

At a glance

HomeServe’s purpose is to make home repairs and improvements easy, and our vision is to be the world’s largest, most trusted provider of home repairs and improvements. We aspire to be able to do every job, in every home.

We run our business in three largely autonomous divisions, which benefit from shared expertise and experience. Capital allocation decisions are made at Group level, for the benefit of the business as a whole.

We expect to achieve strong earnings growth by sustaining our growth in the under-penetrated North American Membership & HVAC market; maintaining and growing our Membership & HVAC businesses in EMEA; and developing a new business model in Home Experts.

Our Responsible business framework spans our three divisions and defines the way we work. We share expertise in managing environmental, social and governance risks. We are passionate about contributing to positive change in our industry – for example by promoting environmentally friendly sources of heating and cooling and creating trades apprenticeships.

See page 20 Responsible business.

Group

Revenue

FY22	£1,429.3m
FY21	£1,304.7m

£1,429.3m +10%

Statutory operating profit

FY22	£202.6m
FY21	£71.8m ¹

£202.6m +182%

Adjusted operating profit

FY22	£246.5m
FY21	£214.3m

£246.5m +15%

NORTH AMERICAN MEMBERSHIP & HVAC



Strong, sustainable profit growth in an under-penetrated market; our most exciting near term growth opportunity.

Our Membership policies give homeowners the peace of mind of knowing that they have one number to call if they need assistance with plumbing, heating, electrics and other core services. Our growing HVAC installation business gives us the opportunity to participate in the green energy revolution, and help homeowners to transition to more eco-friendly heating.

FY22 performance

North American Membership & HVAC delivered a strong financial performance, with adjusted operating profit up 15% to \$159.1m (FY21: \$137.9m). The key driver of revenue and profit growth was strong growth in policies (up 6% to 8.7m), as existing customers upgraded their coverage in response to successful cross-sell marketing and continued high levels of customer service. HomeServe’s HVAC buy and build strategy is most advanced in North America, with a portfolio of 19 locally branded companies acquired over the last four years. HVAC contributed \$17.8m (FY21: \$9.8m) in adjusted operating profit for the year, and is a fundamentally important component of our major initiatives to drive future growth in North America.

Revenue

FY22	\$794.9m
FY21	\$665.8m

\$794.9m +19%

Adjusted operating profit

FY22	\$159.1m
FY21	\$137.9m

\$159.1m +15%

See page 12 Business model and strategy.

EMEA MEMBERSHIP & HVAC



Established, cash-generative businesses in the UK, France and Spain with innovation to fuel future growth; new businesses launched in Portugal, Belgium and Germany; exciting joint venture in Japan.

The UK is our most established Membership business. We have a 2-3 year transformation plan to stabilise our UK business and return it to profitable growth. We are rolling out our successful HVAC buy and build strategy, seeking to partner more with energy utilities and expanding into Claims Assistance with the acquisition of CET Structures Ltd in October 2021.

In France and Spain, we have already diversified into multi-product, multi-channel businesses to support stable, profitable growth.

Our near neighbour geographic expansion strategy leverages our know-how in existing markets to develop new opportunities in Belgium, Portugal and Germany. Our Japanese joint venture is developing well.

FY22 performance

In the UK, there was good early progress on the business's transformation plan. Adjusted operating profit ended the year up 1% at £72.9m (FY21: £72.5m), customer numbers were in line with expectations at 1.5m (FY21: 1.6m) and policy retention was up for the first time in seven years to 79% (FY21: 78%). In our French business, we continue to make good progress, with adjusted operating profit up 8% to €43.0m (FY21: €39.8m) and a growing customer base, thanks to strong partnerships with water utilities and innovative digital relationships with home moving aggregators and price comparison websites. In our Spanish business, adjusted operating profit growth of 24% to €24.6m (FY21: €19.8m) was driven by good progress in Claims Assistance in Spain and Portugal, and in HVAC, where our Iberian businesses have a strong policy component and therefore have attractive recurring revenue characteristics.

Revenue

FY22	£698.5m
FY21	£667.2m

£698.5m +5%

Adjusted operating profit

FY22	£124.5m
FY21	£119.5m

£124.5m +4%

HOME EXPERTS



Highest potential growth in the long-term.

With Checktrade in the UK, Habitissimo in Iberia and Italy, and eLocal in North America, our Home Experts platforms match homeowners with quality trades, on demand and online, to get jobs done well. Home Experts covers a much broader range of home repairs and improvements than Membership, from landscape gardening to carpet cleaning.

FY22 performance

Home Experts achieved the key milestone of divisional profitability this financial year, generating £4.3m of adjusted operating profit (FY21: £(10.2)m). The principal driver of this improvement was a much lower adjusted operating loss at Checktrade, which continued to strengthen its position as the UK's leading online platform for matching homeowners with quality trades.

Revenue

FY22	£155.2m
FY21	£139.8m

£155.2m +11%

Adjusted operating profit/(loss)

FY22	£4.3m
FY21	(£10.2m)

£4.3m