

Q3 2021 update

Moneysupermarket.com Group PLC reports trading results for the quarter ended 30 September 2021

	Revenue for the 3 months ended 30 September 2021		Revenue for the 9 months ended 30 September 2021	
	£m	Growth %	£m	Growth %
Insurance	41.3	(10)	121.8	(10)
Money	19.7	58	55.0	12
Home Services	13.9	(46)	59.3	(25)
Travel	1.5	29	2.5	(55)
Total	76.4	(10)	238.6	(11)

Travel includes trading from TravelSupermarket for the quarter and £0.1m of revenue for Icelolly.com from 1 September 2021, when the acquisition completed. Decision Tech is now reported within Home Services (with prior year comparables similarly restated).

Unprecedented energy market conditions impact revenue

- In Insurance, competition for visitors intensified while car and home insurance markets softened. We continued to optimise our customer acquisition, resulting in a higher gross margin rate year on year in our main insurance channels. Travel insurance returned to almost half of 2019 (pre-COVID) revenue for the quarter.
- In Money, borrowing conversion continued to improve and banking benefitted from further promotional deals. Overall Money revenue for the quarter was close to 2019 levels.
- In July and August, wholesale energy prices continued to rise steeply, keeping customer savings at unattractively low (and often negative) levels. The further substantial increases in wholesale prices from mid-September led to providers removing tariffs from the market, and negligible energy switching.
- We saw some recovery in Travel, weighted towards the end of the quarter. In September, TravelSupermarket revenue was at c.30% of 2019 levels.

We have continued to deliver on our strategy to efficiently attract, retain and grow our customer relationships, building a flexible platform to support our brand portfolio. This has enabled us, despite the energy market conditions, to deliver a slightly higher quantum of gross profit than in Q3 2020.

Acquisition of Quidco

Today we have announced the acquisition of Quidco (see separate RNS). We will hold a Q&A session today at 9.00am with Peter Duffy (CEO) and Scilla Grimble (CFO) that can be accessed via <https://edge.media-server.com/mmc/p/dmo9mrkz>.

Outlook

Across the business, we expect to see continued strong gross margin performance and therefore anticipate full-year EBITDA in line with current market expectations. We do not anticipate energy market conditions will improve this year and therefore expect that switching will be negligible in Q4 (energy accounted for 16% of Group revenue in Q4 2020).

Peter Duffy, CEO of Moneysupermarket Group, said:

“We have continued to make improvements in our business, building towards a leading data, marketing and technology platform. We maintained our strong margin performance and good cash conversion despite the very tough energy market. We are encouraged by the performance of Money and the early signs of Travel recovery following changes to travel restrictions.”

Notes: Adjusted EBITDA is operating profit before depreciation, amortisation and impairment and adjusted for other non-underlying costs. Market expectations of adjusted EBITDA for 2021 from the analyst consensus on our investor website are in a range of £93.1m to £99.9m, with an average of £96.5m.

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