1.2)	(1.6)
Tax paid	**(1.2)**	(1.7)	(2.1)
Free cash flow	**10.2**	**5.1**	**24.0**
Free cash flow margin %	*14.2%*	*6.2%*	*14.9%*

- H1 performance underlies cash flow resilience
- Operating cash conversion >100%:
  - Production / purchasing spend proactively reduced to match demand
  - Some temporary slowdown in customer payments but no bad debts
- No benefit from government lending or tax deferral schemes
- Capex spend prudently slowed down in H1 but will return to targeted range of 3-4% of revenue in H2

Net debt bridge

Net debt bridge (£m)

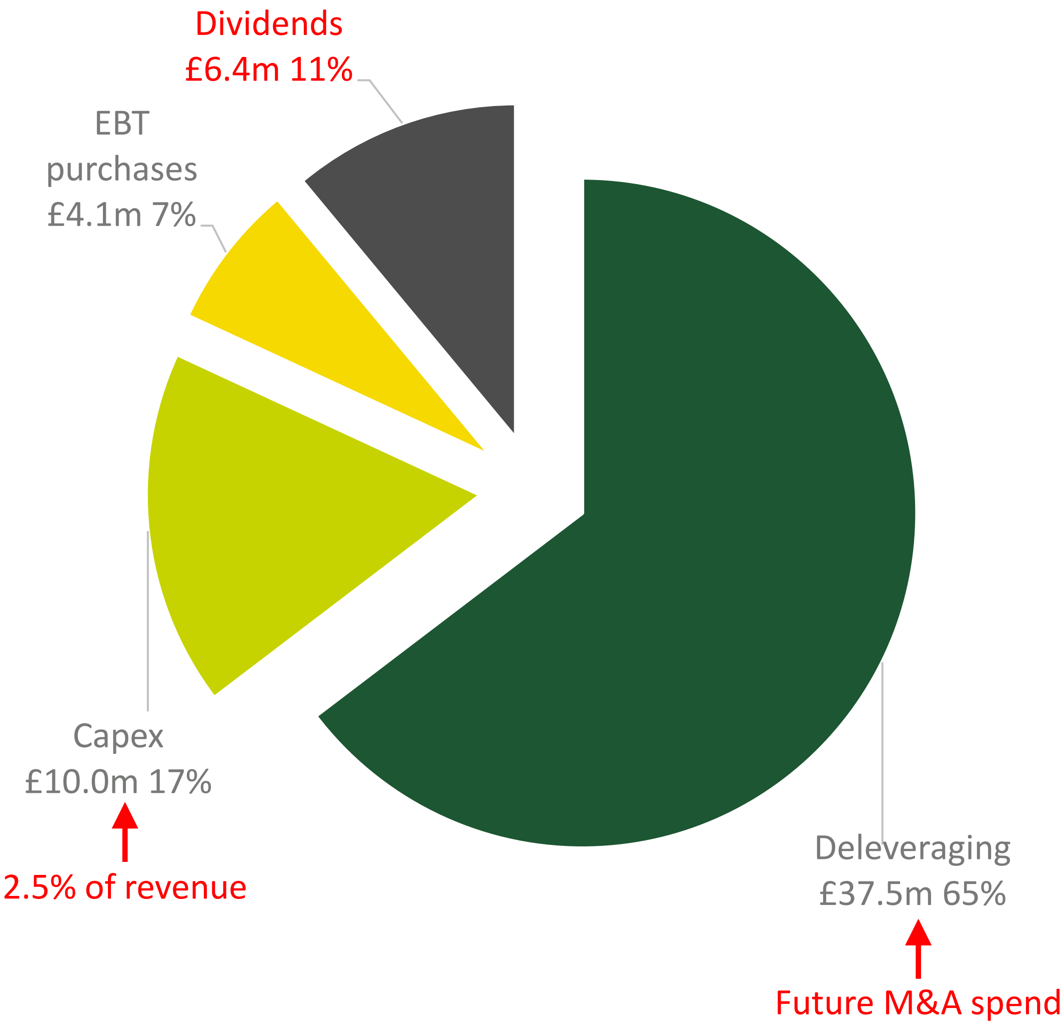


- £48.0m of free cash generated in 2.5 years in tough conditions
- Cumulative free cash flow margin 11.8%
- Leverage risk now removed
- Significant reductions in off balance sheet funding / overhang
- Remaining £1.5m of debt factoring to be removed in H2 2020
- Covenant reset planned for H2 2020 now not needed
- Facilities extended to 31 March 2023 instead
- Cash generation of the business is fundamentally and sustainably strong – need to ensure balance of reinvestment and distribution remains appropriate

New dividend policy

Uses of cash – FY2018 to H1 2020

Total free cash flow pre-capex = £58m



Note: Dividends include 2020 total interim of 2.9p based on old policy payout of 30%

New policy

- New policy:
  - Payout increased from 20-30% to 40-60% of Adjusted EPS
  - Remains progressive
- Appropriate allocation of consistently strong cash flows now deleveraging complete
- Affordable and allows ample reinvestment in capex and M&A – growth aspirations remain unchanged
- 3.2p at interim: 1.5p interim (40% payout), 1.7p for 2019 final (30% payout)

Balance sheet

£m	H1 2020	H1 2019	FY 2019	Change Vs FY 2019
Intangible assets	**22.0**	23.1	22.6	(0.6)
Tangible assets	**20.8**	22.3	20.0	0.8
Non-current assets	**42.8**	45.4	42.6	0.2
Inventory	**29.7**	34.5	32.2	(2.5)
Receivables	**42.5**	41.2	43.6	(1.1)
Cash	**-**	5.2	1.4	(1.4)
Current assets	**72.2**	80.9	77.2	(5.0)
Trade payables	**(25.2)**	(24.6)	(22.1)	(3.1)
Other payables	**(11.9)**	(18.0)	(21.1)	9.2
Liabilities < 1 year	**(37.1)**	(42.6)	(43.2)	6.1
Liabilities > 1 year	**(23.1)**	(42.0)	(29.5)	6.4
Net assets	**54.8**	**41.7**	**47.1**	**7.7**
Return on capital invested (%)[1]	**24.5%**	18.3%	21.8%	
Net working capital[2]	**51.9**	48.2	52.9	
Inventory days	**130**	114	105	
Debtor days[3]	**99**	95	89	
Creditor days	**81**	79	75	
Net debt	**22.7**	36.4	27.4	

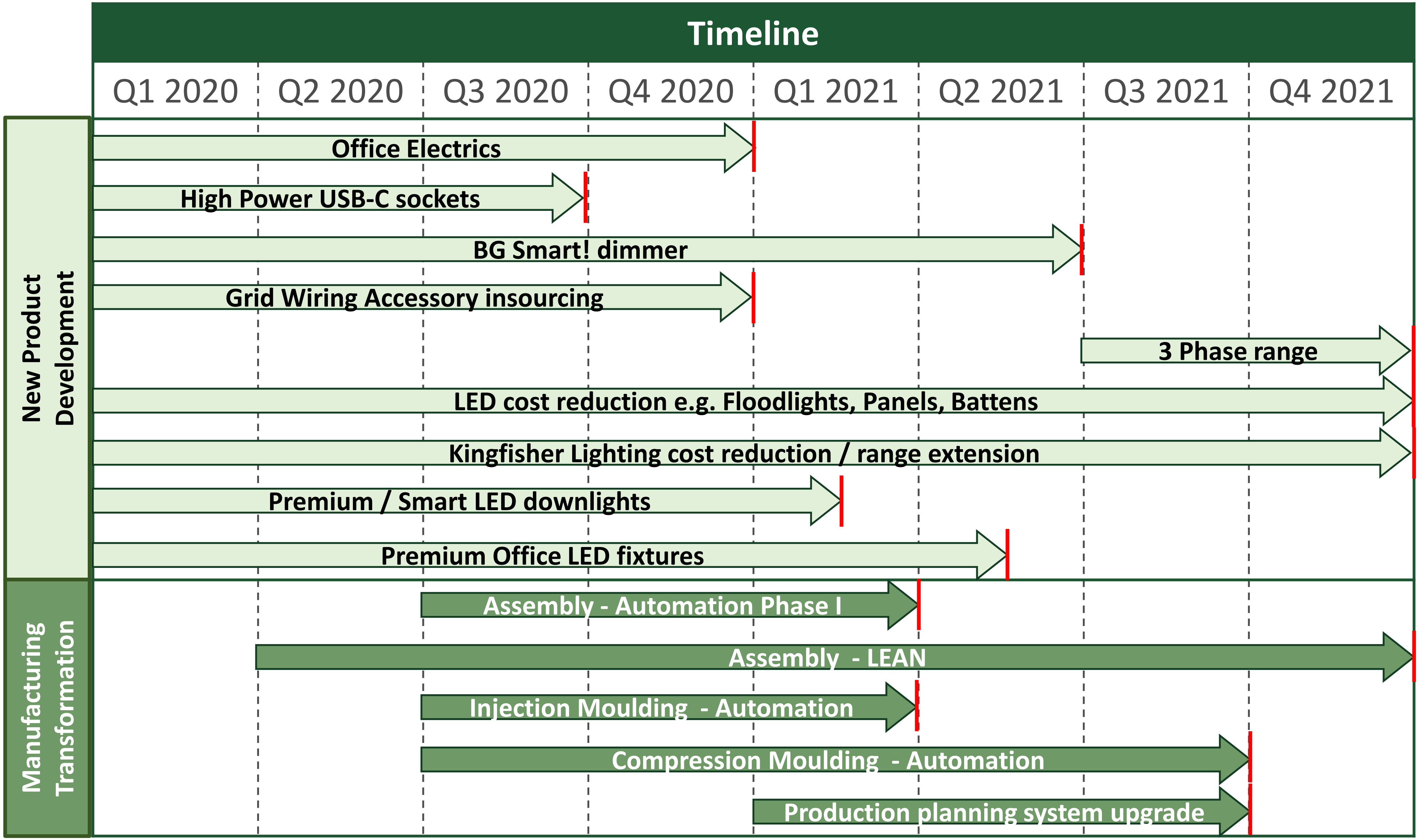
1. Return on capital invested comprises adjusted operating profit for the preceding 12 months divided into the sum of net assets, net debt, and non-recourse debt factoring (averaged for the opening and closing positions)
2. Net working capital comprises inventory, trade receivables and trade payables
3. Debtor days are calculated with non-recourse factoring added back to trade debtors

- Working capital control remains under tight control in challenging conditions
- Net working capital reduced by £1.0m in the period
- Achieved despite £3.5m reduction in off-balance sheet debt factoring, bringing more debtors back onto the balance sheet
- Underlying working capital reduction therefore £4.5m – a key driver of operating cash flow in the period
- Inventory reduced by £2.5m in the period, but Inventory days increased to 130 due to depressed backward-looking demand. Should normalise in H2
- Debtor days increased by 10 to 99 days as we supported loyal customers through COVID, but no bad debts
- ROCI in the middle of our target range of 20% to 30%

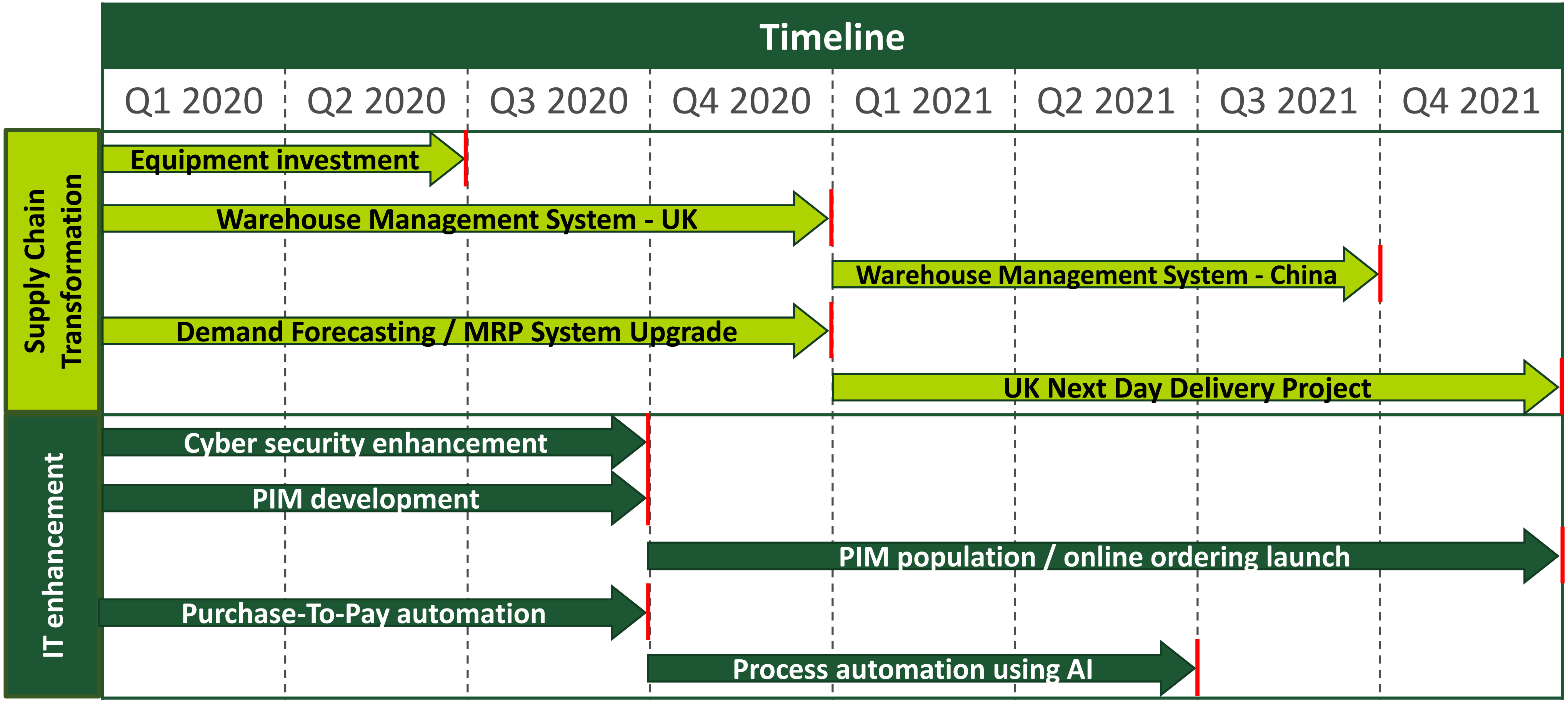
2020 Interim Results

Strategy and Outlook

Key initiatives – expected timelines

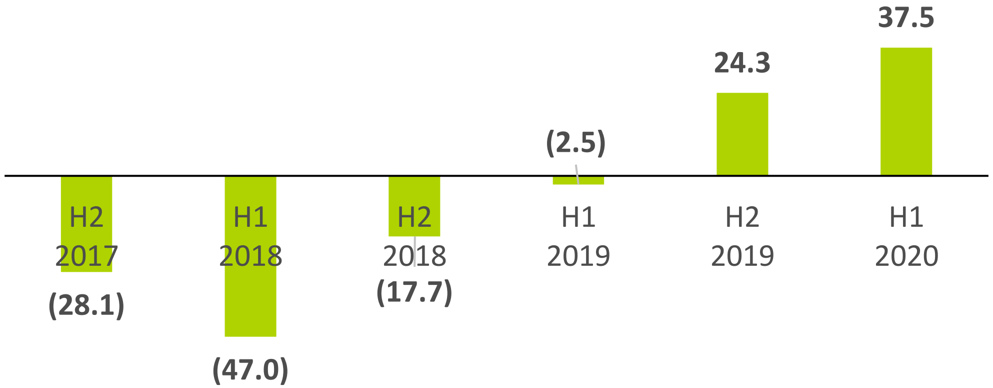


Key initiatives – expected timelines (cont.)



M&A

Funding capacity (£m)



Funding capacity available whilst remaining within net debt leverage policy of 1.0x to 2.0x LTM EBITDA

Priorities & size criteria

UK	Europe
High priority segments	
• Switches & sockets • Circuit protection	• Switches & sockets • Circuit protection
Medium priority segments	
• Project-led or niche non-residential interior / exterior LED • Infrastructure LED • Security & fire systems • Cable accessories	• Project-led or niche non-residential interior / exterior LED • Infrastructure LED • Security & fire systems • Cable accessories • Portable power • Integrated lighting controls
Priority European territories	**Target financials**
• Spain • Nordics • Poland • Czechia	• Revenue £10m - £50m • EBIT £1m - £5m

Wiring Accessories targets – UK & Europe

	All companies	Meeting our criteria
Major multinational groups	8	3
Regionally focused competitors		
Balkans	5	2
Benelux	7	0
CEE	8	1
DACH	22	0
France	5	0
Iberia	11	2
Italy	8	0
Nordics	2	0
Turkey	3	0
UK&I	25	1
Total	104	9

LED targets – UK only

	All companies	Meeting our criteria
Major multinational groups	15	0
Regionally focused competitors		
Generalist	57	7
o/w <£10m revenue	*25*	*0*
Exterior specialist	12	6
o/w <£10m revenue	*5*	*2*
Emergency specialist	9	2
o/w <£10m revenue	*6*	*2*
Other specialist	10	2
o/w <£10m revenue	*5*	*2*
	103	17

Current trading and outlook

Current trading

- Expect single-digit like-for-like revenue growth in Q3:
  - Continued recovery in demand from professional / wholesale channels
  - Some channel restocking
- Recovery is particularly benefiting higher margin product categories and allowing increased production efficiency
- Further reduction in leverage

Outlook

Full Year 2020

- Expect Adjusted Operating Profit of at least £23.0m provided there is no severely disruptive 2nd wave in H2
- Underpinned by good visibility of a strong Q3
- Significant additional progress is possible if H2 is unaffected by macro headwinds

2021

- Outlook remains uncertain
- Possible that demand is impacted by stimulus withdrawal and reduction in home improvement as people return to work
- We remain focused on business wins and business model improvement initiatives
- Should allow further progress in 2021
- Further update will be provided at Q3 2020

2020 Interim Results

Q&A

2020 Interim Results

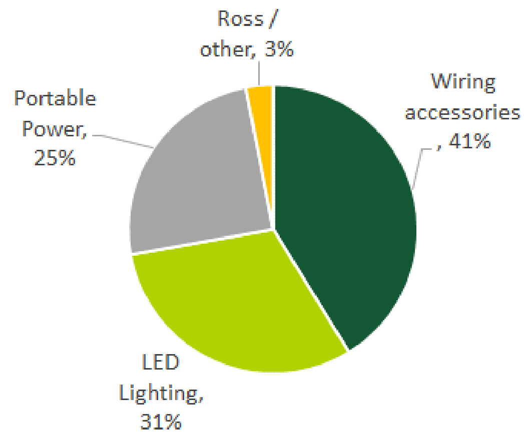
Appendix

Appendix – Introduction to Luceco

Luceco operates in four product markets:

Market	Brand	Description	
Wiring Accessories	BRITISH BG GENERAL	A traditional wiring accessory manufacturing brand, serving the professional electrical trade	
LED Lighting	Luceco	Environmental and energy Saving LED lighting	
	Kingfisher Lighting	High performance exterior lighting products	
Portable Power	masterplug	A market leading supplier of portable power equipment through DIY outlets, online and high street retailers	
AV	ROSS	Audio Visual and Home Entertainment products designed to meet the needs of the discerning user	

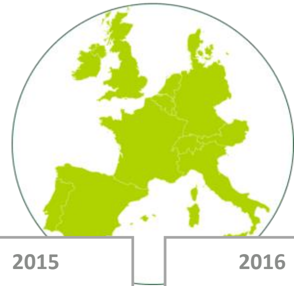
Revenue by product type – FY2019



Appendix – Introduction to Luceco (cont.)

The group has developed through business combinations and organic expansion into new products and territories





1941
British General wiring accessories brand created

1988
Masterplug portable power brand created

2000
Management buyout of BG and merger with Masterplug

2003
Transition to subcontracted manufacturing in China

2005
Management buyout backed by EPIC Private Equity

2008
12,500m² manufacturing facility opened in Jiaxing, China

2011
Jiaxing facility expanded to 38,000m²

2013
Luceco brand and LED lighting range launched

2014
Luceco LED projects sales team established in the UK

2015
Sales offices opened in **Germany** and **Mexico**

2016
Jiaxing expanded to 52,500m²

Sales offices in **Spain** and **HK**

2016
IPO of Luceco plc: listing on London Stock Exchange

2017
Acquisition of Kingfisher Lighting

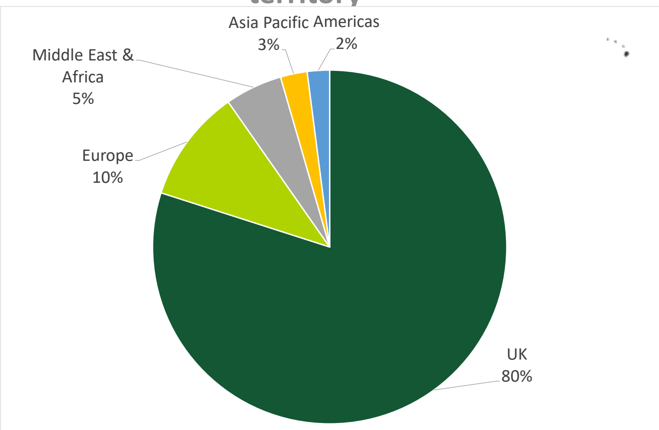
Corporate events

Appendix – Introduction to Luceco (cont.)

The business remains UK focused but with a growing presence in several international markets

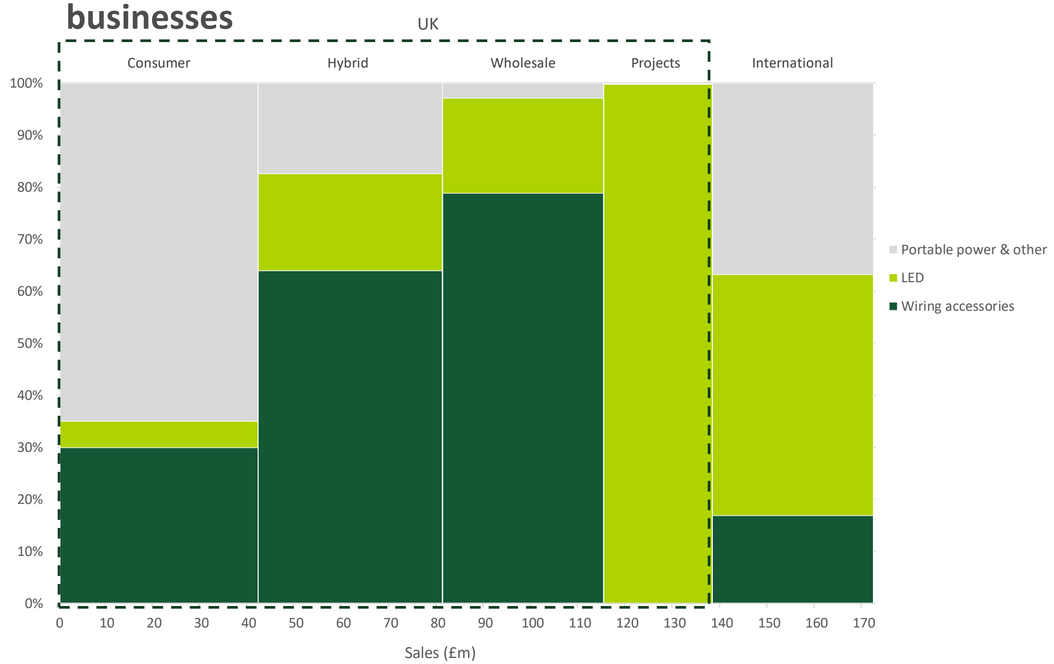
- Integrated model: wholly-owned manufacturing and product development facilities in the UK and China
- 1,500 employees
- Established UK and international sales network

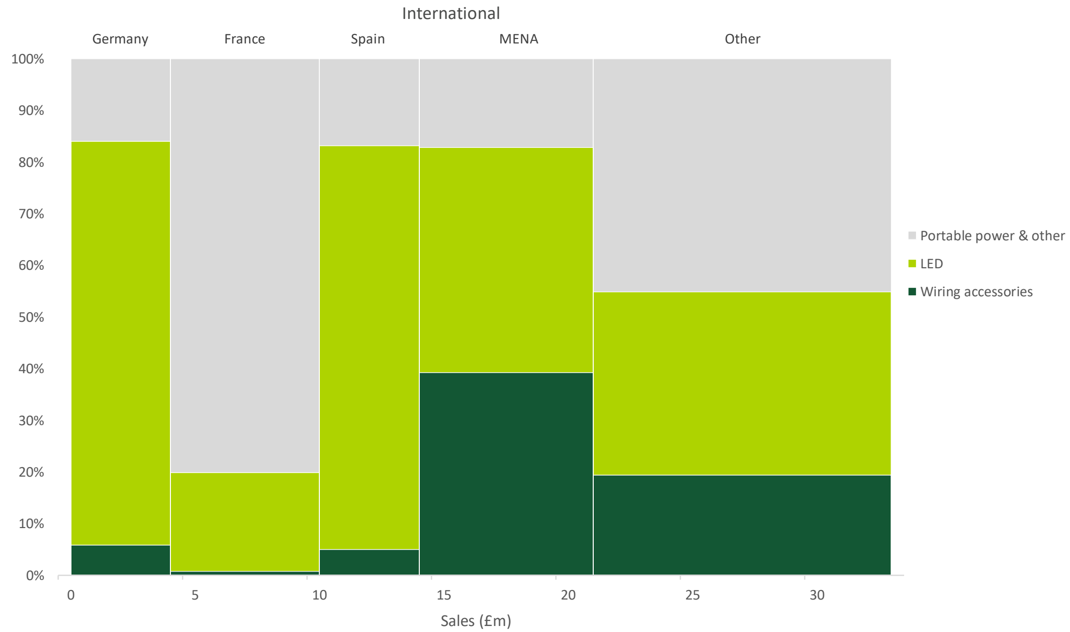
FY19 Revenue by territory



Appendix – Introduction to Luceco (cont.)

The Group serves both retail and trade channels, but with increasing focus on the latter via growth in its Wiring Accessories and LED businesses





The group sells through pure retail, trade and hybrid channels

- The hybrid channel has emerged in the last ten years with the growth of Screwfix and Toolstation serving both consumers and trade customers

The Wiring Accessories business sells through all channels, with growth supported by:

- Product innovation (e.g. USB sockets)
- Wholly-owned Chinese factory producing high quality, good value products brought to market quickly
- High share of high growth hybrid customers

The LED lighting business distributes mainly through trade, including a substantial projects sales channel

- Both the Luceco LED business and the Kingfisher Lighting business have strong projects sales teams covering the UK
- The business also distributes through retail, hybrid and wholesale channels and the broad range of products reflects this

Appendix – Introduction to Luceco (cont.)

Investment case and strategic priorities

Objectives

Operate in attractive markets

Focus on core markets that are:
- Growing faster than gross domestic product ("GDP")
- Offer high margins
- Defendable from new entrants

Invest in growth markets that are:
- Synergistic with the core
- Fragmented and offer opportunities to gain share

Develop market-leading brands that are:
- Long established
- Have a loyal customer base
- Have a clear proposition

Develop an advantaged business model

A product development process that is:
- Customer-led
- Entrepreneurial
- Agile

A manufacturing process that is:
- Low cost
- Responsive to new opportunities

A fulfilment capability that is:
- Tailored to customer needs
- Common across all products

Operate an efficient financial model

Revenue:
- Growing faster than GDP through the cycle
- Organic growth supported by mergers and acquisitions ("M&A")

Profit:
- Target Adjusted Operating Margin of 10-15%

Cash:
- Target Adjusted Free Cash Flow Margin of 5-10%
- Reinvest or return it to shareholders

Returns:
- Target Return on Capital Invested ("ROCI") of 20-30%
- Maintain net debt leverage of 1.0-2.0x
- Payout 20-30% of Adjusted Profit for the Year in dividends

Strategic priorities

Increase sales to professional customers
- Complement our historic strength in UK retail by gaining share of sales to professional customers
- Leverage the route to market provided by Wiring Accessories to sell other products via trade distribution, e.g. LED lighting, smart devices and EV charging
- Sell products as part of a solution

Increase sales to international customers
- Sell existing "borderless" products globally (e.g. LED lighting) to maximise investment in product development
- Leverage manufacturing capacity globally
- Sell to international subsidiaries of existing UK customers
- Increase profitability of existing international markets to the Group average

Enter new product segments
- Sell adjacent products to existing customers
- Sell international variants of existing UK products
- Maximise payback/minimise risk of new product development
- Maximise capital efficiency of future growth

Enter new product segments
- Sell adjacent products to existing customers
- Sell international variants of existing UK products
- Maximise payback/minimise risk of new product development
- Maximise capital efficiency of future growth

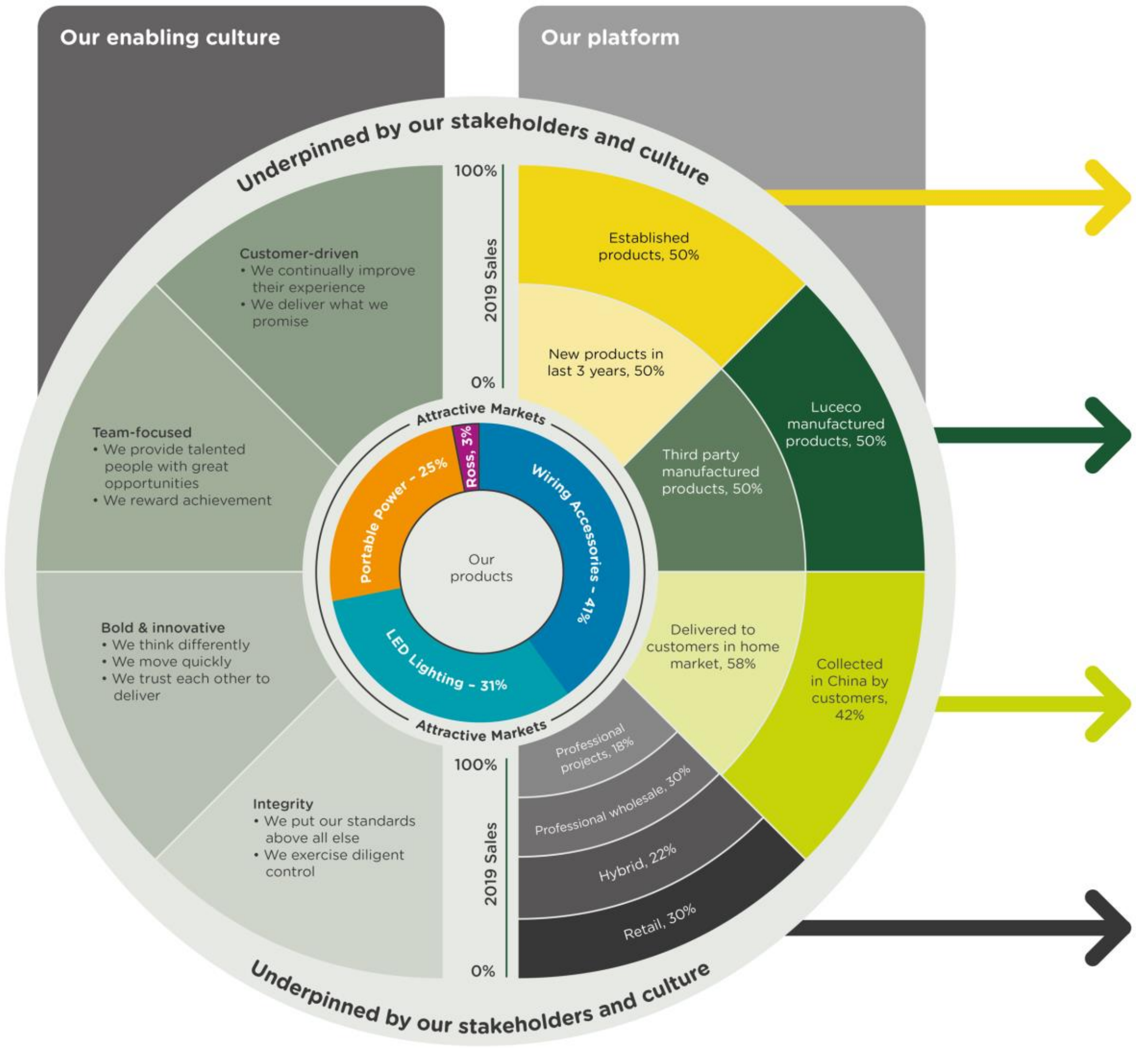
Maximise manufacturing efficiency
- Optimise use of own/third-party manufacturing
- Optimise landed cost relative to product performance
- Optimise inventory

Maximise return on capital
- Prioritise growth that leverages existing capital invested
- Continually optimise working capital
- Apply a clear capital structure policy

Maintain best practice
- Exercise diligent control
- Retain agility
- Improve the quality of decision making

Seek targeted acquisitions
- Gain share in existing markets
- Acquire presence in adjacent product markets
- Fund whilst maintaining capital structure policy

Appendix – Introduction to Luceco (cont.)



	Assets	Benefits
Product development Case study 01: **BG Smart!**  Read more on page 14	• Product development spanning the UK and China, closely integrated with customer-facing teams and with owned manufacturing • Deep specialist knowledge across our sectors	• Early identification of product opportunities and speed to market • Products designed to maximise automation in manufacturing
Manufacturing Case study 02: **Operational efficiency in China**  Read more on page 16	• Fully owned, well invested manufacturing facility in Jiaxing • Long term, often exclusive, relationships with third party manufacturers supported by on the ground presence	• Certainty of supply and control over cost, quality and ethical treatment of employees • Ability to invest for the long term, and respond rapidly to unexpected challenges and opportunities to reduce cost • Benefit from scale advantage of third party manufacturers where appropriate
Supply chain 	• Customer support facility in China • UK distribution centres in Telford and Mansfield • International distribution centres in Germany, Spain, Dubai and Mexico	• Our customers have immediate access to our extensive range of products • Larger retail customers can leverage their own supply chains by collecting our products in China
Channels 	• Established relationships with all the UK's major retailers and electrical wholesalers • Field-based sales teams • Market leading brands	• Our channels leverage a single shared supply chain and allow us to address all market segments: DIY, professional, and lighting as a service • Our product categories share common sales channels, allowing us to serve our customers efficiently

Page references above are to 2019 Annual Report and Accounts

Appendix – Adjusted to Reported reconciliation

H1 2020 **£m**	**Adjusted**	**Remeasurement to fair value of hedging portfolio**	**Amortisation of acquired intangibles and related acquisition costs**	**Reported**
Revenue	**71.6**	-	-	**71.6**
Gross profit	**27.5**	**-**	**-**	**27.5**
Gross margin %	***38.4%***			***38.4%***
Overhead costs	**(18.5)**	-	(0.2)	**(18.7)**
Operating profit	**9.0**	**-**	**(0.2)**	**8.8**
Operating margin %	***12.6%***			***12.3%***
Net finance expense	**(0.7)**	0.3	-	**(0.4)**
Profit before tax	**8.3**	0.3	(0.2)	**8.4**
Tax	**(1.6)**	-	-	**(1.6)**
Profit for the period	**6.7**	**0.3**	**(0.2)**	**6.8**
Basic EPS (p)	**4.3p**			**4.4p**

Appendix – Adjusted to Reported reconciliation (cont.)

H1 2019 £m	Adjusted	Remeasurement to fair value of hedging portfolio	Amortisation of acquired intangibles and related acquisition costs	Reported
Revenue	**82.7**	-	-	**82.7**
Gross profit	**28.9**	**-**	**-**	**28.9**
Gross margin %	***35.0%***			***35.0%***
Overhead costs	**(21.7)**	-	(0.2)	**(21.9)**
Operating profit	**7.2**	**-**	**(0.2)**	**7.0**
Operating margin %	***8.7%***			***8.5%***
Net finance expense	**(1.1)**	(0.6)	-	**(1.7)**
Profit before tax	**6.1**	(0.6)	(0.2)	**5.3**
Tax	**(1.2)**	-	-	**(1.2)**
Profit for the period	**4.9**	**(0.6)**	**(0.2)**	**4.1**
Basic EPS (p)	**3.1p**			**2.6p**

Disclaimer

This presentation and information communicated verbally to you may contain certain projections and other forward-looking statements with respect to the financial condition, results of operations, businesses and prospects of Luceco plc. These statements are based on current expectations and involve risk and uncertainty because they relate to events and depend upon circumstances that may or may not occur in the future. There are a number of factors which could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements.

Any of the assumptions underlying these forward-looking statements could prove inaccurate or incorrect and therefore any results contemplated in the forward-looking statements may not actually be achieved. Nothing contained in this presentation or communicated verbally should be construed as a profit forecast or profit estimate. Investors or other recipients are cautioned not to place undue reliance on any forward-looking statements contained herein. Luceco plc undertakes no obligation to update or revise (publicly or otherwise) any forward-looking statement, whether as a result of new information, future events or other circumstances. Neither this presentation nor any verbal communication shall constitute an invitation or inducement to any person to subscribe for or otherwise acquire securities in Luceco plc.