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EDITED TRANSCRIPT

RS Group Q4 Trading Update

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PRESENTATION

Simon Pryce – *RS Group – Chief Executive Officer*
Good morning, everyone. I'm Simon Pryce, the recently appointed chief executive at RS, and it's great to meet you all, all be it remotely. And I look forward to meeting many more of you in person over the next few months. This is principally a 2023 trading update on what's been another year of good performance and strategic progress at RS. So you'll hear mostly from David about that. But as it's my first week, I thought it would be helpful to share with you why I'm so excited to have been given the opportunity to join RS and with David and the rest of the team, lead the group in the next stage of its exciting evolution.

I've been an indirect customer of RS around the globe for over 20 years, and I've always been a long-term admirer of the business and its potential. It's got a great brand; it's got great brand recognition and it operates in a huge and fragmented market. It has very strong customer orientation and focus, it's an early adopter -- and an early adopter of digitization, and very much as a digital thinker, and it's full of great people.

As a non-executive member of the board, for the last six years, I've watched the team take these building blocks and inject energy and ambition into the organization, focusing on delivering sustainable and long-term extraordinary results for all of its stakeholders. I've seen them develop a clear strategy on how to deliver it and to fix a number of the basics, all aimed at improving the customer and supplier experience, changing the organization to improve accountability and responsiveness, and investing in the underlying infrastructure that will be core to our long term continued delivery. And as a result, RS has delivered really good results to stakeholders despite a quite challenging macro environment at times. So generally, what's not to like?

But the real reason I'm excited to be here is I think there is so much more potential at RS as we continue to evolve our culture and capabilities further to become a much more purpose led and more agile and more innovative organization, making us fit for purpose in delivering first choice outcomes for all of our stakeholders even in this more volatile, uncertain, complex and ambiguous world.

To drive more operational improvement and scalability and to put our foot down on those growth accelerators, David and the team have told you about before, as we transition to much more sticky strategic relationships with our suppliers and our customers by becoming even easier to do business with, by being more important to and collaborative with our suppliers, through having more of what customers wants or should want when they want it, and at the price they're prepared to pay for it. And helping to address their broader and wider needs as a much more broad-based solutions provider, better using our understanding and extensive data to develop much deeper customer insights and of course, continuing consolidation, but only where it makes strategic sense and where we can accelerate value creation.

I'm in the process of immersing myself in the business and will be traveling around the group over the next couple of months to see many of our locations and to meet our people to better understand the business, the specific opportunities that they're seeing, to celebrate the great progress that they're making, but also, most importantly, to look at what they need to accelerate the realization of these fantastic opportunities that we see ahead of us. I look forward to updating you on what I found of the freedoms in late May. And with that, I'll hand you over to David, who will take us through the main purpose of this call. The trading update [unintelligible].

David Egan – *RS Group – Chief Financial Officer*
Thanks, Simon. And good morning. I'm David Egan, Chief Financial Officer of RS Group, and welcome Simon in your new role at RS I'm delighted that you've been appointed as our CEO, and I look forward to working in partnership with you and our other leaders to deliver significant stakeholder value through empowering our people, focusing on profitable growth opportunities, while ensuring we remain agile, relevant, and financially disciplined.

So welcome, everyone, to our fourth quarter trading, to 31st of March 2023. We are continuing to drive profitable growth, manage our costs appropriately while investing where we can generate the greatest value. This has resulted in our profitability being slightly stronger for the full year than we, or all markets, expected. And this is due to effective execution, pricing benefits, and the ongoing hard work of our great people around the world. In addition to the financial outperformance, the last quarter has been very busy and incredibly exciting for all of us at RS. We have welcomed Risoul, our Mexican based acquisition into the group. We have finished rebranding our B-2-B businesses under the RS Group banner with Allied in America becoming RS in February of this year. We've launched our sustainable better world product range in the UK and Ireland and the ESG ratings from MSCI and CDP have been upgraded to Double-A and A respectively.

So looking on to our fourth quarter trading specifically, like for like revenue increased by one percent. Industrial products, which is approximately 77% of our group sales remain strong, delivering 10% growth in the quarter. But electronics products revenue fell 14%, reflecting both the weaker market and significant growth comparatives from last year. Our single board computing revenue has fallen by over 75% due to industry supply constraints and our previously communicated strategic decisions to reposition our supplier and product offer. This has reduced the group growth by three percentage points. Our main own brand, RS PRO, grew like for like revenue by 16%. This is due to increasing recognition of our quality and value offer within the RS PRO range. Our digital revenue grew by five percent like for like from greatest take up by larger corporate customers of our digital solutions offer.

We continue to focus on profit-generating transactions, which is driving an increase in average order value and frequency with our large and most loyal customer customers. Our integrated supply is benefiting from a growth in corporate contracts, both in Americas and also in Europe. We have won two global multinational accounts covering 37 sites across 13 countries.

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Taking a look now at the three regions. EMEA, which accounts for circa 63% of our Q4 group revenue. Q4 like for like revenue grew six percent with the two-year run rate unchanged in Q4. The region delivered 16% growth within our industrial products range. Our strongest customer growth is within our corporate category as we focus on the higher value business. Our service solutions offer continues to resonate and we are seeing greater uptake from our larger customers, especially in our inventory solutions and technical areas.

The UK and Ireland, which accounts for circa 40% of the region's revenue, is delivering the strongest growth, reflecting a more developed go-to-market offer, brand recognition, and less electronics exposure. Our DACH market, which is incorporating Germany, Austria and Switzerland, is affected somewhat by a greater exposure to the electronics market. But we do continue to adjust our offer to having a more industrial focus. And as a result, our industrial components range delivered double digit growth.

Our Americas regions accounts for circa 29% of growth revenue, and it's still like for like revenue fall four percent against very strong comparatives of 33% growth last year. Industrials was in very modest growth while electronics saw double digit declines. Our performance was affected by a slowing external market with the customers in which we serve. Some destocking, especially from our OEM customers and losses from transitory customers such as resellers and one off transactional only purchase, as product availability strengthens. Additionally, we have had some short-term disruption in our digital organic service revenue during our rebranding and maximized margin optimization at the slight expense of volume. We have actions in place to address these short-term challenges that are already starting to deliver improvements.

Risoul, our acquisition in Mexico, is delivering strong growth and we see more -- a bit more potential here than we had originally anticipated. Yesterday, we appointed Doug Moody as our Presidents of Americas. Doug's experience, which includes being COO at Johnson Controls in Asia Pacific, is bringing together end products and services offer and so will accelerate our move towards being a solutions provider in the Americas region.

Asia-Pacific, which is circa eight percent of group revenue. So like for like revenue fell by 15% and the headwinds continued as we had expected. Our revenue performance continued to be affected by weaker electronics market, which is over 30% of the region's revenue. Single board computing product tough comparatives and the difficult backdrop in China given geopolitical background COVID effects. We are, however, seeing some green shoots where our key metrics moving in the right direction. Our industrial products revenue increased by seven percent. We saw higher average order value. We are managing our cost ratios appropriately.

So across the group, we are seeing signs of price inflation starting to ease as we annualize the higher levels of last year. Our gross margin improved, benefiting from one off price inflation gains, which we expect to unwind somewhat in 2024, and our margin optimization work. Additionally, we have maintained tight cost control and more targeted operational investment whilst not short turning the business. This is partially offsetting inflationary pressures and we have strong pipeline of inorganic opportunities which we continue to pursue but apply strong discipline.

So looking forward, we expect our full year 2022/ 23 revenue to be in line with consensus estimates, but our adjusted operating profit to be slightly ahead of consensus expectations given gross margin gains and strong cost control. We continue to be mindful of a more challenging economic backdrop and the margin tailwind we had through FY23 from stronger pricing. We will continue to invest but are balancing this with tight cost control. RS is well positioned to take advantage of more uncertain times. Given the strategic work and investments we've made over recent years into our product range, including our own brand, our solutions and digital offer. And we are an agile company that performs well, especially during difficult times as we content market challenges into opportunities. Now, with that, we'd like to invite your questions. Let me pass you back to Alex, please.

Conference Call Operator
Thank you. As a reminder, if you'd like to ask a question, you can press star one on the telephone keypad. If you like to withdraw your question, you may press star two. You can also submit your question via the webcast. Our first question for today comes from Anvesh Agrawal from Morgan Stanley. Anvesh your line is now open. Please go ahead.

Anvesh Agrawal – *Morgan Stanley*
Hi, good morning. Thanks for taking my questions. I got three, if I can. First, can I -- given China? Are you, I mean, you alluded in in your opening comments, but I was sort of expecting to reach bottom there with the reopening and the impact toward [unintelligible] starting to compound at some point. Any signs of sort of pickup in China? And then second, if you can drill a bit more around the rebranding and being [unintelligible] to Americas, what exactly is the issue and when do you expect it to sort of resolve? And finally, the pricing, it sort of, comes out at some point, which does impact the gross margin next year. From that perspective, how are you looking to manage your OpEx space? Are – is the OpEx sort of inflation is still quite high? And just sort of thinking about the moving parts on the margins for next year?

David Egan – *RS Group – Chief Financial Officer*
Thanks. So with regards to China, again, I'd just remind you that China for us is a very small percentage of the overall root revenue, but obviously it is a higher percentage of a sourcing point from our suppliers. From a revenue perspective, there are some early signs as we've gone through the quarter or the back end of the fourth quarter that we are starting to see, you know, a slight improvement with regards to our performance within China. And we would anticipate, given the small nature of our business and the organic approach that we have made, that is likely to continue. But again, it's a small contributor to the overall group performance.

From a rebranding in the US. As you would expect, it's important to do rebranding well as opposed to not do it well. So there was a very strong focus on doing it as well as we could, both externally and internally. When you do rebrand, it also does, from a digital perspective, it does require quite a lot of marketing. It also requires quite a lot of, you know, analytics with regards to Google. So it just takes a little bit of time after those new brands to resonate. And we put in place more marketing activities on the rebranding. So we see short term challenge, which we are working our way through and we are starting to see early signs of that improvement resonating.

And then with regards to pricing and OpEx, we have seen a benefit of about 100 basis points throughout the course of FY23 with regards to our gross margin there or thereabouts. It was similar in the first half is going to be pretty similar in the second half. We already expect that some of that is likely to unwind as we go into FY24. There will also be a headwind -- sorry, I a dilution of the gross margin as a result of Risoul, simply because Risoul has a lower gross margin, although is a good contributor on the operating margin. So there will be some dilution on the gross margin. OpEx and the levers -- we have multiple levers, both short and medium term. You know, we are taking actions on a very regular and agile basis depending upon the performance of the country in the market and the territory in which we operate. So we will continue to operate the business in a very agile way. But at this stage we're certainly not looking to short term the business. We're looking for medium-long-term opportunities, but taking a cautionary approach, given the uncertainties in some markets in which we operate.

Anvesh Agrawal – *Morgan Stanley*
Thank you so much.

Conference Call Operator
Thank you. Our next question comes from David Brockton of Numis. David, your line is now open. Please go ahead.

David Brockton – *Numis*
Good morning. Can I ask two questions, please? Firstly, just in respect of the U.S. softness that you saw through the quarter, appreciate that is more of an A&C business. But I just wondered if you can just touch on whether there are any particular sectors that are behind the softness that you've seen there and given that that business has more of an order book, what does that look like as a forward indicator? That's the first question. And then the second question just relates to cash flow and I guess inventory management. As the pricing dynamic starts to soften and pricing inflation starts to ease, can you just touch on what you're doing to manage inventory and protect the business? Should demand continue to be choppy as it is in the current quarter? Thank you.

David Egan – *RS Group – Chief Financial Officer*
Sure also based on the US. David, the US business in the US is a little narrow versus both our EMEA and our Asia businesses. Its more A&C. A little less MRO. It also has little bit more concentration with regards to OEMs. There's no sort of you know -- and it's also a business where it's a little bit more on the small to medium customers and less larger corporate customers versus other parts of the group. So there isn't really any one particular segment or end marketing, which is, you know, over indexed in terms of that performance. It's really just been a combination of the end markets slowing a little bit, the type of customers we operate, the narrowness. Our objective is to certainly broaden out the product range. Our objective is to extend out the RS PRO opportunity within that part of the world and also to introduce and implement far more solutions and services offers. And that will then also allow us to have a greater concentration of corporate customers. But I think our strategy is very clear. In the US business, it's now going to be complemented with the addition of Risoul within that part of the world.

From a cash flow and inventory perspective, we have seen -- we will see for the year, for the full year, a slight uptick in our inventory turn from where we were at the first half. We have certainly taken some deliberate decisions to slow the inventory intake, but again, doing that on a very agile and deliberate basis. So again, we're taking a cautionary approach, but at the same time, it also provides opportunities because of the strength of the balance sheet. There may be opportunity to actually buy some inventory at more reasonable prices in due course. And so we're just going to keep our eye on things very closely and take a cautionary approach, but also an opportunistic approach where it's applicable.

David Brockton – *Numis*
Thank you very much. And just going back to that A&C, just in terms of order book, because that business does have more of an order book. Can you just touch on where -- how that trended through the quarter and exited the quarter? Thank you.

David Egan – *RS Group – Chief Financial Officer*
Book-to-bill is about one. So it's about where we would expect it to be at this point in time.

David Brockton – *Numis*
Perfect. Thank you very much.

Conference Call Operator
Thank you. Our next question for today comes from Rory McKenzie of UBS. Your line is now open. Please go ahead.

Rory McKenzie – *UBS*
Morning all. Three from me please. Firstly, can you say how much product price inflation was on average this quarter and how much it was for industrial and electronics? And then I wanted to just talk through some of the proper headwinds you started to mention for FY24. So secondly, that 100 bits, one-off gross margin boost from inflation. Is that effectively calculated as the benefit of the inventory holding gains you would have seen? Or did you calculate it in a different way? And then I guess for you to say that it should reverse next year, does that mean you expect product prices to stabilize and -- or are you anticipating some product price deflation in many areas? And then thirdly, you mentioned some destocking, maybe some small customer losses in the US. And how long until you think you get through that? And I guess some of that will be impacting the start of FY24. So how much of impacting that could be? Thank you.

David Egan – *RS Group – Chief Financial Officer*
Sure. Thanks, Rory. Good morning. The price was high single digits. Pretty similar between, a little bit more on the industrial side versus electronics. With regards to FY24 of – certainly FY23, we've seen about 100 bps of benefit through gross margin. That's been a combination of, you know, a little bit more opportunistic pricing, but it's also been a little bit of lower inventory values because we have low inventory turn. Our expectation is we don't want to let that unwind. But, you know, it's more than likely that it will unwind during the course of 24. And that will be largely driven by cost. Cost inflation on the product side of things.

With regards to the product price itself, you know, we haven't seen others outside of electronics. We haven't seen any material shift in the product costs at this point in time. We have seen some product cost shifts on electronic products and components. From a pricing and margin optimization perspective, our approach is to be very dynamic and to be agile and to make sure that we remain competitive. But at the same time we want to manage and maintain strong margin contributor as well, both gross and operating margin.

And then finally, with regards to destocking and one time customer losses, I think they might be a little bit more to go on the destocking. I'm not sure it's the material element, but I think it might be a little bit more to go. I'm not sure there's much to go on the -- on the one time customers. I think our actions are in place. We're starting to see some early signs of that moving in the right direction. But it's early days and I think there's quite a lot of dynamics happening externally that we just need to manoeuvre our way through. I will give you -- we'll give you a good update when we do the trading update. Sorry, do the prelims on the 23rd of May. But I think –

Rory McKenzie – *UBS*
Thanks David

David Egan – *RS Group – Chief Financial Officer*
-- overall, fundamentally, I think the strength of our America's business is strong, the foundations are strong, and I think, you know, we will be able to push our way through this.

Rory McKenzie – *UBS*
That's great. Thanks, David. I'm going to ask one for Simon. And you've also been on the board since 2016. So great. You know the business well already. Can you just talk more about the area of the business that you feel you've been closest to or enjoyed following the most since you joined the board and which I guess are then highest up your list to investigate? Now you're in the CEO seat. Thank you.

Simon Pryce – *RS Group – Chief Executive Officer*
I think, you know, I've enjoyed the whole business. I'm very much taken by and have watched with interest as we have created continuing customer stickiness, more and more customer stickiness by enhancing the value-added services that we offer and increasingly focusing and growing business in the MRO space. So, you know, I very much have been, you know, I've very much bought into the strategy that the management developed back when we first -- when Lindsley and David first came on board. And it's good to see that being executed effectively. I'm actually out and about throughout the businesses over the next four or five weeks. I'm in all regions, I'm in all major sites. So I do very much look at this as one business with lots of elements to it rather than many different businesses, and that -- this business has huge opportunity. And I'm excited be on board at a time when we see those opportunities and are in a position to take advantage.

Rory McKenzie – *UBS*
Understood. Thanks both.

Simon Pryce – *RS Group – Chief Executive Officer*
Thanks Rory

Conference Call Operator
Thank you. Next question comes from Kean Marden from Jefferies. Your line is now open. Please go ahead.

Kean Marden – *Jeffries*
Thanks. Morning all. Apologies, I joined the call a little late, so you may have already touched on some of these. David, you mentioned in your prepared remarks I think some action you would have taken the in the U.S. I think maybe in the next quarter or two potentially to improve its performance. I was just wondering if you can share some background on that.

And then Simon, I'm not unaware about quite familiar you are available to speak on the business at the moment, But I guess, you know, your track record at Ultra was obviously recent driving quite aggressive execution. So I guess with that in mind, are you comfortable with the pace of inventory expansion that we've seen in the U.S. and I guess particularly in Germany, which I think, has been bedding in for about 18 months at the moment? And with the theme of sort of prioritization maybe in mind, is there anything that RS does or has expanded into sort of the last couple of years that might be candidates for trimming or refocusing?

Simon Pryce – *RS Group – Chief Executive Officer*
[unintelligible] asked that before.

David Egan – *RS Group – Chief Financial Officer*
On the – Kean, good morning. On the US actions, you know, there's a number -- series of actions that are underway. You know, some of them are internal focused some are externally focused. A lot of it's about, you know, customer -- focusing on the customer, understanding what the customer needs. It's also marketing digital and improving the digital and the digital experience and also the marketing spend that's going through the digital channels to drive traffic and then deliver the conversion. So there's a series of actions that are underway. Again, early days, early signs are pointing in the right direction and we'll give you more of an update when we come back in May.

Simon Pryce – *RS Group – Chief Executive Officer*
To your, sort of, other question about, you know, areas to look at, pace of expansion. I mean it is only day three. So forgive me if I'm not that detailed in how I answer it, but look, I think we have no choice but to expand our DCs in Bad Hersfeld and in Fort Worth because, you know, the ambition of this company involves providing more product to more customers when they need it, to the price that their prepared to pay for it. And that requires us to -- and has been very helpful in supporting the successful expansion you've seen over the last couple of years. I'm sure that continuing to invest in infrastructure will be something we have to consider in the not too distant future

In terms of other things that we are that we're focused on building out value added services, improving the customer experience, improving the supplier experience. There's an awful lot going on here. I just need to make sure with David, and David is pretty good at this anyway, that we're focusing on the big levers that move the needle now and making sure we're driving and delivering and executing those actions effectively across the group and that we're all aligned in our [unintelligible].

Kean Marden – *Jeffries*
[Unintelligible].

Simon Pryce – *RS Group – Chief Executive Officer*
I'll sharing this with you and everybody Kean when I've got a couple of months to run around the businesses and get under the skin in detail.

Kean Marden – *Jeffries*
Understood. And [Unintelligible] --.

David Egan – *RS Group – Chief Financial Officer*
[Unintelligible]. Sorry I don't see anything that we're doing that we shouldn't be doing.

Kean Marden – *Jeffries*
Okay. That's clear. Very clear. Do – just to help. Do you have a feeling for why SKU count hasn't scaled at Bad Hersfeld, of the last 18 months? So what's sort of been the limiting step there? Is it just caution, overly cautious or something else?

Simon Pryce – *RS Group – Chief Executive Officer*
Probably for one for David.

David Egan – *RS Group – Chief Financial Officer*
So caution but also, it was a very complex integration of new systems, new warehouse management systems into that facility, far more complex than our distribution center expansion in Fort Worth. So again, we wanted to make sure it worked and worked well before we then put a lot more new products into that facility. So it's taken a little bit longer, but we've now got, you know, things in a good place to allow that expansion to now happen.

Kean Marden – *Jeffries*
Okay. Thank you for your time gents.

David Egan – *RS Group – Chief Financial Officer*
Thank you.

Simon Pryce – *RS Group – Chief Executive Officer*
Thanks.

Conference Call Operator
Thank you. As a reminder, if you'd like to ask a question, you can press star one on the telephone keypad. Or you can submit your question via the webcast. Our next question comes from Oscar Val of J.P. Morgan. Your line is now open. Please go ahead.

Oscar Val – *J.P. Morgan*
Yes. Hi. Good morning, David and Simon. A lot of the questions have been asked, I think just two more from my side. First one, I guess one percent like-for-like growth in Q4. Could you comment on I guess the phasing between Jan to March, what you see as the exit rate in March? That's the first question. And then the second question, going back to, I guess, what Kean asked on that Hersfeld and the warehouse. Could you comment on what you see kind of the ramp up of that warehouse? How filled is it and where are we in that progress? Thank you.

David Egan – *RS Group – Chief Financial Officer*
Okay. So in terms of Germany. We have put some product in there. I don't know the exact percentage, but it's probably -- it's certainly less than half. I don’t know the exact, but we can give you that maybe at the prelims, but it's certainly less than half.

Oscar Val – *J.P. Morgan*
Okay. Okay.

David Egan – *RS Group – Chief Financial Officer*
Still plenty of opportunity to bring more products into that facility. Again, it's not sort of just fill it and it's -- that's a good thing. We need to make sure that we put the right product in there to serve the markets within continental Europe. And that's what we plan to do using data to bring those right products into that facility from the right suppliers. With regards to -- if you look at the at the exit rates, again, I think be careful. In the first instance, March last year was a very, very strong month for the group as an individual month. So again, it's a little bit patchy in terms of the exit rates, but overall EMEA is good. APAC, as he said, he's got a little bit of, you know, some early signs of some green shoots. And then the Americas, as we said, we've got some actions in place. So the Americas probably a little bit lower.

EMEA okay. And APAC pointing in a little bit more of a positive direction would be the best way to describe the exit rates.

Oscar Val – *J.P. Morgan*
Thanks, David. That was useful color.

David Egan – *RS Group – Chief Financial Officer*
Just for clarity. I've just been given a number [laughs] so I've been told. We've seen a 34% increase in the product SKU count in our Bad Hersfeld distribution center. I don't know what that means in terms of capacity, but we'll come back to the present.

Simon Pryce – *RS Group – Chief Executive Officer*
[Unintelligible] --

Oscar Val – *J.P. Morgan*
Thanks David.

Simon Pryce – *RS Group – Chief Executive Officer*
-- multi-year investment. We weren't expecting to fill it on the day we completed it. So it is there to support long term growth.

David Egan – *RS Group – Chief Financial Officer*
In the same way that Fort Worth DC is still certainly not full and we will continue to use data to bring the right products into that facility.

Conference Call Operator
Thank you. At this time we have no further questions. So I hand back to the speaker team for any further remarks.

Lucy Sharma – *RS Group*
There is actually one question online. So on M&A, you say you talked about the pipeline being full and healthy for a while now. It's great to see resolve that confusion. What is holding RS back, excuse me, from doing more acquisitions?

David Egan – *RS Group – Chief Financial Officer*
Maybe if I just talk pipeline first. For the pipeline, the M&A pipeline for the group remains strong. Our focus and priority remains organic growth, complemented by being organic growth. We're very clear in terms of what we want to buy. Equally, we're clear in terms of what we don't want to buy. And also, our discipline is going to remain a paramount importance. Our teams are very busy and we have opportunities that we are exploring in each of the three regions around the world and both product services and also geographic expansions. So I can't say much more than that other than to say that we will use our balance sheet if the right opportunities come along and we'll apply discipline accordingly.

Lucy Sharma – *RS Group*
And there's another question online on America's organic. How would you size the relative contributions to the negative organic? I -- could have it been positive excluding rebranding [unintelligible]?

David Egan – *RS Group – Chief Financial Officer*
Well industrial was slightly positive growth. Electronics was double digit negative growth. I wouldn't like to put a number on the rebranding impact, but certainly we would have expected to see that industrial growth number, you know, move further forward in a positive direction. Should the rebranding not have happened. But let's be clear, the rebranding was critically important for the group that has been very, very well received, both internally and externally. And this is a short-term bump that we are working our way through. And it happens with every rebranding exercise. And I think our team have done an amazing job at actually rebranding seamlessly with some slight challenges with regards to the digital channels. But that was short term and will be corrected on time.

Okay. I think that's all the questions. Alex, is that correct?

Conference Call Operator
That's correct. We have no further questions registered via the telephone lines.

David Egan – *RS Group – Chief Financial Officer*
Okay. Well, look, can I thank you very much for joining call today online. Simon and I will be back on the 23rd of May to provide color with regards to the prelims and also provide a little bit more color in terms of FY24 on the outlook. So good morning and thank you for your time.

Simon Pryce – *RS Group – Chief Executive Officer*
Thanks, everyone.

[end of transcript]