



**MOTORPOINT**

THERE'S NO CAR LIKE A MOTORPOINT CAR



**Motorpoint Group PLC**

Half year 2025 results



# Agenda

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## Introduction and progress in H1 FY25

Mark Carpenter, CEO

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## Financial highlights and ESG update

Chris Morgan, CFO

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## Strategic update and outlook

Mark Carpenter, CEO

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# Progress in H1 FY25

Mark Carpenter, CEO

“Brilliant Basics has ensured a strong foundation for growth. Strong market share outperformance”

# Strong KPI progress in H1 FY25



KPI	H1 FY25	H1 FY24	Change
0-6yr market share (July – Sept 2024)	2.5%	2.0%	+25.0%
Total revenue	£563.1m	£607.2m	-7.3%
Retail units sold	30.3k	25.8k	+17.4%
Total units sold	43.3k	39.3k	+10.2%
Gross profit per retail unit	£1,317	£1,267	+3.9%
Stock turn (days in stock)	41	47	-12.8%
Profit/(loss) before tax	£2.0m	£(4.7)m	+£6.7m
Customer acquisition cost per unit	£147	£198	-25.8%
Orders from digital leads	13.7k	11.8k	+16.1%
Website sessions	8.15m	6.55m	+24.4%
Net cash	£11.2m	£11.2m	£nil
Customer NPS	77	81	-4

# Brilliant Basics has enabled firm foundations for growth



## Retail unit growth

- Strong market share growth – up 25% in Q2 YOY
- Increased new and returning customers
- Flexible approach to finance offering to stimulate market
- Improved stock mix, lower price points and double the difference price guarantee



## Digital capability

- Further improvements to website; now one of best in market. Rated No.1 by Google in terms of speed and responsiveness, against competitor group
- Website sessions increased 24% on previous year; 86% of customers visited website before purchase (Sept 2024)
- Orders from digital leads up 16% on previous year
- Increased performance marketing, better returns
- Lower customer acquisition cost per unit (down 26%)

Delivered strong market outperformance

# Brilliant Basics has enabled firm foundations for growth



## Metal margin/ stock turn improvement

- Increased use of data to inform buying and pricing decisions
- Administration fee successfully rolled into vehicle prices to improve customer transparency
- Dynamic marketing to proactively manage slow selling stock
- Reduced exposure to more expensive vehicles, including EVs
- Stock days improved to 41 days

## Lean cost base

- Continued tight cost control
- Headcount increase in sales and preparation teams to satisfy increased demand
- Energy costs down 11% from H1 FY24. Further savings in H2 with improved terms

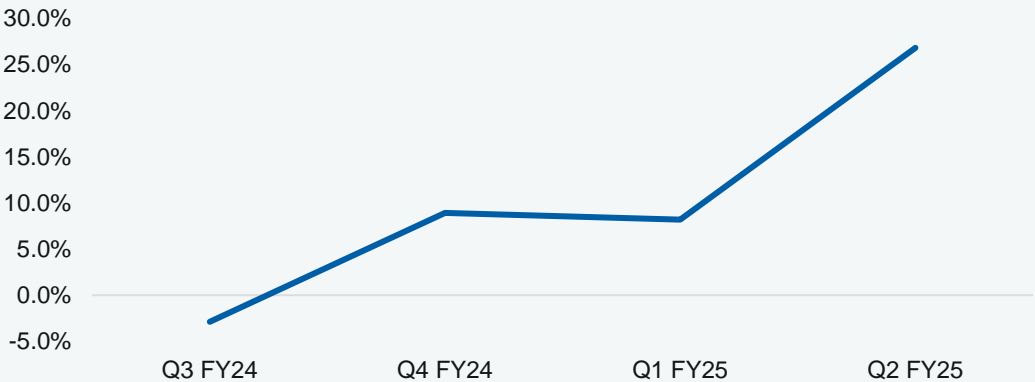


Return to profitability and cash generation allowed successful completion of £5m share buyback programme and re-commencement of new store openings

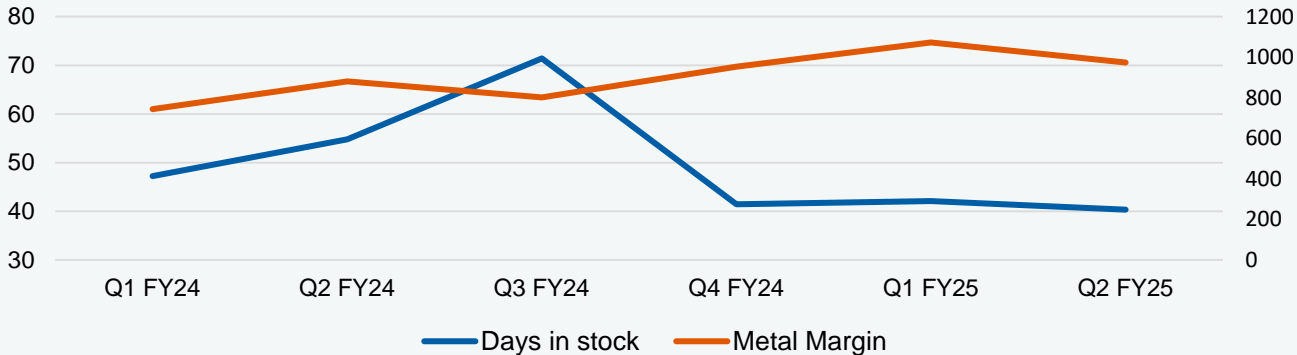
# Further KPI progression in H1 FY25



Retail unit sales growth year on year



Days in stock vs metal margin



Brilliant Basics implementation in H2 FY24 resulted in recovery into FY25:

- Data led pricing increased metal margin, helping to offset lower finance commissions
- Improved stock management; lower days in stock
- Strong market share growth in Q2

# Website improvement example



**MOTORPOINT** BUY SELL REVIEWS FINANCE AFTERCARE STORES ABOUT US 01332 408 371 Lines open until 8pm 4

Over 1,000 new cars every week  
There's no car like a Motorpoint car

Price Promise - Double the difference  
If you find the same quality car for less

**Favourites** Favourites ID: 2 X W - 7 U Q

We'll keep your shortlisted vehicles and searches saved on this device for 30 days. [Log in](#) or [register](#) to save your favourites for access across all devices

Saved vehicles (4) Saved searches

[Clear shortlist](#) [Share favourites](#) Sort by Added to shortlist: Newest to oldest

Image	Model	Spec	Year	Reg	Miles	Fuel	Warranty	Price	Finance Example
	BMW 3 Series	320i M Sport 5dr Step Auto [Pro Pack]	2024	(24) reg	9,738 miles	Petrol	29 months warranty	£36,199	£505 per month
	BMW 3 Series	320i M Sport 5dr Step Auto [Pro Pack]	2024	(24) reg	8,629 miles	Petrol	28 months warranty	£35,399	£484 per month
	BMW 3 Series	320i M Sport 5dr Step Auto [Pro Pack]	2024	(24) reg	7,826 miles	Petrol	28 months warranty	£36,199	£501 per month
	BMW 3 Series	320i M Sport 4dr Step Auto	2024	(73) reg	8,140 miles	Petrol	26 months warranty	£29,999	£401 per month

- Seamless customer journey between online research and in-store experience through Shortlist feature
- Unique reference enables Motorpoint team to continue customer journey in-store or by email/telephone



# Motorpoint continues to offer the best value



**Motorpoint**  
£10,999\*

£194 per month  
28,375 miles/ 21 plate  
*Vauxhall Corsa*

**Big Motoring World**  
£11,900\*

£220 per month  
26,454 miles / 21 plate



**Motorpoint**  
£11,499\*

£187 per month  
21,613 miles/ 21 plate  
*Skoda Kamiq*

**Cinch**  
£12,199\*

£190 per month  
24,255 miles / 21 plate



**Motorpoint**  
£19,299\*

£285 per month  
3,313 miles/ 73 plate  
*Jeep Avenger*

**Mangoletsi Jeep**  
£20,621\*

£296 per month  
3,341 miles / 73 plate

**During September 2024, all Motorpoint advertised cars on Autotrader were highlighted as Lower, Great or Good price**

“Had already decided to take the vehicle if it was as described, which it was. I was on my way after an hour, having bought the vehicle and sorted temporary insurance.”

“My first time dealing with Motorpoint . . . it really was the easiest car buying experience that I’ve had. The online car valuation was really good; you get your valuation and then indicate if you want a callback or not. I will definitely be using them again”

“Such a quick and easy process! Staff were helpful, we’re over the moon with our new car and were offered a great price for our old one. Would definitely use again!”

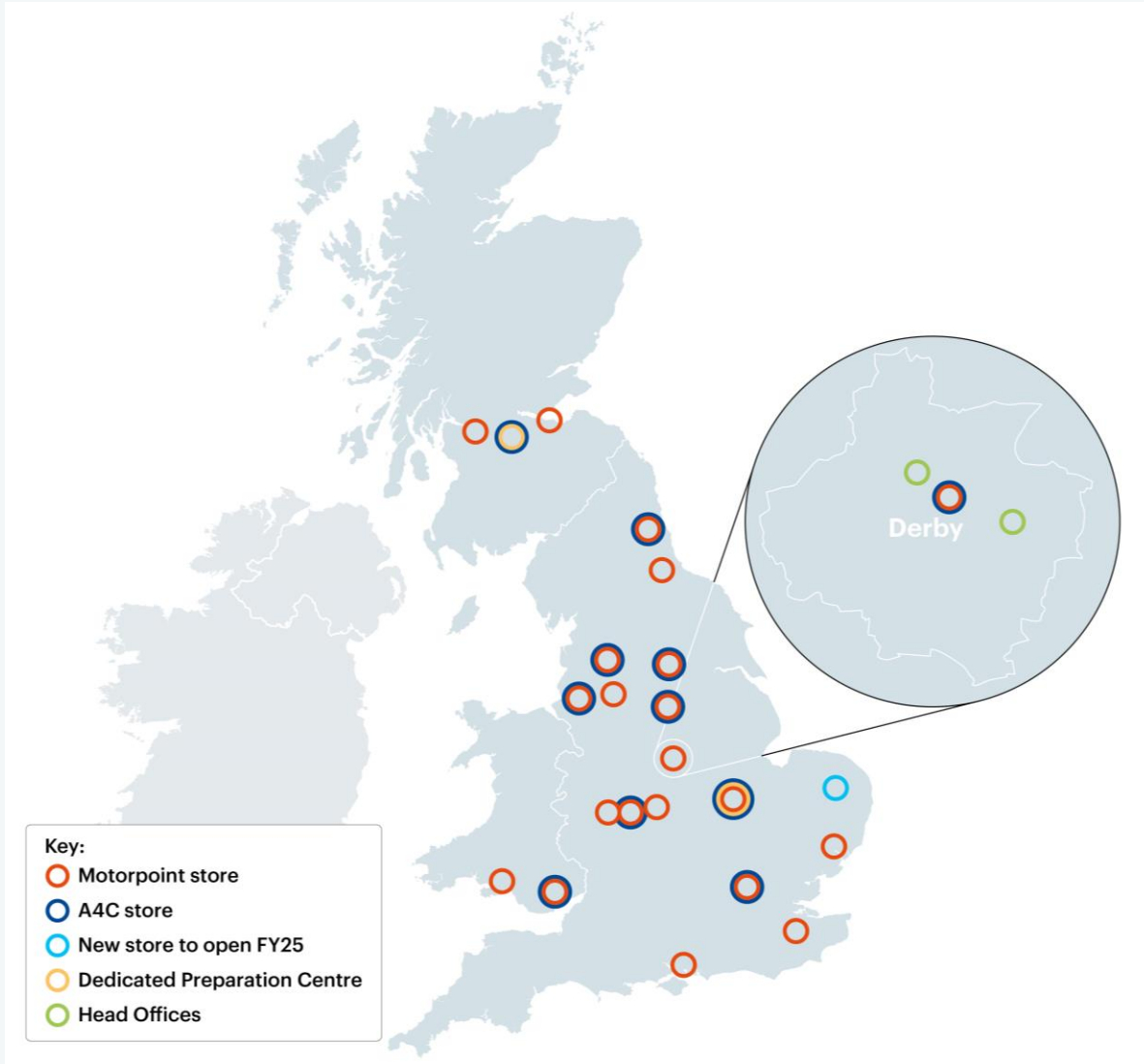
**Customers, Trustpilot  Trustpilot rating of 4.6**

\* Details as displayed on website and correct as of 18/10/2024. Prices illustrated are based on PCP, matched miles and deposits

“AutoTrader price indicators compare the seller's asking price to the price of similar vehicles from the 450,000 vehicles advertised on the marketplace. AutoTrader valuations analyse data from circa 80,000 vehicles every day and this data is used to work out a vehicle's current market price, considering things like make, model, year, mileage, fuel type and optional extras.

Along with AutoTrader we have analysed advertised vehicles in September 2024. Good Price Indicator flags were applied to the stock 28% of the time; Great, 43% of the time; Lower, 29% of the time.”

# National Coverage; Stores and Online



New Norwich store

- New store opening programme recommenced
- Norwich to open in December (21 stores in total)
- Target 10% share in each market we operate in (0-30 minute)
- Significant number of opportunities across the country remain
- Investment to relaunch and expand first Motorpoint store in Derby



# Financial highlights

Chris Morgan, CFO

“Strong retail volume growth and return to profitability”

# Profit and Loss



£m	H1 FY25	H1 FY24	Change
Units - retail	<b>30,245</b>	25,766	+17.4%
Total revenue	<b>563.1</b>	607.2	-7.3%
Gross profit	<b>44.7</b>	37.7	+18.6%
Operating expenses*	<b>(38.6)</b>	(36.1)	-6.9%
Operating profit*	<b>6.1</b>	1.6	+281.3%
Finance costs	<b>(4.1)</b>	(5.3)	+22.6%
Profit/Loss before tax*	<b>2.0</b>	(3.7)	+£5.7m

- H1 retail units increased by 17.4% (26.8% in Q2). Overall decrease in total revenue reflects mix and deflation (H2 FY24)
- Gross margin improvement to 7.9% (H1 FY24: 6.2%). Continued progress in use of data in pricing decisions; offsets lower finance commissions and higher preparation cost of older vehicles
- Opex increase largely resulted from minimum wage uplift and volume related sales commissions. Other variable costs remain tightly controlled
- FTEs increased from 710 at year end to 746, in response to volume increases in store and preparation
- Marketing costs reduced to £4.4m (H1 FY24: £5.1m); lower average customer acquisition cost of £147 (H1 FY24: £198)
- Finance costs reduced due to lower average stock levels

\* Before exceptional items in H1 FY24

# Finance Commissions update



- Following Court of Appeal ruling on 25 October 2024 our primary lending partner (following industry trend) withdrew their 10.9% APR product
- This was replaced for c.12 days with a 7.9% APR product, but with no commission due to Motorpoint
- In the affected period, we temporarily increased our prices to compensate for lack of commission
- From 8 November the pre-existing arrangement was reinstated on same commercial terms, with the addition of more robust disclosure to customers
- Any future compensation is the liability of lenders, not Motorpoint
- No adverse customer feedback to date in respect of new disclosures providing full commission amount



Whilst causing short term challenges, no material adverse impact on trading and FY25 profit expectations

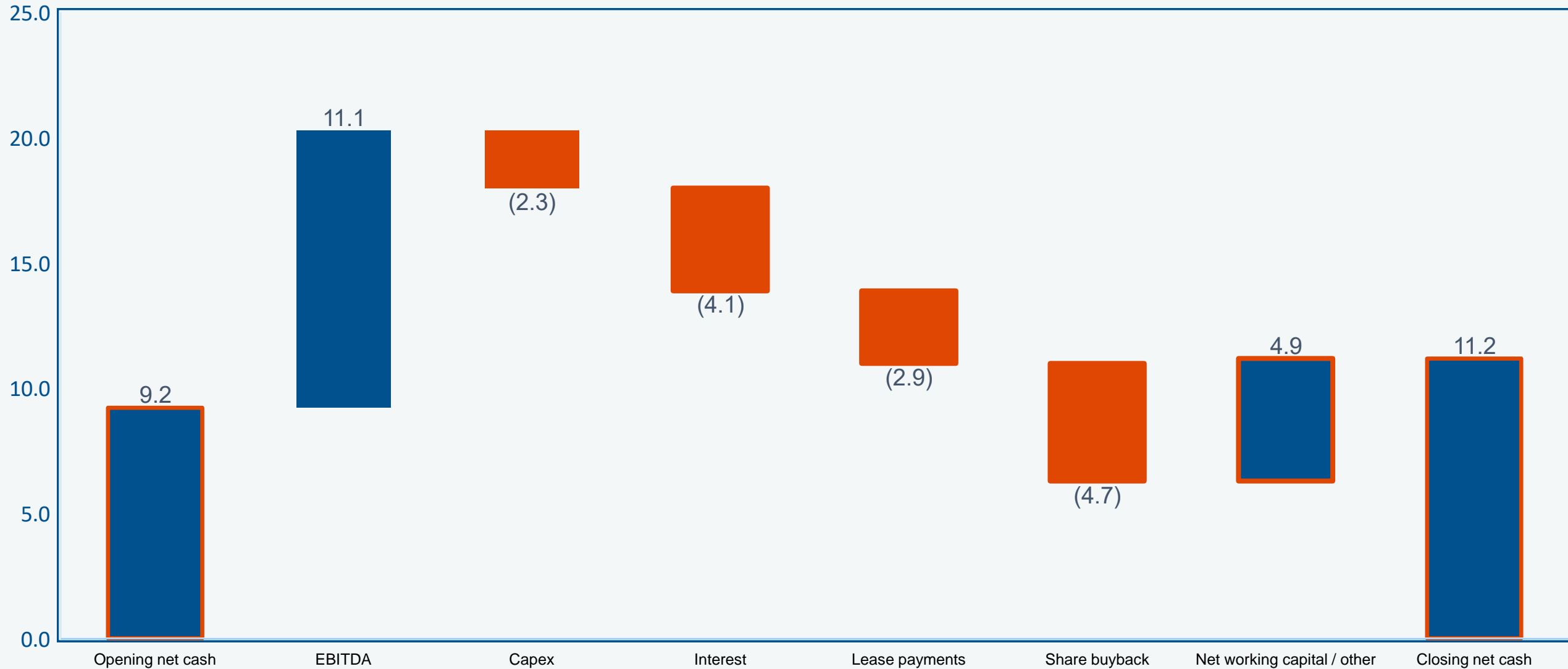
# Balance Sheet



£'m	H1 FY25	H1 FY24	FY24
Fixed assets	<b>9.7</b>	12.4	8.8
Intangible assets	<b>3.1</b>	4.2	3.7
Right of use assets	<b>51.4</b>	55.4	50.5
Assets held for sale	<b>2.4</b>	-	2.6
Inventories	<b>129.3</b>	143.8	102.4
Cash	<b>11.2</b>	11.2	9.2
Trade and other receivables	<b>17.9</b>	18.1	19.2
Trade and other payables	<b>(137.1)</b>	(145.6)	(107.1)
Lease liabilities	<b>(58.0)</b>	(61.7)	(57.0)
Other	<b>(1.5)</b>	(1.9)	(1.2)
Net assets	<b>28.4</b>	35.9	31.1

- No new openings in the period. Additional land purchased to expand our Derby store. Norwich (leasehold) due to open in December 2024
- Assets held for sale relates to land in Glasgow
- Inventory increase since year end reflects supply, although days in stock has improved to industry leading 41 (45 and 47 at FY24 and H1 FY24, respectively)
- Payables rise from FY24 related to increased use of stocking facility (£104.5m drawn at H1 FY25, compared to £74.5m at FY24)
- Cash increased to £11.2m (no structural debt) despite the £5.0m completed share buyback (FY24: £9.2m)

# Cash flow – H1 FY25 movement



# Continued good progress on ESG measures



## By supporting our environment

- Continued focus and good progress
- Replaced tyres repurposed as groundwork material for children's play parks; environmental benefit and meaningful social impact
- Further reductions in energy consumption; Scope 1 and 2 emissions (and business travel) down 11%\* in total
- Reduced total waste by over 100 tonnes (c.30%\*); less than 1% sent to landfill



## And our people

- Turnover reduced from 32% to 23%\*
- Expanded EDI data we collate from team members
- All teams have undergone Prevention of Sexual Harassment and EDI training in the last quarter
- 95% of our team members proud to work for Motorpoint and 97% also agreed that we show respect to one another

We want to be the most environmentally friendly used car retailer, and be a great place to work



**GoGreen**<sup>®</sup>  
Think green, Be green

\* compared to H1 FY24





## Strategy update and outlook

Mark Carpenter, CEO

“Focused on plans to accelerate profitable growth”

# Strategy update - Focused on accelerated growth plans



Remain cautious while macroeconomic pressures ease and supply slowly improves

Consolidate on profitability return in FY25 and plan accelerated growth by focusing on:

- Expansion of supply chain channels
- New store openings
- Data to further inform buying and pricing
- Extending brand reach
- Further tech development to enhance customer journey
- Trial and development of customer aftersales offer



Excited by plans to unlock further profitable growth

# Profits will grow as headwinds ease



Part way through journey; already experiencing margin growth, market share gains and stock turn improvement

Market share growth resulting from strategic investment

**Metal margin improvement**

- Use of data
- Targeted marketing

**Supply pressures ease**

- Younger, lower mileage stock
- Lower preparation costs
- Lower purchase fees

**Market size increases**

- Reflecting increased new vehicle production
- Increased affordability

**Interest rates fall**

- Improved affordability
- Lower stock financing
- Higher finance commissions

**PBT forward looking projection**

**PBT now**



# Current trading and outlook

## Current trading

- Strong momentum continued into H2 FY25
- October retail volume growth of 27%; remained profitable
- Metal margins strong, used car prices stable
- Temporary removal of finance commissions not expected to impact FY25 numbers; no adverse customer feedback regarding revised explicit commission disclosure

## Outlook

- Expect macroeconomic pressures to generally ease, with further, moderate reductions in interest rates
- Supply of nearly new used vehicles should continue to increase
- Acceleration of strategic growth plans



Improving market conditions and the success of Brilliant Basics means we can look forward with confidence to strong, profitable growth



# Appendix

# Financial KPIs



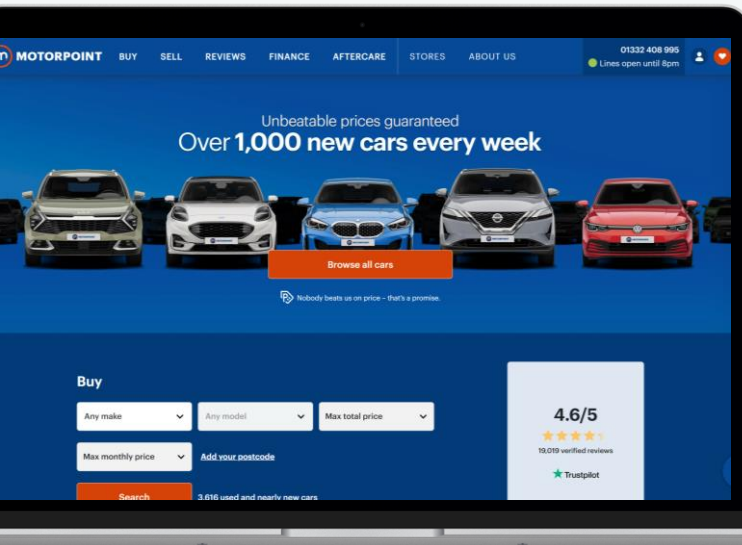
	H1 FY25	H1 FY24
Retail volumes	30.3k	25.8k
Wholesale volumes	13.0k	13.5k
<b>Total</b>	<b>43.3k</b>	<b>39.3k</b>
Retail online	8.1k	7.1k
Retail store	22.2k	18.7k
Total GP per retail unit £	1,317	1,267
<b>Stock turn (days in stock)</b>	<b>41</b>	<b>47</b>
Total GP per wholesale unit £	369	370
Marketing £'m	4.4	5.1
People costs £'m	18.9	16.4
Depreciation and Occupancy £'m	6.9	6.5
Other Operating Expenses £'m	8.4	8.1
Total Operating Expenses (before exceptionals) £'m	38.6	36.1

# A group focused on growth through two distinct channels



## Motorpoint

- The UK's leading omnichannel used vehicle retailer
  - Cars and vans
  - Online and In-Store



### Sell Your Car (C2B)

< 6 years\*  
< 50,000 miles\*

### Part Exchange

< 6 years\*  
< 50,000 miles\*

## Auction4Cars.com

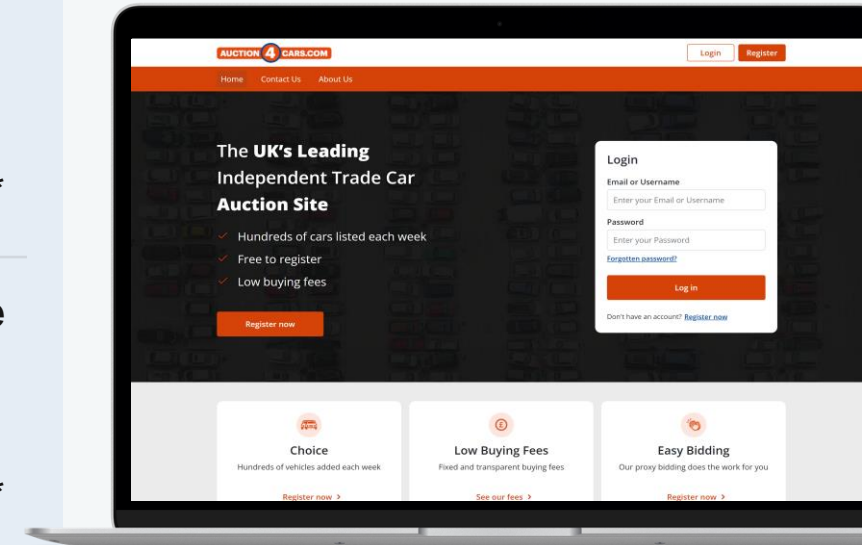
- The UK's leading independent Trade Car Auction Site
  - Cars and vans
  - Online only

### Sell Your Car (C2B)

> 6 years\*  
> 50,000 miles\*

### Part Exchange

> 6 years\*  
> 50,000 miles\*



\* General criteria – expanded retail criteria in FY24

# Motorpoint virtuous circle – remains at the core of what we do







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