



FY 2024 RESULTS & MEDIUM TERM TARGETS

4 March 2025

Agenda

**Overview
and strategic
context**

Duncan Tait
Chief Executive

**2024
Financial Results**

Adrian Lewis
Chief Financial Officer

**Medium Term
targets**

Adrian Lewis
Chief Financial Officer

**Summary and
FY 2025 outlook**

Duncan Tait
Chief Executive

Key takeaways from today



Another year of strategic, operational and financial progress



Disciplined approach to capital allocation - new £250m share buyback



Medium term target to generate £2.5bn in Free Cash Flow - driving >10% EPS CAGR + dividends

Medium term target: deliver >10% EPS CAGR to 2030

Supported by a clear investment case:

The leading global automotive Distributor...

- Long-term, diversified OEM portfolio
- Deep competitive moat through technology
- Scaled and diversified geographic footprint

...with an attractive financial profile...

- Growth driven by market outperformance
- Resilient operating margins
- Highly cash generative and capital efficient

...driving shareholder value

- Clear dividend policy
- Commitment to on-going share buybacks
- Value-accretive acquisitions

Our pillars to drive diversified growth: Scale and Optimise

Scale:

230 Distribution contracts across c.40 diverse markets



8 acquisitions since 2019, driving market share gains and growth



Market-leading technology capabilities



Optimise:

Non-core asset disposals, raising c.£750m, since 2019



Disciplined OEM and retail portfolio rationalisation



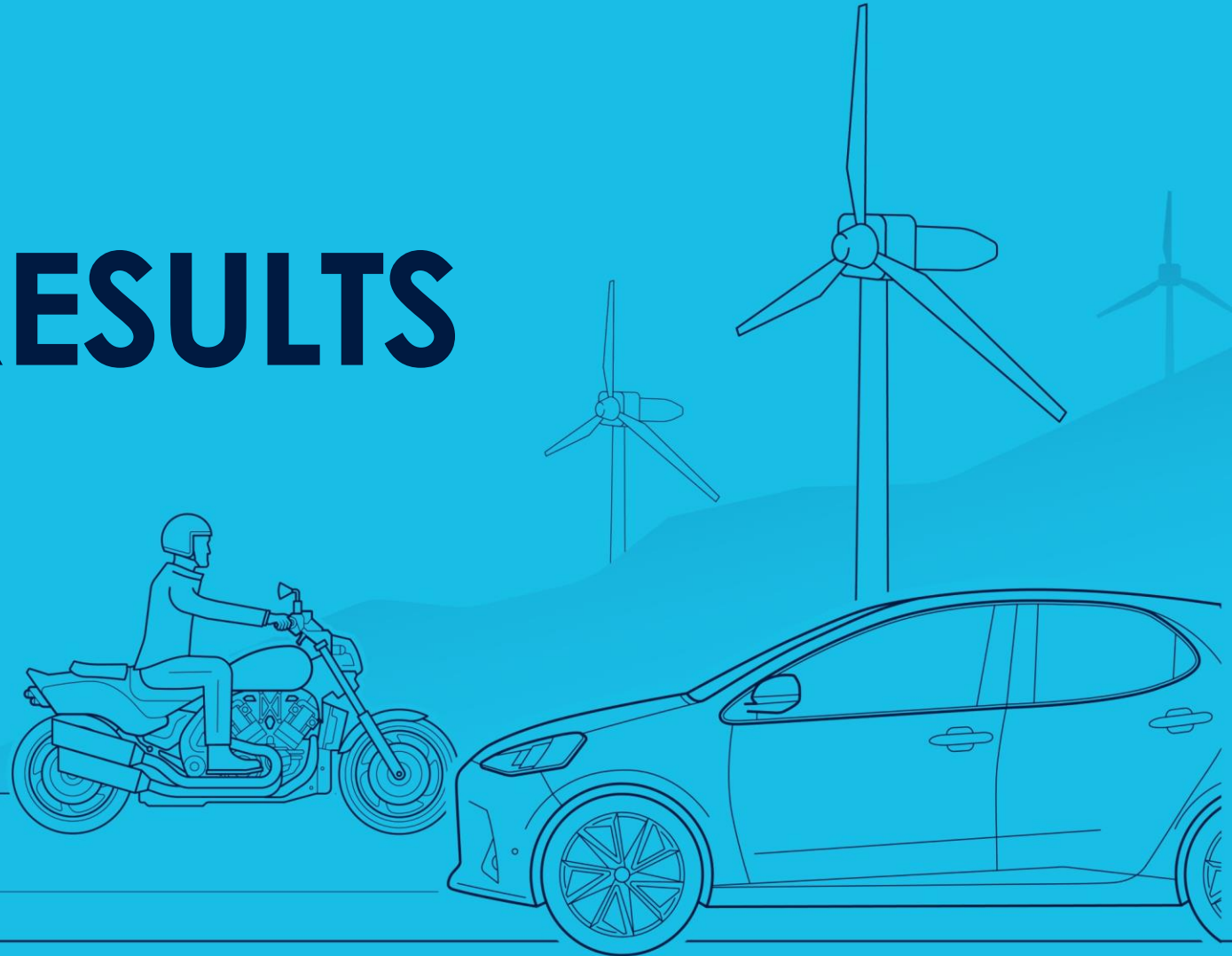
Developing Value Added Services





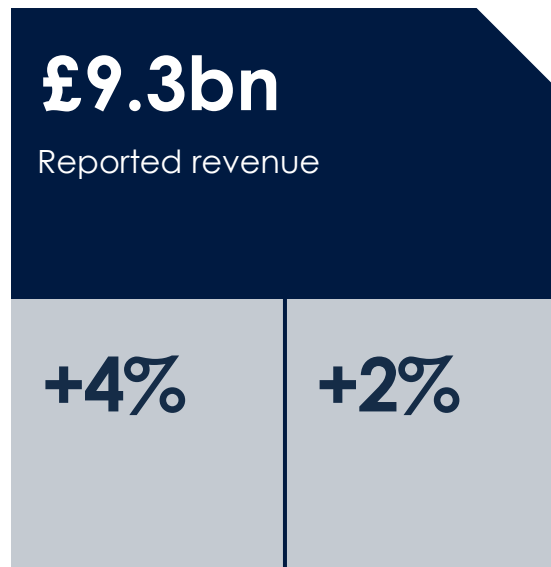
2024 FINANCIAL RESULTS

Adrian Lewis, Group CFO



2024: Progress across key financial metrics

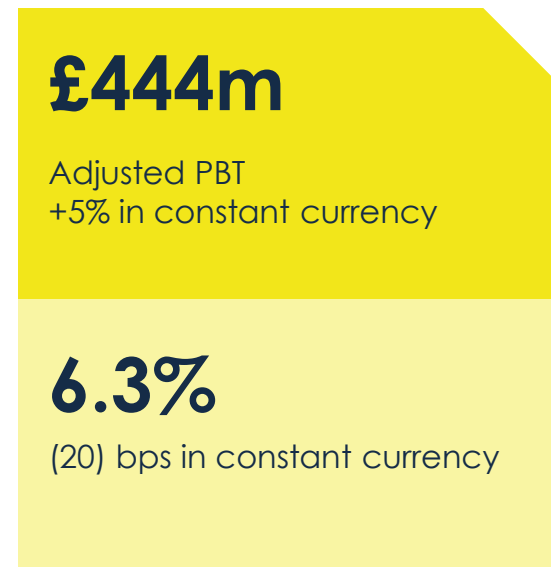
Revenue:



Revenue growth,
at constant
currency
(YoY%)

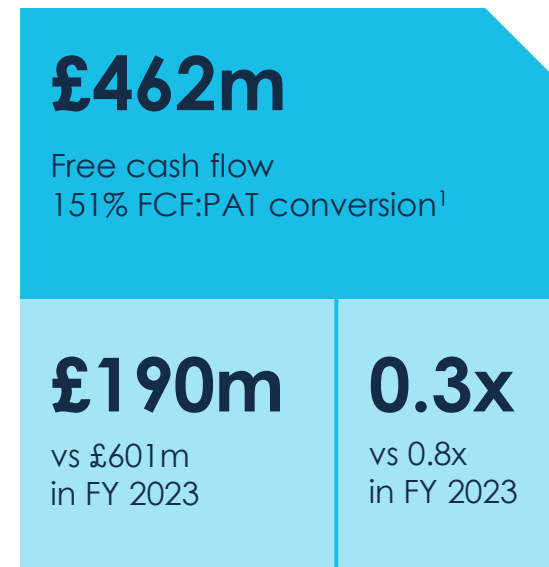
**Organic
growth**
(YoY%)

Profitability:



Operating margin

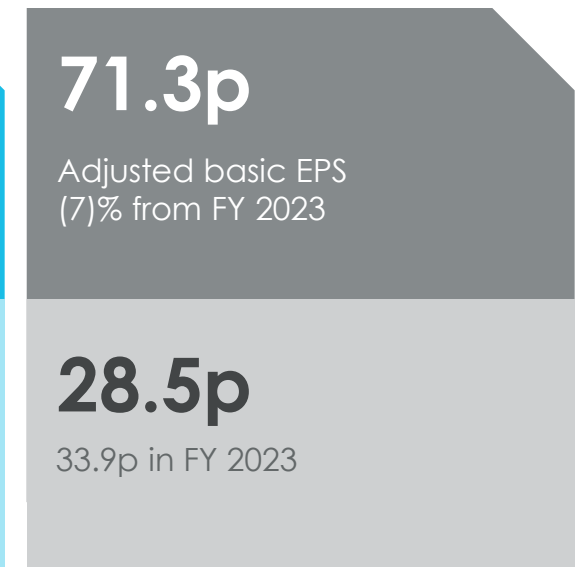
Balance sheet & cash:



**Adjusted
Net Debt**

Leverage

Shareholder returns:

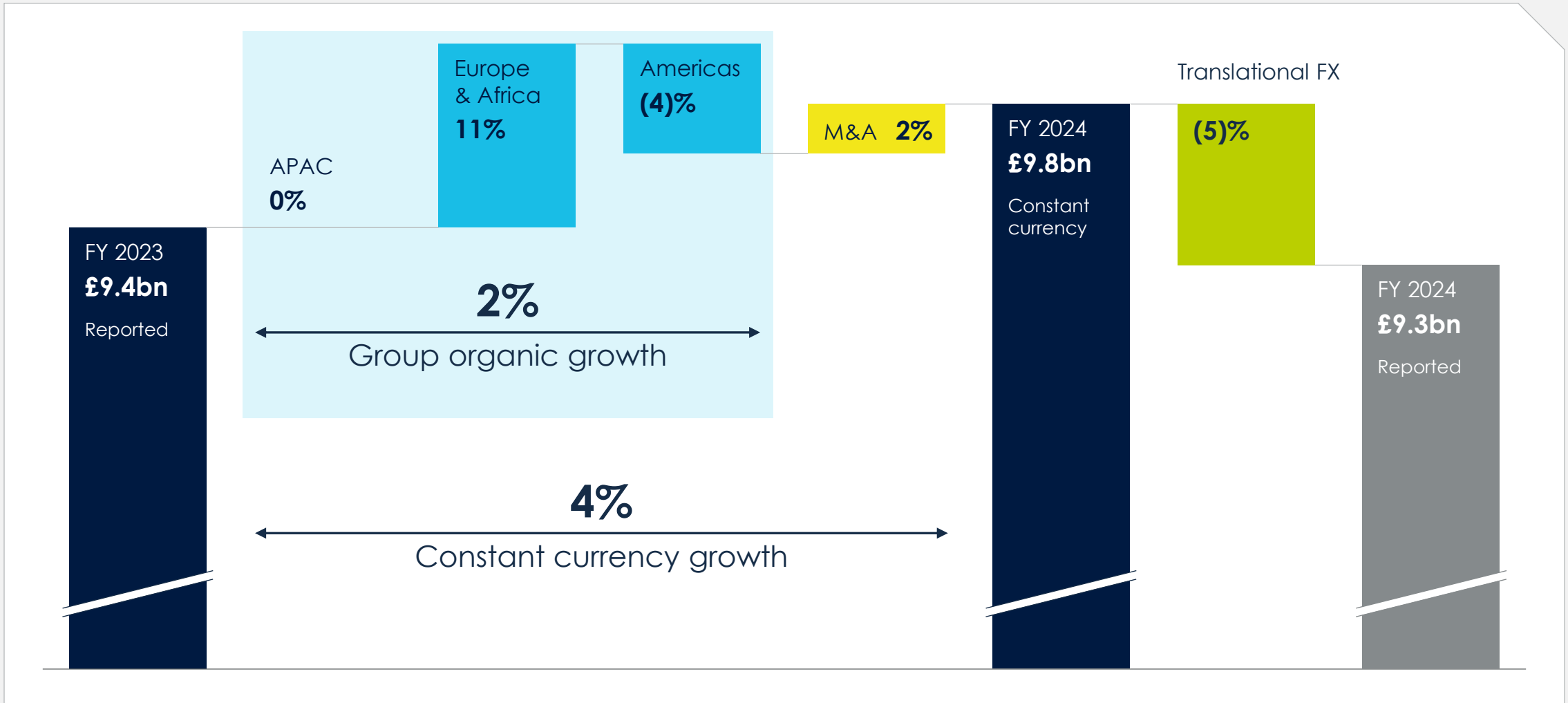


Dividend per share
(proposed)

1. Where appropriate, figures stated before adjusting items, and on the basis of continuing operations

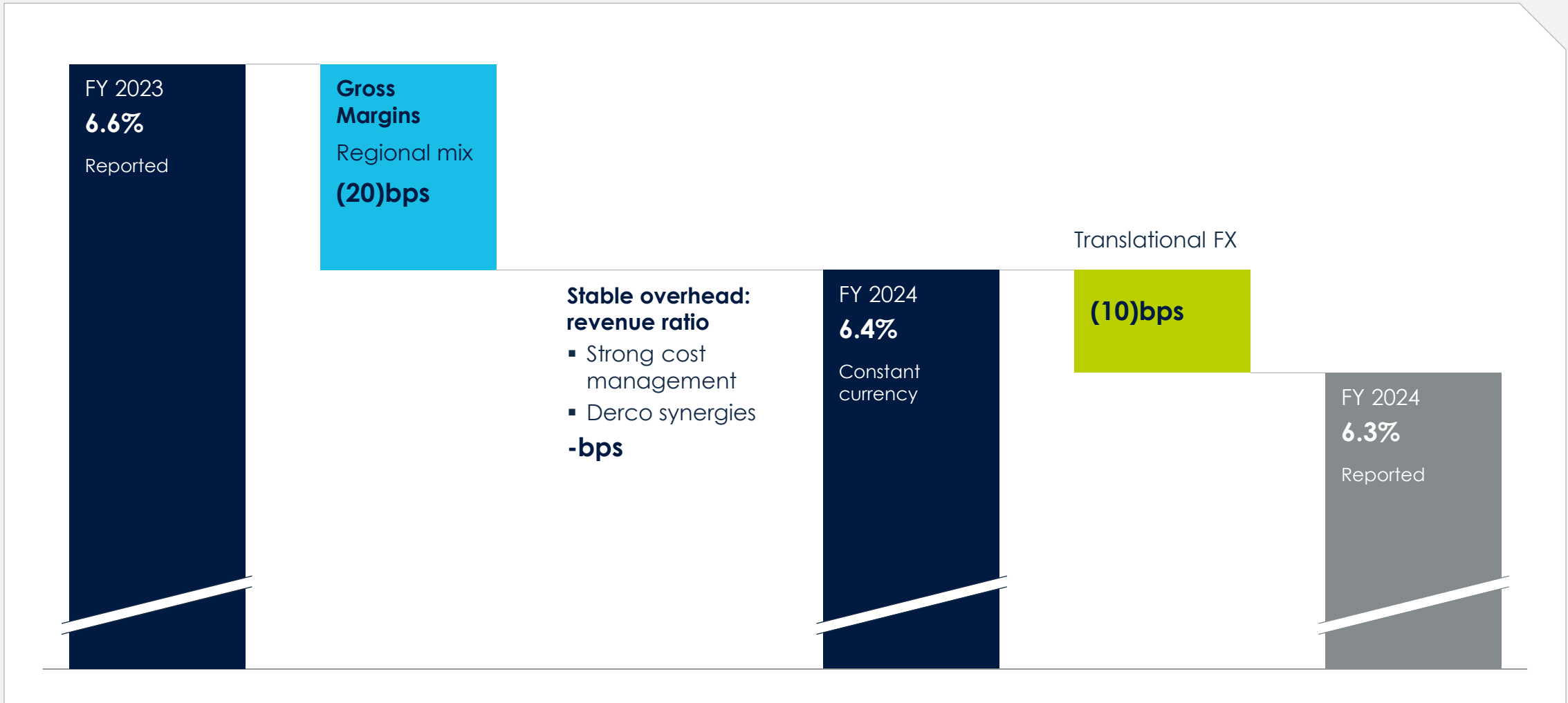
2. In 2024 we changed our definition. FCF conversion is defined as free cash flow divided by adjusted profit after tax. See definition in Note 12 APMs

Revenue: Growth driven organically and by acquisitions

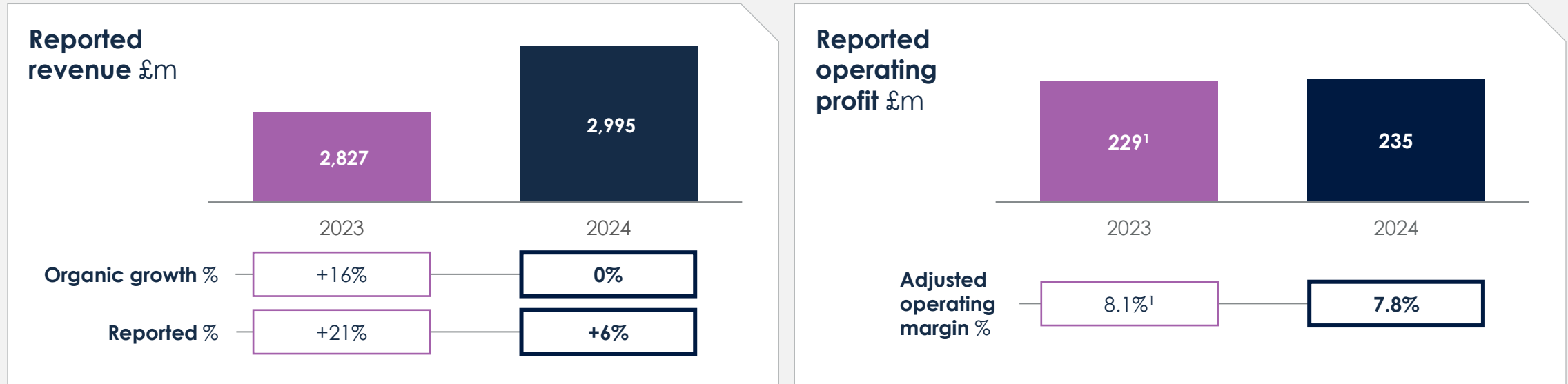


Where appropriate, figures stated before adjusting items, and on the basis of continuing operations

Operating Margins: Continued resilience



APAC: Growth from acquisitions, resilient margins



FY 2024 revenue:

- Overall performance broadly in line with market
- Acquisitions driving growth – integration on track
- Certain markets weaker in H2 2024, with tougher comparators

FY 2024 operating margin:

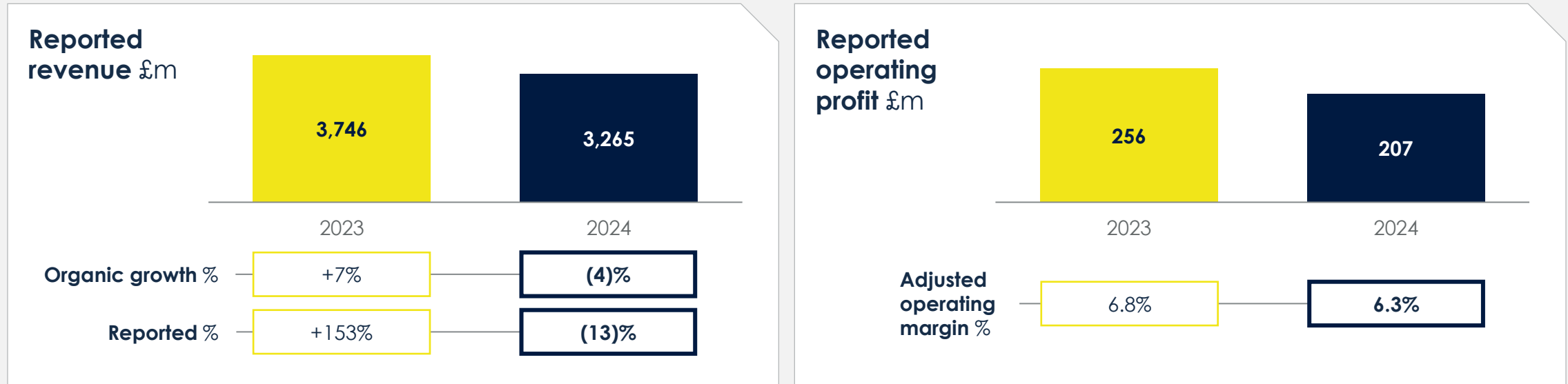
- Resilient margins
- Continued focus on cost management

FY 2025 outlook:

- Mixed market momentum with competitive dynamics in certain markets
- Tough comparators in H1 2025
- H2-weighting driven by model launches and ramp-up of new contracts
- Margin resilience through continued cost discipline

¹ FY 2023 included a property gain of £16m
Where appropriate, figures stated before adjusting items, and on the basis of continuing operations

Americas: Improved performance in H2 2024



FY 2024 revenue:

- Robust performance across the region
- Positive organic growth in H2
- 14 contract wins – driven by strength of Derco relationships

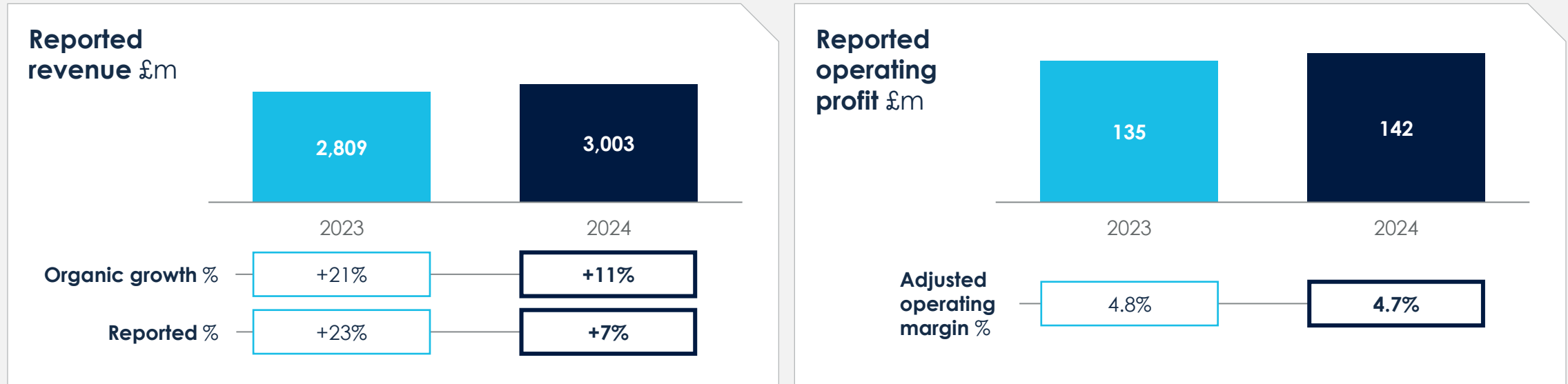
FY 2024 operating margin:

- Improved margins in H2 of 6.6%
- Better operating efficiency, supported by Derco cost synergies
- FY margins impacted by deleveraging effect of lower market volumes

FY 2025 outlook:

- Prudent expectations for strong market recovery
- Expected to continue delivering margin resilience
- Disposal of dilutive, non-core retail assets – revenue of c.£80m

Europe & Africa: Strong growth, market outperformance



FY 2024 revenue:

- Excellent operational delivery
- Record market share achieved in Europe, with 6 contract wins
- Organic growth normalised in H2, reflecting order bank unwind
- Africa remained resilient

FY 2024 operating margin:

- Elevated operating margins
- Operating margins returned to historic levels in H2 2024
- Effect of order bank unwind and dilution from accelerating contract win momentum in Europe
- Translational FX impact in H2 related to Ethiopia


FY 2025 outlook:

- Lower revenue levels expected, against tough comparators
- Operating margins expected to moderate towards historic levels

Disclosure update: Inchcape market tracker

Quarterly disclosure

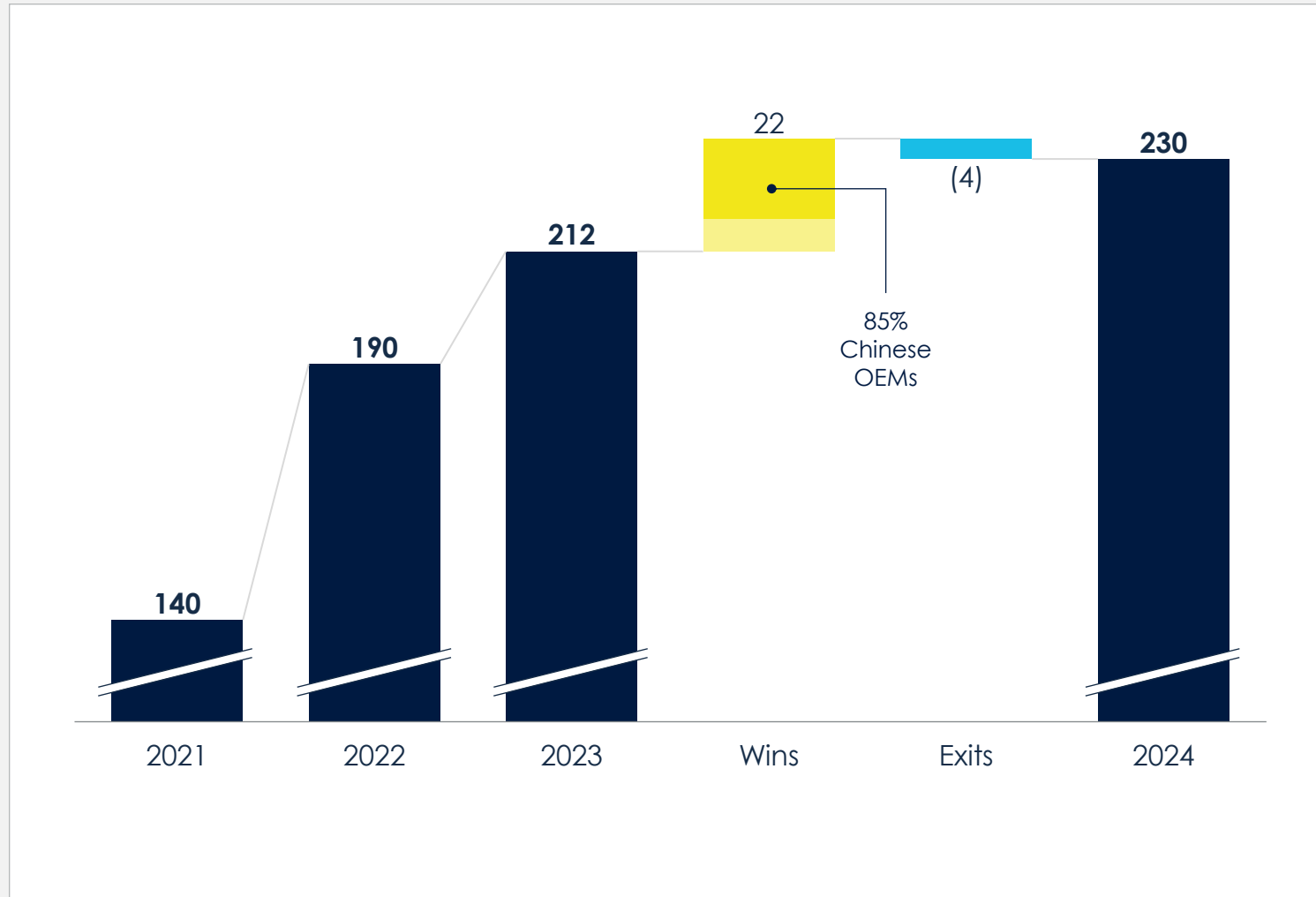
- Inchcape total addressable market (TAM)
- Key market trends

|  Regional Market Data Appendix | | | | | | | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| <small>Disclosure of top 4 markets by region of total industry volumes (TIV) by region. The data below is based on new car distribution volumes (passenger vehicles and light commercial vehicles). Market data throughout this report are estimates based on the Company's analysis of third party government market data and IHS. Third party data is subject to corrections in the future.</small> | | | | | | | | | | | | | | | |
| <small>Figures rounded to nearest thousand</small> | | | | | | | | | | | | | | | |
| | Q1 23 | Q2 23 | Q3 23 | Q4 23 | H1 23 | H2 23 | FY 2023 | Q1 24 | Q2 24 | Q3 24 | Q4 24 | H1 24 | H2 24 | FY 2024 | % 2024 growth |
| APAC | | | | | | | | | | | | | | | |
| Australia | 269 | 313 | 318 | 317 | 582 | 635 | 1,217 | 304 | 328 | 295 | 293 | 632 | 588 | 1,221 | 0% |
| Hong Kong | 11 | 11 | 11 | 12 | 22 | 24 | 45 | 14 | 11 | 8 | 10 | 25 | 19 | 44 | (3)% |
| Indonesia | 271 | 231 | 244 | 252 | 503 | 496 | 998 | 231 | 201 | 225 | 232 | 432 | 457 | 890 | (11)% |
| Singapore | 10 | 8 | 9 | 12 | 18 | 21 | 39 | 9 | 12 | 13 | 13 | 21 | 27 | 47 | 22% |
| Other Inchcape markets | 243 | 223 | 262 | 305 | 466 | 566 | 1,032 | 337 | 303 | 299 | 279 | 640 | 578 | 1,219 | 18% |
| Target Markets ¹ | 221 | 246 | 253 | 304 | 467 | 557 | 1,025 | 215 | 246 | 273 | 314 | 461 | 587 | 1,048 | 2% |
| APAC TAM² | 1,025 | 1,032 | 1,096 | 1,202 | 2,058 | 2,298 | 4,356 | 1,111 | 1,101 | 1,114 | 1,143 | 2,212 | 2,256 | 4,468 | 3% |
| Europe & Africa | | | | | | | | | | | | | | | |
| Belux | 164 | 166 | 139 | 129 | 330 | 268 | 599 | 167 | 160 | 119 | 119 | 327 | 238 | 565 | (6)% |
| Bulgaria | 10 | 13 | 13 | 13 | 23 | 26 | 49 | 15 | 16 | 13 | 14 | 30 | 27 | 57 | 16% |
| Greece | 37 | 39 | 36 | 32 | 76 | 69 | 145 | 39 | 44 | 32 | 31 | 83 | 64 | 147 | 2% |
| Romania | 41 | 40 | 41 | 38 | 81 | 78 | 160 | 38 | 56 | 36 | 40 | 94 | 76 | 170 | 6% |
| Other Inchcape markets | 170 | 170 | 159 | 168 | 340 | 328 | 667 | 181 | 186 | 164 | 203 | 367 | 367 | 734 | 10% |
| Target Markets ¹ | 726 | 737 | 717 | 762 | 1,463 | 1,479 | 2,941 | 738 | 759 | 746 | 784 | 1,497 | 1,530 | 3,027 | 3% |
| E&A TAM² | 1,148 | 1,165 | 1,105 | 1,143 | 2,313 | 2,248 | 4,561 | 1,177 | 1,220 | 1,110 | 1,192 | 2,397 | 2,302 | 4,699 | 3% |
| Americas | | | | | | | | | | | | | | | |
| Chile | 91 | 68 | 77 | 78 | 159 | 155 | 314 | 71 | 71 | 79 | 81 | 142 | 160 | 302 | (4)% |
| Colombia | 41 | 39 | 39 | 48 | 80 | 87 | 167 | 37 | 41 | 47 | 60 | 78 | 107 | 185 | 11% |
| Costa Rica | 13 | 12 | 13 | 16 | 25 | 29 | 55 | 16 | 21 | 16 | 19 | 38 | 35 | 73 | 34% |
| Peru | 46 | 41 | 41 | 37 | 87 | 78 | 164 | 40 | 36 | 37 | 38 | 76 | 76 | 151 | (8)% |
| Other Inchcape markets | 220 | 217 | 221 | 209 | 437 | 430 | 867 | 189 | 197 | 223 | 207 | 385 | 429 | 815 | (6)% |
| Target Markets ¹ | 10 | 9 | 10 | 13 | 19 | 24 | 43 | 10 | 10 | 11 | 14 | 20 | 25 | 46 | 7% |
| Americas TAM² | 421 | 386 | 402 | 401 | 807 | 802 | 1,409 | 363 | 377 | 413 | 419 | 739 | 833 | 1,572 | (2)% |
| Inchcape TAM² | 2,594 | 2,584 | 2,603 | 2,746 | 5,178 | 5,348 | 10,526 | 2,651 | 2,698 | 2,637 | 2,754 | 5,349 | 5,391 | 10,740 | 2% |

1. IHS market data as at February 2025
2. Includes Inchcape markets and target markets. Target markets exhibit the characteristics of a typical Inchcape market, which are smaller to medium-sized and more complex

Disclosure of top 4 markets by region of total industry volumes (TIV) by region. The data is based on new car distribution volumes (passenger vehicles and light commercial vehicles). Market data throughout this report are estimates based on the Company's analysis of third-party government market data. Third party data is subject to corrections in the future. Figures rounded to nearest thousand. | 1. IHS market data as at February 2025 2. Includes Inchcape markets and target markets. Target markets exhibit the characteristics of a typical Inchcape market, which are smaller to medium-sized and more complex

Distribution contracts: building scale and diversification



Distribution contract dynamics:

Contracts won, FY21 to FY24:

40+

Average per contract contribution at maturity (Yr 5):

Market share:

At least 2%

Revenue range:

£20m - £30m

Adjusted operating profit range:

£1m - £2m

Income statement: key financials

| £m (unless otherwise stated) | FY 2023 | FY 2024 |
|--|--------------|--------------|
| Revenue | 9,382 | 9,263 |
| Adjusted Operating Profit | 620 | 584 |
| Share of profit after tax from JV's and associates | 1 | 2 |
| Adjusted Net Finance Costs | (154) | (142) |
| Adjusted Profit Before Tax | 467 | 444 |
| Adjusting Items | (89) | (30) |
| Reported Profit Before Tax | 378 | 414 |
| <i>Underlying Adjusted Tax rate %</i> | 30.0% | 31.3% |
| <i>Adjusted Basic EPS (pence)</i> | 76.3p | 71.3p |

Lower Net Finance Costs driven by positive impact of reduction in net debt

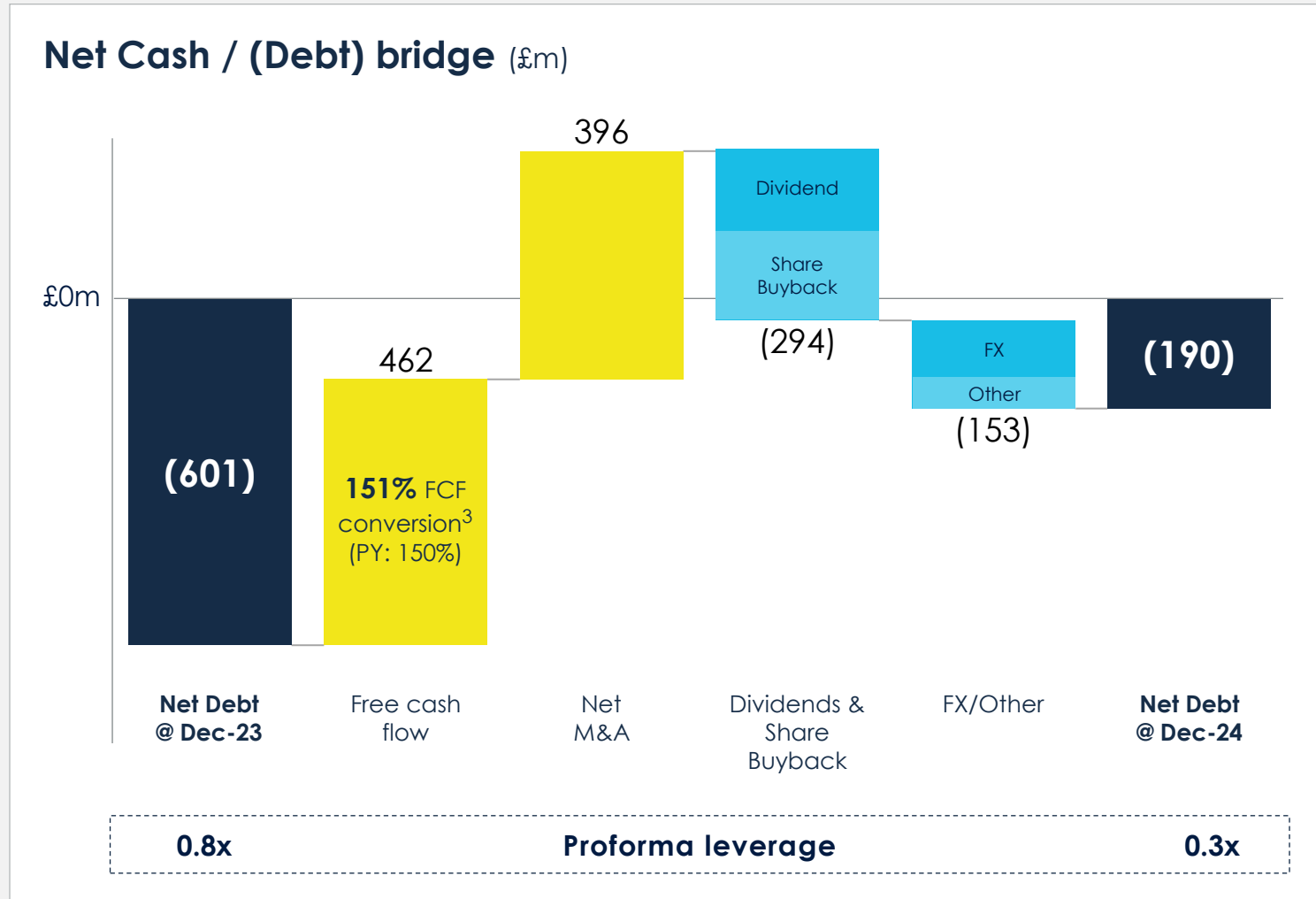
Adjusting items

- Acquisition & integration costs £42m
– Inc. £32m Derco, largely complete
- Net monetary loss on hyperinflation £8m
- Net impairment reversal of Distribution agreements of £14m
- Gain on disposal of non-core spare parts business £6m

Underlying tax rate higher at 31.3%, includes impact of Pillar 2 regulations

De-risked UK pension with “buy in” executed in Q4 24

Net debt: Substantially reduced



2024 highlights:

- FCF of £462m
- FCF: PAT conversion of 151%
- Strong working capital performance - inflow of £195m
- Cash proceeds from non-core disposals
- Net debt of £190m
- Leverage of 0.3x

1. Net debt calculation excludes the impact of leases. 2. Where appropriate, figures stated before adjusting items, and on the basis of continuing operations
 3. Free cash flow conversion is calculated as free cash flow divided by Adjusted Profit After Tax

2024 summary: Progress against key financial metrics

Delivering top line growth:



4%
Revenue growth

High returns:



27%
ROCE

Resilient margins:



6.3%
Operating margins

Profit growth:



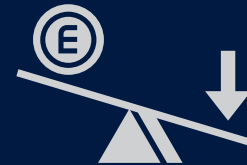
5%
PBT growth,
at constant currency

Highly cash generative:



£462m
FCF generated

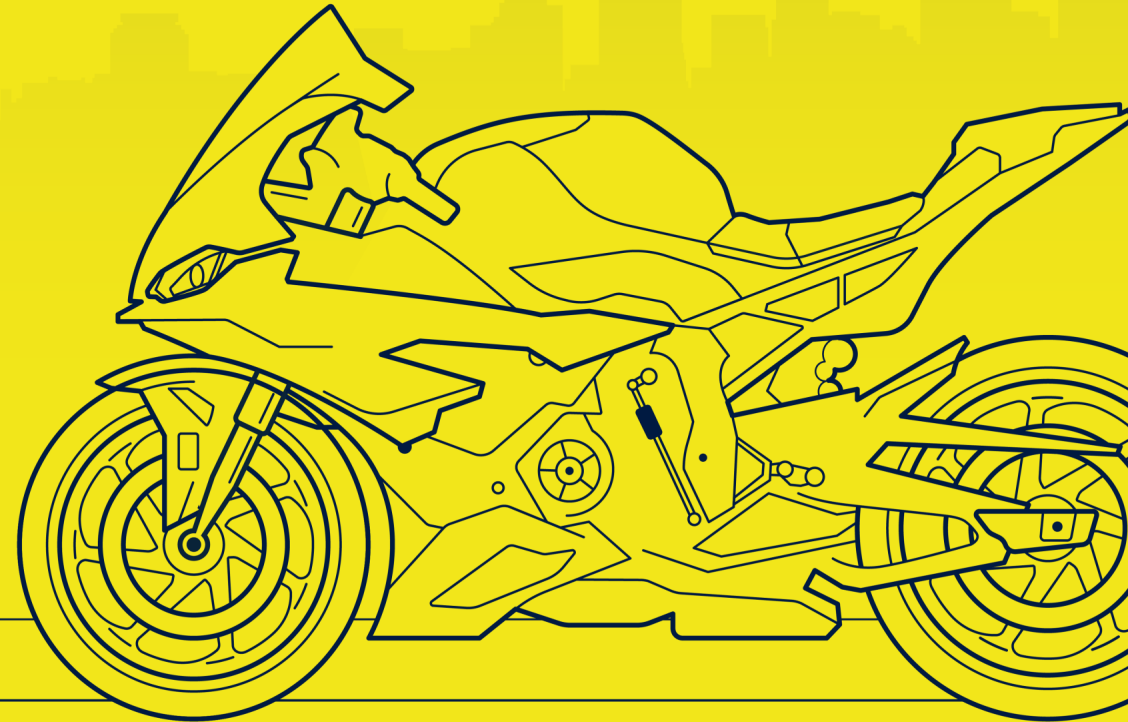
Leverage reduced:



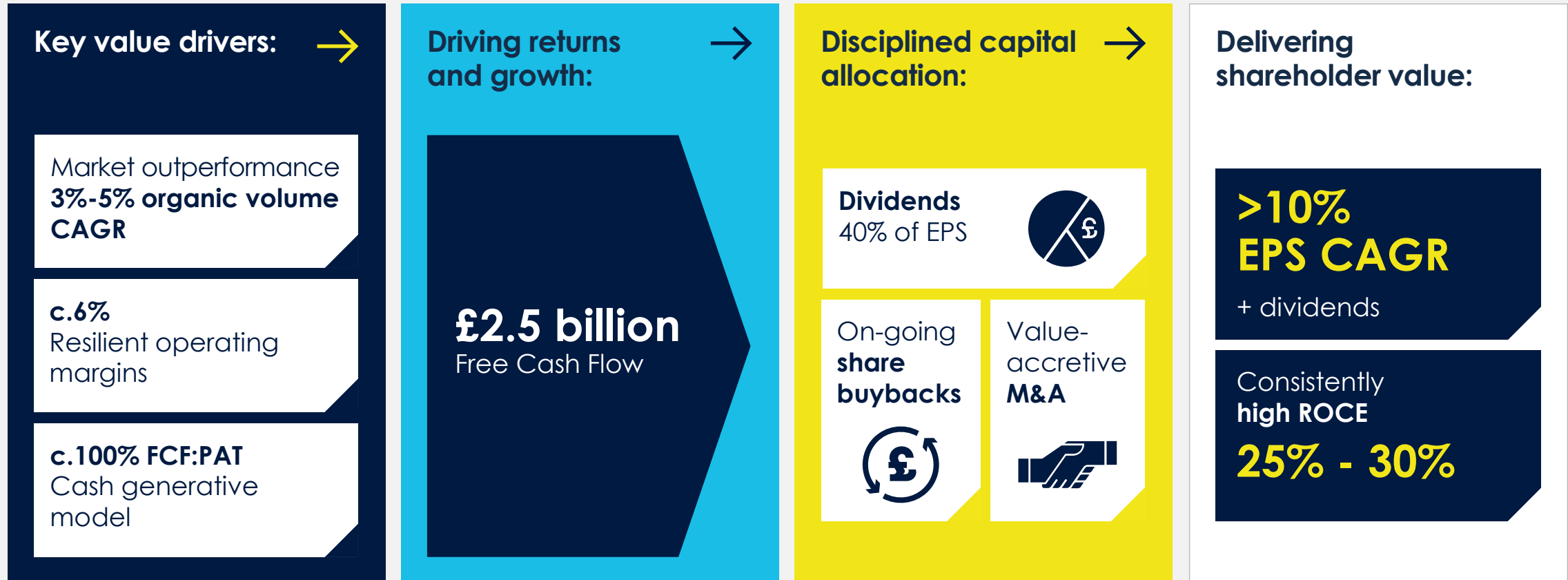
0.3x
Closing leverage

MEDIUM TERM TARGETS

Adrian Lewis, Group CFO

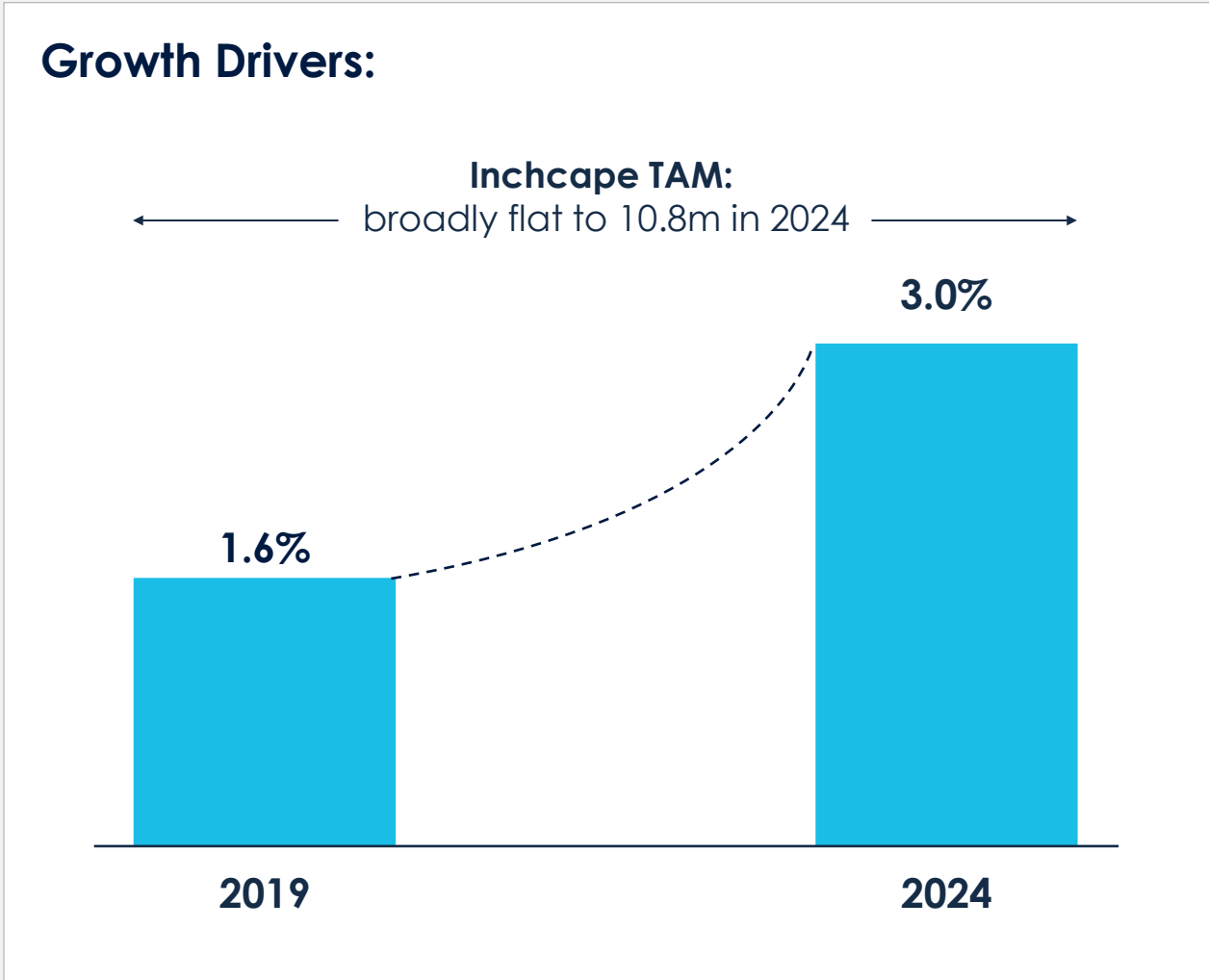


Medium term targets: 2025 – 2030, through-the-cycle



Powered by **Accelerate+**

Growth: organic volume CAGR of 3% - 5%



Volume Growth Target:

Organic volume CAGR
3% - 5%

Market growth: **1% - 2%**
Market outperformance: **2% - 3%**

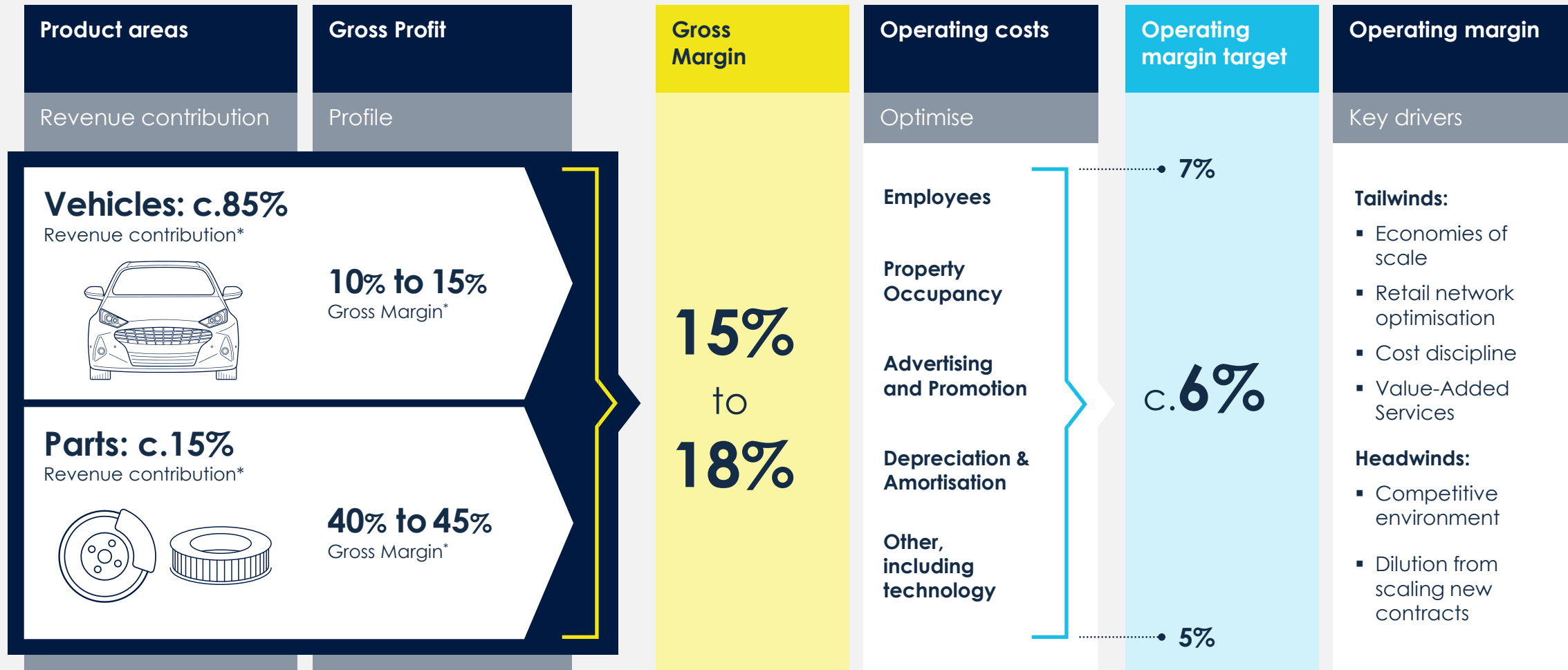
+

M&A

Value-accretive acquisitions

Source: IHS, Inch TIV defined based on Geo footprint annualised.

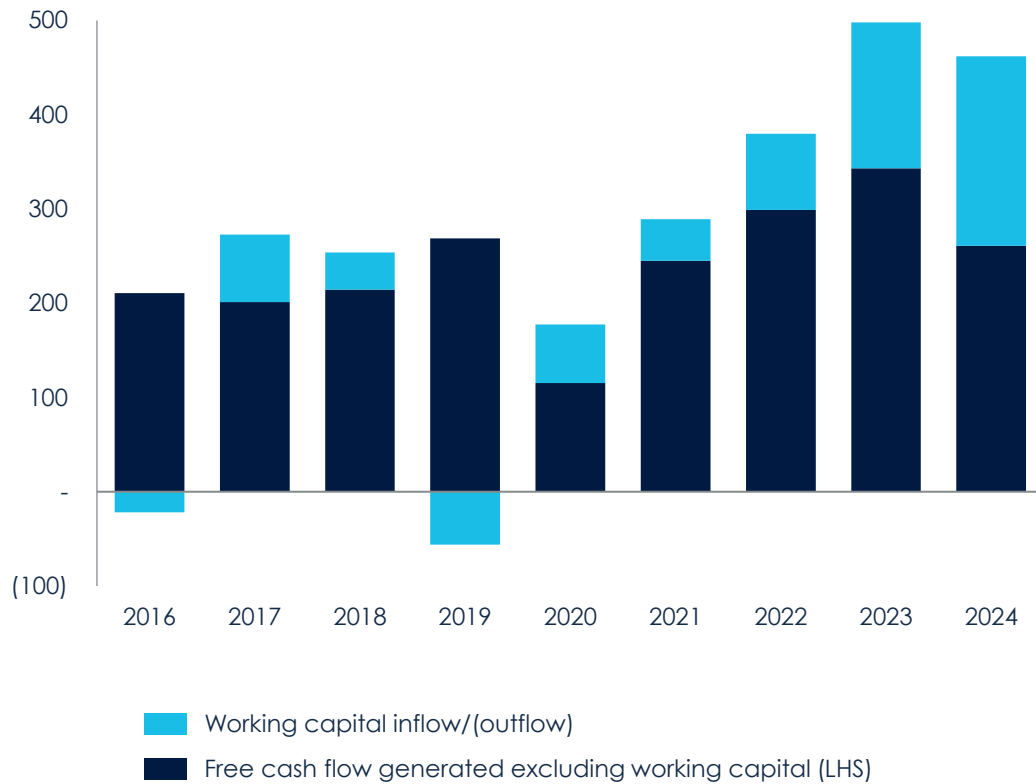
Operating margins of c.6%: resilience through-the-cycle



Vehicles revenue and gross margin includes New and Used vehicles and F&I. Parts revenue includes servicing

Cash generation: £2.5bn, 100% PAT conversion rate

Our track record of Free Cash Flow generation¹:



Cash Generation Guidance:

100% FCF: PAT conversion

Capital-light operating model
leveraging third party dealer networks

Working capital optimisation
in newly acquired businesses

Inventory management
through sales & operational planning

Tax, treasury and cash management
global best practice

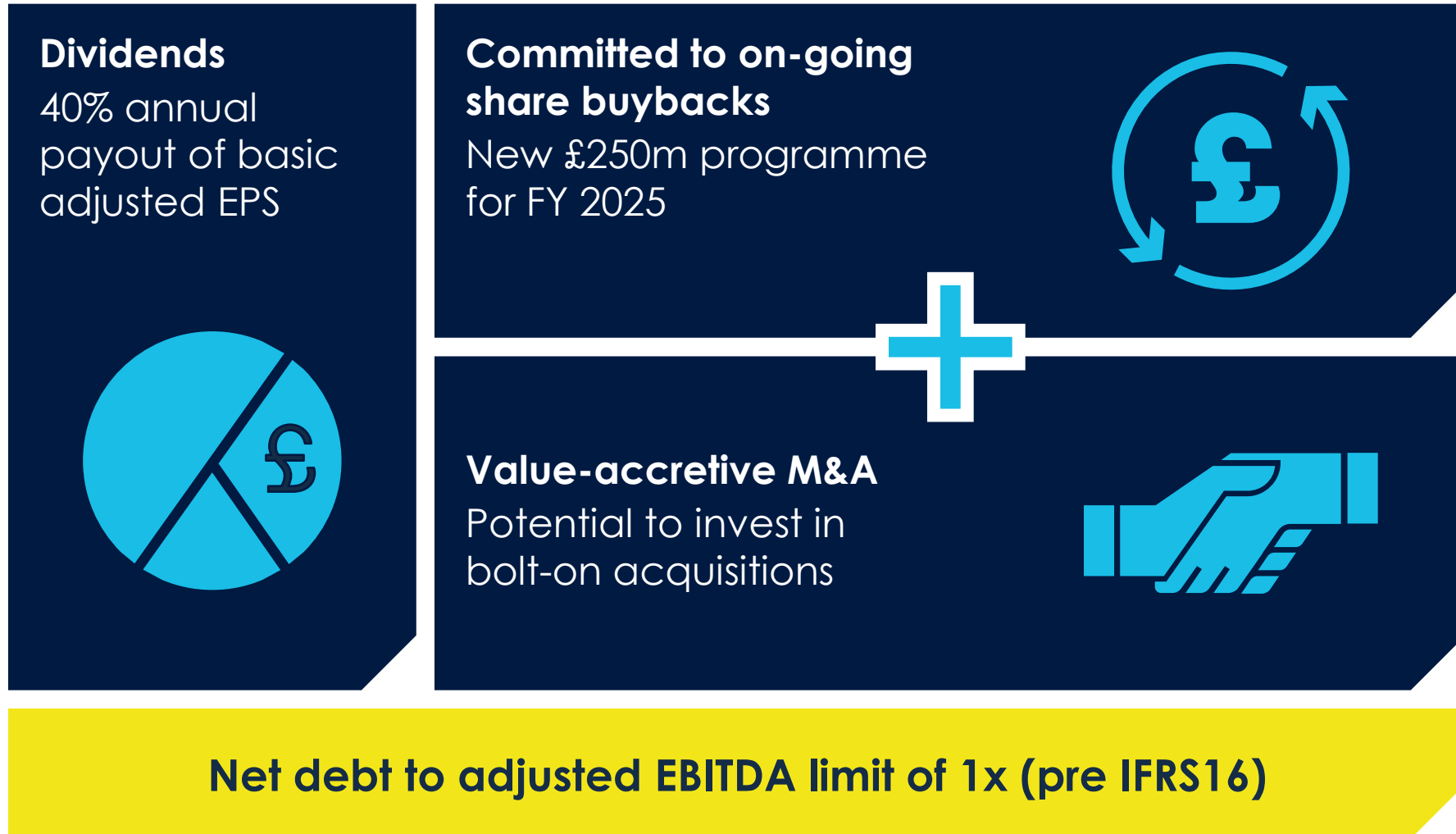
£2.5bn

FCF generation, 2025 to 2030

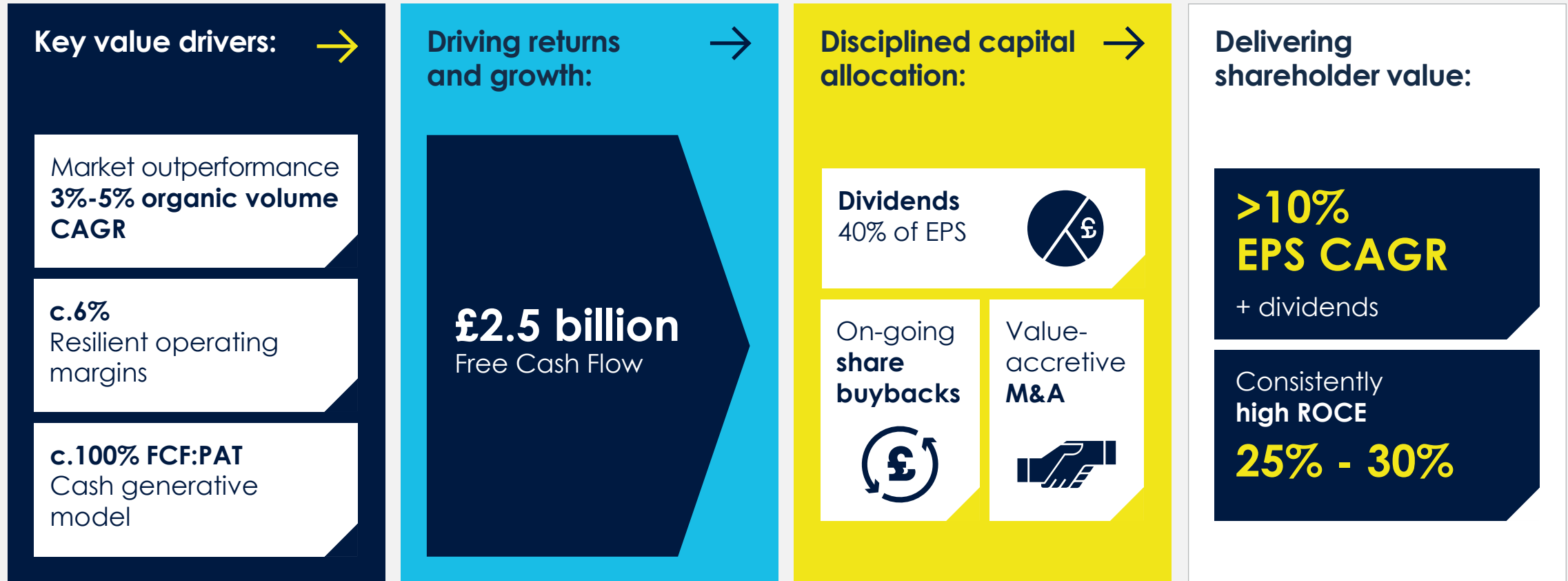
1. As reported, 2016-2018 restated for IFRS 16

2. Where appropriate, figures stated before adjusting items

Our updated capital allocation policy



Medium term targets: 2025 – 2030, through-the-cycle



Powered by **Accelerate+**



SUMMARY AND FY 2025 OUTLOOK

Duncan Tait, Group CEO



FY 2024: continued strategic, operational & financial progress

The world's leading independent automotive Distributor

- **Record of 22 contract wins**
- **Divestments** of non-core assets
- **Launch of Accelerate+**
- **Strong customer reputation**
761 on reputation.com

Resilient performance in FY 2024, with strong balance sheet

Revenue growth:

4%

Adjusted PBT:

£444m

+5% from 2023 in constant currency

Leverage:

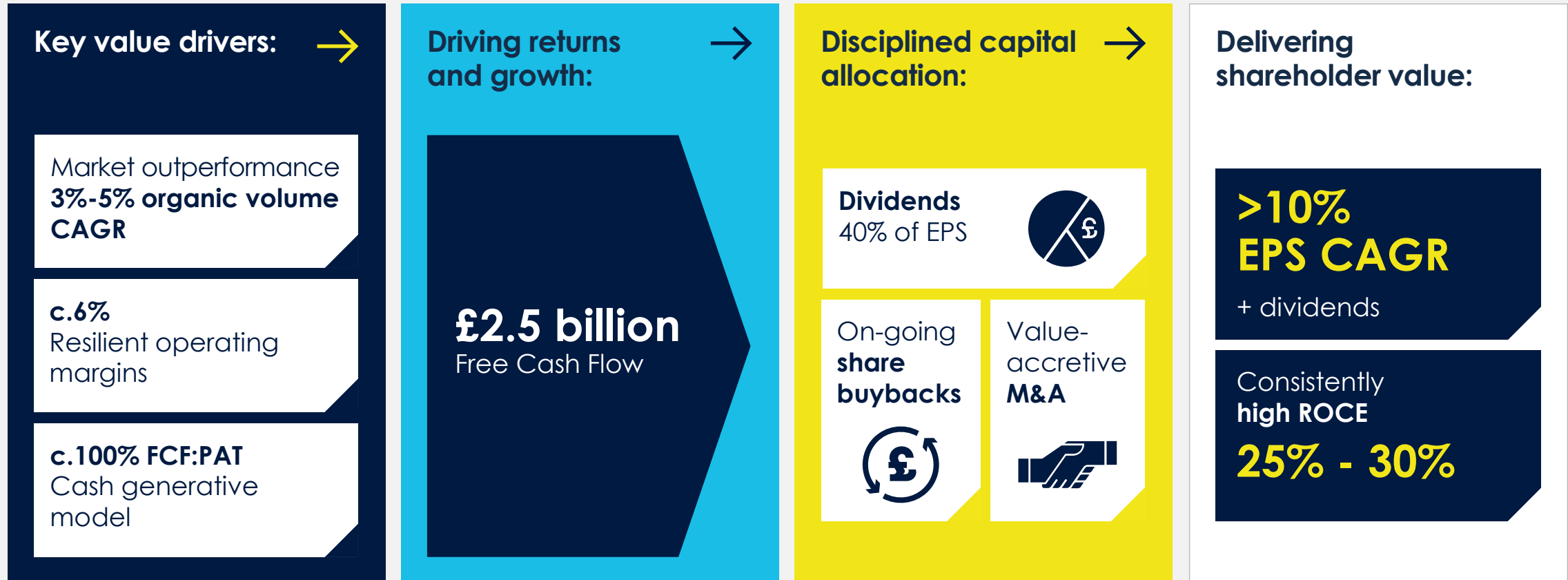
0.3x

From 0.8x in 2023

FCF generated:

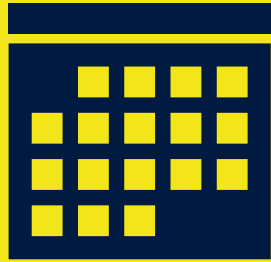
£462m

Medium term targets: 2025 – 2030, through-the-cycle



Powered by **Accelerate+**

FY 2025 outlook: another year of growth expected



RESILIENT SHORT-TERM OUTLOOK

- Another year of growth expected
- At prevailing foreign exchange rates



KEY DYNAMICS:

- Product cycles and ramp-up of new contracts skewing growth to H2 2025

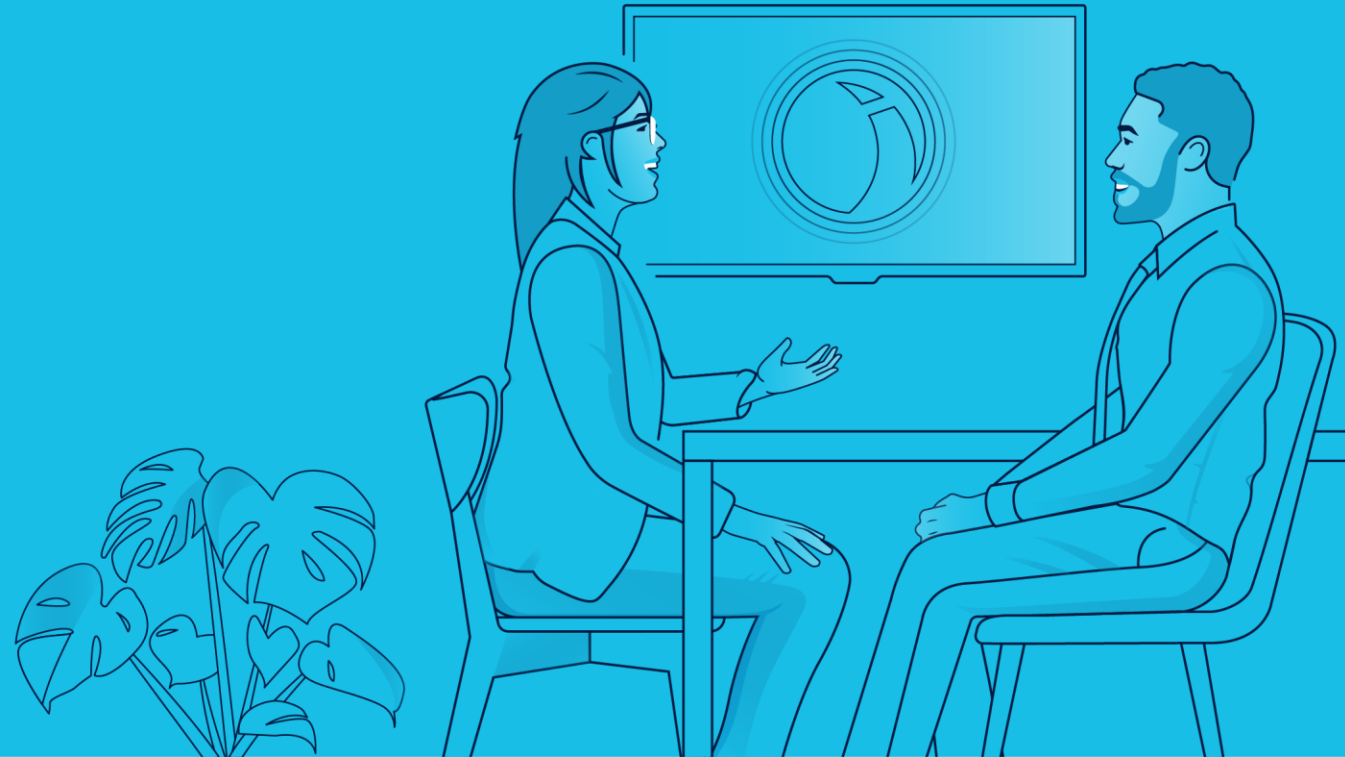


HIGHER EPS GROWTH – DRIVEN BY:

- Profit growth
- New £250m share buyback



Q&A



Key takeaways from today



Another year of strategic, operational and financial progress



Disciplined approach to capital allocation - new £250m share buyback



Medium term target to generate £2.5bn in Free Cash Flow - driving >10% EPS CAGR + dividends

APPENDIX



FY 2024: Distribution contract wins and exits

Contracts won in FY 2024:

| OEM brand | Market |
|-----------------|----------------------------------|
| Ford | Estonia |
| JAC Trucks | Columbia |
| Changan | Caribbean |
| Forland | Ecuador |
| Foton | Australia |
| Harley Davidson | Chile |
| Peugeot | Caribbean |
| Great Wall | Colombia |
| Deepal | Australia |
| BYD | Ethiopia |
| Xpeng | Finland |
| BYD | Estonia |
| Xpeng | Poland |
| GAC | Finland |
| Deepal | Chile, Peru, Bolivia, Costa Rica |
| Avatr | Chile, Peru, Bolivia, Costa Rica |

Contract exits in FY 2024:

| OEM brand | Market |
|-----------|---------|
| Geely | Chile |
| JAC | Chile |
| Citroen | Peru |
| Chevrolet | Bolivia |