

8 October 2024

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

Half Year Trading Update

Year on year volume growth of 17% and return to profitability in H1 FY25

Motorpoint Group PLC, the UK's leading independent omnichannel vehicle retailer, provides an update on its trading performance for the six months ended 30 September 2024 ("H1 FY25").

Highlights

- Strong retail volume growth of 17% in H1 FY25 compared with H1 FY24
- Returned to profitability in H1 FY25; Profit before taxation is expected to be c.£2.0m (H1 FY24: £(3.7m) loss before taxation and exceptional items). No exceptional items in H1 FY25
- Industry leading stock turn: days in stock improved to 41 days (H1 FY24: 47 days)
- Successful completion of share buyback programme and, despite buying back 3.6m shares at a cost of £5.0m, net cash at 30 September was £11.2m, in line with expectations
- Our 21st store is expected to open in Norwich in H2 FY25
- Strong momentum going into H2 FY25

Profitability

As macroeconomic headwinds eased in H1 FY25, used car prices and margins remained broadly stable and customer sentiment improved. The first reduction of interest rates in August was encouraging and future cuts should further aid profitability. The supply of used vehicles remains subdued, particularly at the newer end of the market. However, the increased customer demand, coupled with the successful execution of our Brilliant Basics programme during FY24 to drive operational excellence and right size the business, has resulted in a return to profitability in FY25, and provides the Board with confidence to establish plans to accelerate growth.

Share Buyback

The Board is pleased to announce that the share buyback programme, which commenced on 11 March 2024, has been successfully completed. Between 11 March 2024 and 6 September 2024, 3,570,063 ordinary shares in the Company were repurchased on the London Stock Exchange for cancellation, at an average price of 139.7 pence per share and a total cost, excluding expenses, of £4.987m. This represented 4.0 per cent of the issued share capital of the Company when the buyback programme commenced. The completion of the buyback programme allows for further investment to support organic, profitable growth, given the significant opportunities identified.

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

"The resilience of the Motorpoint business model has been proven once again and I am delighted to confirm that the successful execution of our Brilliant Basics programme during FY24, alongside the easing of macroeconomic pressures, has resulted in a return to profitability. We also welcomed the first interest rate cut in August, the same month that we achieved our highest performing retail volume since March 2022.

This solid performance in the first half of the year stands us in good stead as we look to progress our strategy to accelerate growth, and I would like to thank our incredibly hardworking colleagues for what they have delivered so far this year. I am confident that we are entering the second half with strong momentum.”

The Group expects to announce its Interim Results on 27 November 2024.

ENDS

Enquiries:

Motorpoint Group PLC via FTI Consulting
Mark Carpenter, Chief Executive Officer
Chris Morgan, Chief Financial Officer

FTI Consulting (Financial PR) 020 3727 1000
Alex Beagley
Harriet Jackson
Amy Goldup

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 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 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 20 sales and collection stores, 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 choice, value, service and quality for customers.