

Trading Statement

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Ocado Group PLC
19 September 2024

OCADO GROUP PLC

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Ocado Retail Q3 Trading Statement

Raising FY24 revenue guidance following continued strong growth; seven consecutive months as the UK's fastest growing grocer¹

Ocado Retail Ltd ("Ocado"), a joint venture between Ocado Group plc ("Ocado Group") and Marks & Spencer Group plc ("M&S"), today announces its trading statement for the 13 weeks to 1st September 2024

Highlights

- Q3 Retail revenue grew by 15.5% to £658m. The continued momentum demonstrates the progress made across our strategy of unbeatable choice, unrivalled service and reassuringly good value.
- Volumes (total items) grew 15.4% year-on-year and average orders per week grew by 14.7% to 437k. This was driven by growth in active customers of 10.3% year-on-year to 1.06m as well as improved frequency year-on-year as slot availability and our overall proposition improved.
- Average selling price decreased by (0.4)%, versus UK grocery inflation of 2.0%² driven by continued investment in price, driving further improvements in value perception. Average basket value was broadly flat at £120.97, as basket size (number of items) was slightly up year-on-year.
- Raising our FY24 Revenue guidance for Ocado Retail to low double digit % growth (previously mid-high single digits % growth). All other aspects of Ocado Group guidance are unchanged.

Key financial drivers

	13 weeks Q3 2024	13 weeks Q3 2023	Year-on-year change (%) ⁹
Retail revenue (£ million) ³	658.0	569.6	15.5
Volumes - total items (million) ⁴	249.9	216.5	15.4
Average orders per week (000s) ⁵	437	381	14.7
Active customers (000s) ⁶	1,060	961	10.3

Average basket value (£) ⁷	120.97	120.72	0.2
Average selling price (£) ⁸	2.75	2.76	(0.4)
Average basket size (items)	44.0	43.7	0.7

Hannah Gibson, Ocado Retail's Chief Executive Officer, said:

"Our strategy remains focused on giving our customers unbeatable choice, unrivalled service and reassuringly good value. We're seeing the momentum of this, with more customers shopping with us more often, getting even better service at better value.

We know what our customers love, and we're focused on our proposition every day. This includes our widest ever choice including more M&S food, more convenience with better availability of delivery slots and products, further improving our high perfect order rate and better value for money through our Ocado Price Promise and our latest Big Price Drop.

We're pleased with the progress we're making and excited about how much more there is to deliver."

FY24 Guidance

Due to the strong performance in the first three quarters of the year, we are upgrading our full year revenue guidance. There is no change to the EBITDA margin guidance issued on 16 July 2024 with the Ocado Group FY24 Half Year results.

Revenue: Low double digit % growth (previously mid-high single digit % growth)

EBITDA: FY24 adjusted EBITDA margin of c.2.5% excluding annual Hatfield fees of £33m

Ocado Group, on behalf of the joint-venture, will be hosting an analyst conference call at 8.00am today. Please use participant number: +44 (0) 33 0551 0200 and confirmation code: Ocado Q3 - Analyst Call. A replay facility will be available through an on demand link for 90 days following the announcement.

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About Ocado Retail

Online supermarket Ocado.com was established in 2000 and is one of Britain's leading online retailers, now a 50:50 joint venture between Ocado Group plc and Marks & Spencer Group plc. Covering geographies comprising over 82% of UK households, every shopping bag is carefully packed in one of seven distribution centres using market leading software and technology. Shopping is then delivered directly to customers using a network of regional spokes in brightly-coloured vans. With award-winning mobile apps, Ocado Retail delivers a wide range of products, including big-name brands, a range of quality M&S and Ocado own brand products and a non-food selection. Thoughtful service features such as colour-coded bags, digital receipts provided in date order, reminder texts with your driver's name, along with convenient hourly delivery slots complementing award-winning customer service on email, phone and social media.

Notes

1. Kantar
2. NielsenIQ Panel On Demand Homescan from Nielsen Consumer LLC.
3. Retail revenue comprises revenues from Ocado.com and Zoom by Ocado
4. Volumes - total items refers to results of Ocado.com
5. Average orders per week refers to results of Ocado.com
6. Active customers are classified as active if they have shopped at Ocado.com within the previous 12 weeks
7. Average basket value refers to results of Ocado.com
8. Average selling price refers to Ocado.com and is defined as product sales divided by total eaches
9. Growth percentage calculated on a rounded basis

A copy of this trading update is available on www.ocadogroup.com

Cautionary statement

Certain statements made in this announcement are forward-looking statements. Such statements are based on current expectations and assumptions and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results expressed or implied in these forward-looking statements. Persons receiving this announcement should not place undue reliance on forward-looking statements. Unless otherwise required by applicable law, regulation or accounting standard, Ocado does not undertake to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

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