

**PENDRAGON PLC FULL YEAR TRADING UPDATE**  
**(ISSUED 25 January 2023)**

Pendragon PLC (the "Group") today provides a trading update for the year ended 31 December 2022. Unless otherwise stated, figures quoted in this statement are for the 12 months ended 31 December 2022 and the comparative period being the 12 months ended 31 December 2021.

Overall financial performance for the fourth quarter of FY22 was slightly ahead of the Board's expectations, with a strong underlying trading performance more than offsetting higher operating and interest cost pressures. Trading during the quarter was underpinned by strong volume growth in new cars, with the Group delivering like-for-like volume growth of 4.6%, and outperforming the retail new car market growth of 1.0%. Used car volumes also grew by 5.2% on a like-for-like basis in Q4, a notable improvement on the declines seen in the third quarter.

As a result of this performance, FY22 Group underlying profit before tax is expected to be approximately £57m (FY21: £83.0m), slightly ahead of market expectations<sup>1</sup>.

The Group continued to improve its financial position during FY22, with adjusted net debt of approximately £23m (FY22: £49.7m) as at 31 December 2022.

### **Outlook**

We are pleased with the operational and financial performance during FY22 as well as the continued progress against our long-term goals. We expect constraints in both new and used vehicle supply to continue into 2023, however, the new car order bank remains strong and there are some early signs that new car supply may be beginning to improve which we expect to drive growth in new car volumes during 2023. We expect our ongoing initiatives and growth opportunities to more than offset operating cost inflation within the business. Accordingly, the Board remains confident in the prospects for the Group in the year ahead.

### **Notice of Results**

The Group will publish its preliminary results for FY22 on 22 March 2023.

### **Bill Berman, Chief Executive of Pendragon PLC, commented:**

"We closed out the year with a positive performance in the final quarter, which saw volume growth in both new and used vehicle sales. Despite the numerous challenges we have faced across our markets and in the economy at large, we performed strongly in 2022 and this shows the benefits of the improvements made across the business in recent years. Whilst market challenges will persist in 2023, we enter this new year with confidence and good momentum, and we look forward to making further progress against our strategic objectives."

<sup>1</sup> Market expectations based on an average underlying profit before tax of £54m and a range of £53m to £55.3m for FY22, as at 24 January 2023

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