

HY26 Results

8th October 2025

ACCELERATING MOMENTUM IN H1

Continued strong trading performance



Further bolstering our balance sheet



Sustained excellent customer service

RECORD CUSTOMER NUMBERS; STRONG FINANCIAL PERFORMANCE

Continued strong trading performance

Growth across all key financial metrics:

- Group net revenue up 5%
- ★ Group adjusted EBITDA up 8%
- ★ Group profit before tax up 54%

Total customers now ~17m (+6%)

- ▲ B2C membership up 1%, +45k
- ★ B2B customer holdings up 7%, +0.8m
- ▲ Insurance total policies up 3%

Note: All compared to HY25

IMPROVING FINANCIAL HEALTH; DELEVERAGING AHEAD OF SCHEDULE

Further bolstering our balance sheet

Reduced Group leverage from 4.4x to 4.1x

Redeemed £62m of B Notes

Announced redemption of remaining £48m B Notes

Deleveraging ahead of schedule



MAINTAINING EXCELLENT SERVICE; INNOVATING FOR GROWTH

Sustained excellent customer service

Continuing to deliver excellent service

Group Net Promoter Score 62 +7pts

Trustpilot 4.7 +0.2pts

Driving customer engagement and supporting retention through our redesigned app

Innovating our service through AI and data, delivering efficiency, productivity and growth



KEY FINANCIAL HIGHLIGHTS

- Delivered further net revenue and customer growth across both divisions
- Increased Adjusted EBITDA margin through strong trading results and cost control, with reduced finance costs also contributing to increase in profit before tax
- Continued progress in managing the balance sheet with a reduction in leverage, a robust liquidity position and the forthcoming redemption of remaining £48m of B Notes

Net revenue

Adjusted EBITDA

Adjusted EBITDA¹ %

Profit before tax

£623m



£243m



39%



£60m



+5%

+8%

+1ppts

+54%

Adjusted operating cash flow





+5%

Group net debt

£1,921m



Group leverage

4.1x



FY25: 4.4x

Available liquidity

£181m

FY25: £181m

^{1.} Adjusted EBITDA / Net revenue

STRONG PERFORMANCE ACROSS REVENUE, EBITDA AND PBT

£m	HY26	HY25	YOY %
Net revenue	623	592	5%
Adjusted EBITDA ¹	243	225	8%
Amortisation of insurance acquisition cash flows	(36)	(33)	(9%)
Reported EBITDA ²	207	192	8%
Fulfilment finance costs (included within OP)	(1)	(1)	-
Share-based payments	(5)	-	(>100%)
Pension adjustment	(3)	(3)	-
Amortisation and depreciation	(63)	(57)	(11%)
Adjusting operating items	(6)	(4)	(50%)
Operating profit	129	127	2%
Ongoing finance costs	(72)	(81)	11%
Net debt redemption costs	(1)	(10)	90%
Interest income	4	3	33%
Net finance costs	(69)	(88)	22%
Profit before tax	60	39	54%
Tax expense	(16)	(10)	(60%)
Profit for the period	44	29	52%

Revenue

 Net revenue growth of 5% driven by an increase in total customers to 17m (+6%) and product uplifts

EBITDA

- Disciplined cost management, greater automation and net revenue growth led to an 8% increase in Adjusted EBITDA
- Margin up 100bps to 39%

Profit Before Tax

- Profit before tax up 54% driven by reduction in net finance costs
 - Ongoing finance costs benefitting from B3 redemptions
 - Early redemption costs from HY25 refinancing activity not repeated in HY26

- 1. Adjusted EBITDA is profit after tax on a continuing basis as reported, adjusted for depreciation, amortisation of intangible assets, amortisation of insurance acquisition cash flows, adjusting operating items, share-based payments, pension adjustments, impairment of property, plant and equipment, impairment of intangible assets, net finance costs and tax expense.
- 2. Reported EBITDA is defined as Adjusted EBITDA excluding the adjustment for amortisation of acquisition cash flows.



INCREASE IN CUSTOMERS DRIVING DIVISIONAL PERFORMANCE

Roadside

	HY26	HY25	
Net revenue (£m)	527	497	
Adjusted EBITDA (£m)	207	195	
Personal paid members (k)	3,322	3,277	
Business customers (m)	11.9	11.1	

- Strong revenue and EBITDA growth in core business
- Growth in revenue driven by:
 - 50% holdings with growth in B2C and B2B holdings
 - 25% product uplifts e.g. cross and up sale
 - 25% inflation impact
- Two client wins in B2B and further organic growth with existing partners in additional services beyond breakdown

Insurance

	HY26	HY25	
Net revenue (£m)	96	95	
Adjusted EBITDA (£m)	36	30	
Motor policies (k)	1,000	949	

- Growth in net revenue of 1% vs. market decline in GWP of -8%
- New platform delivering strong motor policy growth, increased income per policy and supporting proposition development
- Continued growth in Home Insurance and Accident Assist businesses
- Claims transformation programme underway, leveraging AI

POSITIVE CASH GENERATION; STILL INVESTING IN THE BUSINESS

£m	HY26	HY25	YOY %
Adjusted EBITDA	243	225	8%
Amortisation of insurance acquisition cash flows	(36)	(33)	(9%)
Change in working capital	9	12	(25%)
Other non-cash items	(1)	-	-
Pension cash flows	(15)	(14)	(7%)
Adjusted operating cash flows	200	190	5%
Tax paid	(13)	(10)	(30%)
Capital expenditure	(31)	(34)	9%
Proceeds from disposal of fixed assets	1	5	(80%)
Payment of lease capital	(24)	(22)	(9%)
Operating free cash flow after CAPEX	133	129	3%
Net interest paid	(67)	(72)	7%
Operating free cash flow before adjusting operating items	66	57	16%
Acquisition of subsidiary	-	(9)	100%
JVs, associates and other investments	(1)	(2)	50%
Cash flows from adjusting operating items	(5)	(13)	62%
Free cash flow ¹	60	33	82%

Operational

- Increase in operating cash flows to £200m (+5%) driven by EBITDA growth
- Small increase in insurance acquisition cash flow supporting the growth in policies
- Positive working capital movement reflecting ongoing business growth

Investment

- Continued investment in Capex with the small reduction reflecting completion of re-platforming programmes
- Small increase in lease capital with newer fleet supporting growth in business

Financing

Reduction in net interest paid in line with B3 redemptions

Notes

1. Net cash movement before impact of refinancing transactions.

FURTHER REDUCTION IN GROUP NET DEBT AND LEVERAGE

£m	HY26	FY25
Total Class A Notes	1,815	1,815
Senior Term Facility	95	165
USPP	70	-
Less: WBS cash	(115)	(117)
Net Senior Secured Debt	1,865	1,863
Class B Notes	48	110
Lease obligations for covenant reporting	85	75
Net WBS Debt	1,998	2,048
IFRS 16 lease adjustment for WBS	30	31
AA Limited lease obligations	1	2
Less: AA Limited cash	(108)	(105)
Total Group Net Debt	1,921	1,976
Key metrics	HY26	FY25
Net debt/EBITDA ¹	4.1x	4.4x
WBS Senior Leverage Ratio²	5.2x	5.3x
WBS Class B Leverage Ratio³	5.6x	5.9x
Interest cover⁴	3.4x	3.1x
Financial covenants	HY26	FY25
Class A FCF to DSCR⁵ (covenant > 1.35x)	2.8x	2.7x

Financing

- · Further reduction in Group net debt resulting from free cash flow
- Redemption of remaining £48m of Class B Notes announced
- Successful refinance of STF and WCF, including new USPP
- Class A rating reconfirmed at BBB

Liquidity

 Healthy liquidity position with £181m of unrestricted cash and undrawn working capital facilities

Covenants and Ratios

- Tracking towards our Group Leverage ratio target of below 4.0x
- Senior leverage ratio at 5.2x with an intention to get below 5.0x
- Significant headroom to Class A FCF to DSCR covenant level

- 1. Total Group Net Debt to AA Limited Adjusted EBITDA for the last 12 months.
- 2. Ratio of Net Senior Secured Debt to Intermediate group Debt Covenant EBITDA for the last 12 months.
- 3. Ratio of Net WBS Debt to Intermediate group Debt Covenant EBITDA for the last 12 months.
- 4. Adjusted EBITDA for the last 12 months: AA Limited ongoing cash finance costs.
- Ratio of last 12 months Intermediate group debt covenant free cash flow to proforma debt service relating to the Senior Term Facility and Class A Notes



SUMMARY



Strengthened our position as UK's largest provider of driving services with record 17m customer holdings



Delivered growth in all key financial metrics: net revenue, EBITDA and profit before tax



Remained on track to complete full redemption of B Notes, unlocking key milestone for the Group



Further improved financial health with 4.0x group leverage target in reach



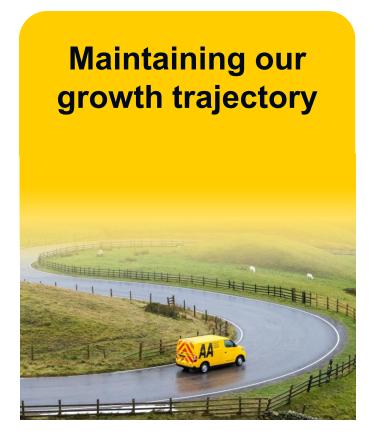
Sustained excellent customer service, with our Trustpilot rating reaching 4.7

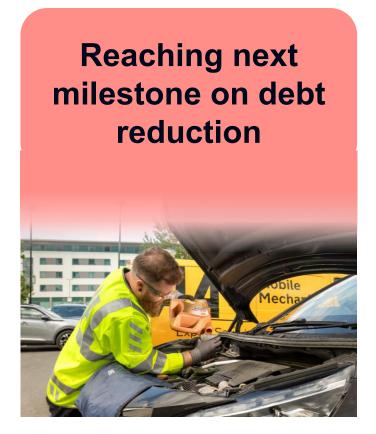


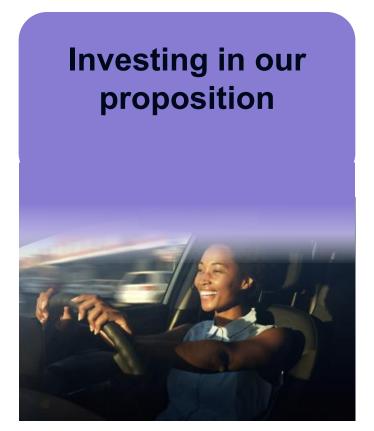
Continued to invest in AI, data and technology to further enhance our proposition

OUR FOCUS FOR H2

Well positioned to deliver strong performance this year









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CAPITALISATION

£m	HY25	FY25	Ratings (S&P)	Expected Maturity Date	Coupon
Cash in WBS	(115)	(117)			
Senior Term Facility ¹	95	165		Mar-30	6.56%
USPP ¹	70	-		Mar-30	6.67%
Class A8 Notes	325	325	BBB	Jul-27	5.500%
Class A9 Notes	270	270	BBB	Jul-28	3.250%
Class A10 Notes	385	385	BBB	Jul-29	7.375%
Class A11 Notes	400	400	BBB	Jan-28	8.450%
Class A12 Notes	435	435	BBB	Jul-31	6.850%
Class A Gross Debt	1,980	1,980			
Net Class A Debt	1,865	1,863			
Class B3 Notes ²	48	110	B+	Jan-26	6.500%
Leases adjustment	85	75			
WBS Total Gross Debt ³	2,113	2,165			
WBS Net Debt ³	1,998	2,048			

- 1. £165m STF successfully refinanced in March 2025 through the issue of a new £95m STF and a fixed rate £70m USPP.
- 2. £62m of Class B3 Notes redeemed at par using available cash held by the Group in May 2025.
- 3. WBS debt as per covenant reporting requirements.

RECONCILIATION TO NET REVENUE AND WBS RESULTS

£m	HY26	HY25
Group revenue	739	712
Amounts due to reinsurers	(116)	(120)
Group net revenue	623	592

£m	HY26	HY25
Group revenue	739	712
Underwriter, other trading entitles ¹ and consolidation adjustments	(149)	(156)
WBS revenue	590	556

£m	HY26	HY25
Group Adjusted EBITDA	243	225
Underwriter, other trading entities ¹ and consolidation adjustments	(15)	(13)
Amortisation of acquisition costs	(16)	(14)
WBS Adjusted EBITDA	212	198
Amortisation of acquisition costs	(20)	(19)
WBS Reported EBITDA	192	179

^{1.} Includes Longacre, AA Technical Solutions and AA Limited parent company.

WBS CASH FLOW

£m	HY26	HY25	YOY %
Adjusted EBITDA	212	198	7%
Amortisation of insurance acquisition cash flows	(20)	(19)	(5%)
Change in working capital	19	23	(17%)
Pension cash flows	(15)	(14)	(7%)
Adjusted operating cash flows	196	188	4%
Tax paid	(12)	(9)	(33%)
Capital expenditure	(31)	(34)	9%
Proceeds from disposal of fixed assets	1	5	(80%)
Payment of lease capital	(24)	(22)	(9%)
Operating free cash flow after CAPEX	130	128	2%
Net interest paid	(67)	(72)	7%
Operating free cash flow before adjusting operating items	63	56	13%
Acquisition of subsidiary	-	(9)	100%
JVs, associates and other investments	(1)	-	-
Cash flows from adjusting operating items	(5)	(10)	50%
Free cash flow ¹	57	37	54%

^{1.} Net cash movement before impact of refinancing transactions.

DEFINITIONS

The following definitions apply throughout the results:

- Total holdings is defined as covering Roadside B2C and B2B holdings and brokered motor and home insurance policies sold by the Group up to the period end.
- Net revenue is defined as total revenue net of amounts due to reinsurer. Total revenue also referred to as gross revenue. Where revenue is referenced, it means gross or total.
- Adjusted EBITDA is defined as profit after tax on a continuing basis as reported, adjusted for depreciation, amortisation of intangible assets, amortisation of insurance acquisition cash flows, adjusting operating items, share-based payments, pension adjustments, impairment of property, plant and equipment, impairment of intangible assets, net finance costs and tax expense.
- Reported EBITDA is defined as Adjusted EBITDA excluding the adjustment for amortisation of insurance acquisition cash flows.
- Net WBS Debt represents the borrowings and cash balances within the WBS structure headed by the Company. This includes the
 principal amounts of the Senior Term Facility, Class A notes, Class B3 notes and lease obligations for covenant reporting less cash
 and cash equivalents.
- Available liquidity is available cash and the amounts available to borrow under the Working Capital Facility (WCF).