



STRONG PROGRESS AND WELL POSITIONED FOR LONG-TERM GROWTH

Agenda

Highlights

Financial review

Business review

Outlook

Q&A



**John
Hornby**
CEO

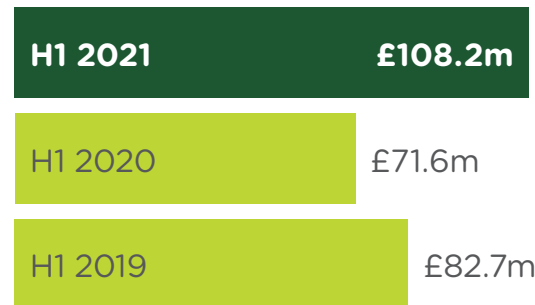


**Matt
Webb**
CFO

Highlights

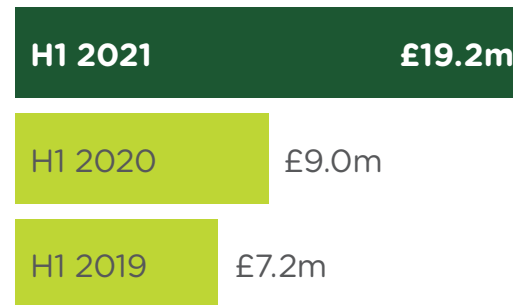
Revenue growth

+51.1%



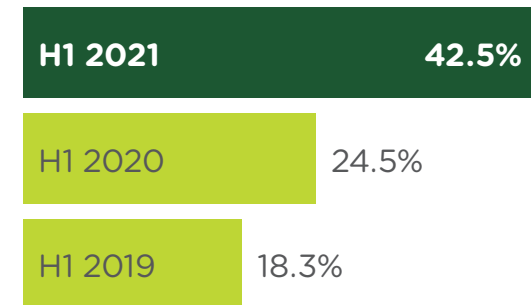
Adj. Operating Profit

+113.3%



ROCI

+18.0 ppts



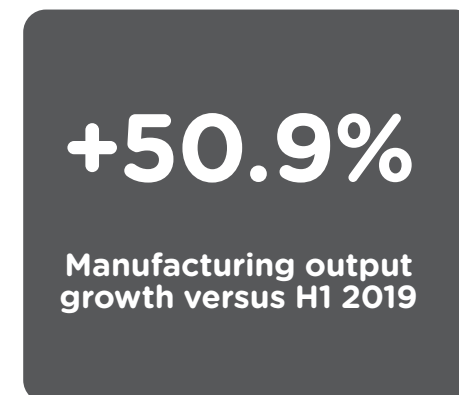
New business wins



Superior channel access



Increased product availability



Financial review



Income statement

Adjusted £m	H1 2021	H1 2020	Change vs H1 2020	H1 2019	Change vs H1 2019	LTM H1 2021
Revenue	108.2	71.6	36.6	82.7	25.5	212.8
Revenue growth %			51.1%		30.8%	
Gross profit	41.7	27.5	14.2	28.9	12.8	84.4
Gross margin %	38.5%	38.4%	0.1ppts	35.0%	3.5ppts	39.7%
Overhead costs	(22.5)	(18.5)	(4.0)	(21.7)	(0.8)	(44.2)
Operating profit	19.2	9.0	10.2	7.2	12.0	40.2
Operating margin %	17.7%	12.6%	5.1ppts	8.7%	9.0ppts	18.9%
Net finance expense	(0.7)	(0.7)	—	(1.1)	0.4	(1.3)
Profit before tax	18.5	8.3	10.2	6.1	12.4	38.9
Tax	(3.5)	(1.6)	(1.9)	(1.2)	(2.3)	(6.6)
Profit for the period	15.0	6.7	8.3	4.9	10.1	32.3
Basic EPS (p)	9.8p	4.3p	5.5p	3.1p	6.7p	21.0p

- **Revenue of £108.2m:**

- 51.1% higher than a COVID-disrupted H1 2020
- 30.8% higher than H1 2019, underlining the extent of our ongoing market share gains driven by:
 - new business wins
 - superior channel access
 - increased product availability
- Healthy UK residential RMI market
- Improving UK commercial/institutional and overseas markets
- Broadening sources of growth

- **Gross margin of 38.5%:**

- 0.1ppts higher than H1 2020
- 2.3ppts lower than H2 2020's record levels due to temporary compression from cost inflation

- **Adjusted Operating Profit of £19.2m:**

- More than double H1 2020 and H1 2019
- Adjusted Operating Margin expanded to 17.7%

- **Basic EPS of 9.8p - up 5.5p on the prior year and 6.7p higher than H1 2019**

Performance vs the market

2000 to 2018

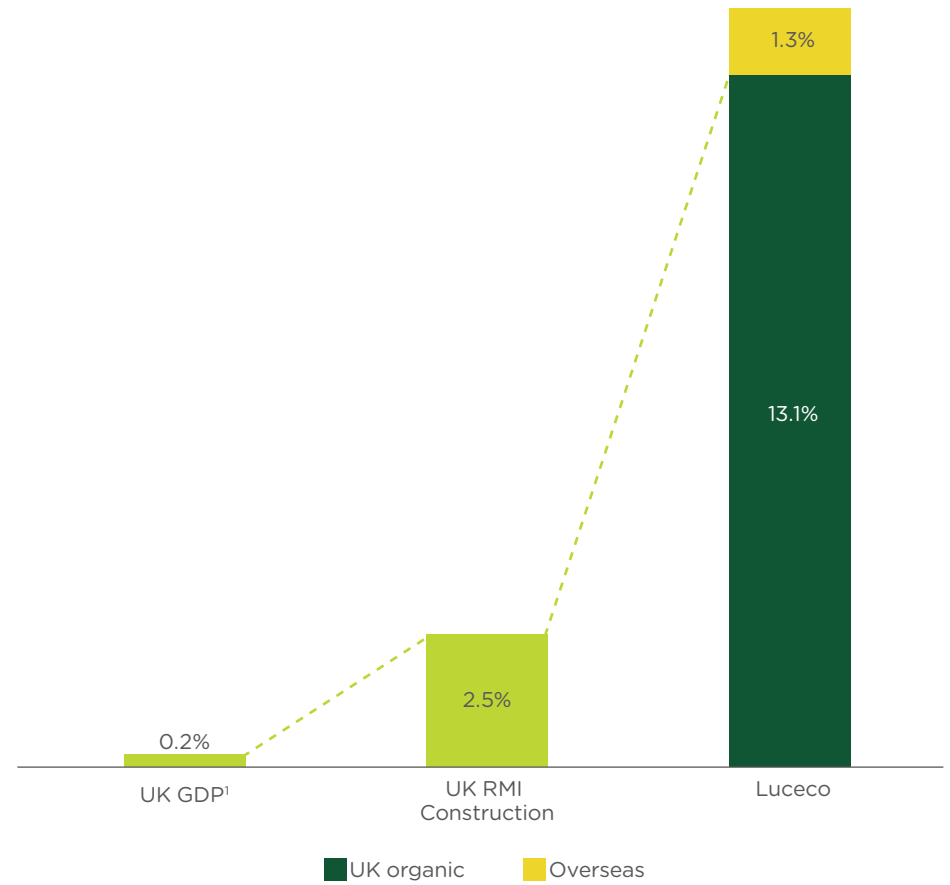
CAGR %: 2000 to 2018



1. ONS data at current prices

2019 to 2021

CAGR %: H1 2019 to H1 2021



1. ONS data at current prices

Performance drivers

New business wins

Major new business wins since 2019	Annual sales value £m			
	WA	LED	PP	Total
Retail	9.2	2.5	3.5	15.2
Hybrid	4.7	0.5	0.5	5.7
Professional Wholesale	6.6	—	—	6.6
Total	20.5	3.0	4.0	27.5

Superior channel access

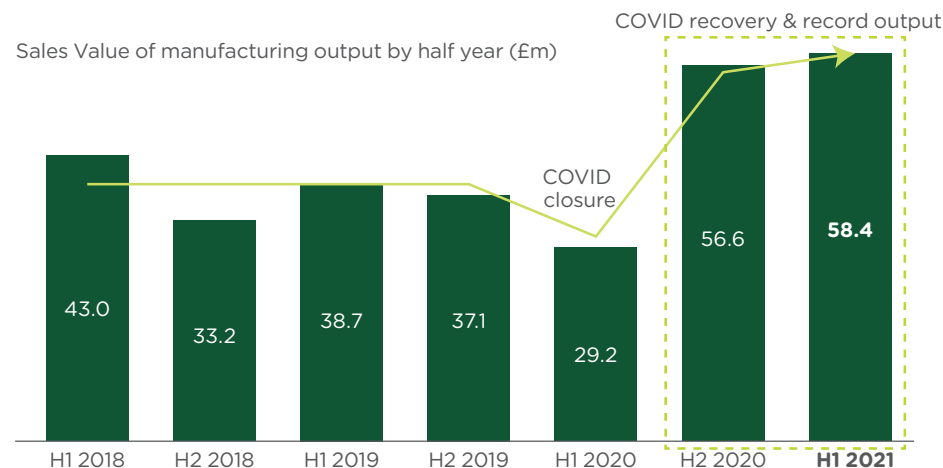
2020	Customer revenue growth	Weightings	
		% of UK Electrical Wholesale market ³	% of Luceco UK sales
Screwfix UK	11% ¹	9%	26%
Toolstation UK	38% ¹	3%	6%
Hybrid Total	16%	12%	32%
UK Electrical Wholesale – 2020	(16%) ²	88%	26%

1. Based on published results

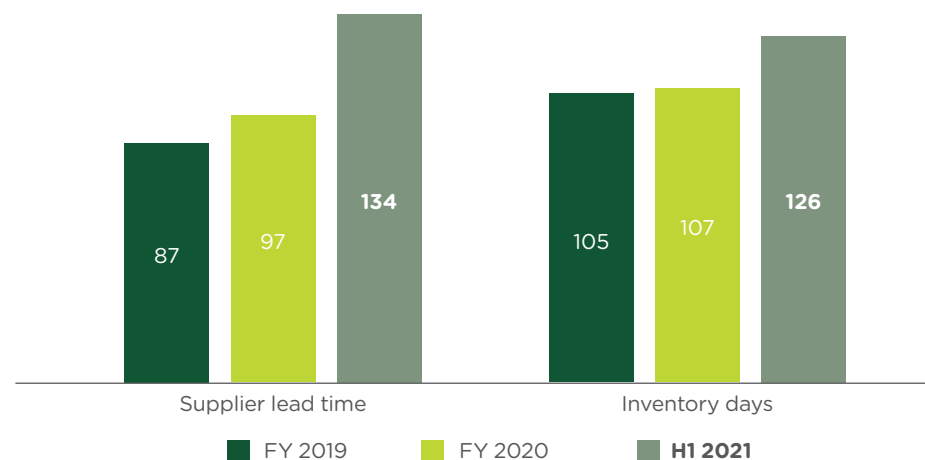
2. AMA research

3. Management estimate/AMA research

Superior product availability – Manufacturing agility



Superior product availability – Inventory buffer



Revenue by channel

Retail

- DIY chains
- Pure play online retail
- Grocers

Hybrid

Chains selling to both professionals and consumers

Professional Wholesale

Chains selling to professionals only

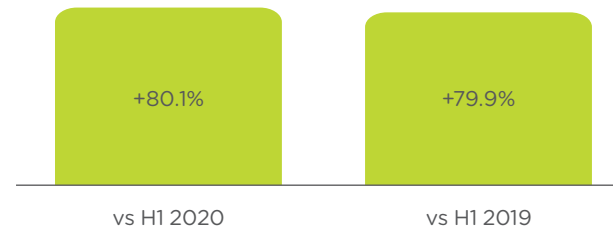
Professional Projects

Sale agreed direct with professionals

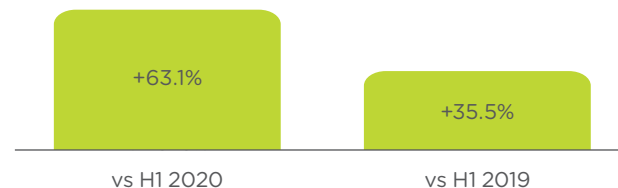
Retail % change (33% of revenue)



Hybrid % change (27% of revenue)



Professional Wholesale % change (28% of revenue)



Professional Projects % change (12% of revenue)



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

• Retail:

- Healthy demand from UK DIY, supported by business wins
- Good progress with major DIY chains in Continental Europe

• Hybrid:

- Hybrid operators continue to gain share from traditional wholesale
- We continue to gain share with Hybrid operators

• Professional Wholesale:

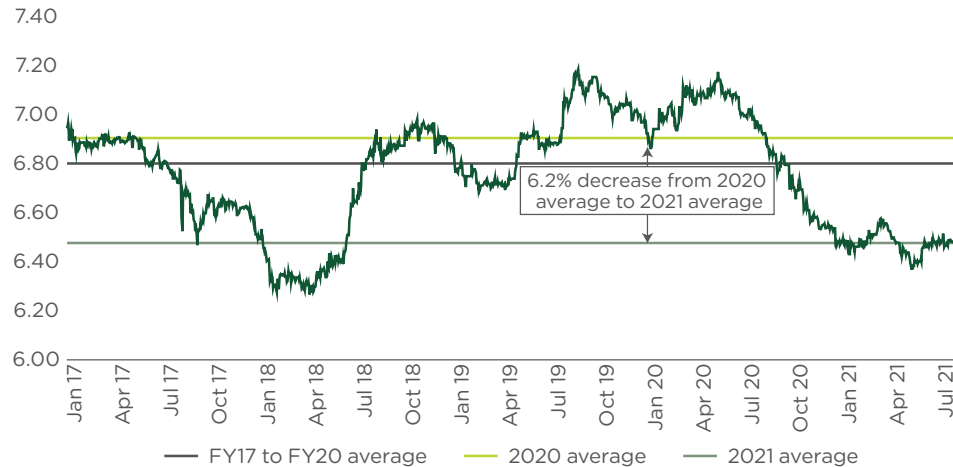
- Solid recovery from wholesalers in 2021 following temporary branch closures in 2020
- Growth strongest with online-capable networks
- Sales supported by good product availability

• Professional Projects:

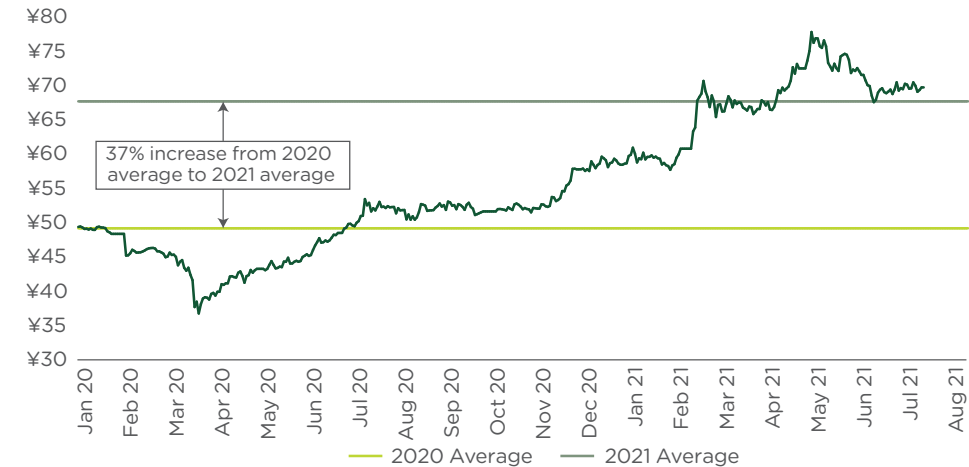
- Commercial and institutional demand continues to improve with confidence returning to the LED project market
- Q2 2021 revenue 13% higher than 2019

Inflation impact

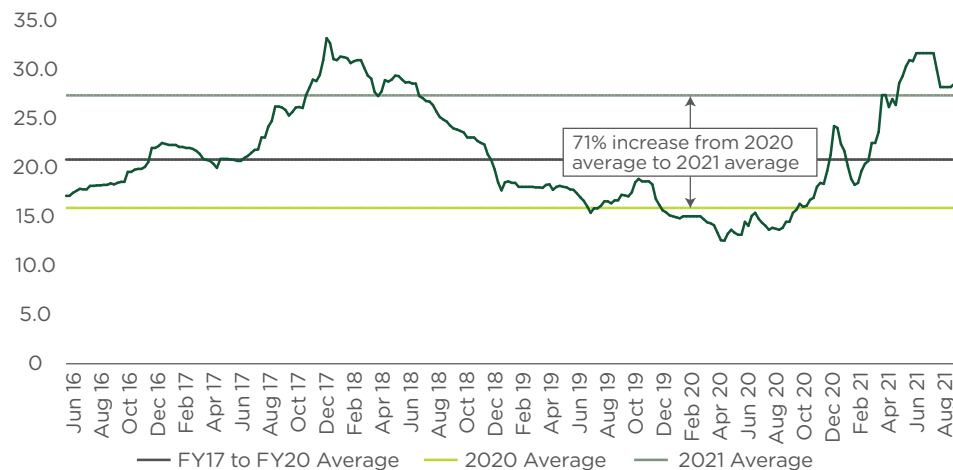
USD/RMB
(2020: £55m annual income - hedged)



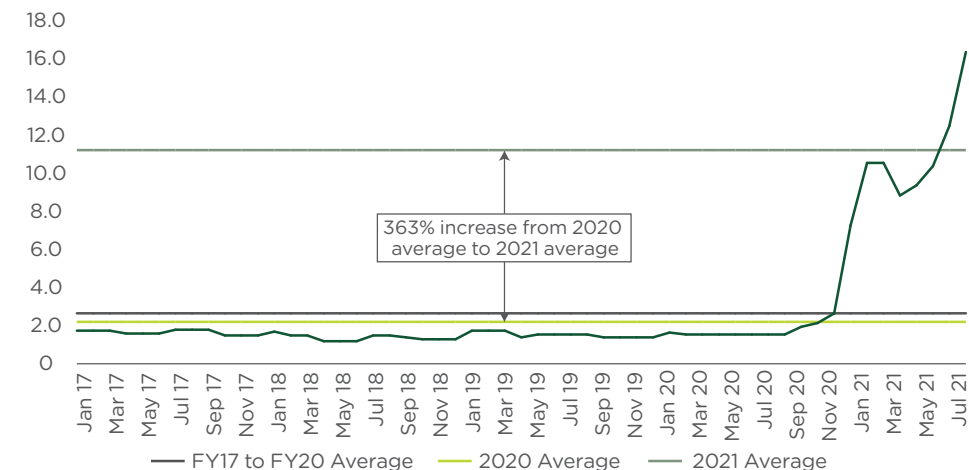
Copper (RMB'000 per tonne)
(2020: £16m annual cost - hedged)



Plastic (RMB'000 per tonne)
(2020: £4m annual cost)



Cost of 40ft container (USD'000) - China to UK
(2020: £2m annual cost)



Circa £20m cost increase: £13m in 2021, £7m thereafter

Profitability bridge

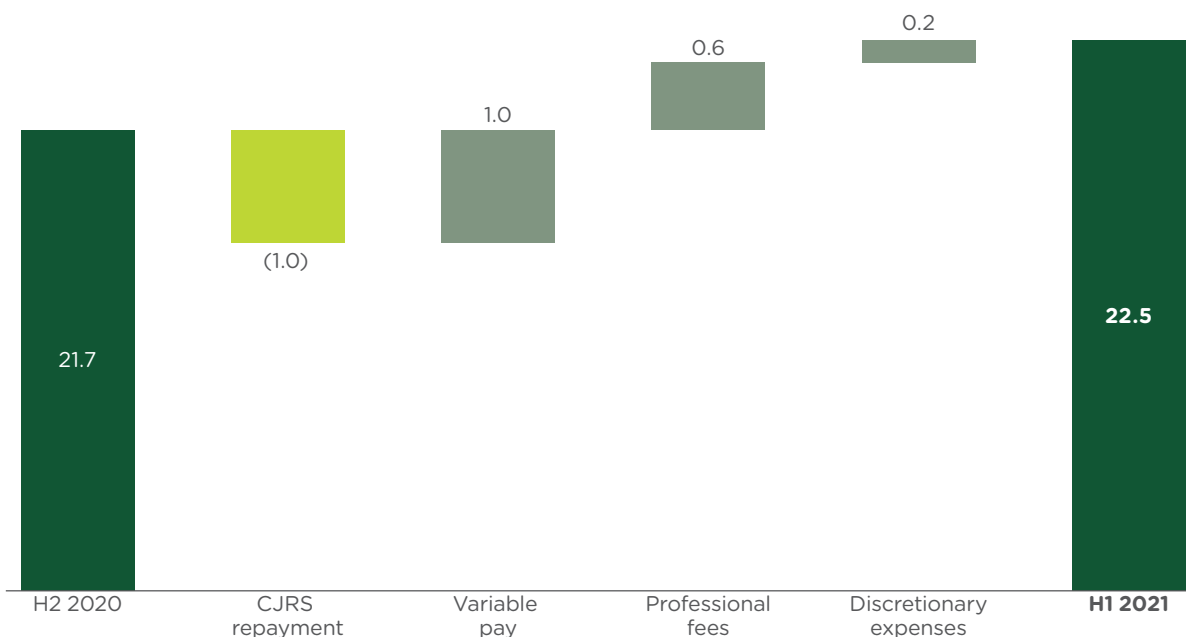
£m	H1 2020 at actual currency	Selling price/ cost inflation impact	Manufacturing efficiency gain	Volume growth/mix impact	H1 2021 at constant currency	FX impact	H1 2021 at actual currency
Revenue	71.6	1.1	—	40.7	113.4	(5.2)	108.2
Cost of sales	(44.1)	(3.0)	1.5	(25.2)	(70.8)	4.3	(66.5)
Gross profit	27.5	(1.9)	1.5	15.5	42.6	(0.9)	41.7
Gross margin %	38.4%	(3.2%)	2.1%	0.3%	37.6%	0.9%	38.5%
Overheads	(18.5)	(0.5)	—	(3.5)	(22.5)	—	(22.5)
Operating profit	9.0	(2.4)	1.5	12.0	20.1	(0.9)	19.2
Operating margin %	12.6%	(3.5%)	2.1%	6.5%	17.7%	—	17.7%

Cost inflation components	H1 2021
Freight	25%
Copper	20%
Other commodities	25%
FX	30%
Total	100%

- **Significant cost inflation in H1, as expected:**
 - £3.0m from product cost & freight, £0.9m from FX
- **Impact on H1 gross margin % mitigated by:**
 - Selling price updates: benefits will accelerate in H2 once notice periods served
 - Factory efficiency gains: benefits of automation and increased utilisation
 - FX and copper hedging
- **Impact on operating margin % further mitigated by strong operating leverage and mix benefit**
- **Improvement in operating margin delivered overall**
- **Cost inflation expected to increase in magnitude in H2**
- **Operating leverage will help to alleviate pressure on gross margin %**

Overheads

Overheads from H2 2020 to H1 2021 (£m)



• **Overheads increased by £0.8m from H2 2020 to H1 2021:**

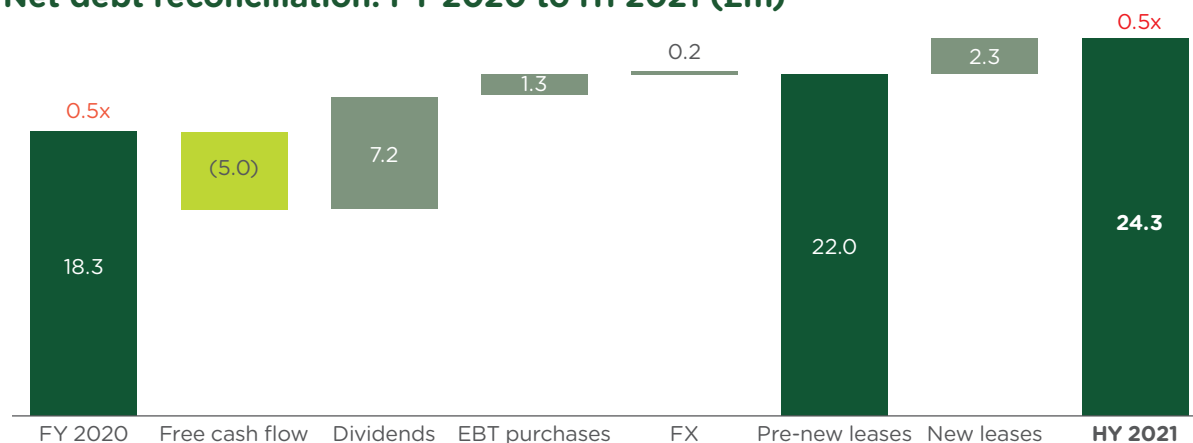
- £1.0m reduction from CJRS repayment: furlough support fully refunded in H2 2020
- £1.0m increase in variable pay: including increased bonus payable for improved Group performance
- £0.6m increase in professional fees: including M&A advisory
- £0.2m increase in discretionary costs: tight control from 2020 maintained in 2021

Adjusted free cash flow/net debt reconciliation

Adjusted £m	H1 2021	H1 2020	LTM H1 2021
Operating profit	19.2	9.0	40.2
Depreciation and amortisation	2.9	2.8	6.2
EBITDA	22.1	11.8	46.4
Change in working capital	(9.8)	1.6	(14.5)
Other items	0.8	0.4	1.5
Cash from operations	13.1	13.8	33.4
Operating cash conversion ¹ %	68.2%	153.3%	83.1%
Net capital expenditure	(3.0)	(1.7)	(5.7)
Interest paid	(0.7)	(0.7)	(1.3)
Tax paid	(4.4)	(1.2)	(8.9)
Free cash flow	5.0	10.2	17.5
Free cash flow margin %	4.6%	14.2%	8.2%

1. Cash from operations as a percentage of operating profit

Net debt reconciliation: FY 2020 to H1 2021 (£m)



Red text denotes net debt as a multiple of LTM Adjusted EBITDA

- **H1 cash conversion lower than recent trends:**

- Additional inventory in transit from China due to shipping delays
- Additional inventory on hand to offset longer supplier lead times
- Partly funded by quicker invoice collection

- **Extra inventory investment should begin to unwind as supply chain pressure lifts, driving better cash conversion in H2**

- **Modest increase in net debt in H1 before new leases**

- **Signed new 10-year lease on main UK site, increasing IFRS 16 debt by £2.3m to £4.5m**

- **Net debt leverage unchanged at 0.5x LTM Adjusted EBITDA**

- **Capital structure policy limit of 2.0x LTM Adjusted EBITDA affords c£80m debt headroom for M&A, to be accessed via refinancing on track for H2**

Balance sheet

£m	H1 2021	H1 2020	Change vs H1 2020	FY 2020	Change vs FY 2020
Intangible assets	20.7	22.0	(1.3)	21.5	(0.8)
Tangible assets	23.5	20.8	2.7	21.0	2.5
Financial assets held for trading and deferred tax	3.5	—	3.5	1.9	1.6
Non-current assets	47.7	42.8	4.9	44.4	3.3
Inventory	49.2	29.7	19.5	37.2	12.0
Trade receivables	68.7	41.3	27.4	70.1	(1.4)
Trade payables	(41.7)	(25.2)	(16.5)	(39.7)	(2.0)
Net working capital	76.2	45.8	30.4	67.6	8.6
Other assets and liabilities	(22.1)	(11.1)	(11.0)	(23.3)	1.2
Capital invested (excl. factored receivables)	101.8	77.5	24.3	88.7	13.1
Net debt	(24.3)	(22.7)	(1.6)	(18.3)	(6.0)
Net assets	77.5	54.8	22.7	70.4	7.1
Return on capital invested (%) ¹	42.5%	24.5%	18.0ppts	35.7%	6.8ppts
Inventory days	126	130	(4)	107	19
Debtor days ²	83	91 ³	(8)	92 ³	(9)
Creditor days	85	81	4	95	(10)

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. Debtor days are calculated with non-recourse debt factoring added back to trade debtors

3. Comparatives restated to more accurately reflect the collection of gross debt before rebate payments

- **Debtor days reduced from 92 to 83 due to quicker collection of letters of credit**
- **Inventory days increased from 107 to 126:**
 - 3 days due to increased transit time from China
 - 16 days due to extra safety stock to offset elongated supplier lead times
- **Inventory should begin to normalise in H2**

Business review



Wiring Accessories (50% of revenue)

Adjusted £m	H1 2021	H1 2020	Growth vs 2020 %	Growth vs 2019 %
Revenue	53.7	31.3	71.6%	57.5%
Contribution profit	19.6	10.9	79.8%	98.0%
Contribution margin %	36.5%	34.8%	1.7ppts	7.5ppts
Operating profit	15.2	7.3	108.2%	157.6%
Operating margin %	28.3%	23.3%	5.0ppts	11.0ppts

Revenue growth analysis

	% of segment revenue	Growth vs 2020 %	Growth vs 2019 %
Retail	20%	103.9%	87.9%
Hybrid	38%	78.3%	83.2%
Professional Wholesale	41%	76.5%	47.0%
Professional Projects	1%	(29.5%)	(62.6%)
Total at constant currency	100%	79.7%	62.3%
FX impact %		(8.1%)	(4.8%)
Total		71.6%	57.5%

- **Revenue 57.5% higher than H1 2019:**
 - New business wins, particularly in Hybrid and Retail channels
 - Market share gains in high margin Circuit Protection – first introduced in 2010, now a £30m annual sales category
 - Continued strong demand for outdoor range
 - Particularly strong progress on high margin decorative lines
 - Agile manufacturing providing extra capacity when needed
- **Operating margin of 28.3% benchmarks favourably against UK and European peers:**
 - Inflationary pressures offset by manufacturing efficiency gains and better sales force utilisation

LED Lighting (25% of revenue)

Adjusted £m	H1 2021	H1 2020	Growth vs 2020 %	Growth vs 2019 %
Revenue	26.9	19.8	35.9%	5.1%
Contribution profit	4.5	2.6	73.1%	73.1%
Contribution margin %	16.7%	13.1%	3.6ppts	6.5ppts
Operating profit	2.3	0.9	155.6%	475.0%
Operating margin %	8.6%	4.5%	4.1ppts	7.0ppts

Revenue growth analysis

	% of segment revenue	Growth vs 2020 %	Growth vs 2019 %
Retail	16%	34.6%	17.6%
Hybrid	14%	153.3%	35.2%
Professional Wholesale	21%	21.9%	0.6%
Professional Projects	49%	27.1%	(2.5%)
Total at constant currency	100%	36.7%	5.2%
FX impact %		(0.8%)	(0.1%)
Total		35.9%	5.1%

- **Revenue 5.1% higher than H1 2019:**

- Slow start to 2021 with commercial and institutional LED projects curtailed by COVID lockdown and site access constraints
- Progress improved in Q2 after UK lockdown ended
- Project order book suggests demand will remain good during the important educational retrofit cycle in Q3

- **Operating margin expanded despite COVID headwinds and inflationary pressures by:**

- Designing & sourcing cheaper product variants
- Better utilisation of UK LED Project sales teams
- New business wins in Retail and Hybrid channels with low incremental cost to serve
- Strong sales growth in Southern Europe
- Price increases secured on technical product lines

Portable Power (25% of revenue)

Adjusted £m	H1 2021	H1 2020	Growth vs 2020 %	Growth vs 2019 %
Revenue	27.6	20.5	34.6%	20.0%
Contribution profit	4.0	3.1	29.0%	14.3%
Contribution margin %	14.5%	15.1%	(0.6ppts)	(0.7ppts)
Operating profit	1.7	0.8	112.5%	88.9%
Operating margin %	6.2%	3.9%	2.3ppts	2.3ppts

Revenue growth analysis

	% of segment revenue	Growth vs 2020 %	Growth vs 2019 %
Retail	73%	42.7%	18.1%
Hybrid	16%	53.9%	108.8%
Professional Wholesale	10%	81.8%	36.6%
Professional Projects	1%	194.7%	95.7%
Total at constant currency	100%	48.0%	29.3%
FX impact %		(13.4%)	(9.3%)
Total		34.6%	20.0%

- **Revenue 20.0% higher than H1 2019:**

- New business wins with UK DIY multiples and independent chains
- Strong progress in USA despite stiffening freight and tariff barriers
- New business wins with Continental European DIY chains

- **Operating margin expansion limited by high cost inflation:**

- High copper content
- Low value density means high freight inflation impact
- Successful selling price increases should deliver better margin from 2022 onwards

Investment in fulfilment



- **Warehouse Management System implemented in March 2021**
- **Key benefits:**
 - Faster customer service – order fulfilment time reduced from 3-4 days to 1-2 days so far
 - More accurate order picking
 - Increased labour efficiency
 - Increased stock turn
- **Already assisted in helping deliver record sales activity in June from the UK business**

Investment in WMS in March 2021 of £0.6m to improve serviceability and reliability, business efficiency and stock turn

Investment in marketing

Improved social media strategy



Improved contractor engagement



Investment in contractor training



Increased market and product imagery



Investment in manufacturing: example projects

Project 1: X22 automatic assembly line

Before	After	KPIs	
		Investment	£250k
		Productivity gain	37.7%
		Capacity increase	40%
		Payback	2.4 years

Project 2: Automatic robot arm for metal stamping

Before	After	KPIs	
		Investment	£200k
		Productivity gain	150%
		Capacity increase	32%
		Payback	1.6 years

Project 3: Automatic function test machine

Before	After	KPIs	
		Investment	£30k
		Productivity gain	16.7%
		Capacity increase	N/A
		Payback	1.8 years

Project 4: Automatic high frequency sealing machine

Before	After	KPIs	
		Investment	£10k
		Productivity gain	100%
		Capacity increase	100%
		Payback	2.1 years

ESG

Update on 2021 priorities

2021 priorities	Status
Eliminate or offset Scope 1 & 2 GHG	✓
Quantify Scope 3 GHG	✓
Commence participation in CDP	✓
Launch ESG strategy	H2 2021
Commit to science-based targets	2022

EV charging opportunity

UK market opportunity

- New petrol and diesel vehicles banned in UK from 2030 onwards
- Majority will migrate to BEV/PHEV
- Implies 20% CAGR in EV sales throughout 2020s

	2021F		2030F
New vehicle sales (000s)	1,979	+20% CAGR	2,000
New EV vehicle sales (000s)	337		1,900
Penetration %	17%		95%

- EV sales will trigger EV charger installs in residential and commercial settings - our core market
- We estimate >1m EV charger installs per annum by 2024 at MSP of £400 per unit, £400m annual market opportunity

New product range

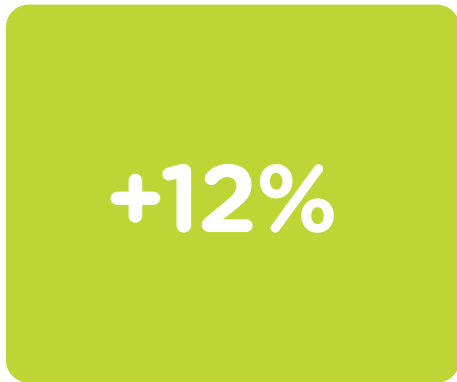
	Existing	New
Power	2.3kW	7.2kW
Type	Mode 2	Mode 3
Wiring	Mains socket	Professional install
Channel	Retail	Hybrid Professional
Car/charger communication	x	✓
App integration	x	✓
Grid integration	x	✓

Outlook and Q&A



Leading indicators

Q3 revenue to date: Q3 2021 vs Q3 2019



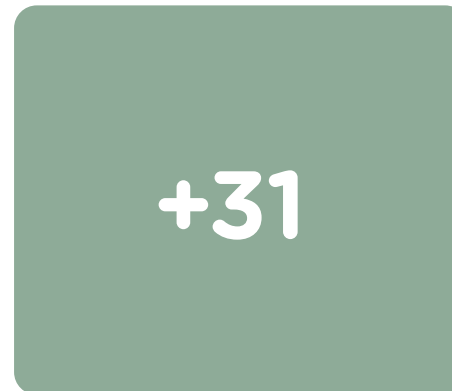
UK housing transactions: Q2 2021 vs Q2 2019



UK planning applications: Q1 2021 v Q1 2020



RIBA Future Trends Workload Index (June 2021)



(score > 0 indicates the proportion of architects expecting an increase in workload in the next 3 months is greater than those expecting a decrease)

2021 outlook

Q3 2021:

- Retail and Hybrid demand remains strong, continuing to out-perform the market
- Softer Professional Wholesale demand in late July/August, but could be driven by overdue holiday-taking by contractors
- Macro indicators remain strong: housing transactions, planning applications, RIBA/RICS surveys etc
- Inflationary pressures on margin increasing, particularly freight

FY 2021:

- July 2021: increased guidance to:
 - Revenue of at least £220m
 - Adjusted Operating Profit of at least £39m
- Upside potential curtailed by recent softening of Professional Wholesale demand and increasing container costs now confirmed for Q4
- Localised COVID outbreaks in supply chain could impact short-term forecasts
- Will provide further update in Q3 Trading Update

Well positioned for long-term growth



Q&A

Appendix



Company overview

Activities

Designer and manufacturer of electrical products:

- **Wiring Accessories**
- **LED Lighting**
- **Portable Power**

Competitive advantages

- **Established brands with leading market positions and loyal professional end users**
- **Clear brand proposition - well designed, high quality, good value for money**
- **Long-established and diverse channel access with strong relationships, particularly in growing segments**
- **Market-leading product innovation/category expansion**
- **Low cost and high quality China sourcing, including responsive own manufacturing**
- **Flexible distribution options for different customer types**
- **Experienced UK management team**

Customers

- **Mix of consumer and professional end-users**
- **Sold through distribution with some direct professional end-user relationships**
- **Established customer base**

Markets

- **UK heritage**
- **More recent international expansion**
- **Mostly RMI with low cyclicity**
- **Growing faster than GDP**

Operations

- **UK:**
 - Telford: UK Distribution Centre & UK HQ (100,000 sq ft)
 - Mansfield: Kingfisher Lighting HQ
 - London: PLC HQ
- **China:**
 - Jiaxing, Zhejiang Province: Factory and Product Development Centre (565,000 sq ft)
- **Sales offices in Spain, Germany, UAE, Mexico, Hong Kong & South Africa**
- **2,000 employees worldwide**

BG Electrical – Wiring Accessories

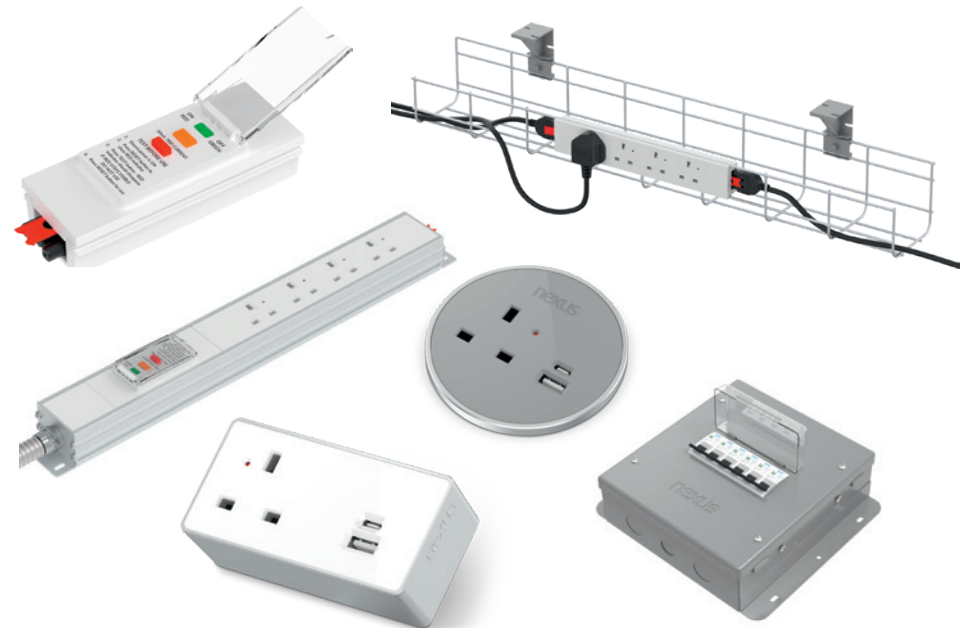


UK market size	c.£500m
Established	1941
UK market position/approx market share	#2/15%
Revenue as % of Group total ¹	50%
Revenue 3-year CAGR % ²	4%
Operating margin ¹	28%
Product categories	Switches and sockets, Circuit protection, Weatherproof, Junction boxes, Cable management

1. H1 2021
 2. 2016 to 2019 (i.e. pre-COVID) in constant currency



Nexus – Commercial power and accessories



UK market size	c.£200m
Established	2021
UK market position/approx market share	Recently established
Product categories	Decorative power & data modules, Cable management, Cables and connectors, Power distribution, Energy & user data management, Ergonomic accessories, Task lighting

Luceco - LED Lighting



UK market size	c £700m
Established	2013
UK market position/approx market share	Top 10/4%
Revenue as % of Group total ^{1,3}	25%
Revenue 3-year CAGR % ^{2,3}	17% (6% organic)
Operating margin ^{1,3}	9%
Product categories	Residential interior, Residential exterior, Commercial interior, Commercial exterior, Work & site lighting

1. H1 2021

2. 2016 to 2019 (i.e. pre-COVID) in constant currency

3. For total LED Lighting segment (Luceco and Kingfisher Lighting)

Kingfisher – LED Lighting



UK market size	c £100m
Established	1988
UK market position/approx market share	UK #4/15%
Revenue as % of Group total ^{1,3}	25%
Revenue 3-year CAGR % ^{2,3}	17% (6% organic)
Operating margin ^{1,3}	9%
Product categories	Commercial and industrial exterior lighting

1. H1 2021

2. 2016 to 2019 (i.e. pre-COVID) in constant currency

3. For total LED Lighting segment (Luceco and Kingfisher Lighting)

Masterplug - Portable Power






UK market size	c £100m
Established	1988
UK market position/approx market share	UK #1/40%
Revenue as % of Group total ¹	25%
Revenue 3-year CAGR % ²	7%
Operating margin ¹	9%
Product categories	Extension leads, Cable reels, Adaptors and accessories

1. H1 2021

2. 2016 to 2019 (i.e. pre-COVID) in constant currency



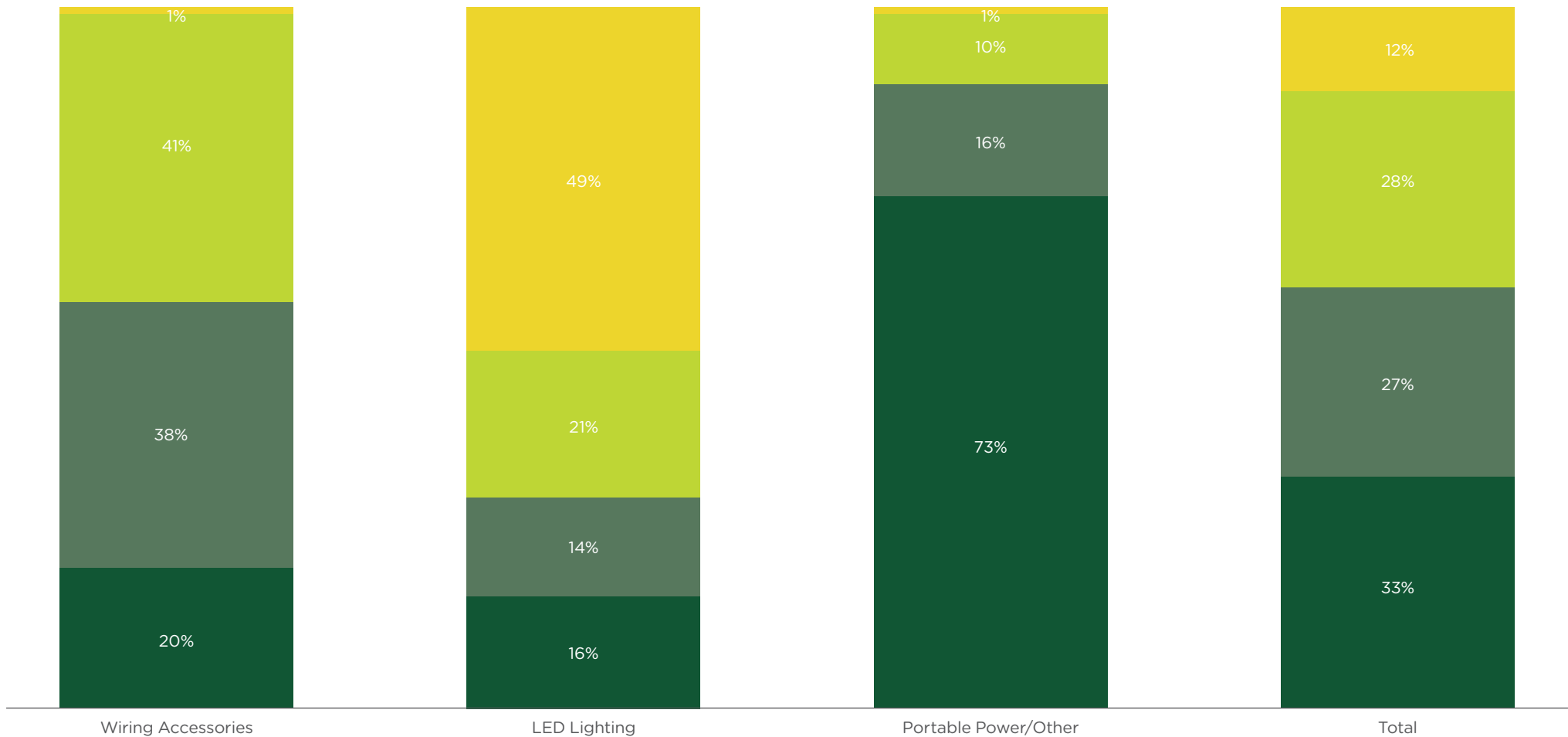
Sales channels

Sales channel	Description	Example customers
Retail	DIY chains Pure play online retail Grocers	
Hybrid	Chains selling to both professionals and consumers	
Professional Wholesale	Chains selling to professionals only	
Professional Projects	Sale agreed direct with professionals	<p>Electrical and general contractors Lighting designers Design & Build Contractors Architects Housebuilders</p>

Sales channels continued

Product segmental sales by sales channel (as % of total) - H1 2021

■ Retail
 ■ Hybrid
 ■ Professional Wholesale
 ■ Professional Projects

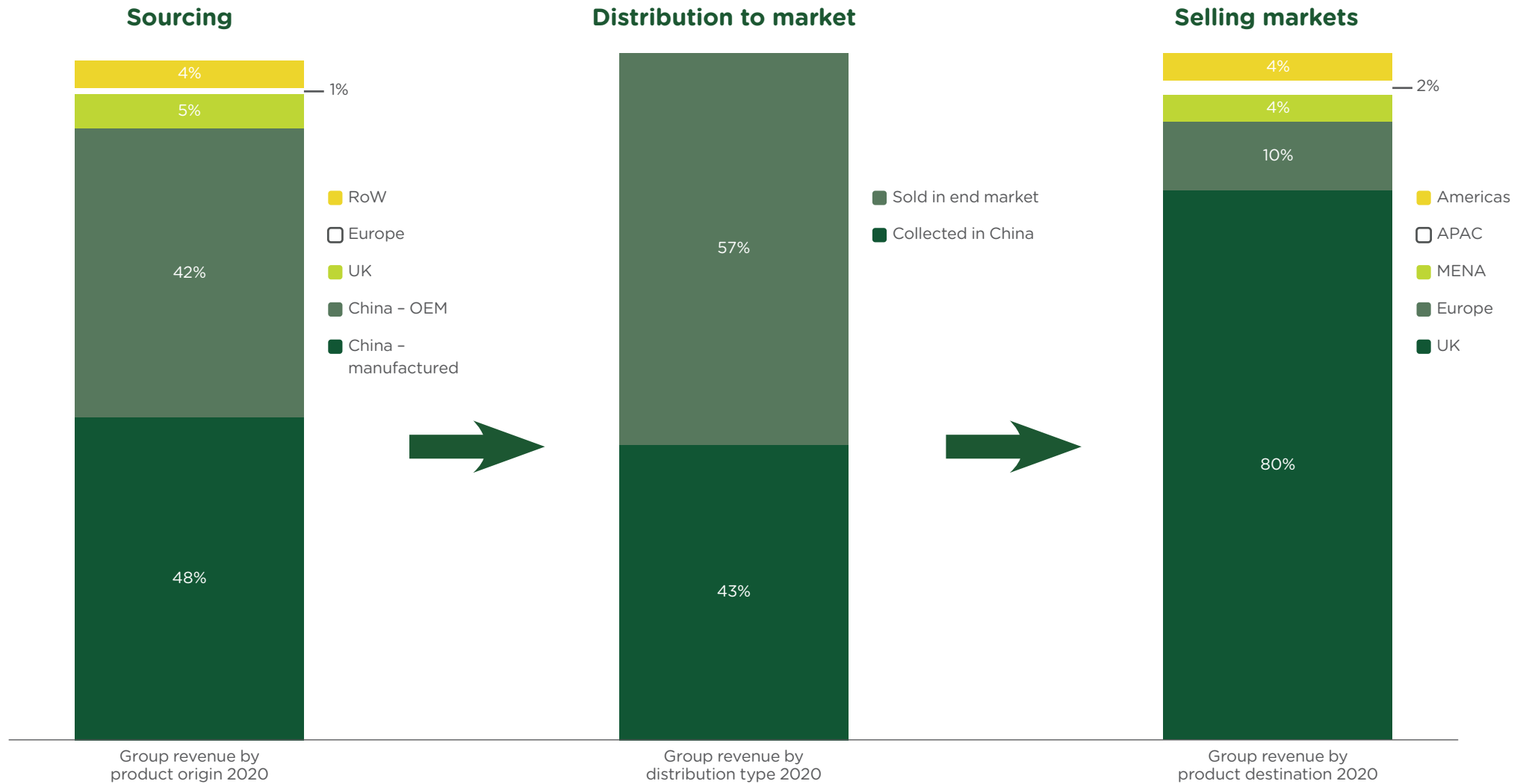


Geographic footprint



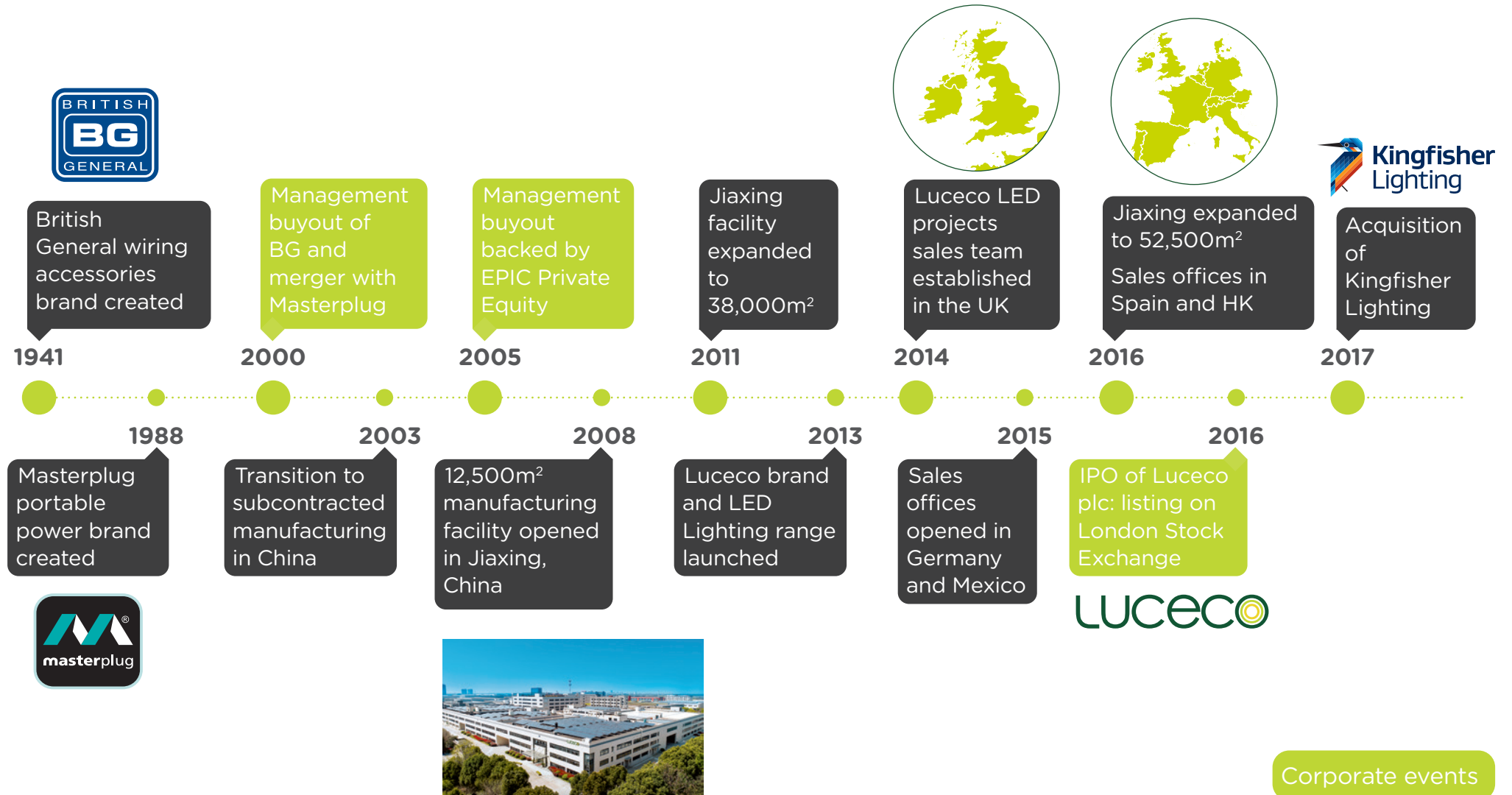
- The business remains UK focused however with a growing presence in several international markets
- Integrated model: wholly-owned manufacturing and product development facilities in the UK and China
- 2,000 employees
- Established UK and international sales network

Geographic footprint continued



Group history

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



Strategy overview

Investment case

Attractive markets

- **Growing faster than GDP**
- **Low cyclicality**
- **High margins**
- **Defendable from new entrants**
- **High brand loyalty among professionals**
- **Opportunities for expansion into adjacent products/customers**

Advantaged business model

- **Product development:**
 - Customer-led
 - Agile
 - Entrepreneurial
- **Manufacturing:**
 - Vertically integrated
 - Low cost
 - Responsive
- **Fulfilment:**
 - Tailored to customer needs
 - Shared/“one stop shop” for customers
- **Branding:**
 - Clear proposition focused on quality, value and design

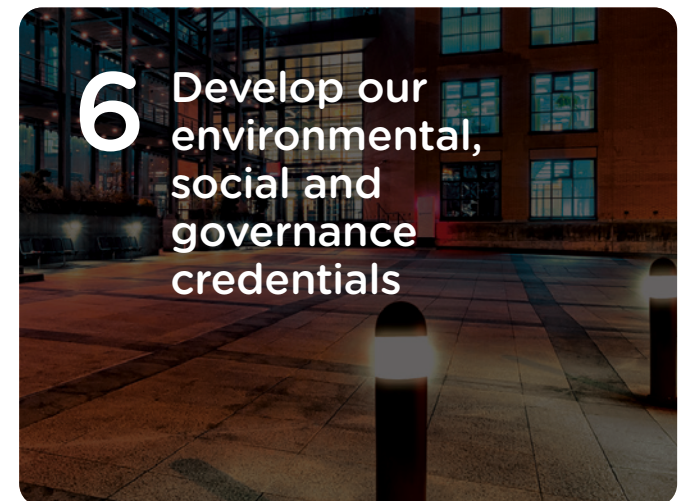
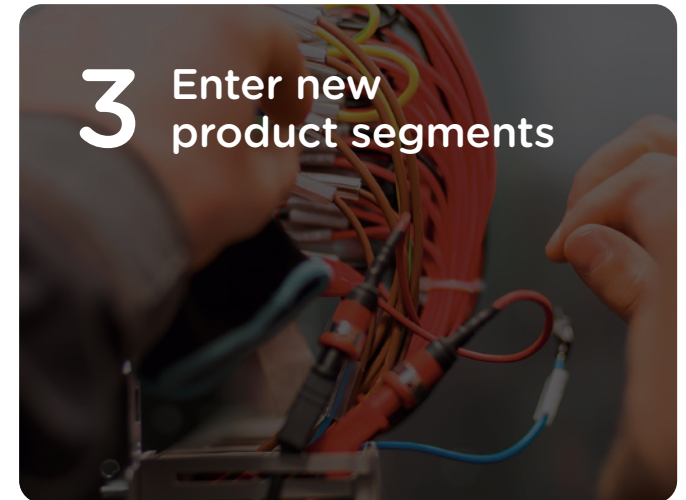
Compelling financial outcomes

- **Revenue:**
 - 5-10%
 - Organic supported by bolt-on M&A
- **Profit:**
 - Adjusted Operating Margin of 15-20%
- **Cash:**
 - Free Cash Flow Margin of 10-15%
 - Capex of 3-4% of revenue (incl. development costs)
- **Returns:**
 - ROIC of 30-40%
 - Net debt leverage of 1.0-2.0x Adjusted EBITDA
 - Dividend payout of 40-60%

Note: metrics are expected performance ranges through economic cycles for the existing business excluding future acquisitions

Strategy overview continued

Strategic objectives



Strategy overview continued

Capital allocation policy

1. DIVIDENDS

40-60% payout
Progressive

2. CAPEX

3-4% of annual revenue
Product development
Manufacturing capacity
<3 year payback

Conservative leverage

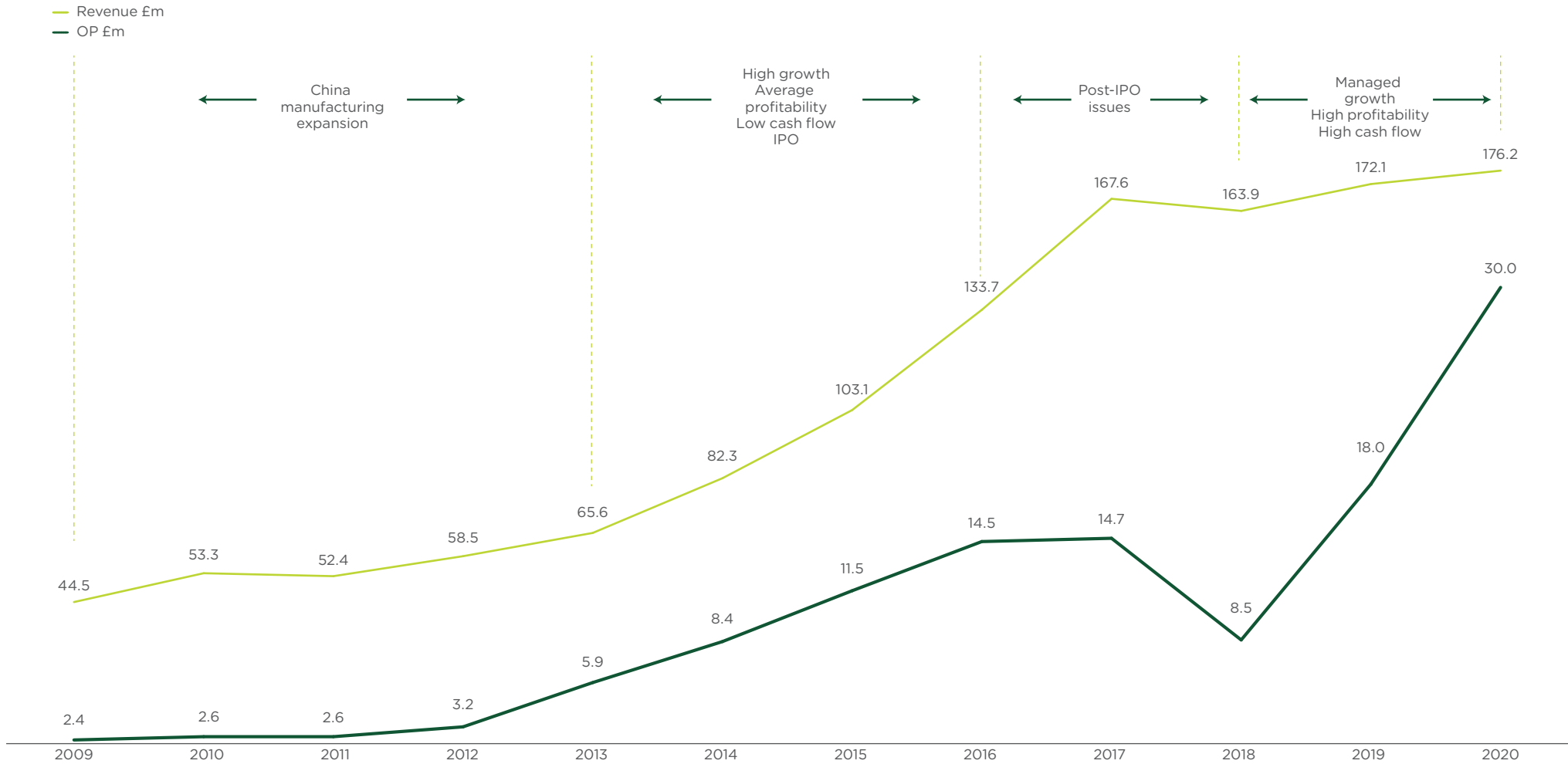
1.0x – 2.0x Adjusted
EBITDA
Averaging 1.5x

3. M & A

Product adjacency
Customer acquisition
Clear synergy (e.g. product insourcing)

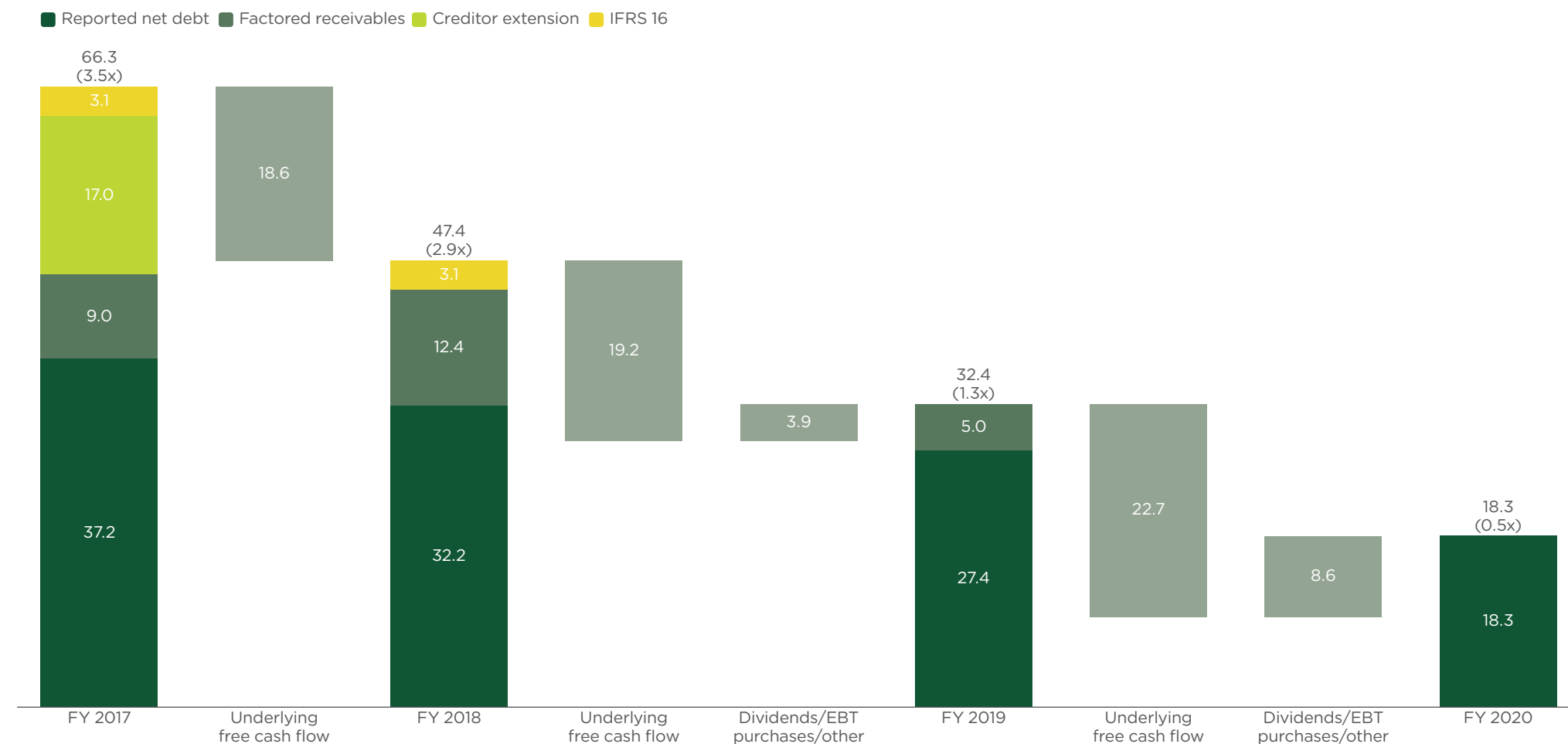
4. BUYBACKS/SPECIAL DIVIDENDS

Recent performance: P&L



Recent performance: Cash

Net debt bridge: 2017 to 2020 (£m)



Note: Figures in brackets represent closing net debt as a multiple of LTM Adjusted EBITDA

2013 to 2020 financials

Adjusted metrics	2013 £m	2014 £m	2015 £m	2016 £m	2017 £m	2018 £m	2019 £m	2020 £m
Income Statement								
Revenue	65.6	82.3	103.1	133.7	167.6	163.9	172.1	176.2
Growth %		25.5%	25.3%	29.7%	25.4%	(2.2%)	5.0%	2.4%
Gross Profit	18.3	25.1	33.8	40.5	48.4	50.6	62.3	70.2
Gross Margin %	27.9%	30.5%	32.8%	30.3%	28.9%	30.9%	36.2%	39.8%
Overheads	(12.4)	(16.7)	(22.3)	(26.0)	(33.7)	(42.1)	(44.3)	(40.2)
Operating Profit	5.9	8.4	11.5	14.5	14.7	8.5	18.0	30.0
Operating Margin%	9.0%	10.2%	11.2%	10.8%	8.8%	5.2%	10.5%	17.0%
Net finance expense	(3.7)	(2.9)	(3.2)	(2.8)	(1.9)	(2.2)	(2.2)	(1.3)
Profit Before Tax	2.2	5.5	8.3	11.7	12.8	6.3	15.8	28.7
Taxation	(0.9)	(1.0)	(2.5)	(2.5)	(2.3)	(1.7)	(3.7)	(4.7)
Effective tax rate %	40.9%	18.2%	30.1%	21.4%	18.0%	27.0%	23.4%	16.4%
Profit After Tax	1.3	4.5	5.8	9.2	10.5	4.6	12.1	24.0

2013 to 2020 financials continued

Adjusted metrics	2013 £m	2014 £m	2015 £m	2016 £m	2017 £m	2018 £m	2019 £m	2020 £m
Balance Sheet								
Fixed assets	22.4	24.6	27.5	33.5	47.2	44.8	42.6	43.9
Inventory	14.0	23.8	26.2	35.4	44.2	32.8	32.2	37.2
Trade receivables	10.5	17.1	20.4	26.5	33.4	39.5	42.8	70.1
Trade payables	(13.2)	(21.8)	(23.1)	(35.4)	(49.6)	(26.7)	(22.1)	(39.7)
Net working capital	11.3	19.1	23.5	26.5	28.0	45.6	52.9	67.6
Other receivables & payables	(1.8)	(1.5)	(1.8)	2.3	1.5	(17.0)	(21.0)	(22.8)
Capital invested	31.9	42.2	49.2	62.3	76.7	73.4	74.5	88.7
Net debt	(39.4)	(44.7)	(46.7)	(29.5)	(36.7)	(32.2)	(27.4)	(18.3)
Net assets	(7.5)	(2.5)	2.5	32.8	40.0	41.2	47.1	70.4
Non-recourse factoring					9.0	12.4	5.0	—
Capital invested included factored receivables	31.9	42.2	49.2	62.3	85.7	85.8	79.5	88.7
Return on Capital Invested					19.9%	9.9%	21.8%	35.7%

2013 to 2020 financials continued

Adjusted metrics	2013 £m	2014 £m	2015 £m	2016 £m	2017 £m	2018 £m	2019 £m	2020 £m
Cash flow statement								
Operating Profit	5.9	8.4	11.5	14.5	14.7	8.5	18.0	30.0
Depreciation & amortisation	1.4	1.9	2.6	3.2	4.4	6.5	7.9	6.1
EBITDA	7.3	0.3	14.1	17.7	19.1	15.0	25.9	36.1
Working capital	0.4	(8.8)	(5.8)	(11.3)	1.4	0.9	1.3	(2.0)
Operating Cash Flow	7.7	1.5	8.3	6.4	20.5	15.9	27.2	34.1
Capital expenditure	(2.6)	(3.6)	(5.3)	(7.6)	(10.0)	(4.7)	(3.6)	(4.4)
Interest paid	(2.8)	(3.6)	(3.5)	(3.0)	(1.9)	(2.2)	(2.1)	(1.3)
Tax paid	(0.6)	—	(1.0)	(1.3)	(3.1)	(1.3)	(2.6)	(5.7)
Free Cash Flow	1.7	(5.7)	(1.5)	(5.5)	5.5	7.7	18.9	22.7
Free Cash Flow Margin %	2.6%	(6.9%)	(1.5%)	(4.1%)	3.3%	4.7%	11.0%	12.9%
Acquisitions	—	—	—	—	(9.7)	—	—	—
Dividends	—	—	—	—	(1.8)	—	(1.9)	(4.9)
IPO proceeds/(share purchases)	—	—	(1.4)	24.3	(1.2)	—	(2.9)	(2.7)
IFRS 16 adoption	—	—	—	—	—	—	(3.1)	(1.0)
Factoring repayment/other Adjusting items	—	0.4	0.9	(1.6)	—	(3.2)	(6.2)	(5.0)
Movement in net debt	1.7	(5.3)	(2.0)	17.2	(7.2)	4.5	4.8	9.1
Net debt b/f	(41.1)	(39.4)	(44.7)	(46.7)	(29.5)	(36.7)	(32.2)	(27.4)
Net debt c/f	(39.4)	(44.7)	(46.7)	(29.5)	(36.7)	(32.2)	(27.4)	(18.3)
Net debt : Adjusted EBITDA	5.4	4.3	3.3	1.7	1.9	2.1	1.1	0.5

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.