

Monday 2 March 2020

Volution Group plc

Volution announces new reporting structure

Volution Group plc ("Volution" or "the Group" or "the Company", LSE: FAN), a leading supplier of ventilation products to the residential and commercial construction markets in the UK, Continental Europe and Australasia, today announces a change to its reportable operating segments.

On listing in June 2014, Volution was present in three countries (UK, Sweden and Germany) and generated 77% of its revenue from the UK. Our subsequent growth strategy has seen us acquire ten market leading brands across eight countries since listing, providing greater geographic diversity and moving the Group to one which now generates 52% of its revenue outside of the UK.

We have therefore decided to move to a reporting structure based around our three core geographies of the UK, Continental Europe and Australasia, commencing with our interim results for the six months ended 31st January 2020, which we will be announcing on 16th March. Included below are the previously reported interim results for the six months ended 31st January 2019 and the full year ended 31st July 2019 under the new geographic segmental structure.

We believe this new segmental reporting will improve performance visibility across the Group, as we continue to focus on delivering our strategy.

	UK	Continental Europe	Australasia	Central / Eliminations	Consolidated
6 months ended 31 January 2019	£000	£000	£000	£000	£000
Revenue					
External customers	66,660	39,955	8,232	-	114,847
Inter-segment	6,226	5,085	-	(11,311)	-
Total Revenue	72,886	45,040	8,232	(11,311)	114,847
Gross profit	28,633	20,136	4,572	-	53,341
Results					
Adjusted segment EBITDA	12,732	9,108	1,376	(799)	22,417
Depreciation and amortisation of development costs, software & patents	(1,120)	(685)	(67)	(311)	(2,183)
Adjusted operating profit/(loss)	11,612	8,423	1,309	(1,110)	20,234
Amortisation of intangibles acquired	(5,379)	(1,971)	(382)	-	(7,732)
Exceptional items	-	-	-	(1,216)	(1,216)
Operating profit/(loss)	6,233	6,452	927	(2,326)	11,286
Unallocated expenses					
Net finance cost	-	-	-	(1,058)	(1,058)
Profit/(loss) before tax	6,233	6,452	927	(3,384)	10,228
Operating Profit Margin	17.4%	21.1%	15.9%		17.6%

Year ended 31 July 2019	UK £000	Continental Europe £000	Australasia £000	Central / Eliminations £000	Consolidated £000
Revenue					
External customers	135,536	77,985	22,177	-	235,698
Inter-segment	13,924	9,983	-	(23,907)	-
Total Revenue	149,460	87,968	22,177	(23,907)	235,698
Gross profit	58,529	40,592	11,958	-	111,079
Results					
Adjusted segment EBITDA	26,373	18,040	4,119	(2,053)	46,479
Depreciation and amortisation of development costs, software & patents	(2,245)	(1,386)	(199)	(597)	(4,427)
Adjusted operating profit/(loss)	24,128	16,654	3,920	(2,650)	42,052
Amortisation of intangibles acquired	(10,759)	(3,750)	(931)	-	(15,439)
Exceptional items	(1,171)	(546)	(84)	-	(1,801)
CFO succession costs	-	-	-	(150)	(150)
Operating profit/(loss)	12,198	12,358	2,905	(2,800)	24,662
Unallocated expenses					
Net finance cost	-	-	-	(1,522)	(1,522)
Profit/(loss) before tax	12,198	12,358	2,905	(4,322)	23,140
Operating Profit Margin	17.8%	21.4%	17.7%		17.8%

-Ends-

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Note to Editors:

Volution Group plc (LSE: FAN) is a leading supplier of ventilation systems and products to both the residential and commercial construction markets in the UK, Continental Europe and Australasia.

Volution Group comprises 16 key brands across the three regions:

UK: Vent-Axia, Manrose, Diffusion, National Ventilation, Airtech, Breathing Buildings, Torin-Sifan.

Continental Europe: Fresh, PAX, VoltAir, Kair, Air Connection, inVENTer, Ventilair.

Australasia: Simx, Ventair.

For more information, please go to: www.volutiongroupplc.com