



HY26 Results

8th October 2025



ACCELERATING MOMENTUM IN H1

**Continued
strong trading
performance**



**Further
bolstering our
balance sheet**



**Sustained
excellent
customer service**



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

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

Note: Leverage compared to FY25; medium term targets shared at FY25

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

Note: All compared to HY25. Trustpilot rating as of 31 July 2025, for Breakdown assistance

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 EBITDA ¹ % | Profit before tax |
|---|---|--|---|
| £623m  | £243m  | 39%  | £60m  |
| +5% | +8% | +1ppts | +54% |
| Adjusted operating cash flow | Group net debt | Group leverage | Available liquidity |
| £200m  | £1,921m  | 4.1x  | £181m  |
| +5% | FY25: £1,976m | FY25: 4.4x | FY25: £181m |

1. Adjusted EBITDA / Net revenue

STRONG PERFORMANCE ACROSS REVENUE, EBITDA AND PBT

| £m | HY26 | HY25 | YOY % |
|--|------------|------|---------|
| Net revenue | 623 | 592 | 5% |
| Adjusted EBITDA¹ | 243 | 225 | 8% |
| Amortisation of insurance acquisition cash flows | (36) | (33) | (9%) |
| Reported EBITDA² | 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% |

Notes:

- 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.
- Reported EBITDA is defined as Adjusted EBITDA excluding the adjustment for amortisation of acquisition cash flows.

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

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 flow¹ | 60 | 33 | 82% |

Notes:

1. Net cash movement before impact of refinancing transactions.

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

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 Ratio ² | 5.2x | 5.3x |
| WBS Class B Leverage Ratio ³ | 5.6x | 5.9x |
| Interest cover ⁴ | 3.4x | 3.1x |
| Financial covenants | HY26 | FY25 |
| Class A FCF to DSCR ⁵ (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

Notes

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.
5. 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

**Maintaining our
growth trajectory**



**Reaching next
milestone on debt
reduction**



**Investing in our
proposition**





Q&A

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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 Debt³ | 2,113 | 2,165 | | | |
| WBS Net Debt³ | 1,998 | 2,048 | | | |

Notes

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 entities 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 |

Notes:

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 flow¹ | 57 | 37 | 54% |

Notes:

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).