



2021 Interim results

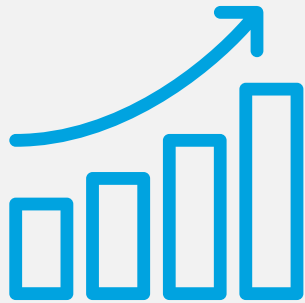
29 July 2021



Duncan Tait
Group CEO

Agenda

Overview of 1H21



1H21 financial details



Strategic progress and Outlook



First half 2021 highlights

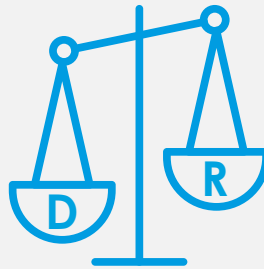
Transforming our digital footprint



Omni-channel platform now live across 10 OEM markets

Established our Digital Delivery Centres (DDCs)

Continued portfolio rebalancing



Added three new Distribution businesses

Disposal of non-strategic Retail assets

Further strengthened financial position



Effective cash-flow management

Launch of a £100m share buyback programme

First half 2021 headline KPIs

Topline

Revenue

£3.9bn

+37%

Organic sales growth

Profitability

Operating margin

4.1%
(1H20: 0.9%)

£143m

PBT

Cash

Free Cash Flow

£184m

£435m
(Dec-20: £266m)

Net cash¹

Shareholders

Underlying EPS

26.7p

6.4p

DPS (interim)

Figures are stated pre-exceptionals. 1: Excluding lease liabilities



Gijsbert de Zoeten
Group CFO

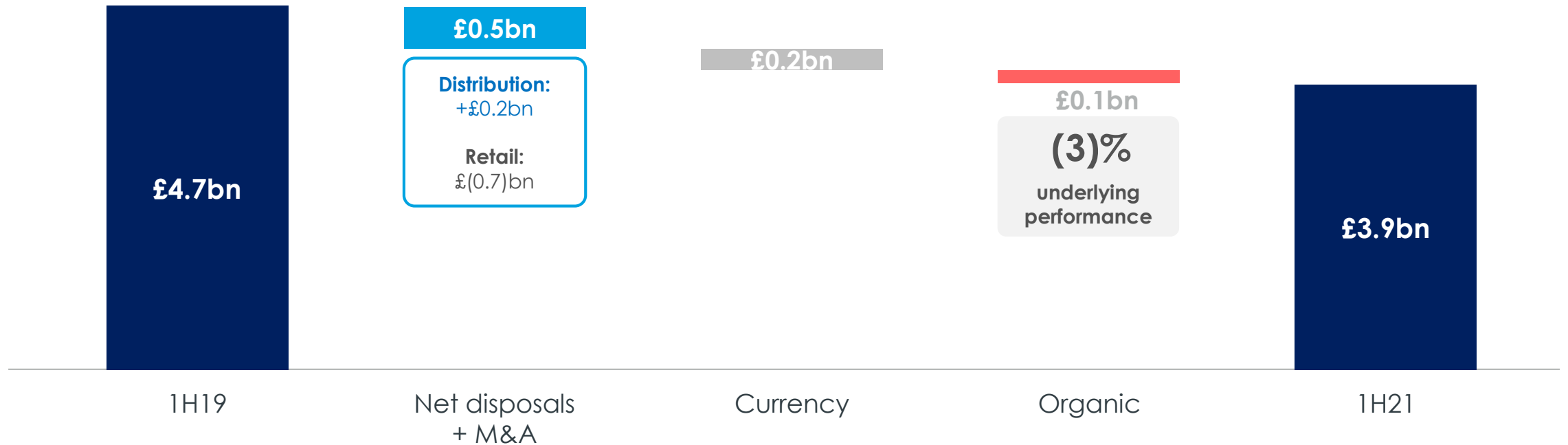
1H21 results: strong business performance

	2021	2020		2019
	H1	H2	H1	H1
Revenue	£3.9bn	£3.8bn	£3.0bn	£4.7bn
Organic growth %	+37%	(9)%	(29)%	
Operating margin %	4.1%	3.6%	0.9%	3.8%
PBT	£143m	£120m	£9m	£156m

Figures are stated pre-exceptionals

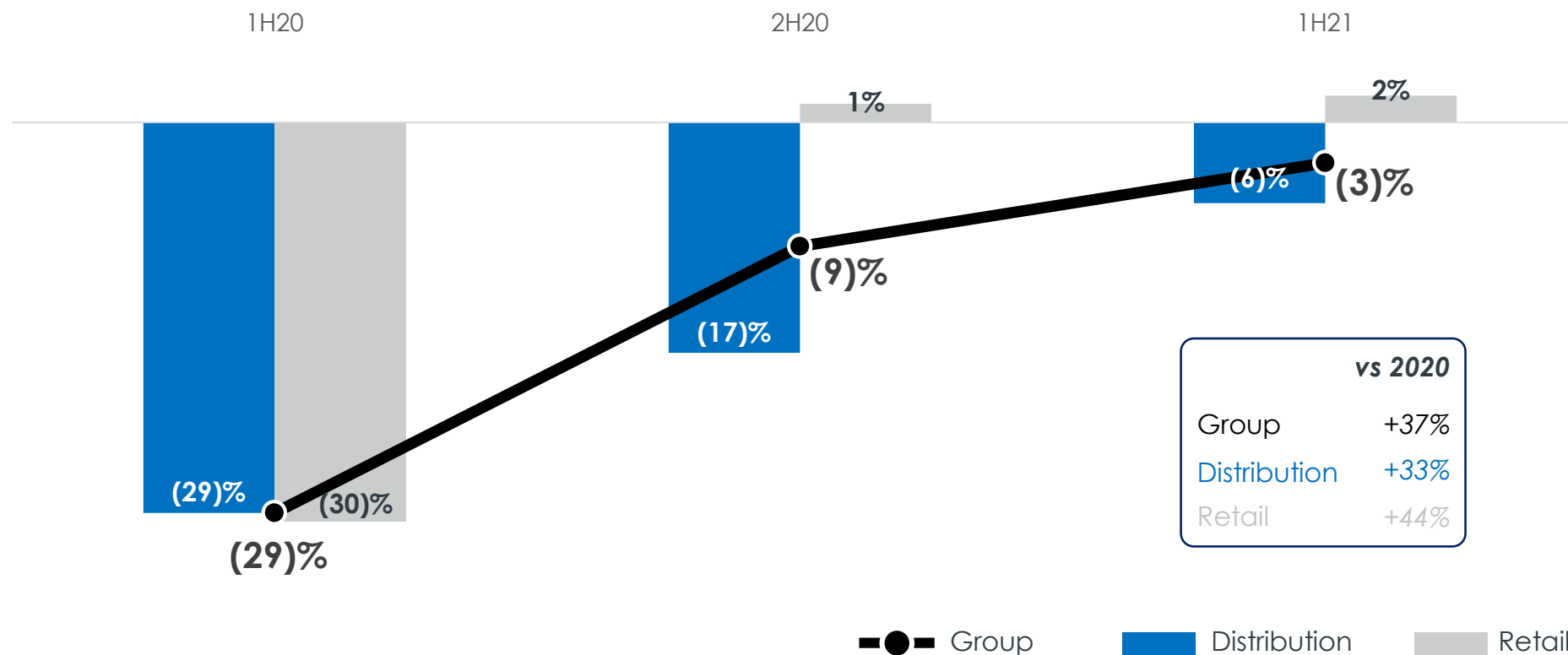
Group revenue recovering towards 2019 levels

Revenue bridge (2021 vs 2019)



Revenue trend vs 2019: positive momentum

Organic revenue growth (vs 2019)



Distribution: H1 regional revenue trends

- Asia
- Australasia
- Europe
- Americas & Africa

Europe: £0.7bn
OSG%: +27%

Strong model line-up
supported recovery

Good start for JLR-Poland

Asia: £0.6bn
OSG%: +32%

All markets positive in H1
Singapore and Hong Kong
expectedly below 2019

Americas & Africa: £0.5bn
OSG%: +52%

Topline improved for four
consecutive quarters

Africa trading still robust

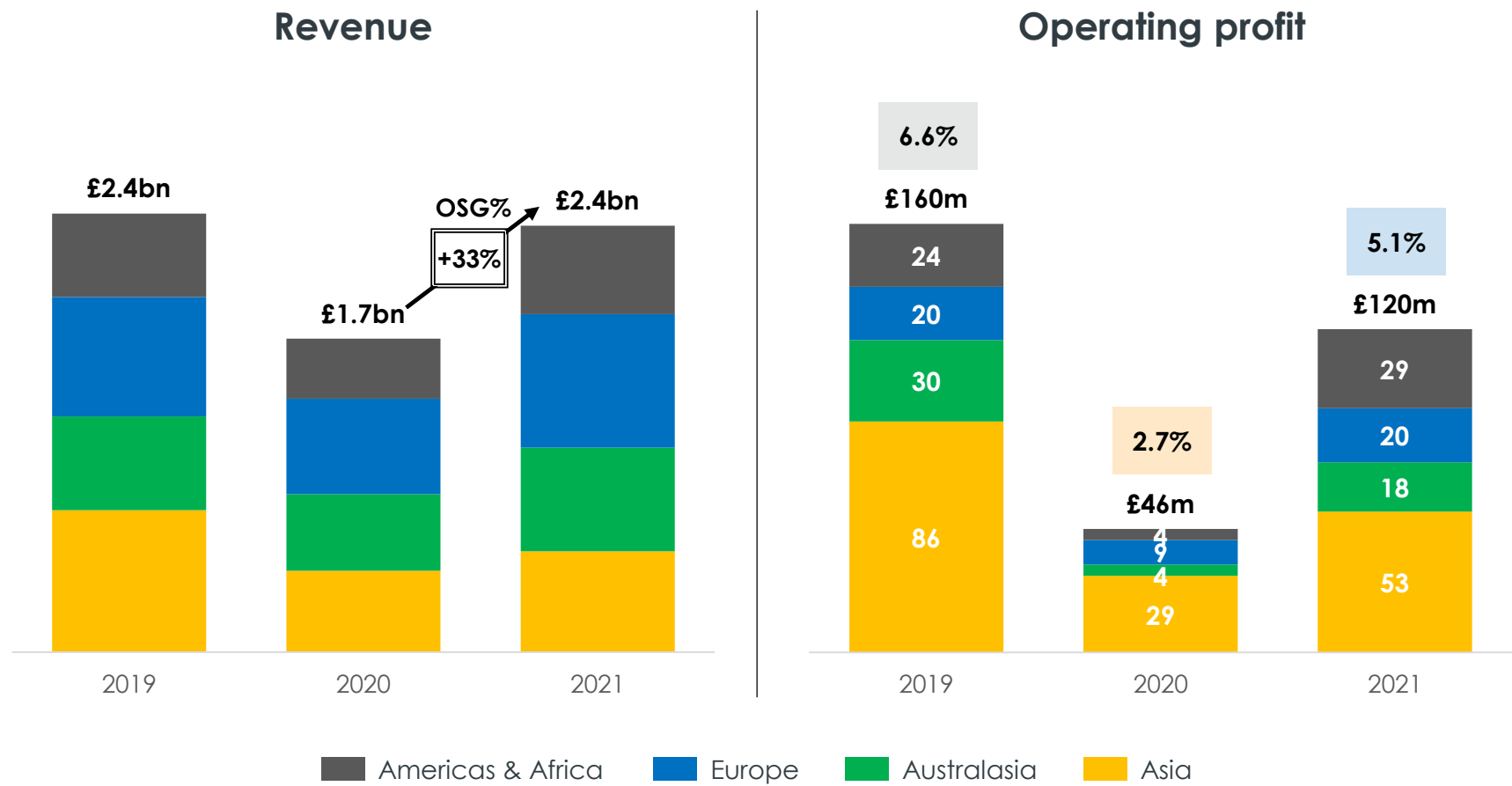
Australasia: £0.6bn
OSG%: +27%

Market share gains
following new model
launch

OSG = organic sales growth

Distribution: bouncing back

H1

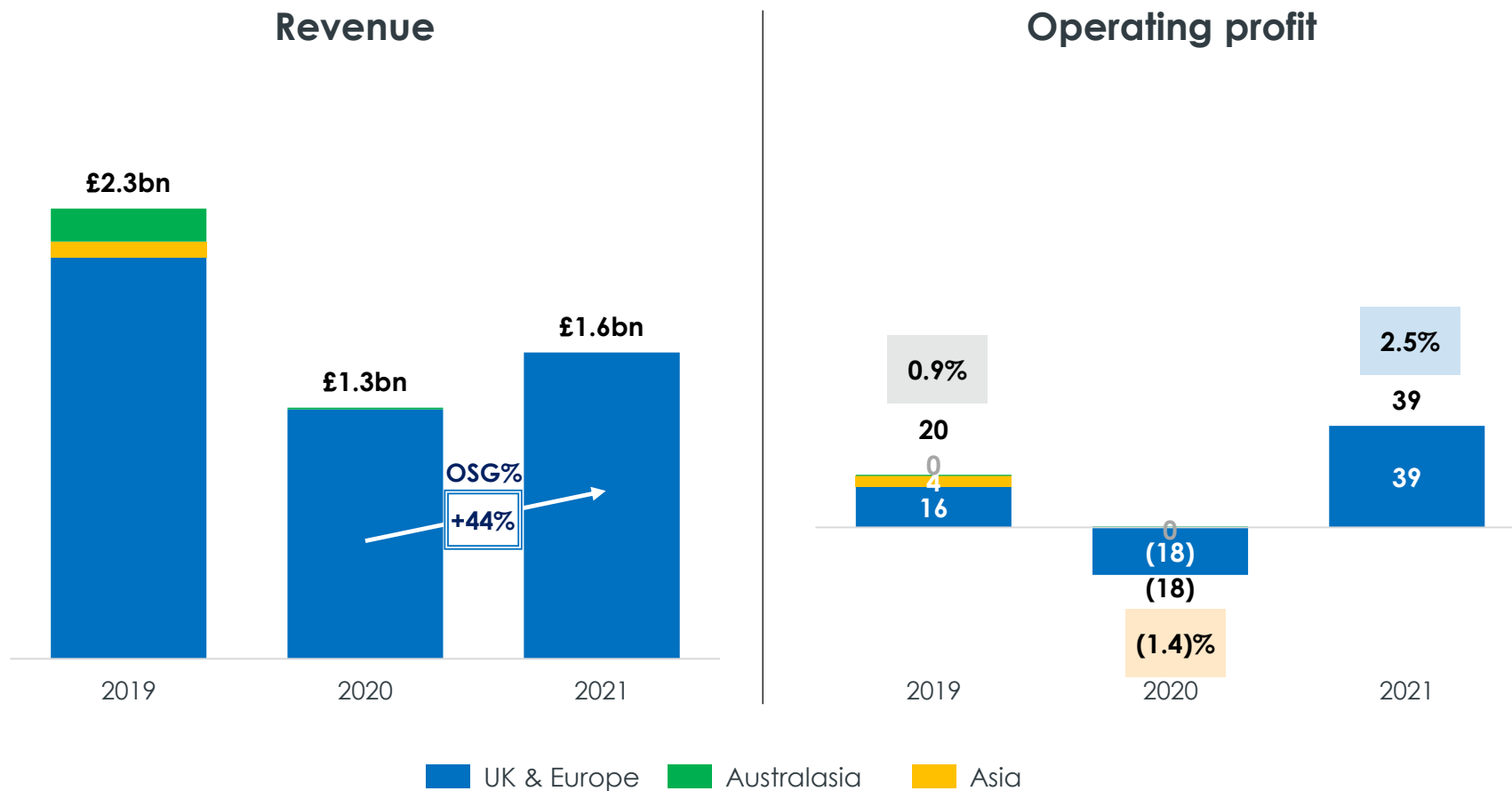


Encouraging topline performance

Profitability supported by geographic diversification

Retail: strong recovery

H1



UK and Russia both above 2019 levels

Supported by strong margins and cost-restructuring programme

Income statement

	H1		
£m (unless otherwise stated)	2021	2020	2019
Operating profit (pre exceptionals)	159	28	180
Net interest & JVs	(16)	(19)	(24)
PBT (pre exceptionals)	143	9	156
Exceptional items	(82)	(198)	(3)
Underlying Tax rate %	24.5%	(114)%	22.4%
Basic EPS (pence) (pre exceptionals)	26.7p	(0.6)p	28.6p

All figures rounded to the nearest £m

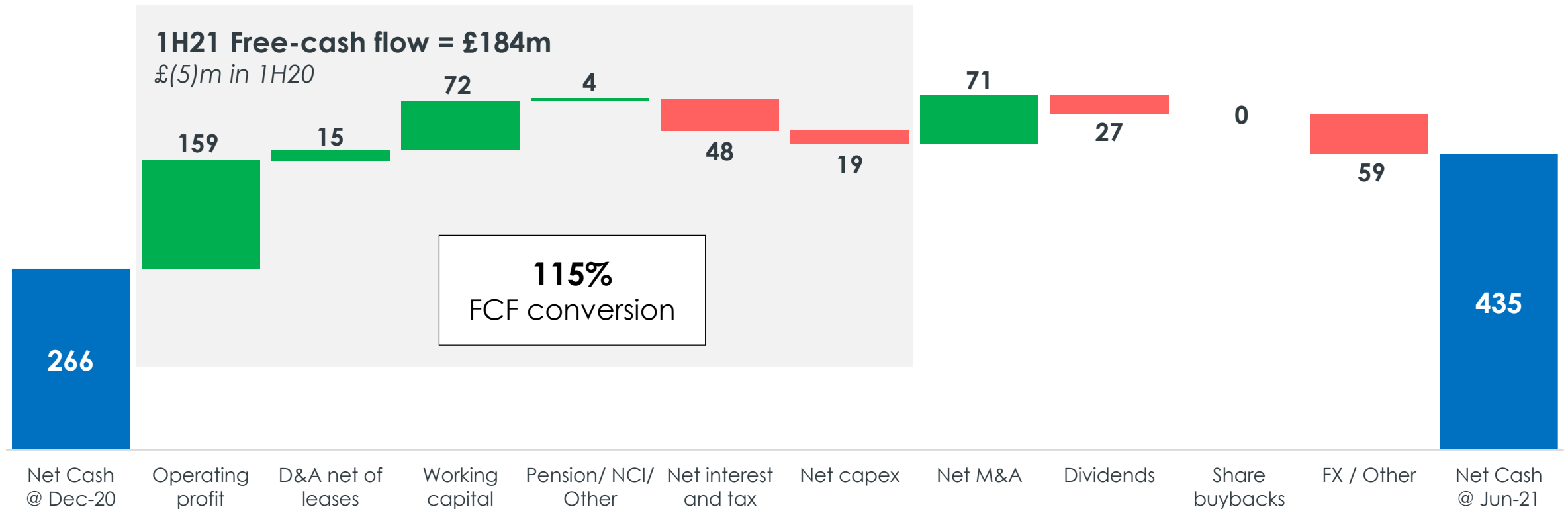
Interest costs fell as we carried less inventory and interest rates were lower

Exceptional items: loss on disposal of Russia Retail businesses and restructuring costs

Tax rate broadly inline with the rate anticipated in the medium term (25%)

Continued strong cash generation

Net cash bridge (£'m)



All figures rounded to the nearest £m. Net cash excludes lease liabilities

NB. Closing net cash on an IFRS16 basis was £102m at end of Jun-2021, and compares to a net debt position of £(67)m at end Dec-2020

Capital allocation: new £100m share buyback





Duncan Tait

Strategic progress

Strategic priorities: distribution is our beating heart

Distribution Excellence

Vehicle Lifecycle Services

People, Culture & Capabilities

Digital, Data & Analytics

Efficient Scale Operations

Distribution Excellence

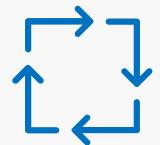
Becoming the undisputed number one choice for OEMs



Accelerate
omni-channel



Globalise
distribution processes



Digitalise
processes

Customer Lifetime Value

New vehicle import

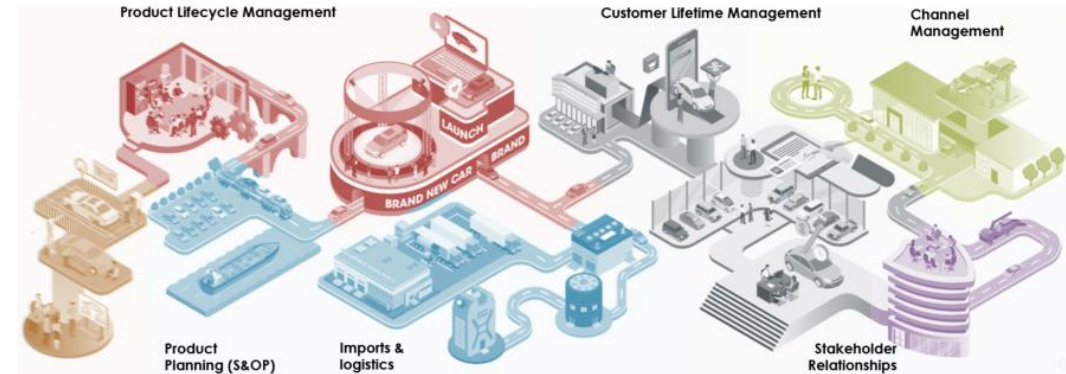


Customer
acquisition

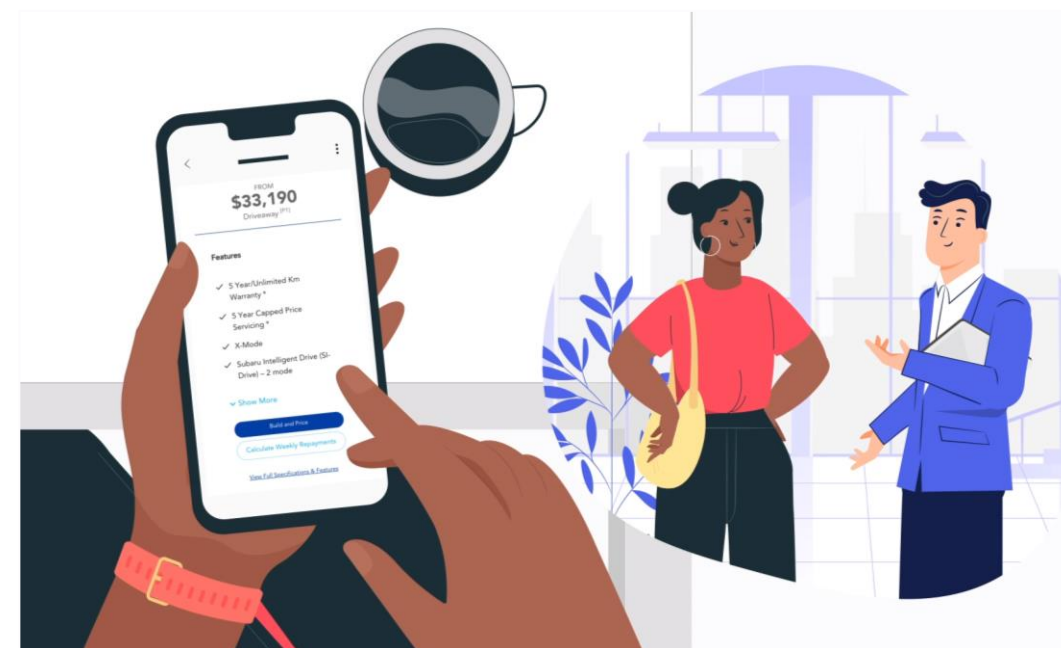
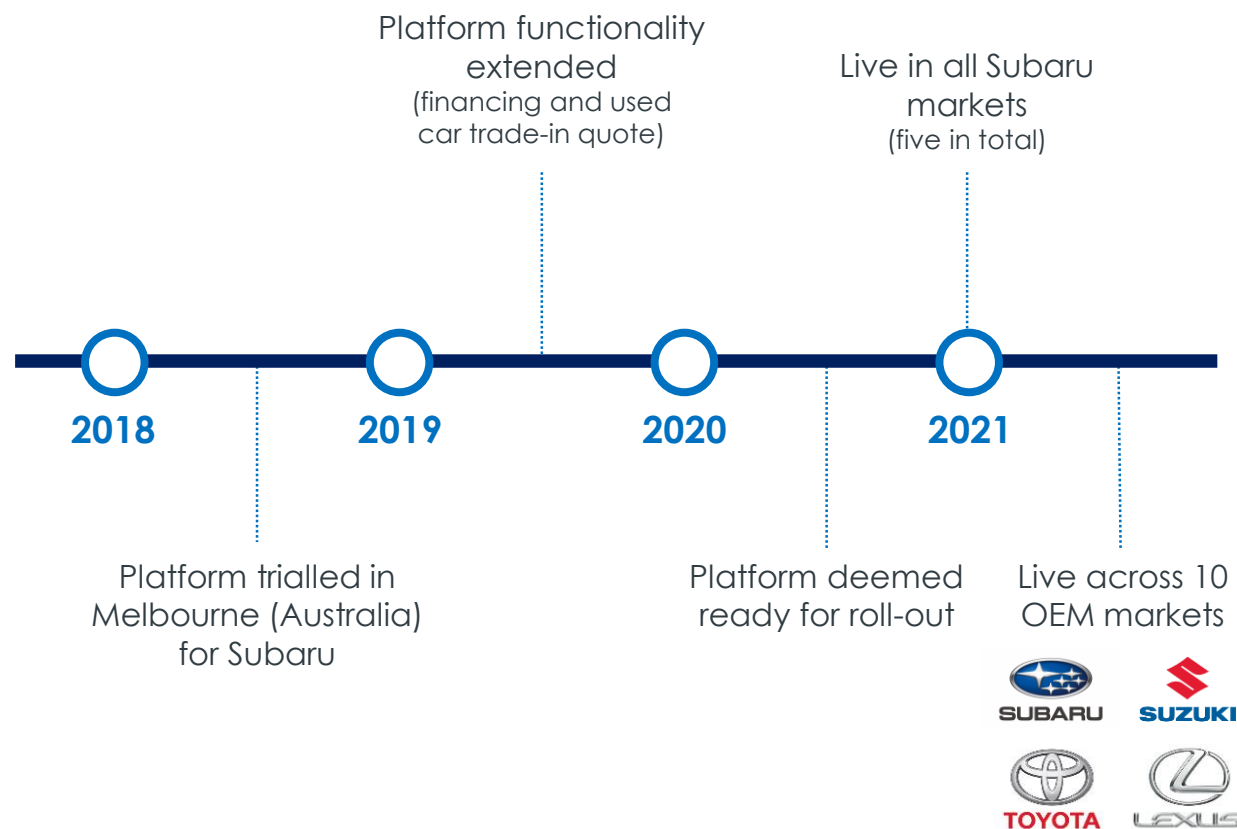
Customer
retention



Our six core distribution activities



Accelerating our omni-channel roll out



Two DDCs operational as of March 2021



>250 'Inchcapers'
already working



Digital delivery
doubling capability

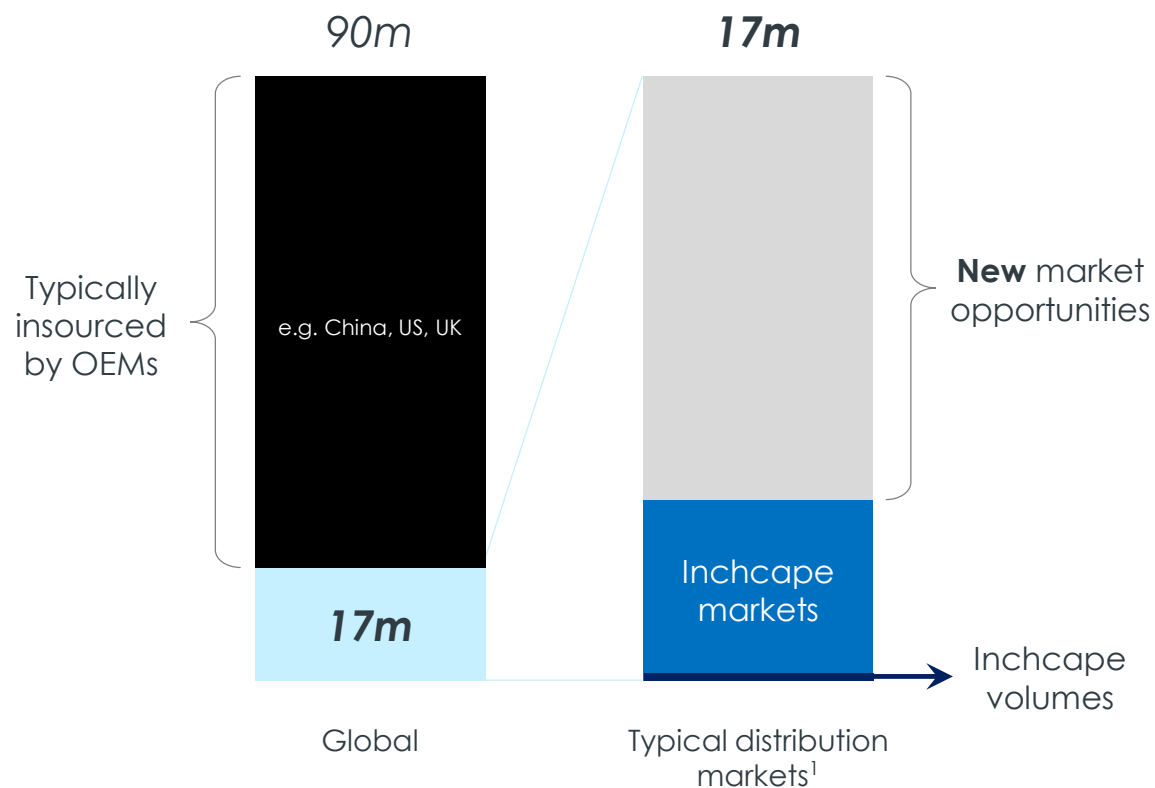


24-hour
solutions and services



Distribution fragmentation a huge opportunity

Annual new car volumes (units)

**GDP+**

Distribution markets offer greater growth prospects

30%

Inchcape markets coverage of 'typical distribution markets'

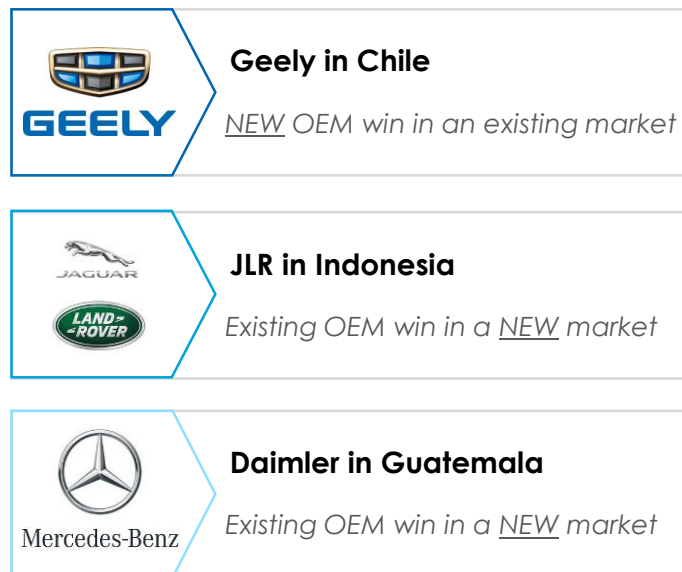
0.2m

Total number of new cars we distribute across our markets

1: defined as those markets with annual new car volumes of less than 1m units

M&A: healthy pipeline of deals

M&A activity in 1H21



Global Strategic Partnership

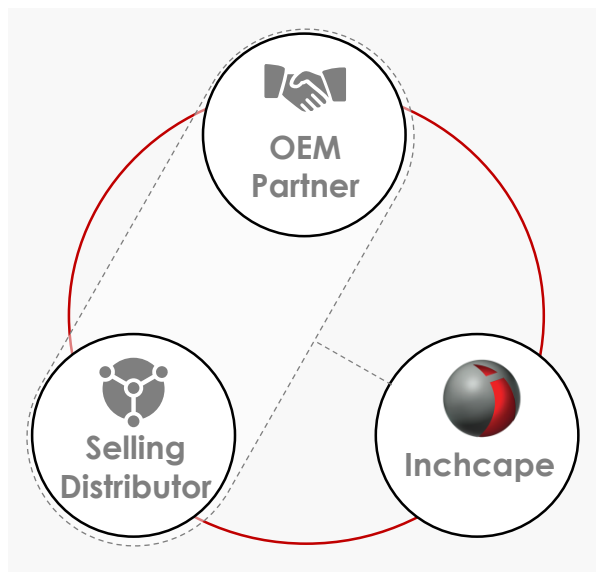


GEELY

Leading
brand in China

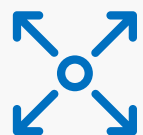
>1.3m
vehicles sold in 2020

Parent company owns
Volvo, Lotus & LEVC



Vehicle Lifecycle Services

Simply capturing more lifetime value



Expand

services & activities



Leverage

existing infrastructure

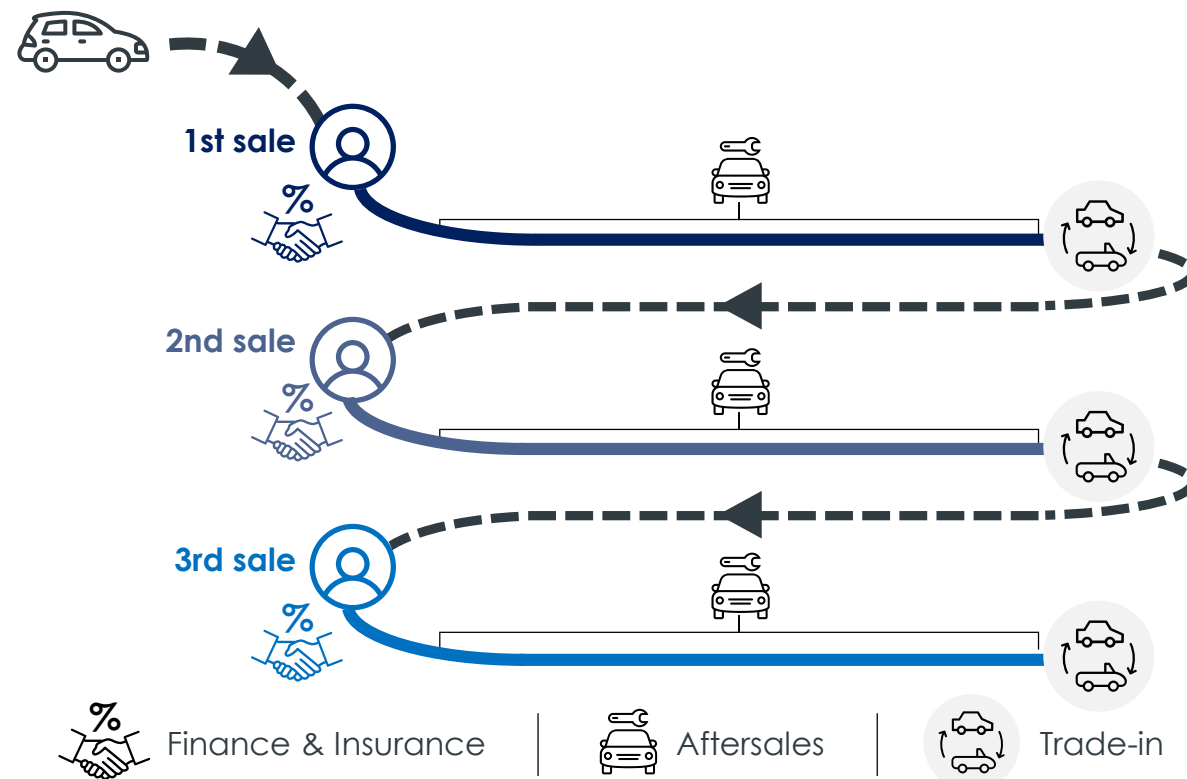


Build-on

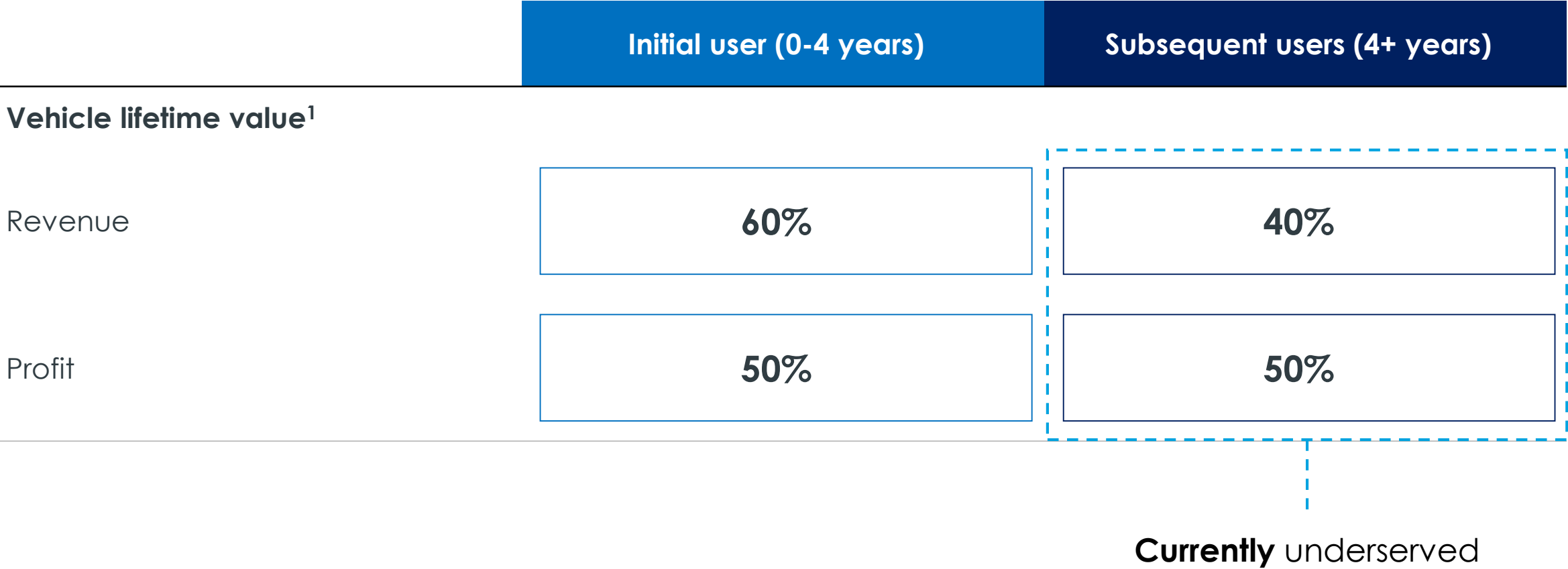
relationships

Vehicle Lifecycle Value

New vehicle import



Capturing the vehicle lifecycle opportunity



1: analysis predicated on the first 12 years of an average vehicle's life, and assumes three different owners during that period
The analysis captures the sale of a vehicle, the aftersales services, and finance & insurance commission generated



Duncan Tait

Looking ahead

Outlook

Near-term

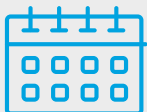
Good business momentum

Impact of supply shortages

Covid-19 remains dynamic

Supported by geographical diversification

2021 outlook



FY21 PBT
at least £260m

Strategic-focus

Distribution Excellence: extending our leadership

Greater use of technology across our business

Further building our OEM relationships

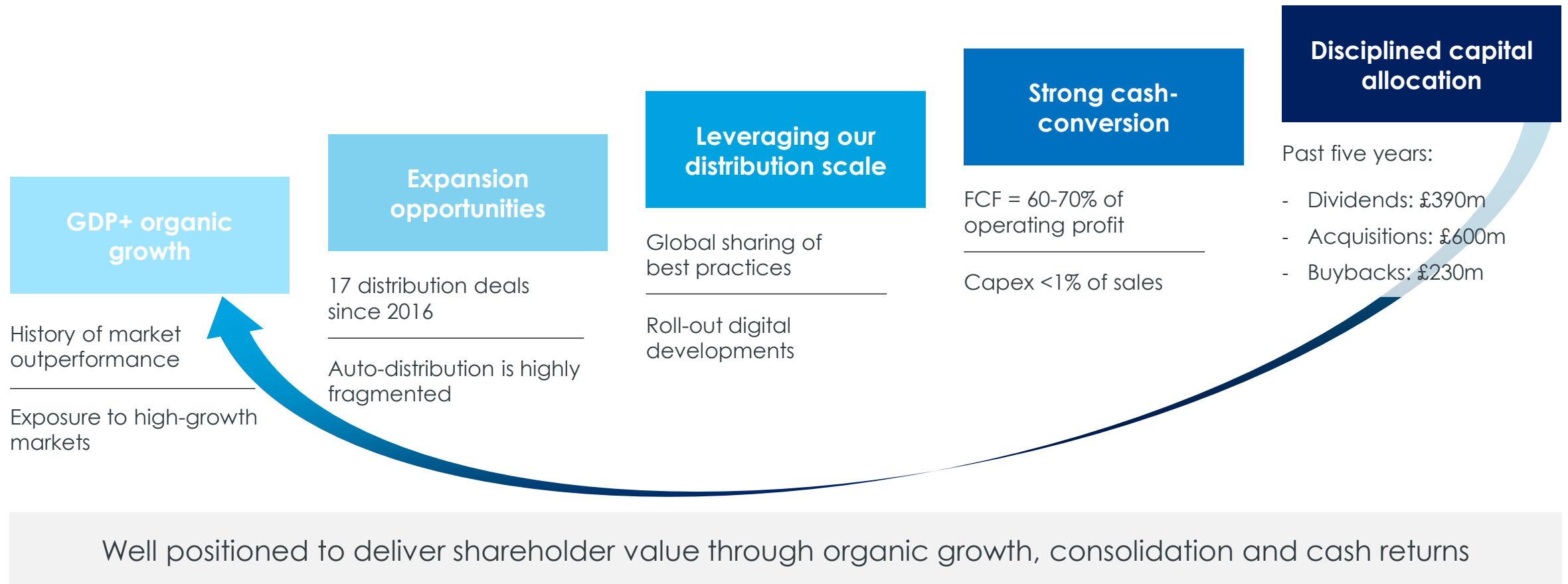
Capturing more of a vehicle's lifetime value

Capital Markets Day



17th November
2021

Investment proposition: growth and cash returns





**“Bringing Mobility to the world’s communities
- for today, for tomorrow and for the better”**

Q&A

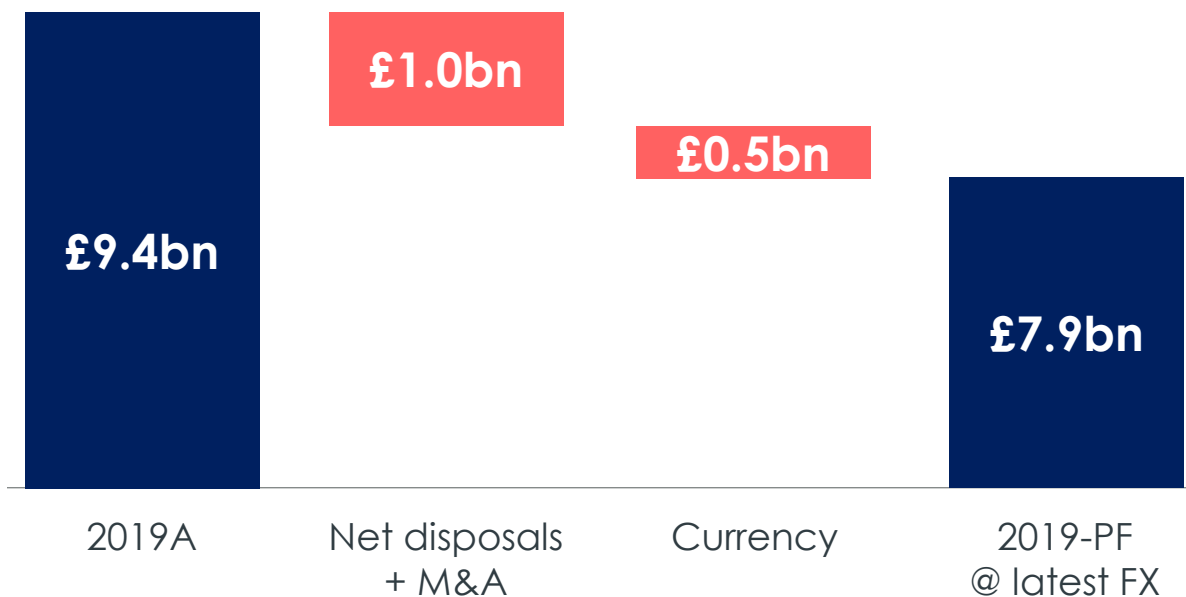


Appendix

Pro-forma financials (2019)

Portfolio changes + impact of latest-FX

Revenue



Operating profit

Category	Value
2019A	£373m
Net disposals + M&A	£(7)m
Currency	£(30)m
2019-PF @ latest FX	£336m

Distribution

Daimler Ecuador
Daimler Uruguay
Daimler Colombia
JLR Poland
Daimler El Salvador
Daimler Guatemala
JLR Indonesia

Revenue impact

+£0.4bn

Net cash impact

£(0.1)bn

Retail

UK
China
Australia
Russia (St.Pet)

£(1.4)bn

+£0.4bn

Our distribution business model

