

Moonpig Group plc
FY26 Full Year Results – Year Ended 30 April 2026
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Participants

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- **Andy MacKinnon** Moonpig Group plc – Chief Financial Officer
- **Ross Broadfoot** RBC Capital Markets – Analyst
- **Georgina Johanan** JPMorgan – Analyst
- **Adam Tomlinson** Berenberg – Analyst
- **Andrew Wade** Jefferies – Analyst
- **John Stevenson** Peel Hunt – Analyst
- **Hai Huynh** UBS – Analyst
- **Matthew McEachran** Singer Capital Markets – Analyst
- **Caroline Gulliver** Equity Development – Analyst

Section 1 (00:18) - [RBC Capital Markets](#)

Ross Broadfoot, *RBC Capital Markets*

Hi, Ross Broadfoot from RBC. I've got a few questions disguised as three. Could you give me some colour on how you expect those three revenue KPIs to play out into the mid term? And if all goes to plan, re-leveraging the why, when do you think we can expect to see a bit of a pickup in frequency?

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

Sorry, the three revenue KPI? You mean the three: the customer — new customer numbers, frequency and then AOV.

Ross Broadfoot, *RBC Capital Markets*

Yes. And then number two, could you give any detail on how much of the AOV growth of the 5.7% was driven by stamp price increase and tracked delivery? And then, sort of part two of that, just on those Moonpig delivery options, where do you see that tracked order percentage — now at 44% — maturing? Just thinking about that in the context of it as an organic growth driver.

And then finally, you mentioned in the statement, Australia, the focal international region. Will we see much of a step-up in marketing there? And if not, what's holding you back? Thank you.

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

I don't know how many questions there were there.

Ross Broadfoot, *RBC Capital Markets*

Probably five.

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

Yes. Let's go, five. We will take each one in turn and come back to us at the end if we haven't captured them all. Shall I do the first one, and then I'll hand over to you for the second?

Andy MacKinnon *Chief Financial Officer, Moonpig Group plc*

Yes.

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

In terms of the three revenue growth levers, I think we've said pretty consistently that our strategy is clearly to grow all three.

In any half or year period, you should expect us to be growing at least one or two of them and that you shouldn't expect to see consistent stable growth in all three compounding every half year and every year. I think we've seen good momentum in new customer numbers over the last year or so, in particular, continuing an incredible track record that the business has of very consistently driving new customers into the Group. I hope very much that will continue and certainly will remain a very important focus for us.

In terms of AOV — AOV has been one of the biggest stories of this last year or so. We have seen — despite some wider concerns about UK consumer — we've seen through the occasions and the moments that people are selecting Moonpig for, we've seen really strong and consistent growth there. And we don't see any signs at the moment that that growth is slowing dramatically.

Clearly, we have a job to do to keep making sure the delivery proposition is right, the gifting proposition is right to keep driving that, but it's certainly been one of our more positive levers and will continue to be a positive lever in the future.

Frequency, I think, has forever been the big opportunity for the Group and remains the big opportunity for the Group. I think we will be trying some different levers and some different ways of thinking about and addressing frequency, as we talked about in the presentation, and we're hopeful that by segmenting and thinking about our customers differently and the missions that they're on, that we will find ways to unlock different segments of the market that historically haven't even had us top of mind or haven't thought about us for particular missions that they're on.

Andy MacKinnon *Chief Financial Officer, Moonpig Group plc*

And then on the question around AOV. Obviously, it was a strong period for AOV growth, up 5.7%. Within that, broadly half of the increase was down to changes in the postal proposition, probably about a percentage point coming from stamp price increases and very roughly 2 percentage points coming through from the increase in tracked delivery.

Standing back, we're on a journey from a world several years ago where we had a relatively straightforward delivery proposition which served all customers equally well — with a single proposition for gifts and a single first-class stamp price for cards. And we're on a journey towards a world where there's a much broader range of delivery options available to our customers, and we build our delivery capabilities as a strategic asset for the business.

In the last year, the growth in tracked delivery has been an important part of that and we actually expect that to continue in the year ahead. And we will see - I expect more than half of our card-only orders going through tracked delivery, including some of the increase in the proportion of large card dispatches that we've seen in recent months go through tracked delivery.

But there will be further innovation, which will build on top of that. And I think one of the things that we referenced in the presentation was the launch of our next day premium by 1:00pm delivery, which is seeing good uptake. And that will be a driver of AOV growth as well.

So again, I'd encourage you not to think about the growth of tracked delivery being a one-and-done lever, which then means that we're out of runway. It's a process of evolution with lots of opportunities to drive basket size. And I think across the board, what we're seeing is strong customer propensity in lots of different areas — card size format and tracked delivery and gifting price points — for upsell.

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

On international, I think the overall approach to international, taking a very disciplined approach to organic growth in those markets is still very much the headline.

I think Australia — and the reference to Australia in the RNS was — we have decided to invest a little bit more in marketing in that market. But I would see it as a continuation and a further incremental step up with still very much the focus being how do we find the right formula to drive profitable growth that will contribute a gross margin level to the overall Group.

Through the work we have been doing in recent months on Greetz, which I guess is our first international market, I think we are getting a clearer understanding of the target — the right target operating model for our international businesses. Where should we be building Group centres of excellence? Where should we be localising, customising, whether it's the proposition or the team or the capabilities that we have. And I think some of the learnings there we will very much be looking to take and then apply to Ireland, Australia, and some of those markets.

Should we work our way back if that's okay? Okay. Go for it.

Section 2 (06:49) – [Peel Hunt](#)

John Stevenson, *Peel Hunt*

Good morning, John Stevenson at Peel Hunt. Just a couple of questions. First up, the leveraging Group advantage. I think you mentioned there's an element of cost, I guess, an element of revenue from that. How much more cost is there potentially to come out from that? And then secondly, I guess, on the revenue side, what is it that you think you're going to get by kind of centralising maybe some of the proposition? Is it more about centralised control in terms of how you think about the data and the opportunity?

And then, second question is on the Plus membership. I guess historically, this has always been the best performing customers. Are you now getting to the stage where you're getting new cohorts that you're able to bring in and drive frequency and performance? Or is it still basically your top tier?

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

Sure. On Group advantage, you are right. Some of the process of moving from businesses being run more separately in the Group, so more centralisation has been through building centres of excellence, whether that's in Finance or in our Product and Technology team, there has been some cost benefit to that journey. I think most of that in terms of people costs, certainly, I think we're now predominantly through. There are still some cost savings coming through in whether it's consolidating CRM platforms or sharing, tooling and systems. But I'd say they're not material in the context of the overall Group and nice to have rather than big levers for future improvement.

On the direct revenue outputs, I think most of the learnings and most of the capabilities that we're sharing across the Group should be levers that help us drive speed and execute faster. So, whether it's a marketing agency we're working with in one part of the Group, having some great learnings around demand-based bidding or whether it's social work with influencers we've been doing in one market that we can bring and transport over into the UK or in a different market.

I think it is about — we are getting a common, central, shared sense of purpose for the Group and getting that right mix of doubling down on Group centres of excellence and capabilities but then, where a division has a particularly strong capability in a field or in a discipline, making sure that we're absolutely getting the best value for that within other parts of the Group as well.

So I hope it will drive speed, pace and alignment that will, over time, drive performance and better revenue in the business units.

John Stevenson, *Peel Hunt*

Sorry, just on the — sorry, the second question was on Plus, yes.

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

Plus and membership, sorry. We've added, I think, the cohort performance on Plus continues to be strong. If we take a baseline of people that are not on Plus and then look at Plus members, we're continuing to see strong signs of loyalty through those Plus cohorts. I don't think we're seeing anything hugely different in more recent cohorts from the early cohorts, but we're clearly continuing to be able to drive the habit and drive performance of people migrating through to Plus through the growth that we've delivered in the last 12 months.

It's definitely an area where, as we think about understanding some of the barriers to people using us and where there might be opportunities, Plus is an obvious area where in the future, we might think about evolving the proposition, are there other tiers or are there different components that should be built into Plus to really try and drive loyalty, but we're right at the early stages of all of that thinking.

Section 3 (10:28) – [UBS](#)

Hai Huynh, *UBS*

Thank you it's Hai from UBS, I have three questions if you don't mind. The first one is just to understand the financial framework on the top line a little bit. So, you say mid to high single-digit growth. In April, the stamp price increase was around 5% to 6%, I believe, this year. So am I correct in thinking that within that range, you have a set of expectations of how much you can drive on your own? And then the range varies from stamp increase. Also whether it's helpful for you or not, right? So that we know where you could land depending on stamp increases. So that's the first question.

The second one is on frequency. So, frequency was down a little bit, and you said that's due to Greetz partnerships building, and you say that's a temporary reduction. When you say temporary, do you expect that to continue for FY27 or just the first half of FY27?

And then finally, on Experiences. When you say that second half of FY26 trading patterns will continue in the near term. Again, I'm trying to get what near term means. Is this throughout FY27 as well? Or do you expect it to become kind of flat growth for the year?

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

Do you want to take the first one?

Andy MacKinnon *Chief Financial Officer, Moonpig Group plc*

Yes, absolutely. I'll take the first one. So, you're right, our financial framework specifies revenue growth of mid- to high single digits. And I think the question was around whether or not we should expect that to flex based on stamp price changes.

I think that the price for stamps is just one of the inputs into revenue growth in a given period. And hopefully by now, we've got a very strong track record of showing that in different periods, we're able to drive revenue growth through pulling on different levers, depending upon what we think is most appropriate in the external environment in the year that we operate.

And the way that we think about it internally is that to the extent that there is an increase in the price of a stamp, that's a contribution to the overall basket size which means that perhaps we were moving a little bit less in terms of other parts of the overall proposition where we're moving the price. So as an example, in the context of two periods where we've been very focused on driving penetration of tracked delivery — because that's the right thing strategically to move away from first class into a different proposition — we haven't increased the price of a stamp during that period on our standard card size despite the fact that that actually would be more accretive to margin because it's a higher-margin element of the overall basket.

So, in periods where stamp prices do rise, there will be a contribution to the overall growth in revenue. But if there is a slowing in the rate of stamp price increases, that's not a limiter on our ability to deliver against the medium-term framework.

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

On frequency, you asked about Greetz and whether the frequency movement was temporary. The explanation for the Greetz shift in frequency is driven by some partnership activity that we ran during the year. When we run partners with big local brands in the Netherlands, we typically see some of those consumers will come through and will be there for the promotion. And so, we don't always get the same lifetime value from those customers as we would get if we acquired them through direct brand traffic or through our other marketing channels. I think our goal clearly within Greetz and our mission is absolutely to keep driving frequency and to get frequency trending more positively.

I don't think — it's not temporary in the sense that I don't think — we're never going to do partnerships again. I think we just need to find the right balance and mix between running partnerships that we know pay back and deliver customer growth in the right way but also driving underlying customer frequency at the same time.

Andy MacKinnon *Chief Financial Officer, Moonpig Group plc*

Yes. And I think the third question was around Experiences. The first thing is we're very pleased with the trajectory of that business and the fact that it's moved much closer to being flat year-on-year in the second half of the year.

Within that, as we called out in the presentation, the actual amount that customers are spending on the Buyagift website, the gross transaction value, is in growth. And that, from my perspective, is the lead indicator of the health of the business. The customers of that brand are willing to spend more on the website when they come to shop with us.

We are looking to bring Experiences much closer to the rest of the organisation. And that's both in terms of organisation design and ways of working, but also increasingly bringing it within the overall Moonpig brand architecture. If you're doing that, what you want to do is make sure that every Buyagift customer and recipient has a fantastic experience because it's obviously much more adjacent to the core Moonpig brand.

So we are choosing to invest to make sure that we've got a stronger range of partners, a broader range of brand names within the portfolio, where perhaps actually, there is a little bit of margin difference versus the average. Where there are experiences where it's high margin, but we don't think that the proposition is universally outstanding for the recipient, we'll sort of phase that out or change the proposition. And that's something that we expect to continue throughout FY27.

So, I think we've been clear with people that whilst we've seen a strong trajectory in Experiences, there will be a slightly different focus, it will be revenue growth rather than revenue quality throughout the new financial year.

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

Let's keep going along the —.

Section 4 (16:31) – [Equity Development](#)

Caroline Gulliver, *Equity Development*

Good morning, Caroline Gulliver from Equity Development. I think you mentioned in the presentation that one area of growth is delivering personalised cards that people wanted to hand deliver themselves, which I believe you can already do because you can obviously just have it delivered to yourself and then hand deliver it. So my question is, is this just an increase in marketing? Is this just an increase in awareness among existing customers or new customers?

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

So I think we're right at the beginning of doing the work and spending time with customers and really understanding the missions that really play to our strengths and the missions that perhaps customers were choosing to go somewhere else for.

There are definitely pockets of customers where we have a product proposition — we have a service — that should work really well from them. But yes, we're not top of mind, we're not the first place they're going to fulfil or to secure that card or gift for them.

So, we're right in the middle of understanding, what would it take? What are the barriers to that customer fulfilling that job with us and what would they need to believe about our brand or our service or proposition for that to become compelling for them? We do know today that about 40% of our customers get the card sent back to them. And that is a really big signal of —actually — the personal element.

One of the biggest bits of feedback I've heard from customers when I've been sitting down with them is a lot of people just really love writing, still, in the card and feel like that is a very personal element of the gesture experience that they want to do themselves. And when you dig into those in-person — people that are more likely to give in person — often it's because they want to do their own personalisation as well as relying on the digital tools that we have available.

So whether it's the delivery proposition that needs to evolve, whether it's how we show up in our range and how the products are curated or whether it's just understanding that mission in more detail to make sure that we're really talking to them in that moment, we're just at the beginning of understanding all of those things.

But the reassuring thing is from both early research and from the time we're spending with customers, there are opportunities with the range and the products that we already have. There are elements where, yes, we will need to change some things. But there's still a big core opportunity for us to run at with broadly the proposition that we've got today.

Hi Georgina.

Section 5 (18:52) – [JPMorgan](#)

Georgina Johanan, *JPMorgan*

Hi, thanks, it's Georgina Johanan from JPMorgan. Just two quick questions, please. The first one, you've talked about understanding why customers do things rather than how. And I guess just if you could provide some sort of tangible examples of actually how you'll go about that, particularly on a consistent and ongoing basis rather than just maybe sitting down initially?

And then my second question was just on marketing strategy and whether you think that the strategy and the spend is in the right place and at the right levels at the moment, or if you have plans to kind of evolve that further?

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

Sure. So the why for me. So one of the conversations, I think we talked about in the presentation a bit. If we start with personalisation, what we do today on site, and then how the product might evolve.

Today, a lot of our recommendations — and a lot of what we're surfacing to people through the journey — are just that. They're recommendations based on: you picked a card, you personalise that card. And then we're serving you other cards or other gifts based on what other people looking at that card have done.

So, it's very logical. It's based on big data and technology. But ultimately, what everyone else has done — like we're recommending based on what everyone has done, but arguably, that's recommending for everyone but not actually personalised for anyone because it is just a representation of what the whole of Moonpig has done.

Increasingly, with the first-party customer data that we know and with what we will know about what else you might have done on our platform or experience or other orders you might have placed, part of the journey that we want to go on is moving beyond recommendations towards more personalisation — personalised to you, not just personalised to everyone that we've seen on Moonpig. So we think there's definitely an avenue there that we want to explore and we want to keep developing and evolving.

In terms of the why as well, some of it comes back to the last question, in that we are — to really understand the barriers to frequency, we really need to understand why people are not using us. And why in those moments, they're not choosing Moonpig, or why they're taking some other actions and steps. And the data that we have on our side about conversion rates or about cohort performance, just doesn't give the answer to those questions.

We've got great understanding of what people have done on our site, of what they're ordered, of what journeys they've been on. But a lot of this learning is about taking it off Moonpig, off-platform and understanding well right, actually, out in the real world, what are all the other choices that people are making and how might we tap into them a bit more powerfully. Which won't just come down to our card range and product features on site, it will come down to the delivery proposition and how fulfilment works. It will come down to the full end-to-end customer experience and rethinking some of how that works.

Georgina Johanan, JPMorgan

And then just on marketing strategy.

Catherine Faiers - Chief Executive Officer, Moonpig Group plc

Marketing, our CMO, Kristof is here, you can ask him afterwards as well and see if he says the same thing. But I think we are — we have incredible awareness as a brand. It is one of the absolute foundational strengths of the business. And that awareness gives us all sorts of advantages. We've also got a brilliant app with very high download levels and with brilliant performance and conversion through the journey.

So, we have brand assets as a result of our history and our heritage, that means that we are in a very strong organic position when it comes to how and where we show up for consumers. I think rightly, we prioritised our marketing spend and have done historically very rationally around new customer acquisition. I don't think we want to lose that focus because it is a core part of our economic engine and how the business model works.

But there are definitely opportunities to think more broadly about the brand and some of the more human aspects of the brands and the moments that people are using us for that I don't think we've really leant into as much as we could in the past. We are a very functional or have been a very functional business operating in a very emotional category.

And I think there's opportunities to rethink some of that. That means we show up increasingly a bit differently for consumers. I don't think that's as much around marketing spend levels, just as much about how and where we choose to deploy some of that budget.

Andy —

Section 6 (23:33) – [Jefferies](#)

Andrew Wade, *Jefferies*

Andy Wade from Jefferies. Two quick ones, then a slightly potentially waffly one from me. The first one - obviously, you're doing a few partnerships on the gifting side of things. Would that have had any impact on the revenue numbers? So might GMV growth have been a bit higher than revenue growth? Just interested on that one.

Second one on gift attach, obviously, a bit slower in the second half. You've done a lot on the gifting proposition on the range. You added a lot of new names, some really good work has been done there. And yet it's sort of backwards a bit. I don't know — it doesn't seem to make sense to me? So I'm interested as to why you think that's going backwards or went backwards in the second half, only marginally, but still it's not moving forward. So a bit of colour on that one would be really helpful.

And then the third one. So, some really interesting diagnosis of the business and thoughts on where Moonpig is, Catherine. But then on the strategic side, there's a lot of very familiar things in there: Moonpig Plus, reminders, gifting range, delivery, so on and so on. I guess I'm trying to think in concrete terms about how we should be thinking about things that are going to change.

And the things I noted down here, personalisation clearly seems like a key area, expanding that delivery proposition seems like a key area and making things easier to shop for the customer seems like a key area. But, have I hit the right ones there? And if that's not it - are there - is there more stuff there? So just sort of concrete, what's going to be different, I guess, that would be the third question.

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

Sure. Do you want to take the GMV versus revenue one?

Andy MacKinnon *Chief Financial Officer, Moonpig Group plc*

Yes, sure. I mean that's fairly straightforward. The partnerships that we've launched during the financial year just gone have all been on a buying as principal basis. So we've been purchasing stock and reselling. So no, there isn't a difference between GMV and reported revenue.

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

On gift attach, you're right, gift attach in the second half, in particular, has been stubbornly at about the same level despite the work the team have done on range and despite the good growth that we've delivered in the value of the gifts that customers have bought.

I think we're in the middle — and I'm still in the middle, three months in — of diagnosing why and how we should think about that and what some of the answers to driving gift attach might be. I think a bit like the different revenue levers that we've got with gifting. It's probably a bit of a similar story. Yes, of course, we want to drive attach. But equally, there's revenue growth that we can keep driving through gifting and also gifts per order. And we've made some encouraging changes in the last few months around how we treat multi-gifting proposition to get the delivery proposition right for consumers, then that will be an opportunity for us as well.

Gift attach absolutely has to stay as a priority. I think one of the challenges with gift attach is we're a card-first and card-led proposition, and awareness of our card range is phenomenal, awareness of our gifting range is okay. It's clearly not as strong as cards, what we're famous for. We are trying to drive gifting through the cross-sell, and we need to get better at improving the curation of the range, the personalisation of that range so that we are really hitting the right notes with the gifts that we surface for customers in that moment.

There's probably more work we need to do given that that cross-sell range is always going to be in a moment in a journey on Moonpig. There probably is more work we need to do as well to make gifting more broadly, more associated with the brand, more visible in other parts of the consumer experience and journey as well.

Andrew Wade, Jefferies

Could I just check on the earlier part of that answer. You were saying that multi-gifts — so that would potentially not move the gift attach rate, but would benefit the AOV?

Catherine Faiers - Chief Executive Officer, Moonpig Group plc

Exactly.

Andrew Wade, Jefferies

Because obviously they're adding two, so it's another layer on.

Catherine Faiers - Chief Executive Officer, Moonpig Group plc

We've seen some of that in 6.5-odd percent gifting revenue growth that we've seen this year. Some of that is driven by more people adding two gifts rather than one. So when we talk about gifting internally and when I've been spending time with our team, it's those three things that we're talking about that all contribute to gifting in a different way.

But yes, absolutely still work to do on attach and figuring out the formula that we now need to land to take attach — that has been stubbornly around that 17%, 18% mark for quite a while now — we need to think about what are some of the bigger levers that we can do to address that.

Andrew Wade, Jefferies

Yes. And just going in a little bit more on that. I guess the thought had always been that it was because the range wasn't big enough or broad enough, but it sounds like that wasn't the whole answer, right?

Catherine Faiers - Chief Executive Officer, Moonpig Group plc

No, it's more than that.

Andrew Wade, Jefferies

Yes. It's a bit more complex than that.

Catherine Faiers - Chief Executive Officer, Moonpig Group plc

But I think the interesting thing is through putting the range there, the encouraging thing is that people will trade up. And we've encouraged people to buy things from Moonpig that I think a few years ago, maybe people wouldn't have associated with us as a brand. So we've proven that by growing range, we can drive the value of gifting.

We now need to figure out what are the moments, what are the occasions? What are the mindsets of those other customers that either have never attached or have attached once but haven't come back? But what do we need to do to unlock that opportunity? And some of it might be more gifting value. Some of it might be more than one gift. But ultimately, we need to keep focusing on attach as well.

Andrew Wade, Jefferies

And some of it might be intractable in the sense that for some people getting and putting the effort into a Moonpig is partly the gift in itself, right? I mean.

Catherine Faiers - Chief Executive Officer, Moonpig Group plc

Yes. And I'd say it's interesting. We were debating, a lot of people have upgraded. A lot of people have upgraded to large and giant cards. And in some of those moments some of the giant cards — if you spend time in Tamworth — are incredible, the effort and the thought that people put into them. If

you're spending more on the card and then maybe, I don't know. Are people trading up? I don't think we understand that well enough. But definitely, we've seen people trading up — whether it's card size or gift type — has been a theme over the last few months.

Your last question was how much is going to be different versus how much is going to be the same and we...

Andrew Wade, Jefferies

Well, more specifically, what other things rather than how much, yes.

Catherine Faiers - Chief Executive Officer, Moonpig Group plc

So I think I would caveat it all with, and the reason I deliberately talked about areas of focus themes is because I'm still in month four. And so the exact — what are we going to go and do? What product should you expect to see in a month or in a couple of months' time? And we are absolutely on all of those things, but I don't want to commit to things now that we might end up changing in the coming weeks.

But your direction of thinking about delivery and fulfilment more as how do we increase, improve the choice that we're offering to consumers to make that. I mean, it's a huge part of our service proposition, right? The thing arriving on time as I see in the customer complaints that I get is as important as the thing, right? If not more important in many ways. So thinking about delivery as a core part of our service proposition and a core part of the product that we deliver to customers is definitely a theme.

And personalisation, yes, it's about our data asset and leveraging that differently. It's also about that customer understanding piece, which I think will mean that we evolve the proposition in different ways because we believe to unlock some of those missions or some of the frequency we're not seeing today, we will need to evolve. But that might come through product features, it might come through range expansion, not range as in digital range, but it might come through with some other physical aspects of the proposition that we think about that we want to think about changing as well.

And then, yes, your third theme of customer journeys and UX, how we think about how we make the job of creating a card, booking a card, checking out, getting to how do we make all of that easier. We do see for some customers, they're very much there on an efficiency mission. They're buying an eighth birthday card for their niece and they need it tomorrow and they need it in under a minute and they want the job done. And we need — our journey is amazing if you want to add a load of stickers, add a load of photos, spend time creating a beautiful product — we need it also to be excellent if you've got a minute or two and you just, you need to get the job done.

And so all of those things are very much part of the work that we're doing and thinking about at the moment.

Andrew Wade, Jefferies

And no other specific ones that you'd call out? Those three are broadly on the money?

Catherine Faiers - Chief Executive Officer, Moonpig Group plc

I think those themes are good themes.

Section 7 (32:11) – [Singer Capital Markets](#)

Matthew McEachran, Singer Capital Markets

Matthew McEachran from Singer Capital Markets. A couple of questions and one sort of tied into what Andy was asking about. I mean the markets obviously had a bit of a hunger for the pace of growth, not just the sustainability of growth. You've laid out some initiatives here, which probably give you quite a nice road map in terms of broadening out and sustaining growth. But I'm assuming that some of the initiatives don't necessarily result in a uniform uplift or, if you like, enhancement to the growth rates across the Group?

I was wondering if you could maybe give us a flavour as to where you feel the benefits land most effectively initially, i.e., this year into early next year? Is it Greetz? Or is it international? And I think really aligned to that is again, tied into Andy, do you think Moonpig's growth rate is a little bit resistant to some of these initiatives just initially if the attach rate doesn't move?

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

The reason — if I take it back a level — the reason for being really clear on the financial framework and financial model is to give clarity with the change of CEO that actually — back to Andy's question on what's going to change, what's going to stay the same. I think the financial framework for this business is one of its core strengths, right?

The fact that we can — we've got different business units in the Group, they deliver different performance in different periods, but we are figuring out the formula for each of them that means that, hopefully, we can get them all to a point where they're delivering sustainable, consistent, good quality revenue streams over time. And we are comfortable that within that portfolio of business units and within the capabilities we have in the Group, we're comfortable that that financial framework is the right one and is one that as a team, we are all 100% behind and committed to.

I think there will be a case of growth trade-offs within the different divisions. I think when I think about some of the themes of what's going to feel different. I hope they will — they clearly play in different segments, but there will be benefits for all of the Group, like with Experiences leveraging the Group capabilities and advantage. I think we're already seeing benefits in customer service and customer experience from the Group leaning into that business. For Greetz the work we're doing on the target operating model and how should we really think about what needs to be customised or versus what needs to be in a centre of excellence within the Group. I think all of that thinking will lay the foundations and the platforms that we need to keep growing the Group.

But I'm very comfortable with the trade-off between delivering sustainable, consistent revenue growth and returning very strong margins, good cash generation and returning surplus cash to shareholders. I think that's the right model for this Group.

Matthew McEachran, *Singer Capital Markets*

Great. Thanks. One for Andy, just in terms of the capital allocation. And you initially talked about very strong discipline in terms of the buybacks, which I think really means that as the share price continues to well now starting to perform and hit some levels perhaps there may be scope for a return to maybe some special dividend. If you get to the point where the buybacks no longer become enhancing and you start generating that free cash flow, not spending, would you look to use the leverage target of one times through in-year specials? And to repeatedly do that or not?

Andy MacKinnon *Chief Financial Officer, Moonpig Group plc*

Yes. I think that's a fair question. I mean, obviously, as we set out in the presentation, we do have a clear internal framework. We're not disclosing share prices, but we do require to the extent that we're buying back shares, it's from surplus capital — so, it's not money that could be deployed elsewhere within the business — it's EPS accretive and then on top of that, when you do an ROI calculation, it makes sense and isn't just being used to nudge up earnings per share. I don't think we're near that point even with the movement in share price that we've seen this morning. But you're right, in principle, if it got to a point where it was no longer attractive to buy back shares, then we would look at other uses of capital.

I think one of the nice things about the fact that we operate the business with one times leverage is that gives us a bit more flexibility. So we, in addition, have an opportunity to drive EPS accretion through deleveraging the business. We don't do that at the moment because we think it is comparatively more attractive to repurchase shares, but there is a suite of options that are available to us which we will adopt depending on whichever we think is best for shareholders.

Section 8 (37:02) – [Berenberg](#)

Adam Tomlinson, *Berenberg*

Adam Tomlinson from Berenberg. You touched on it a little bit there, but just a follow-up on Greetz. So back into growth now, but still that delta in terms of Greetz growth versus Moonpig growth. So I was just wondering a bit more colour maybe on where you think Greetz is perhaps underperforming versus Moonpig, how you get that going? And just your confidence, I suppose, over time, when you give that mid- to high single-digit revenue growth guidance, can both brands be at that level? Thanks.

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

Sure. So I think with Greetz, we've seen good momentum over the last few months, and it's been really encouraging to see. What's been particularly encouraging is the growth that we've seen in some of the foundational loyalty levers that have been so important for the UK market. So we've seen good growth in reminders, good growth in Plus, and we've seen a continued, I guess, trend towards more stable, low single-digit revenue growth.

Over the mid-term, I think with Greetz, we're very comfortable with the overall Group guidance. Of course, we would love to believe that we can keep laying those foundations, that we can keep driving the trajectory of that business to be closer to the UK. I think we've still got to prove that we can do that and that we can do that sustainably. And that is our job for the next few months to figure out. There will be a version of the products, the formula that we're deploying in the UK.

And the great thing about having multiple markets is that we see where we launch features, where we launch products, we're getting a better understanding of what we can build at a Group level and just deploy and launch into a local market versus what needs some more thought or some more customisation and tailoring.

And we are — I think what I get real encouragement from is that I feel like we're really figuring out those formulas. And we've got a good team driving Greetz, a good team on the ground that has got momentum. So I'm hopeful that we'll be able to prove out a track record for Greetz as well as a very strong track record we've got in the UK business.

Adam Tomlinson, *Berenberg*

Thanks

Catherine Faiers - *Chief Executive Officer, Moonpig Group plc*

Great. We will wrap it up there then. Thank you ever so much for joining us today. The team are here, so any more questions, by all means, hunt them down. Thank you all.

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