

Motorpoint Group PLC FY22 Unaudited Interim Results

25 November 2021

Motorpoint Group PLC ("Motorpoint" or the "Group")

Interim Results, Strategy Update and People Changes

Record breaking first half revenue and profit performance highlighting excellent progress made on strategic objectives.

Board confident of delivering full year revenue and profit before tax significantly ahead of its expectations

Motorpoint Group PLC, the UK's leading independent omnichannel vehicle retailer, today announces its unaudited interim results for the six months ended 30 September 2021 ("H1 FY22").

Financial KPIs	6 months to 30 September 2021	6 months to 30 September 2020	Change
Revenue	£605.2m	£387.7m	56.1%
Gross profit	£55.5m	£35.4m	56.8%
EBITDA ⁽¹⁾	£18.3m	£14.0m	30.7%
Operating profit	£15.1m	£11.1m	36.0%
Profit before tax	£13.5m	£9.7m	39.2%
Basic earnings per share (p)	11.8	8.8	34.1%
Number of sites (current)	15	13	+2

(1) Calculated as operating profit of £15.1m adding back depreciation of £3.2m (H1 FY21: Operating profit of £11.1m adding back depreciation of £2.9m).

H1 FY22 Financial highlights

- Revenue increased 56.1% to £605.2m (H1 FY21: £387.7m) reflecting record performance after reopening, continued strong consumer demand for used vehicles and strong market share gains
- Gross margin of 9.2% at record levels (H1 FY21: 9.1%) due to vehicle value appreciation, strong buying and pricing controls, improved finance penetration, as well as continued efficiency improvements to the preparation processes, all despite the introduction of vehicles more than three years old
- EBITDA⁽¹⁾ improved 30.7% to £18.3m (H1 FY21: £14.0m)
- Profit before tax increased 39.2% to £13.5m (H1 FY21: £9.7m) despite ongoing investment in technology, people and marketing to execute on our strategy
- Basic earnings per share increased 34.1% to 11.8p (H1 FY21: 8.8p)

H1 FY22 Operational and Strategic highlights

- Retail volume growth of 46% in the period outperformed the overall used SMMT car market which grew 31%
- Total online units were over 60% of overall volumes demonstrating the growing strength of our E-commerce offering
- Online retail sales increased by 53% against the same period last year reflecting continued progress in our transformation to a digitally led business

Motorpoint Group PLC FY22 Unaudited Interim Results

- Quickly gained a 2.2% share of the three to four year-old market, illustrating our agile business model and ability to adapt at pace to changing market conditions
- Further lowered APR finance rates to 8.9% from 1 October 2021 as we reinforce our position as the best-value car retailer in the UK. In the period finance penetration improved significantly to 51.7% in September (H1 FY21: 42.1%)
- Significant investment in the period on people, technology upgrades and marketing
- Website traffic improved by 24% compared to the same period a year ago, with improvements across a full range of online marketing metrics, with unsubscribe rates dropping to just 0.2%
- Data science now helping to influence buying patterns and targeted marketing
- Further stock turn improvement of 25% with average 42 days in stock for non-commercial retail vehicles (H1 FY21: 56 days)
- Manchester branch opened on 1 October. We now have agreements for further branches in Maidstone, Milton Keynes and Portsmouth; with a number of other strategic locations in the pipeline
- Motherwell preparation centre opened during August 2021, which adds more than 20,000 units to retail capacity; retail preparation capacity now in excess of 120,000 units per annum (on a single shift basis)
- Successful launch of the Motorpoint car buying service in July 2021 – already seeing clear benefits with 12.6% of retail vehicles sold in H1 being sourced from consumers (H1 FY21: 7.6%)
- H1 Net Promoter Score ('NPS') further improved to a record breaking 84 (H2 FY21: 83)
- Increased our stocking facility with Lombard North Central PLC from £26m to £45m on unchanged terms

Current Trading and Outlook

Despite the ongoing constriction in the supply of new vehicles, which is expected to continue into 2022 and beyond, in recent weeks we have been able to use our market position to access more stock to satisfy customer demand, both online and in branch. This increased demand reinforces our belief that our customer-centric, omnichannel proposition remains the most appropriate business model for the used car market.

Revenue and profit in October continued to be well ahead of the same periods in FY21 and FY20. As a result, the Board is confident of delivering revenue ahead of plan for the full year, and therefore full year profit before tax significantly ahead of its expectations.

The Group is well placed to deal with any uncertainty or potential headwinds and continues to invest further in growth. The Board looks to the future with confidence, as the Group transitions to a digitally led business with huge potential.

People Changes

After 11 years with the Group, Mark Morris has decided to retire as Non-Executive Chairman, and will leave the business in January 2022. Mark has played an extremely instrumental role in helping the business grow to become the UK's leading independent omnichannel vehicle retailer, not least successfully guiding Motorpoint through its IPO in 2016.

John Walden will join the Group as our new Chairman on 10 January 2022. John is currently Chairman of Snowfox Topco Ltd, the ultimate parent company of the Yo! group and the Snowfox group and has had prior roles including Chairman of Naked Wines plc, Chairman of the parent company of Holland & Barrett International Ltd., Chief Executive of Argos and its parent company Home Retail Group plc, and several senior roles with Best Buy Co. including Executive VP and President of the Internet Division. John has been a driving force in omnichannel and consumer driven retailing, as well as leading digital and transformational change, both in the UK and US. John will be a great addition to the team as the Group continues its transition to a digitally led business.

Motorpoint Group PLC FY22 Unaudited Interim Results

In early 2022 Andrew Thomson will also join us as Chief Digital Officer. He has been Group E-commerce Director at Boohoo Group PLC, and before that he had a number of senior positions within the Pentland Group, most notably Group Digital Director. Andrew will be another key player in our digital transformation journey.

Mark Carpenter, Chief Executive Officer of Motorpoint Group PLC commented:

“The first half of the year marked a record performance for the Group. While we have naturally benefited from favourable market conditions, we have also had to contend with unprecedented vehicle inflation and widely documented shortages in available stock which undoubtedly limited our revenue and profit growth. In the end, it is our market share gains which demonstrate the unique strengths of our model.

“During the period we continued to invest in future growth with strong progress made on our medium term strategic targets as we execute on our goal of at least doubling revenue to over £2bn in the medium term.

“On behalf of the Board, I would like to thank our Motorpoint team who have been exemplary in their commitment to the business throughout these uncertain times. Our team continue to inspire me and I am grateful for their passion, energy and enthusiasm for our brand.

“Finally, I must extend my personal thanks to Mark Morris, who I have worked closely with for a number of years. Mark has always been there to offer advice and has been a big support to me. Whilst I will greatly miss his input, as will my colleagues, I look forward to welcoming John and his digital experience to the business.”

Analyst conference call

There will be a conference call for sell-side analysts at 09:30am GMT today, the details of which can be obtained from FTI Consulting via motorpoint@fticonsulting.com.

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Motorpoint Group PLC

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Inside information: This announcement contains inside information as defined in Article 7 of the retained EU law version of the Market Abuse Regulation No 596/2014 ("UK MAR") and has been announced in accordance with the Company's obligations under Article 17 of UK MAR.

Forward looking statements: The information in this release is based on management information. This report includes statements that are forward looking in nature. Forward looking statements involve known and unknown risks, assumptions, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Except as required by the Listing Rules and applicable

Motorpoint Group PLC FY22 Unaudited Interim Results

law, the Company undertakes no obligation to update, revise or change any forward looking statements to reflect events or developments occurring after the date of this report.

Notes to editors

Motorpoint is the UK's leading independent E-commerce led omnichannel vehicle retailer, focused on giving retail and trade customers the easiest, most affordable and seamless way of buying, selling and financing their car whether online, in-store or a combination of both. Through its leading B2C platform Motorpoint.co.uk and UK network of 15 sales and collection branches, the Group provides an unrivalled offering in the nearly new car market, where consumers can effortlessly browse, buy or finance their next car and collect or have it delivered directly to their homes. Motorpoint's purely online wholesale platform Auction4Cars.com sells vehicles into the wholesale B2B market that have been part exchanged by retail customers, or purchased directly from them by the Group as part of its online car buying service. Motorpoint's diversified business model, underpinned by its established brand, industry leading technology and sophisticated marketing infrastructure, always delivers the best value, choice, quality and service for customers. The Group is proud to have been recognised for seven consecutive years as one of the Sunday Times' Top 100 Best Companies to Work For.

Motorpoint Group PLC FY22 Unaudited Interim Results

CHIEF EXECUTIVE'S STATEMENT

Overview

Since fully re-opening in April our omnichannel proposition has excelled, providing customers with our renowned choice, value, service and quality. With the majority of customers choosing to buy in person at one of our branches we continue to offer all methods of buying a vehicle to ensure everyone can access our value proposition.

I am especially pleased with our results in the first half. We have had to contend with unprecedented vehicle inflation and widely documented shortages in available stock. These shortages undoubtedly limited our revenue and profit growth, yet we still managed to deliver strong profit before tax growth of 39.2%, and record gross profit of £55.5m (H1 FY21: £35.4m).

We enjoyed record sales in the months post lockdown, and whilst revenue moderated from June due to the reduced supply of vehicles, gross margins remained strong. In addition to market appreciation, finance penetration increased further following investment into our customer proposition and we generated efficiencies in buying and preparation costs, despite the move into greater than three year-old vehicles. As planned, strategic costs increased in the period as we continue to invest in future growth with significant technology and marketing investment. In particular, we invested heavily in our infrastructure, technology and talent, as we continue our digital transformation journey.

Strong progress has been made on our medium term strategic targets. We launched our car buying service in July, and this has already become an important enabler to increase the supply of retail vehicles and the volume of transactions through Auction4Cars.com. We opened our 15th branch in Manchester on 1 October, and our new Scottish preparation centre in Motherwell in August. In addition to securing new locations in Maidstone, Milton Keynes and Portsmouth, we have a strong pipeline of further sales and collection centre opportunities.

Our operating model begins with our team

The last twenty months or so has been unprecedented, and our team have been exemplary in their commitment to the business throughout these difficult times. Our team continue to inspire me and I am grateful for their passion, energy and enthusiasm for our brand.

Our operating model of how our key stakeholders interact is well understood by our team and is covered in detail, mostly by me, with every new starter when they attend our induction programme. The Motorpoint Virtuous Circle combined with our Values of Proud, Happy, Honest and Supportive continue to provide a robust framework for explaining how we get things done and what factors to consider when decisions are required. Our team also have an opportunity to ask open questions and understand key decisions in their interaction with our Senior Leadership Team, who host Team Forums at each branch, or virtually, every month. Many of the improvement areas in the business are found in these sessions and our team often has a creative solution to issues we are facing whether they be people, customer or operational challenges. We also ensure each member of our team have a one on one meeting with their Manager each month, to ensure pastoral and performance conversations happen regularly, which contributes to our low attrition.

The learning and development of our people is vital to the future success of our business. Our new Learning and Development platform launched last year to the entire Company allows individual learning journeys to be created, logged and reviewed.

We believe that the happiness of our team is directly correlated to our customer satisfaction and engagement can be enhanced by giving something back to the team. Our 'One Big Dream' initiative has been a huge success with our people using two paid hours per month for their own fulfilment.

We continue to have fantastic examples of our team using this time to follow their dreams, whether it be to attend a class or watch their child in a school production. Since 2017 we have committed to being a Real Living Wage employer and we expect to launch our sixth SAYE scheme, again offering the opportunity to become a Motorpoint shareholder to our entire team, in the second half of this year. Finally, none of our team have worked on their birthday since 2015, something we believe is a unique team benefit in the UK.

Motorpoint Group PLC FY22 Unaudited Interim Results

Our annual participation in the 'bHeard Best Companies to Work For' provides an opportunity for our team to provide honest, valuable feedback on their engagement levels and how we can improve these further. I am proud that we again achieved Top 100 status in the Sunday Times Top 100 companies to work for earlier this calendar year. This is the seventh consecutive year that we have been placed in the Top 100 and is testament to the hard work of our management team in listening and acting on our people's feedback. We were also Number One in the Automotive category.

We have a responsibility to improve diversity and inclusion in our industry. We appointed a Head of Recruitment and Inclusion in December 2020 and have continued to advance our plans in the first half of this year.

The Group has made good progress in the period on our ESG priorities. We have recruited a Sustainability Manager, who will help guide Motorpoint in this vitally important area, including as the lead of our newly established ESG Committee. We have partnered with a third party to ensure we measure and maximise our emission reductions, and our ESG strategy is being defined through stakeholder engagement and an independent materiality assessment. Motorpoint has always been conscious of its sustainability footprint and has recycled vehicle parts such as tyres, batteries and brake discs for many years wherever possible.

Customers

Our highly engaged team continued to deliver our market leading proposition of Choice, Value, Service and Quality to our loyal customers during the period. We have an unerring focus on customer satisfaction and that leads to an increasing number of customers (over 34%) who repeat purchase from us (FY21: 33%). We take it personally when a customer is not happy, as we have failed if this happens, and immediately look to remedy any dissatisfaction. We want our customers to be delighted.

This level of customer loyalty is recognition of our strategy of delivering unrivalled Choice, Value, Service and Quality:

Choice – our unique independent model allows us to source and sell from the broadest range of suppliers, allowing us to flex our offering to achieve the greatest value for our customers. In the period we have stocked well over 300 models from 38 manufacturers, and we are able to rapidly follow emerging customer preferences, such as through our increasing proportion of hybrid and electric sales. Our range increased in the period with a greater proportion of prestigious vehicles, as well moving into the greater than three year-old car market, where we quickly gained market share.

Value – we are an omnichannel vehicle retailer, predicated on working to a high volume and keeping our cost base low. This allows us to share value with our customers, reinforcing our volume model. We offer all our customers finance and ancillary product offerings, where we also champion low prices, illustrated by our decision to again reduce our finance APR rates, from 9.9% to 8.9% on 1 October 2021. For higher value vehicles we reduced our APR to 7.9%. Our Value proposition continues to appeal during these uncertain times.

Service – service is what will ultimately set us apart in the market. We measure ourselves primarily using Net Promoter Score ('NPS') – on this measure we have improved again, with a record score of 84 (H2 FY21: 83).

We are delighted with this level of customer satisfaction, but are always striving for more, and constantly challenge our processes to make the buying experience as smooth as possible.

Motorpoint serves all buyers, whatever their location, and whether they wish to buy online, in-person at our branches, or through a fluid combination of both channels. Motorpoint has become one of a select number of businesses to be included in the brand-new Platinum category in recognition for achieving successive years of Feefo Gold Trusted Service status.

Quality – our strategic vision is to ensure that our omnichannel model delivers the same exceptional experience in any channel with which the customer chooses to interact. Our ambition is to be the most trusted automotive retailer, and this means quality across everything we do, with complete focus on our customers' needs.

Motorpoint Group PLC FY22 Unaudited Interim Results

Our strategy to more than double revenue in the medium term remains on track

Through our omnichannel business model, our focus remains on the customer, delivering unrivalled Choice, Value, Service and Quality. The Group's medium term goals are fourfold:

- Rapidly upscaling E-commerce capability;
- Increasing customer acquisition and retention;
- Expanding wholesale and E-commerce channels; and
- Continual improvement in operational efficiency through technology and innovation.

Online retail sales increased by 53% against the same period last year reflecting continued progress in our transformation to a digitally led business, and total online sales were over 60% of overall volumes (H1 FY21: 62% - inflated due to lockdown induced branch closures). We launched our online car buying service in July 2021, and during H1 12.6% of retail vehicles were sourced from consumers (H1 FY21: 7.6%).

As planned, we invested heavily in the period in talent capability, technology upgrades and marketing. We have completed a third-party audit of our tech stack, and a future road map has been developed. A significant number of new technology roles have been recruited, with the focus on engineers and enabling our migration to cloud. In addition, a new role of Chief Digital Officer will commence in H2. We have made significant improvements to our website, email communications and targeted digital marketing activity. Website traffic improved by 24% compared to the same period a year ago, and improvements have been made in all email metrics, with unsubscribe rates dropping to just 0.2%. We have invested in data science tools and talent and this now supports buying and pricing decisions and targeted customer communications; we are excited by the opportunity this brings.

Our 15th branch opened in Manchester on 1 October, with agreements in place to open in Maidstone, Milton Keynes and Portsmouth. A number of other locations are being evaluated, and we remain on track to open a further 11 sales and collection centres in the medium term. Motherwell preparation centre, our second dedicated preparation site, opened in August, and has the capacity to prepare 20,000 cars per annum; retail preparation capacity is now in excess of 120,000 units per annum (on a single shift basis).

We have also further invested in the Auction4Cars.com leadership team and with it significant industry experience. We are also able to buy cars direct from consumers, which are not part-exchange, and this is an important enabler to increase the supply of retail vehicles and the volume of transactions through Auction4Cars.com.

Motorpoint is an agile business with strong brand awareness, low fixed costs and a compelling operating model that has always offered its customers the best value proposition in the UK used car market. We have always sold cars online, first through a call centre handling online enquiries and now through a fully integrated, end-to-end digital customer journey. This digital-led experience will continue to evolve in accordance with what our customers demand. Fundamentally, we see this as providing a large choice of high-quality vehicles at outstanding value, and with best in class levels of customer service whether purchasing online, through our retail branches, or using a fluid combination of these channels.

Mark Carpenter

Chief Executive Officer

25 November 2021

Motorpoint Group PLC FY22 Unaudited Interim Results

FINANCIAL REVIEW

Group financial performance headlines

Despite the well-documented challenges in our industry and the on-going impacts of COVID-19, the Group experienced strong sales when branches reopened to customers in April, reflecting the anticipated pent-up demand. We experienced record sales in April and May, although sales growth moderated from June due to the reduced supply of vehicles.

Revenue for the half year to 30 September 2021 increased by 56.1% to £605.2m (H1 FY21: £387.7m), following strong consumer demand for used vehicles and the Group's continued strong market share gains. FY21 comparatives were impacted by COVID-19.

Gross profit was £55.5m (H1 FY21: £35.4m), an increase of 56.8%. Gross margin was strong at 9.2% (H1 FY21: 9.1%). The performance reflected record vehicle margins, strong buying and pricing controls, as well as continued efficiency improvements to the preparation processes, despite the introduction of greater than three year-old vehicles.

EBITDA increased by 30.7% to £18.3m (H1 FY21: £14.0m). Profit before tax increased by 39.2% to £13.5m (H1 FY21: £9.7m). This was despite a planned increase in strategic costs, as the business further invested in people, technology and marketing.

Although there was significant vehicle inflation impacting stock valuations, cash at 30 September 2021 remained flat with year end at £6.0m.

Trading performance

The Group has two key revenue streams, being (i) vehicles sold to retail customers via the Group's branches, call centre and digital channels, and (ii) vehicles sold to wholesale customers via the Group's Auction4Cars.com website.

	Retail customers		Wholesale customers		Total	
	H1 FY22	H1 FY21	H1 FY22	H1 FY21	H1 FY22	H1 FY21
	£m	£m	£m	£m	£m	£m
Revenue	512.0	318.9	93.2	68.8	605.2	387.7
Gross profit	45.7	30.5	9.8	4.9	55.5	35.4

During the period, Motorpoint launched its car buying service, purchasing cars direct from consumers. This is an important enabler to increase the supply of retail vehicles and the volume of transactions through Auction4Cars.com. During H1, 12.6% of retail vehicles sold were sourced from consumers (H1 FY21: 7.6%).

Retail

Revenue from retail customers was up 60.6% to £512.0m (H1 FY21: £318.9m), with over 34,000 vehicles sold. Of these 38.6% were sold online, retaining our position as the number one retailer of nearly new cars in the UK, both online and offline. Volumes increased by 46.1% over H1 FY21. Due to the reduced supply of vehicles in the market, we expanded our offering from our core market of vehicles under three years old, to include greater than three years old. We quickly gained a 2.2% share in this three to four year-old market, again showing our ability to successfully adapt at pace to changing market conditions.

Gross margin of 8.9% remained high in the period (H1 FY21: 9.6%) reflecting a number of positive trends. Vehicle margin benefited from increased demand pushing prices up and robust internal changes in buying and pricing

Motorpoint Group PLC FY22 Unaudited Interim Results

strategies. Retail margin in H1 FY21 was positively impacted by high demand after the first lockdown. Although we experienced further preparation cost efficiency, this was offset in part by the addition of vehicles in the more than three year old range. We continue to push for further efficiencies in this area.

Finance per vehicle sold improved significantly in the period, with an overall penetration of 51.7% in September (H1 FY21: 42.1%). Our APR finance rates were reduced further to 8.9% from 9.9% from 1 October as we reinforce our position as the best-value car retailer in the UK.

The Group also continued to focus on internal processes within the vehicle handling and preparation side of the business. Improved speed of preparation, combined with strong cost control, has resulted in efficiencies. This was despite an increased cost of preparing vehicles in the greater than three year-old range.

Our new Manchester branch opened on 1 October.

Wholesale

Wholesale revenue via Auction4Cars.com, which sells vehicles which have been part-exchanged by retail customers, or directly purchased from consumers, increased by 35.5%. Roughly 19,000 vehicles were sold via this purely online platform. Gross margin strengthened to 10.5% (H1 FY21: 7.1%), reflecting both the market and internal pricing controls.

Operating expenses

Operating expenses increased from £24.3m in H1 FY21 to £40.4m. COVID-19 net relief of approximately £1.5m explains part of this movement. Variable costs were also cut wherever possible last year, due to the COVID lockdowns. This year the Group made a planned uplift in strategic costs, as we further invest in people, technology and marketing. Marketing costs included a greater proportion of digital spend than previously, which is expected to continue.

Exceptional items

There have been no exceptional items in the period (H1 FY21: £Nil).

Interest

The Group's net financial expense was £1.6m (H1 FY21: £1.4m).

Total interest charges on the stocking facilities in the period were £0.7m (H1 FY21: £0.6m).

Interest on lease liabilities of £0.9m (H1 FY21: £0.8m) was incurred during the period.

Taxation

The Group seeks to manage its taxation obligations in the UK in compliance with applicable tax laws and regulations, ensuring that available tax incentives and allowances are utilised, and recognised where it makes commercial sense to do so giving regard to the costs of making the associated claims.

The tax charge in the period is for the amount assessable for UK corporation tax in the year net of prior year adjustments and deferred tax credits. The effective rate of tax in the year of 21.5% (H1 FY21: 18.6%) is higher than the charge which would result from the standard rate of corporation tax in the UK of 19.0%. This reflects timing differences relating to fixed assets.

Shares

At 30 September 2021, 90,190,000 ordinary shares were outstanding, of which 556,980 were held in the Employee Benefits Trust.

Earnings per share

Basic and diluted earnings per share were 11.8p (H1 FY21: 8.8p) and 11.7p (H1 FY21: 8.7p) respectively.

Dividends

No dividend was paid in the period (H1 FY21: £Nil) and the Board has not recommended an interim dividend (H1 FY21: £Nil) while it focuses on driving significant growth.

Motorpoint Group PLC FY22 Unaudited Interim Results

Capital expenditure and disposals

Cash capital expenditure was £3.4m (H1 FY21: £0.3m), and primarily related to the new Manchester branch, which opened on 1 October 2021, the dedicated preparation centre in Motherwell, which opened in August 2021, and various branch refits.

The Group is also investing in projects to strengthen its digital offering and online presence; this strategy will continue.

There was minimal spend in H1 FY21 due to the uncertainty caused by COVID-19.

Balance sheet

The Group continues to have a strong balance sheet, with net current assets increasing since year end by £6.7m to £22.3m. Working capital was proactively managed during the period.

Non-current assets were £67.4m (FY21: £60.9m) made up of £18.6m of property, plant and equipment, £47.6m right-of-use assets and £1.2m of deferred tax assets (FY21: £16.1m, £43.6m and £1.2m respectively). The Group currently owns three properties being the preparation centre in Peterborough, the Stockton on Tees branch, and some additional land in Glasgow. All other properties are on leases of various lengths.

The Group closed the period with £154.9m of inventory, up from £128.4m at FY21 year end. Whilst stock would have been inflated at the end of March due to a build up for the post lockdown re-opening, used vehicle values increased considerably in the period, with inflation of approximately 29% since the year end.

At 30 September 2021 the Group had £106.0m (FY21: £106.0m) of stocking finance facilities available of which £104.0m (FY21: £89.2m) was drawn. This increase reflected the sharp inflation in used car prices. The Group currently has stocking facilities with Black Horse Limited of £80.0m, and £45.0m with Lombard North Central PLC. The Lombard facility was increased from £26.0m after the period end, on the same terms as the previous arrangement.

The Group also has a £20.0m facility with Santander UK PLC, split between £6.0m available as an overdraft and £14.0m available as a revolving credit facility. At 30 September £Nil was drawn on this facility.

Trade and other receivables have increased to £9.2m (FY21: £7.7m) due to increased levels of trade in the run up to period end.

Trade and other payables, inclusive of the stock financing facilities, have also increased to £145.9m (FY21: £125.7m) reflecting an increase in trade creditors for inventory purchasing outside the stocking facilities and an increase in operating expenses as the Group invests in its growth strategy.

The increase in total lease liabilities to £53.5m (FY21: £49.3m) reflects the addition of Motherwell.

Cash flow

Cash generated from operations was £10.9m (H1 FY21: £17.7m). This movement is primarily driven by the sharp increase in inflation, impacting inventory.

The Group's position net of cash and cash equivalents remained in line with year end at £6.0m.

Closing monthly net cash balances remained positive throughout the year.

Capital structure and treasury

The Group's long term funding is provided primarily through shareholders' funds and IFRS 16 related property debt, with bank debt available should it be required.

The Group's loan facility with Santander UK PLC, split between £6.0m available as an overdraft and £14.0m available as a revolving credit facility, is used primarily as a mechanism for funding short term working capital needs. The facility expires in May 2024.

Motorpoint Group PLC FY22 Unaudited Interim Results

Chris Morgan

Chief Financial Officer

25 November 2021

RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE FY21 UNAUDITED INTERIM RESULTS

The Directors confirm that these condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed consolidated interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

A list of current Directors and their biographies is maintained on the Motorpoint Group PLC website www.motorpointplc.com

By order of the Board

Mark Carpenter
Chief Executive Officer
25 November 2021

Motorpoint Group PLC FY22 Unaudited Interim Results

Condensed Consolidated Income Statement

For the six months ended 30 September 2021

		Unaudited Six Months ended 30 September 2021	Unaudited Six Months ended 30 September 2020	Year ended 31 March 2021
	Note	£m	£m	£m
Revenue	5	605.2	387.7	721.4
Cost of sales		(549.7)	(352.3)	(658.9)
Gross profit		55.5	35.4	62.5
Operating expenses		(40.4)	(24.3)	(49.9)
Operating profit		15.1	11.1	12.6
Finance costs	6	(1.6)	(1.4)	(2.9)
Profit before tax		13.5	9.7	9.7
Taxation	7	(2.9)	(1.8)	(2.1)
Profit and total comprehensive income for the period/year attributable to equity holders of the parent		10.6	7.9	7.6
Earnings per share				
Basic	9	11.8p	8.8p	8.4p
Diluted	9	11.7p	8.7p	8.4p

The Group's activities all derive from continuing operations.

The Group has no other comprehensive income. Total comprehensive income for the period/year is equal to the profit for the financial period/year and is all attributable to the shareholders of the Company.

Motorpoint Group PLC FY22 Unaudited Interim Results

Condensed Consolidated Balance Sheet

As at 30 September 2021

	Note	30 September 2021 (unaudited) £m	30 September 2020 (unaudited) £m	31 March 2021 £m
ASSETS				
Non-current assets				
Property, plant and equipment	10	18.6	18.3	16.1
Right-of-use assets	11	47.6	41.3	43.6
Deferred tax assets		1.2	1.3	1.2
Total non-current assets		67.4	60.9	60.9
Current assets				
Inventories		154.9	102.5	128.4
Trade and other receivables	12	9.2	6.0	7.7
Current tax receivable		1.0	1.1	1.7
Cash and cash equivalents		6.0	13.6	6.0
Total current assets		171.1	123.2	143.8
TOTAL ASSETS		238.5	184.1	204.7
LIABILITIES				
Current liabilities				
Borrowings		-	-	-
Lease liabilities	13	(2.9)	(2.8)	(2.4)
Trade and other payables	14	(145.9)	(108.1)	(125.7)
Contract liabilities		-	-	-
Provisions	15	-	-	(0.1)
Current tax liabilities		-	-	-
Total current liabilities		(148.8)	(110.9)	(128.2)
NET CURRENT ASSETS		22.3	12.3	15.6
Non-current liabilities				
Lease liabilities	13	(50.6)	(43.1)	(46.9)
Provisions	15	(2.3)	(2.1)	(2.0)
Contract liabilities		-	-	-
Total non-current liabilities		(52.9)	(45.2)	(48.9)
TOTAL LIABILITIES		(201.7)	(156.1)	(177.1)
NET ASSETS		36.8	28.0	27.6
EQUITY				
Share capital		0.9	0.9	0.9
Capital redemption reserve		0.1	0.1	0.1
Capital reorganisation reserve		(0.8)	(0.8)	(0.8)
Employee Benefit Trust reserve		(1.8)	-	(0.1)
Retained earnings		38.4	27.8	27.5
TOTAL EQUITY		36.8	28.0	27.6

Motorpoint Group PLC FY22 Unaudited Interim Results

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2021

Six Months Ended 30 September 2021 (Unaudited)	Share capital	Capital redemption reserve	Re-organisation reserve	EBT reserve	Retained earnings	Total equity
	£m	£m	£m	£m	£m	£m
At 1 April 2021	0.9	0.1	(0.8)	(0.1)	27.5	27.6
EBT Share	-	-	-	(1.8)	-	(1.8)
Purchases and Commitments	-	-	-	-	-	-
Share based compensation options satisfied through the EBT	-	-	-	0.1	-	0.1
Profit and total comprehensive income for the year	-	-	-	-	10.6	10.6
Share Based Payment	-	-	-	-	0.3	0.3
At 30 September 2021	0.9	0.1	(0.8)	(1.8)	38.4	36.8

Six Months Ended 30 September 2020 (Unaudited)	Share capital	Capital redemption reserve	Re-organisation reserve	EBT reserve	Retained earnings	Total equity
	£m	£m	£m	£m	£m	£m
At 1 April 2020	0.9	0.1	(0.8)	-	20.0	20.2
Profit and total comprehensive income for the year	-	-	-	-	7.9	7.9
Share Based Payment	-	-	-	-	(0.1)	(0.1)
At 30 September 2020	0.9	0.1	(0.8)	-	27.8	28.0

Year Ended 31 March 2021	Share capital	Capital redemption reserve	Re-organisation reserve	EBT reserve	Retained earnings	Total equity
	£m	£m	£m	£m	£m	£m
At 1 April 2020	0.9	0.1	(0.8)	-	20.0	20.2
EBT share purchases and commitments	-	-	-	(0.4)	-	(0.4)
Share based compensation options satisfied through the EBT	-	-	-	0.3	(0.3)	-
Profit and total comprehensive income for the year	-	-	-	-	7.6	7.6
Share Based Payment	-	-	-	-	0.2	0.2
At 31 March 2021	0.9	0.1	(0.8)	(0.1)	27.5	27.6

Motorpoint Group PLC FY22 Unaudited Interim Results

Condensed Consolidated Cash Flow Statement

For the six months ended 30 September 2021

	Note	Unaudited Six Months ended 30 September 2021 £m	Unaudited Six Months ended 30 September 2020 £m	Year ended 31 March 2021 £m
Cash flows from operating activities				
Cash generated from operations	16	10.9	17.7	12.4
Interest paid		(1.6)	(1.4)	(2.9)
Income tax paid		(2.2)	(2.0)	(2.8)
Net cash generated from operating activities		7.1	14.3	6.7
Cash flows from investing activities				
Purchases of property, plant and equipment		(3.4)	(0.3)	(3.6)
Proceeds from disposal of property, plant and equipment and right-of-use assets		-	-	6.1
Net cash used in investing activities		(3.4)	(0.3)	2.5
Cash flows from financing activities				
Dividends	8	-	-	-
Payments to satisfy employee share plan obligations		(1.8)	-	(0.4)
Repayment on leases		(1.9)	(1.2)	(3.6)
Repayment of borrowings		-	(10.0)	(10.0)
Net cash used in financing activities		(3.7)	(11.2)	(14.0)
Net increase/(decrease) in cash and cash equivalents		-	2.8	(4.8)
Cash and cash equivalents at the beginning of the period		6.0	10.8	10.8
Cash and cash equivalents at end of period/year		6.0	13.6	6.0
Net cash and cash equivalents comprises:				
Cash at bank		6.0	13.6	6.0

The notes form an integral part of these Condensed Consolidated Interim Financial Statements.

Motorpoint Group PLC FY22 Unaudited Interim Results

1. Basis of Preparation

Motorpoint Group Plc (the Company) is incorporated and domiciled in the United Kingdom under the Companies Act 2006.

The Company is a public company limited by shares and is listed on the London Stock Exchange; the address of the registered office is Champion House (formerly Salisbury House), Stephenson's Way, Derby, DE21 6LY. The Condensed Consolidated Interim Financial Statements of the Company as at and for the six months ended 30 September 2021 comprise the Company and its subsidiaries, together referred to as the "Group". These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Group operates.

The Condensed Consolidated Interim Financial Statements for the six months ended 30 September 2021 are unaudited and the auditors have not performed a review in accordance with ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

Going concern

The Interim financial statements are prepared on a going concern basis. The Group regularly reviews market and financial forecasts and has reviewed its trading prospects in its key markets. As a result of Coronavirus the Group operations were periodically closed due to lockdowns until 12 April 2021 in England and Wales, and 26 April in Scotland. Despite the success of the home delivery rollout, there was still a substantial amount of pent up demand which helped accelerate recovery from the effects of the pandemic. As a result of these encouraging results, the Group's strategic growth plan has commenced with a new branch opening in Manchester, and a new preparation centre in Motherwell.

The Board has reviewed the latest forecasts of the Group, and considered the obligations of the financing arrangements. The Group's banking facilities include a committed £20m facility provided by Santander UK PLC which was undrawn as at the reporting date. As at 30 September 2021, the Group was supported by stocking facilities provided by Lombard of £26.0m and Black Horse Limited of £80.0m of which £104.0m was drawn in total. The Group has successfully negotiated an extension to the Lombard facility to £45m from October 2021 on the same terms to support its growth aspirations, as well as funding the increased value of stock in the shorter term.

For the purpose of considering going concern the Group focuses on a period of at least 12 months from the point of issuing the interim reports.

The Board has taken a reverse stress test approach in considering the going concern status of the Group, reducing volumes to the point at which the Group is either no longer compliant with banking covenants or depletes liquid resources required to continue trading, whichever is earlier. Plausible mitigating actions were built into the model including: reducing spend on specific variable cost lines including marketing and branch trading expenses, team costs most notably sales commissions, pausing new stock commitments, and extending the period for which expansionary capital spend is suspended. It is considered that all of these actions could conceivably be performed throughout the going concern period.

The Board has also made use of the post year end trading performance to provide additional insight into the continuing viability of the business. With six months having passed since the year end, this evidence adds further comfort to the continuing strength of the Group in an active market. Given the continued historical liquidity of the Group and sufficiency of reserves and cash in the stressed scenarios modelled, the Board has concluded that

Motorpoint Group PLC FY22 Unaudited Interim Results

the Group has adequate resources to continue in operational existence over the going concern period. Accordingly, they continue to adopt the going concern basis in preparing the interim financial statements.

New accounting standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim financial statements are the same as those set out in the Group's annual financial statements for the year ended 31 March 2021. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not effective.

2. Statement of Compliance

These Condensed Consolidated Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting as adopted by the European Union and the Disclosure and Transparency Rules sourcebook of the UK's Financial Conduct Authority. The financial information included does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006 ('the Act') and do not include all the information required for full annual financial statements. Accordingly, they should be read in conjunction with the Annual Report and Financial Statements of Motorpoint Group PLC for the year ended 31 March 2021 which are prepared in accordance with International Financial Reporting Standards as adopted by the European Union. These condensed consolidated interim financial statements were approved by the Board of Directors on [22] November 2021.

3. Significant Accounting Policies

The same accounting policies, presentation and methods of computation which were followed in the preparation of the Annual Report and Financial Statements for Motorpoint Group PLC for the period ended 31 March 2021 have been applied to these Condensed Consolidated Interim Financial Statements where applicable. The accounting policies and details of new standards adopted in the year ended 31 March 2021 are listed in the Motorpoint Group PLC Annual Report and Financial Statements on pages 88-94.

4. Comparative Figures

The comparative figures for the financial year ended 31 March 2021 are extracted from the Motorpoint Group PLC Annual Report and Financial Statements for that financial year. The accounts have been reported on by the Company's auditor and delivered to the Registrar of Companies. The report of the auditor was (i) unqualified (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498(2) or (3) of the Act.

The comparative figures for the six month period ended 30 September 2020 are as reported in the prior year and were prepared in accordance with International Accounting Standard 34 Interim Financial Reporting as adopted by the European Union.

5. Segment Reporting and Revenue

Revenue represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers. Revenue is measured at the fair value of the consideration receivable, when it can be reliably measured, and the specified recognition criteria for the sales type has been met. The transaction price is determined based on periodically reviewed prices and are separately identified on the customer's invoice. There are no estimates of variable consideration.

The transaction price for motor vehicles and motor related services is at fair value as if each of those products are sold individually.

Motorpoint Group PLC FY22 Unaudited Interim Results

(i) Sales of motor vehicles

Revenue from sale of motor vehicles is recognised when the control has passed; that is, when the vehicle has been collected by, or delivered to, the customer. Payment of the transaction price is due immediately when the customer purchases the vehicle. Sales of accessories, such as mats, are recognised in the same way.

(ii) Sales of motor related services and commissions

Motor related services sales include commissions on finance introductions, extended guarantees and vehicle asset protection as well as the sale of paint protection products. Sales of paint protection products are recognised when the control has passed; that is, the protection has been applied and the product is supplied to the customer.

Vehicle extended guarantees where the Group is contractually responsible for future claims are accounted for by deferring the guarantee income received along with direct selling costs, and then releasing the income on a straight line basis over the remaining life of the guarantee. Costs in relation to servicing the extended guarantee income are expensed to the statement of comprehensive income as incurred. The Group has not sold any of these policies in the current or prior period but continues to release income in relation to legacy sales.

Where the Group receives finance commission income, primarily arising when the customer uses third-party finance to purchase the vehicle, the Group recognises such income on an 'as earned' basis.

The assessment is based on whether the Group controls the specific goods and services before transferring them to the end customer, rather than whether it has exposure to significant risks and rewards associated with the sale of goods or services.

Products and services	Nature, timing of satisfaction of performance obligations and significant payment terms
Sale of motor vehicles	<p>The Group sells nearly new vehicles to retail customers. Revenue is recognised at the point the vehicle is collected by or delivered to the customer. The satisfaction of the performance obligation occurs on delivery or collection of the product.</p> <p>The Group sells vehicles acquired through retail customer trade-ins to trade customers through their website, Auction4Cars.com. Vehicles do not leave the premises until they are paid for in full and therefore the revenue and the profit are recognised at the point of sale. The satisfaction of the performance obligation occurs on collection of the vehicle.</p> <p>The Group operates a return policy which is consistent with the relevant consumer protection regulations.</p>
Sales of motor related services and commissions	<p>The Group receives commissions when it arranges finance, insurance packages, extended warranty and paint protection for its customers, acting as agent on behalf of a limited number of finance, insurance and other companies. For finance and insurance packages, commission is earned and recognised as revenue when the customer draws down the finance or commences the insurance policy from the supplier which coincides with the delivery of the product or service. Commissions receivable are paid typically in the month after the finance is drawn down. For extended warranty and paint protection, the commission earned by the Group as an agent is recognised as revenue at the point of sale on behalf of the principal.</p>

Motorpoint Group PLC FY22 Unaudited Interim Results

	The Group offered an Extended Guarantee for either 12 or 24 months, which commenced from the end of the manufacturer’s warranty period. The revenue was deferred until the start of the policy period, and then released on a straight-line basis over the policy term. Any directly attributable costs from the sale (e.g. sales commission) were also deferred and released over the same period. Customer claims are taken to the Income Statement as they are incurred during the policy term.
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	Six Months ended 30 September 2021 £m	Six Months ended 30 September 2020 £m	Year ended 31 March 2021 £m
Revenue from sale of motor vehicles	571.3	370.2	687.5
Revenue from motor related services and commissions	27.5	15.7	29.0
Revenue recognised that was included in deferred income at the beginning of the period – Sale of motor vehicles	3.3	1.3	1.7
Revenue recognised that was included in deferred income at the beginning of the period – Motor related services and commissions	3.0	0.5	3.0
Revenue recognised that was included in the contract liability balance at the beginning of the period – Extended guarantee income	0.1	-	0.2
Total Revenue	605.2	387.7	721.4

6. Finance costs

	Six Months ended 30 September 2021 £m	Six Months ended 30 September 2020 £m	Year ended 31 March 2021 £m
Interest on bank borrowings	-	-	0.2
Interest on stocking finance facilities	0.7	0.6	1.1
Other interest payable	0.9	0.8	1.6
Total finance costs	1.6	1.4	2.9

7. Taxation

The tax charge for the period is provided at the effective rate of 21.5% (FY21 H1: 18.6%) representing the best estimate of the average annual tax rate for the full year profit.

Motorpoint Group PLC FY22 Unaudited Interim Results

8. Dividends

	Six months ended 30 September 2021 £m	Six months ended 30 September 2020 £m	Year ended 31 March 2021 £m
Final dividend for the year ended 31 March 2021	-	-	-
Interim dividend for the year ended 31 March 2022	-	-	-
Total dividends	-	-	-

9. Earnings per Share

Basic and diluted earnings per share are calculated by dividing the earnings attributable to equity shareholders by the weighted average number of ordinary shares at the end of the period.

	Six Months ended 30 September 2021	Six Months ended 30 September 2020	Year ended 31 March 2021
Profit Attributable to Ordinary Shareholders (£m)	10.6	7.9	7.6
Weighted average number of ordinary shares in Issue ('000)	90,190	90,190	90,190
Basic Earnings per share (pence)	11.8	8.8	8.4
Diluted Number of Shares in Issue ('000)	90,420	90,453	90,265
Diluted Earnings per share (pence)	11.7	8.7	8.4

The difference between the basic and diluted weighted average number of shares represents the dilutive effect of the various Group share plans. This is shown in the reconciliation below.

	Six Months ended 30 September 2021	Six Months ended 30 September 2020	Year ended 31 March 2021
Weighted average number of ordinary shares in Issue ('000)	90,190	90,190	90,190
Adjustment for share options ('000)	230	263	75
Weighted average number of ordinary shares for diluted earnings per share ('000)	90,420	90,453	90,265

Motorpoint Group PLC FY22 Unaudited Interim Results

10. Property, plant and equipment

	WIP £m	Land £m	Freehold property £m	Short term leasehold improvement £m	Plant and machinery £m	Fixtures and fittings £m	Office equipment £m	Total £m
At 1 April 2021								
Cost	0.5	5.3	6.7	7.2	1.5	1.7	3.1	26.0
Accumulated depreciation	0.0	0.0	(0.3)	(4.8)	(1.1)	(1.0)	(2.7)	(9.9)
Net book value	0.5	5.3	6.4	2.4	0.4	0.7	0.4	16.1
Opening net book value	0.5	5.3	6.4	2.4	0.4	0.7	0.4	16.1
Additions	0.9	0.0	0.0	1.4	0.5	0.5	0.1	3.4
Depreciation	0.0	0.0	(0.2)	(0.4)	(0.1)	(0.1)	(0.1)	(0.9)
Closing net book value	1.4	5.3	6.2	3.4	0.8	1.1	0.4	18.6
At 30 September 2021								
Cost	1.4	5.3	6.7	8.6	2.0	2.2	3.2	29.4
Accumulated depreciation	0.0	0.0	(0.5)	(5.2)	(1.2)	(1.1)	(2.8)	(10.8)
Net book value	1.4	5.3	6.2	3.4	0.8	1.1	0.4	18.6

11. Right-of-use assets

	30 September 2021 £m	30 September 2020 £m	31 March 2021 £m
Right-of-use assets			
Balance brought forward	43.6	41.6	41.6
Additions	6.3	1.7	5.8
Depreciation charge	(2.3)	(2.0)	(3.8)
	47.6	41.3	43.6

Motorpoint Group PLC FY22 Unaudited Interim Results

12. Trade and other receivables

	30 September	30 September	31 March
	2021	2020	2021
	£m	£m	£m
Due within one year			
Trade receivables	7.7	3.9	2.1
Other receivables	-	0.5	0.5
VAT receivables	-	-	3.7
Prepayments	1.3	1.4	1.0
Accrued income	0.2	0.2	0.4
	9.2	6.0	7.7

The Directors' assessment is that the fair value of trade and other receivables is equal to the carrying value.

13. Lease liabilities

	30 September	30 September	31 March
	2021	2020	2021
	£m	£m	£m
Lease liabilities			
Balance brought forward	49.3	45.4	45.4
Additions to lease liabilities	6.1	1.7	7.5
Repayment of lease liabilities (including interest element)	(2.8)	(2.0)	(5.2)
Interest expense related to lease liabilities	0.9	0.8	1.6
	53.5	45.9	49.3
Current	2.9	2.8	2.4
Non-current	50.6	43.1	46.9
	53.5	45.9	49.3

Motorpoint Group PLC FY22 Unaudited Interim Results

14. Trade and other payables

Due less than 1 year

	30 September	30 September	31 March
	2021	2020	2021
	£m	£m	£m
Trade payables			
- Trade creditors	13.0	6.8	19.4
- Stocking finance facilities	104.0	80.5	89.2
Other taxes and social security			
- VAT payable	3.0	3.2	-
- PAYE/NI payable	0.8	0.8	0.7
Accruals and deferred income	25.1	16.8	16.4
	145.9	108.1	125.7

The Directors' assessment is that the fair value of trade and other payables is equal to the carrying value.

15. Provisions

	30 September	30 September	31 March
	2021	2020	2021
	£m	£m	£m
Make good provision ¹	2.2	1.9	1.9
Onerous leases ²	0.1	0.2	0.2
	2.3	2.1	2.1
Current	-	-	0.1
Non-current	2.3	2.1	2.0
	2.3	2.1	2.1

(1) Make good provision

Motorpoint Limited is required to restore the leased premises of its retail stores to their original condition at the end of the respective lease terms. A provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements. These costs have been capitalised as part of the cost of right-of-use assets and are amortised over the shorter of the term of the lease and the useful life of the assets.

The timing of the cash outflow relating to the make good provision is in line with the life of the relevant lease. The remaining term on existing leases ranges from 1 to 16 years with a weighted average of 12 years.

There is judgement associated with the potential cost of remediation of each property and estimated provisions have been based on the past experience of the Group.

(2) Onerous leases

The Group operates across a number of locations and if there is clear indication that a property will no longer be used for its intended operation, a provision may be required based on an estimate of potential liabilities for periods of lease where the property will not be used at the end of the reporting period, to unwind over the remaining term of the lease. The onerous lease is likely to be utilised for a period of five years.

Motorpoint Group PLC FY22 Unaudited Interim Results

16. Cash flow from operations

	30 September 2021	30 September 2020	31 March 2021
Profit for the year attributable to equity shareholders	10.6	7.9	7.6
Adjustments for:			
Taxation charge	2.9	1.8	2.1
Finance costs	1.6	1.4	2.9
Operating profit	15.1	11.1	12.6
Share Based Compensation Charge/(Credit)	0.3	(0.1)	0.2
Loss on disposal of property, plant and equipment	-	-	0.1
Depreciation charge	3.2	2.9	5.7
Cash flow from operations before movements in working capital	18.6	13.9	18.6
(Increase)/Decrease in inventory	(26.5)	9.3	(16.6)
Increase in trade and other receivables	(1.5)	(1.6)	(3.3)
Increase/(Decrease) in trade and other payables	20.2	(3.9)	13.7
Increase in trade and provisions	0.1	-	-
Cash generated from operations	10.9	17.7	12.4

17. Share buybacks

Movements in the issued share capital during the period are shown in the table below:

	30 September 2021	30 September 2021	31 March 2021	31 March 2021
	Shares '000	£m	Shares '000	£m
Shares in issue at start of period / year	90,190	0.9	90,190	0.9
Bought back and cancelled	-	-	-	-
Bought back and held as treasury shares	-	-	-	-
Released from treasury to satisfy employee share plan obligations	-	-	-	-
Shares in issue at end of period / year	90,190	0.9	90,190	0.9

The total cost of shares purchased for cancellation as shown in the Statement of Changes in Equity was £nil (H1 FY21: £nil).

18. Risks and uncertainties

There are certain risk factors which could result in the actual results of the Group differing materially from expected results. These factors include: the ongoing impact of COVID-19, a negative implication to the Motorpoint brand and customer perception, inability to maintain relationships with suppliers, fluctuation on exchange rate having an impact on vehicle pricing, economic conditions impacting trading including the impact of Brexit, market driven fluctuations in vehicle values, supply chain disruption, a shortage of available vehicles to purchase due to the well publicised computer chip shortage, litigation and regulatory risk, failure of Group information and systems, access to capital and financial resource, availability of credit and vehicle financing and a failure to attract, retain and motivate high quality staff.

Principal risks are consistent with those detailed in the Motorpoint Group PLC Annual Report and Financial Statements. The Board continually reviews the risk factors which could impact on the Group achieving its

Motorpoint Group PLC FY22 Unaudited Interim Results

expected results and confirm that the above principal factors will remain relevant for the final six months of the Financial Year ended 31 March 2022.