

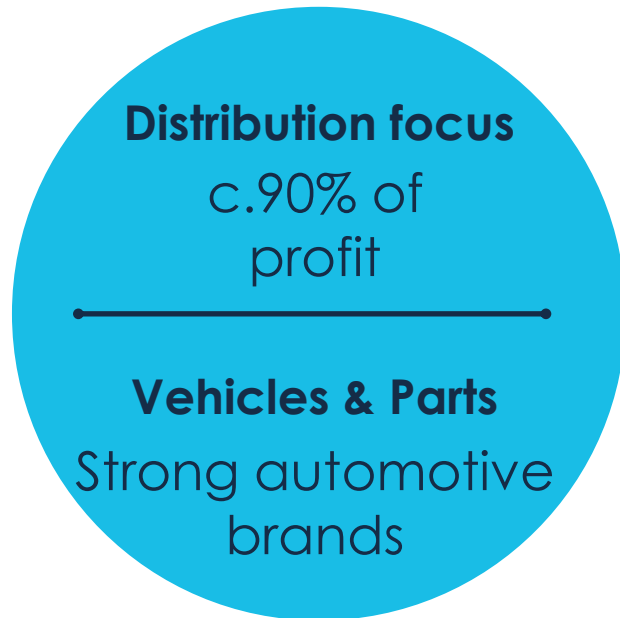


INVESTOR PRESENTATION

November 2022

Inchcape: Group overview

Our business



Leading global automotive distributor

Long-term relationships with global OEMs

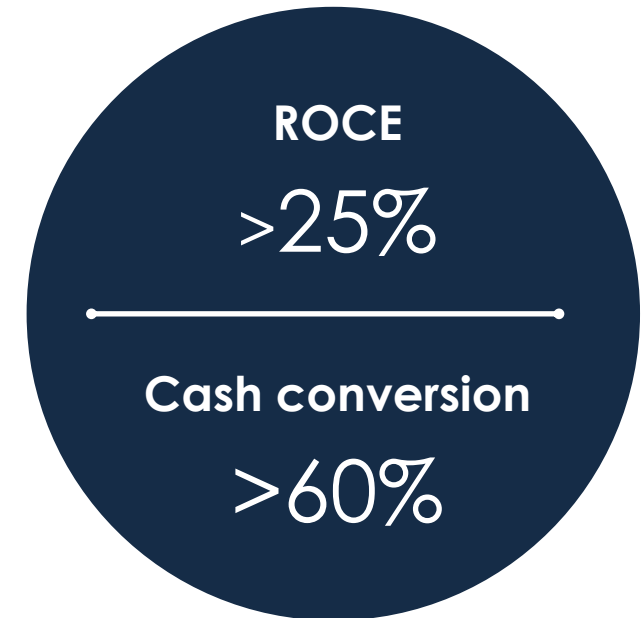
Our differentiators



Specialist in higher growth markets

Leveraging technological capability

Our financials



Strong financial position (M&A firepower)

Attractive capital allocation framework

First half 2022 headline KPIs

Topline

Revenue

£3.9bn

+12%

Organic growth (YoY%)

Profitability

Operating margin

5.2%
(1H21: 3.8%)

£184m

PBT

Cash

Free Cash Flow

£224m

£439m

Net cash

Shareholders

Adjusted EPS

35.0p

7.5p

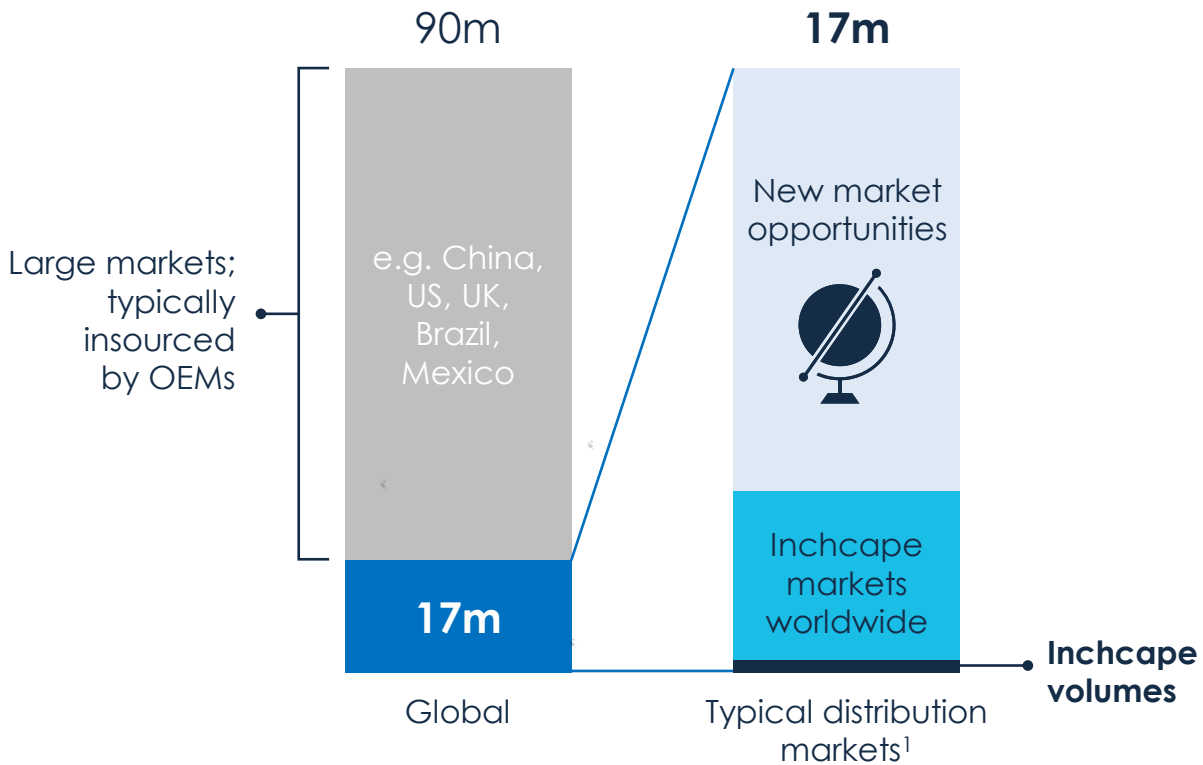
Interim +17% YoY

Dividend per share

Considerable opportunities for an ambitious Inchcape

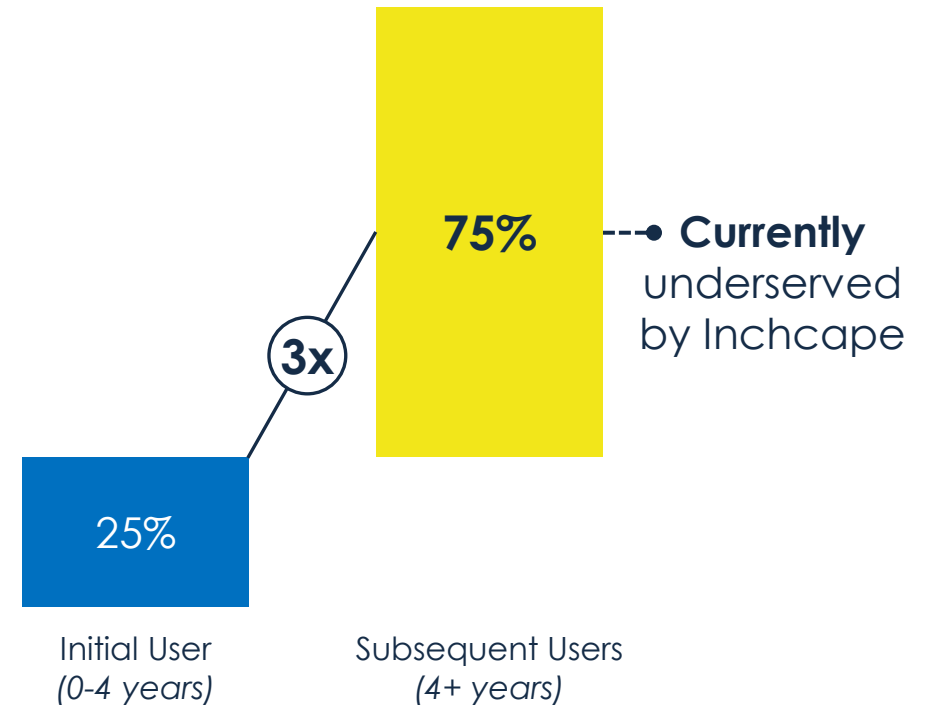
Distribution Excellence

Annual new car volumes (units)



Vehicle Lifecycle Services

Vehicle lifecycle value profit split²



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

2: Analysis shows the split of profit attainable over an average vehicle's life, and assumes four different owners during that period

The analysis captures the vehicle sales, finance & insurance commission and the aftersales services (including independent aftermarket)

Distribution deals have accelerated over the past 5 years



Number of deals	0	2	2	3	3	5	6
Revenue added	-	c.£400m	c.£100m	c.£250m	c.£150m	c.£200m	c.£350m
New OEMs	-	1	2	2	1	0	5
New markets	-	3	0	3	2	2	3

DERCO ACQUISITION



Derco: at a glance



Headquarters:
Santiago, Chile



Chile



Peru



Colombia



Bolivia

Existing portfolio: key facts

~4,500
colleagues

4
markets

#1 player in Chile, Peru
and Bolivia¹

#3 player in Colombia¹

11
OEM brands

150k
new vehicles
distributed

£2.0bn
revenue (2021)

329
locations;
~30% operated by Derco²

Inchcape + Derco: a highly strategic and accretive acquisition

Strong topline growth prospects

Increases exposure to higher growth markets

Leverage combined scale to capture more vehicle lifetime value

Margin upside

Derco is margin accretive for the Group

Significant opportunity for synergies

Distribution consolidation

Significantly increases Inchcape's distribution scale

Global automotive distribution remains highly fragmented

Shareholder value creation

20+% EPS accretion from year two

ROIC > Project WACC in year three

Extending Inchcape's global leadership in automotive distribution

Proposed acquisition of Derco: deal summary

- Derco: LatAm's largest independent automotive distributor
 - A family-founded and family-owned private company
 - Derco 2021 revenue of £2.0bn; LTM¹ revenue: £2.2bn
- Acquisition for £1.3bn (enterprise value). c.6x² EV/EBITDA based on a normalised margin
 - Mixture of cash and equity; Del Río family to take a 9.3% stake in Inchcape
 - Valued at normalised operating margin: ~7%
- Significant EPS accretion (15+% year one, 20+% from year two); >£40m recurring synergies
- Subject to shareholder approval and merger control

1: LTM: last twelve months to end June-22, based on unaudited management accounts

2: Based on indicative normalised operating margin of 7% / normalised EBITDA margin of 8% and LTM revenue of approximately CLP2.4 trillion for the 12 months to June 2022, plus recurring synergies



**BRINGING MOBILITY TO
THE WORLD'S COMMUNITIES -
FOR TODAY, FOR TOMORROW
& FOR THE BETTER**

Inchcape: well-positioned to deliver significant value

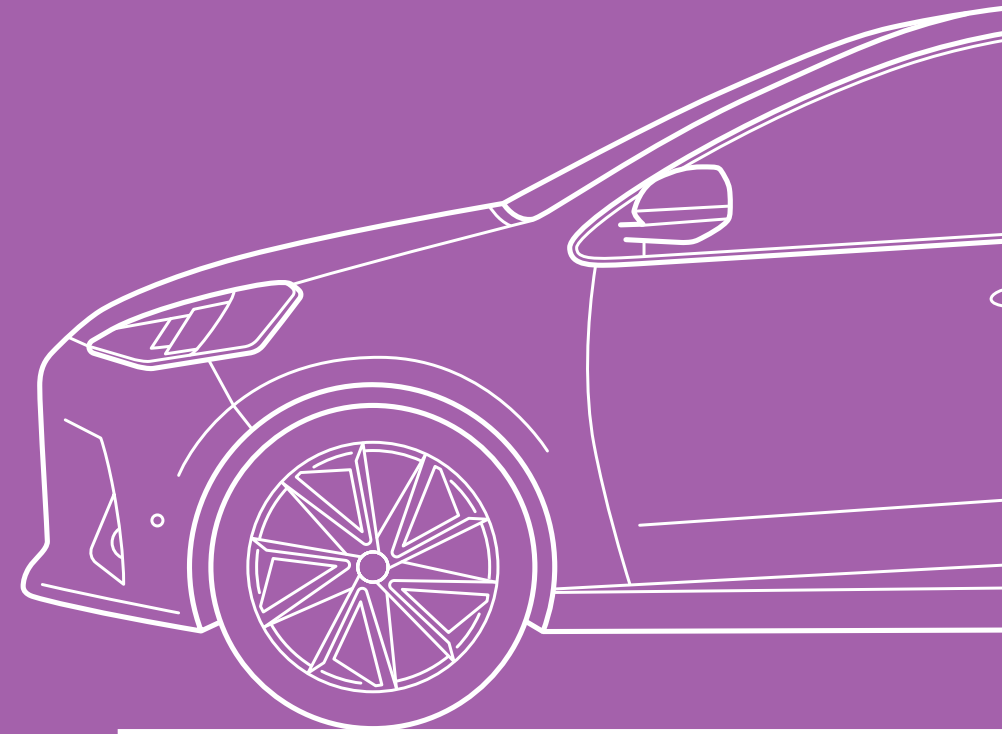


**Medium-term
financial outlook**

Distribution Excellence:
mid-to-high single digit profit CAGR *plus* M&A

Vehicle Lifecycle Services:
>£50m incremental profit contribution

APPENDIX



Capital allocation policy: highly attractive and disciplined

	01 Invest in the business Capex for organic growth and technological investment	02 Dividends Policy: 40% annual payout of basic EPS (pre- exceptionals)	03 Value accretive M&A Disciplined approach to valuation	04 Share buybacks Consider appropriateness of share buybacks
Cumulative 2016 to 2021	£400m capex spend (<1% of sales)	£470m of dividends	£620m of distribution acquisitions	£370m of share buybacks

Strong balance sheet
Net debt to EBITDA of max 1x (pre IFRS16)

Accelerate strategic framework

Our Growth Drivers

Distribution Excellence



Vehicle Lifecycle Services



Our Enablers

Culture and Capabilities



Digital, Data & Analytics



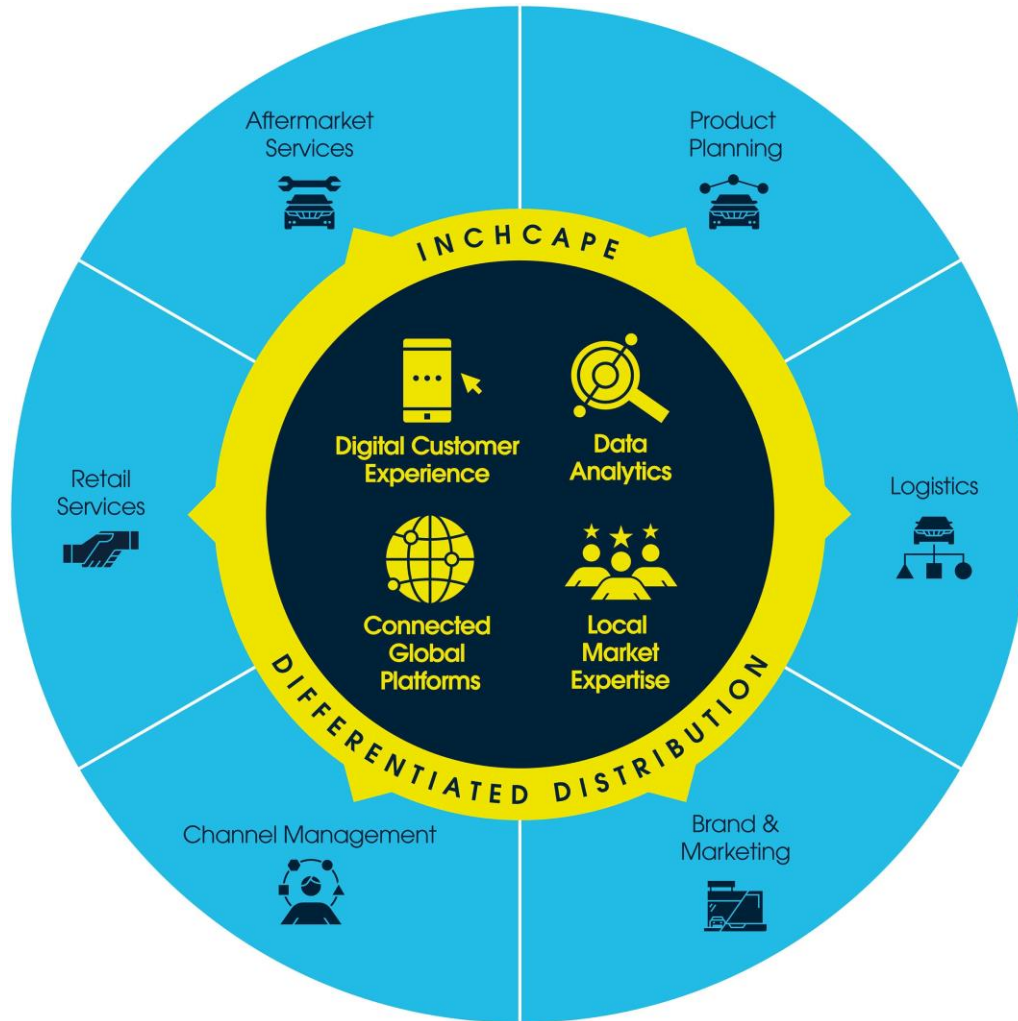
Efficient Scale Operations



Responsible Business



Inchcape: the leading automotive distributor



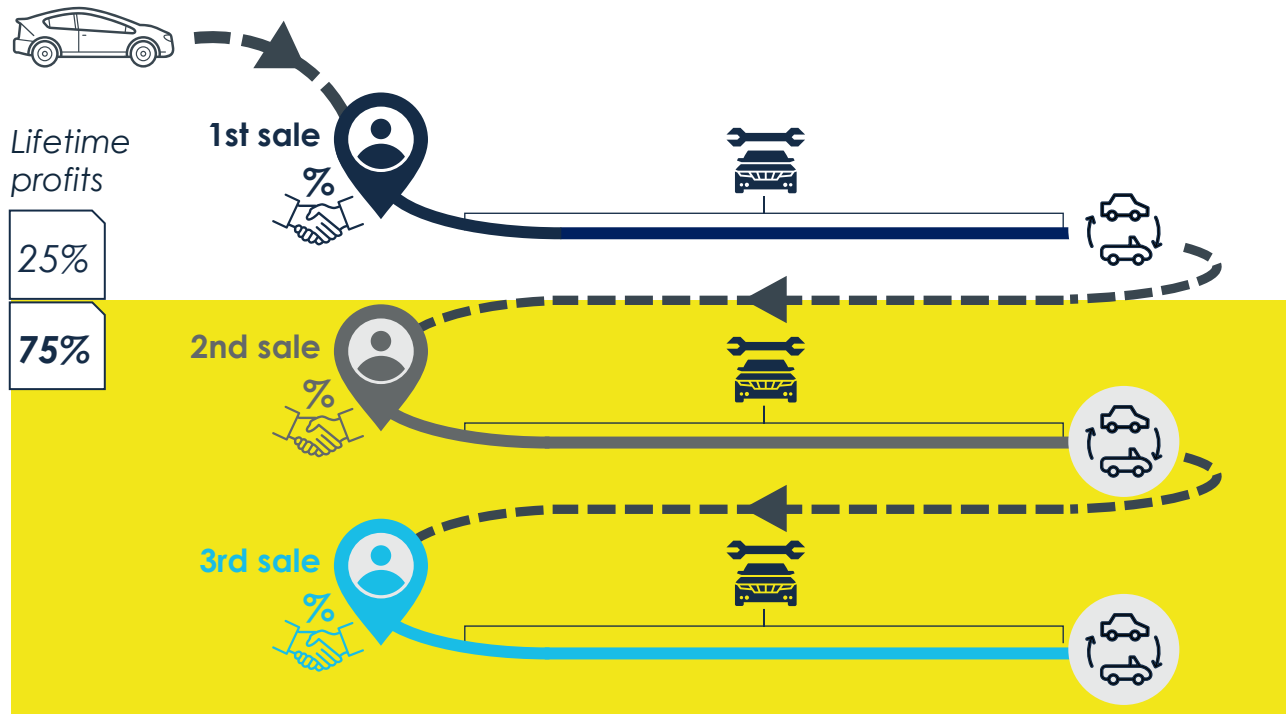
Our competitive advantages:

- The global leading distributor: >40 markets across six continents
- Long-term relationships, and several new exciting partnerships, with global OEM brands
- A plug-and-play distribution platform: unique digital and data analytics capabilities

Capturing more of the lifetime value of a vehicle

Vehicle Lifecycle Value

New vehicle import



Finance & Insurance



Aftermarket



Trade-in



Currently underserved by Inchcape

Three opportunities in focus

Timeline

1. **bravoauto**

Digital first, multi-brand, used car platform

B2C

2021/
22

2. Digital Parts Platform

Digital platform connecting parts distributors with workshops

B2B

2023/
24

3. Used car listing platform

Build the leading aggregator in less developed markets

B2B

TBC

Note: Analysis shows the split of profit attainable over an average vehicle's life, and assumes four different owners during that period
The analysis captures the vehicle sales, finance & insurance commission and the aftersales services (including independent aftermarket)

A strategic Responsible Business framework

Planet



- Mapping the **risks and opportunities of climate change**
- Setting **GHG targets**
- **Reducing waste**

People



- Prioritising **safety and wellbeing**
- Creating an **inclusive and diverse** colleague base

Places



- Positively impacting **local communities**
- Supporting **safer roads**
- Facilitating **mobility solutions** for people with disabilities

Practices



- Strengthening our **governance policies**, reflecting our standing as an international plc

Key milestones achieved in FY21

- **Board approval** of our ESG strategy
- **Global workstreams established** for each pillar
- **Science-based targets set:** reducing scope 1 and 2 emissions by 46% by 2030, in line with a 1.5°C target
- **Climate-related risks and opportunities identified**
- Workstreams started on **Inclusion & Diversity and wellbeing**

Next steps

- **TCFD-aligned reporting** in our 2021 ARA
- **2022 priorities towards our science-based targets:**
 - Switch to renewable tariffs
 - Invest in solar PV
 - Reduce base energy usage
- **Scope 3 emissions to be published in 2022**



**We work responsibly and impact the world for the better,
to the benefit of our stakeholders**

Extending Inchcape's global leadership in automotive distribution



Accelerate strategy in action

Inchcape acquires LatAm's largest independent automotive distributor



- Step-up in scale of **distribution** business

Significantly expands Inchcape's position in **highly attractive** and **fast growth markets** within the Americas



- Invest in **higher growth markets**

Combines two best-in-class operators with **complementary market footprints** and **OEM brand portfolios**



- Add **new** and **complementary automotive brands**

Significant value creation through **enhanced growth prospects** and delivery of meaningful synergies (**>£40m recurring + revenue**)



- Distribution Excellence e.g. **digital and data, FIP**
- Opportunity to capture more of a **vehicle's lifetime value**

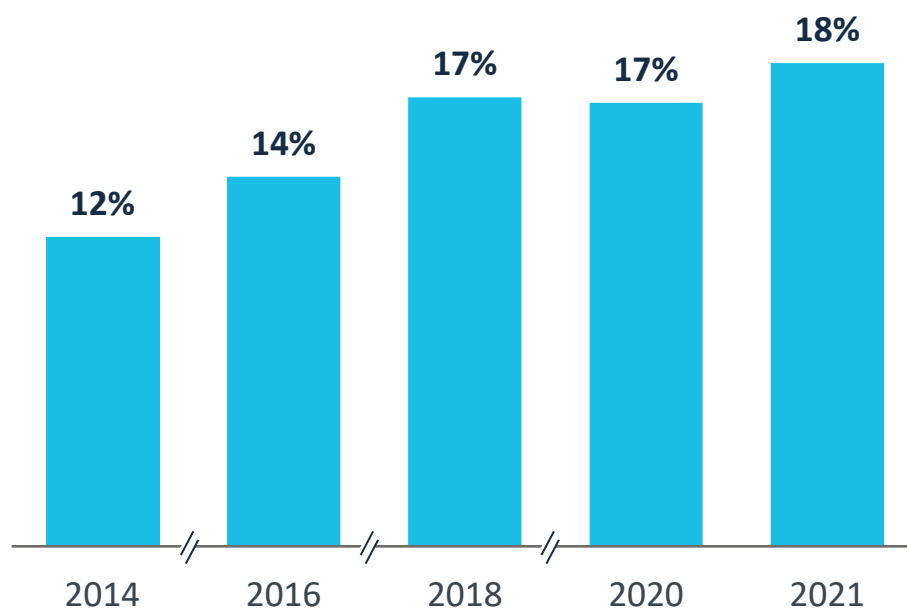
Culturally aligned with Inchcape
Family to take a **significant stake** in Inchcape



- Strengthening **culture and capabilities**

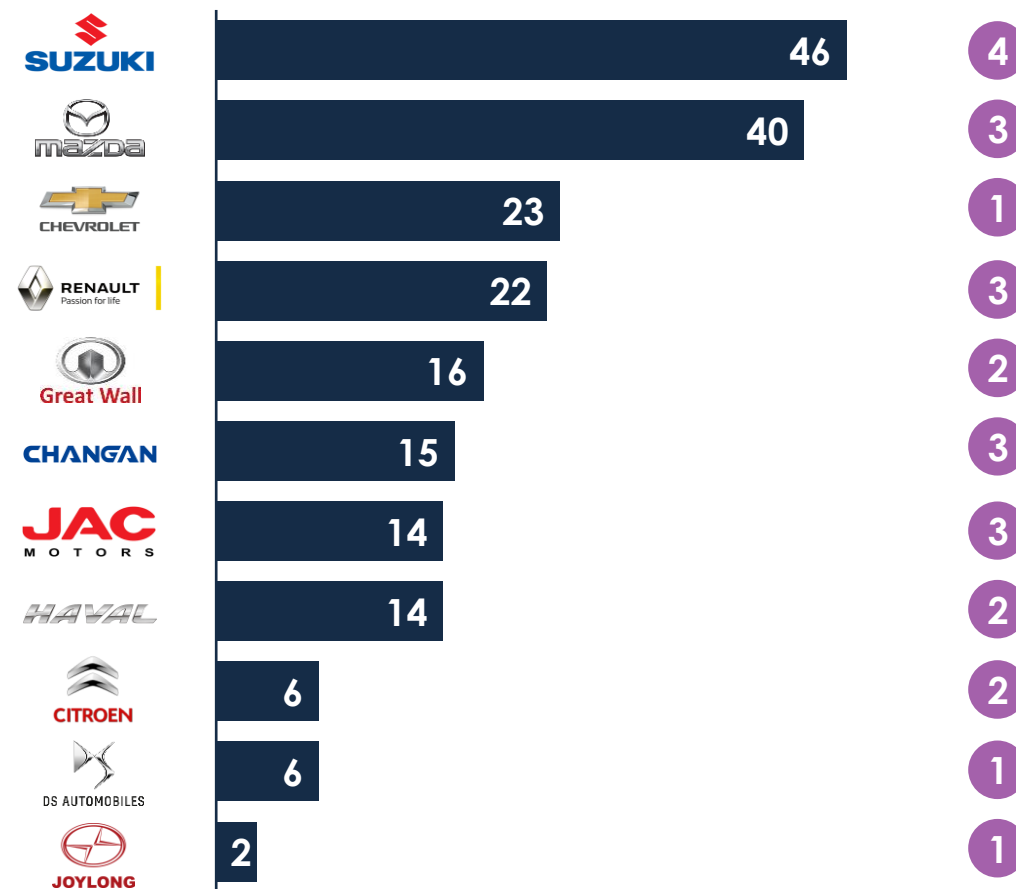
A strong and growing platform + deep OEM relationships

Derco aggregate market share¹



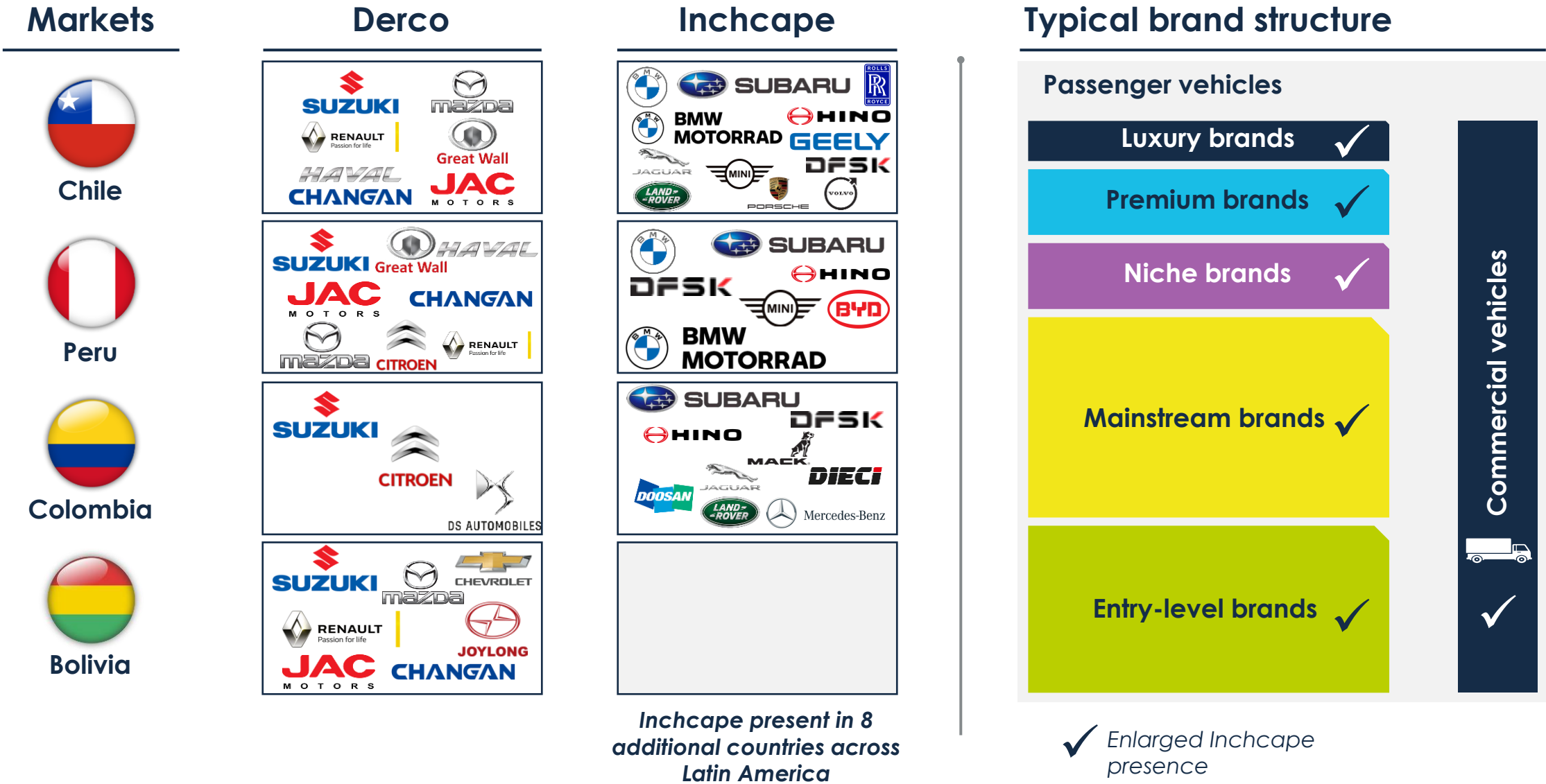
OEM brands	8	10	10	11	11
Current markets	4	4	4	4	4

Years of distribution relationship



1: Market share in 2021 by total number of units distributed across four markets (Chile, Colombia, Peru and Bolivia)

Complementary market footprint and brand portfolio



Strategic acquisition with attractive recurring synergies...

Organisation

- Efficiencies of combined organisation
- Back office (leveraging Inchcape's global and regional platforms)

Operations

- Rationalise service contracts
- Consolidation of infrastructure (footprint and warehousing)

Technology

- Harmonise systems, and implement best practices and processes

Proven track record of integration

- Indumotora in 2016
- Rudelman in 2018
- Mercedes-Benz in 2019/20
- Ditec in 2022
- Simpson Motors/ ITC in 2022

Recurring synergies

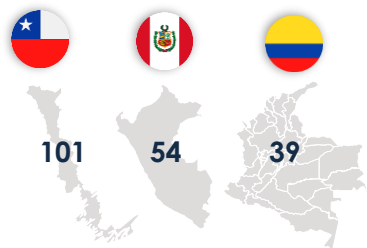
- >£40m recurring synergies
- 30% realised in year one
- Significant majority achieved by the end of year two

...and significant revenue synergy opportunities

Enhancing Distribution Excellence



Network benefits



- Leverage broader network (new cities and countries)

Finance & Insurance Products



- Leverage partnerships with financiers and GFV¹ product knowledge

Digital & data

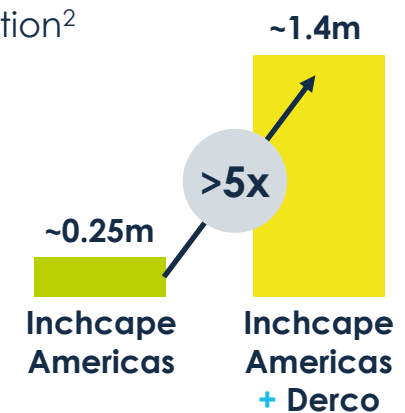


- Leverage Inchcape's digital and data capabilities

VLS opportunity

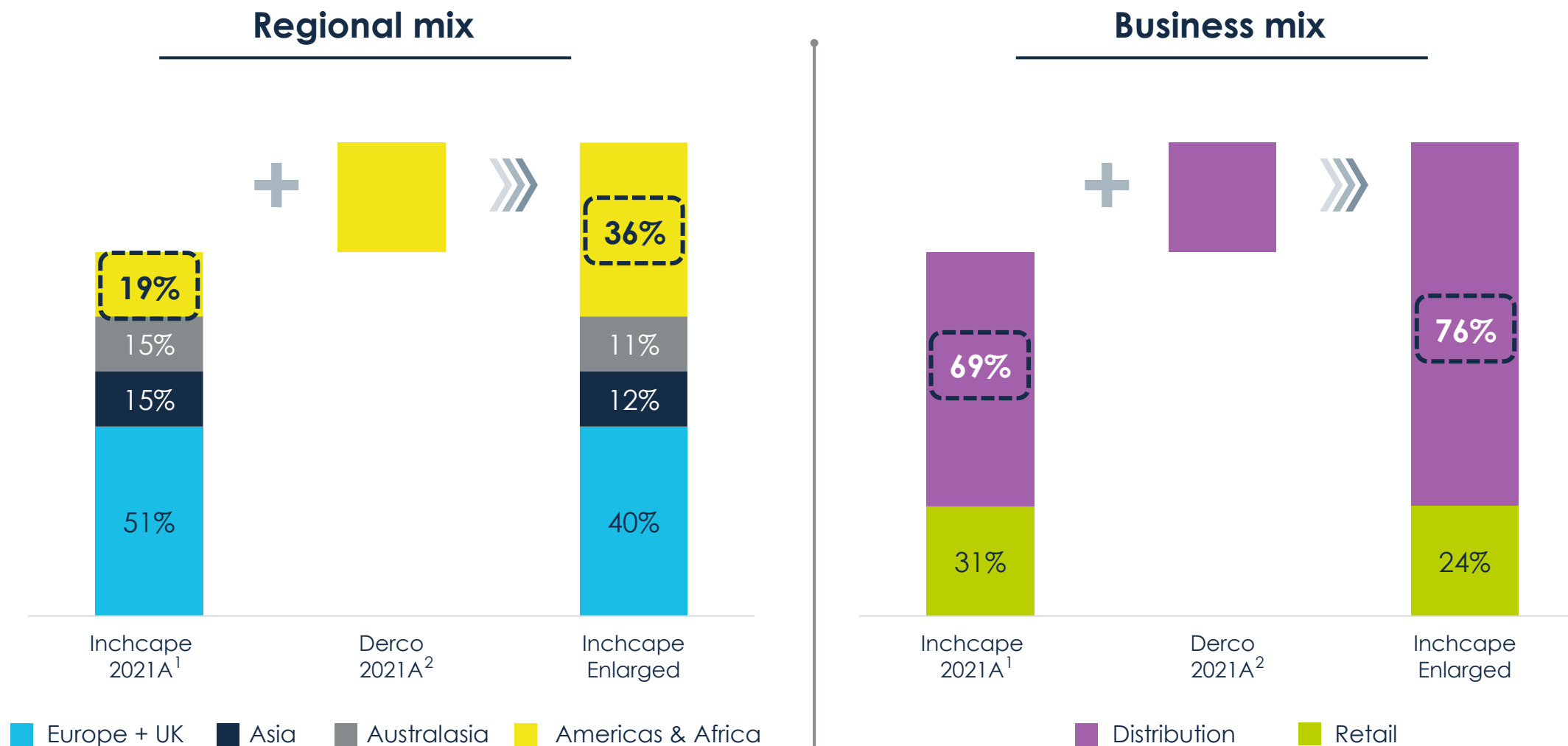


Vehicles in operation²



- Leverage combined scale to capture more of a vehicle's lifetime value

Impact on Inchcape Group revenue



Consolidation: plotting the landscape of opportunity

Typical distribution markets¹



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