

REDDE NORTHGATE PLC

("Redde Northgate" or the "Group" or the "Company")

Pre-close Trading Update

Strong FY2022 performance across the Group

Redde Northgate (LSE:REDD), the leading integrated mobility solutions platform providing services across the vehicle lifecycle, today announces its pre-close trading update for the year ended 30 April 2022, ahead of its results for the full year scheduled for Wednesday 6 July 2022.

Group trading

The Group has continued to trade well across the business and performance for the full year is expected to be in line with the upgraded expectations set out in the Group's trading update on 15 March 2022.

Based on unaudited results, underlying revenues (excluding vehicle sales) were approximately 24% higher than FY2021 and total Group revenues (including vehicle sales) were approximately 12% higher than the prior year.

As has been widely reported global new vehicle supply has slowed and consequently demand for used vehicle sales has remained strong, which has positively impacted residual values. We expect new vehicle supply to continue to be tight over FY2023 due to ongoing macro events, with some moderation of used vehicle pricing.

We have focused on the effective management of both the supply of new vehicles to the business and the number of vehicles disposed, which has resulted in average Vehicles on Hire ('VOH') growing around 8% year on year. Redde volumes continue to be around 90% of pre-Covid levels, although we are seeing longer hire lengths due to the impact of macro challenges in supply chains for parts in the wider vehicle service, maintenance and repair process.

Whilst cost inflation has been felt across the Group, it continues to be carefully managed and margins have been in line with expectations. Underlying cashflow generation remains strong and the business operates with significant headroom on its committed facilities following the refinancing in November 2021.

Outlook

The ongoing macro challenges in the global automotive supply chains look set to continue in the short term, albeit expectations for a recovery next calendar year are growing. On this basis we expect to retain more of our van fleet this year and limit disposals in order to meet customer demand, and to grow our car fleet in line with our strategy.

With strong performance in all areas of the business and supplemented by previously announced new business wins, the Board expects to see another year of progress in FY2023.

Commenting on the trading update, Martin Ward, CEO Redde Northgate said:

"We have delivered a very strong trading result this financial year. The breadth of services and products offered through our mobility platform has extended our reach with existing and new Partners. We have continued to enhance our model, with multi-year service contracts providing ongoing repeatable revenues and earnings. With significant further opportunity for growth, and

building on the strong performance and momentum in the business, we look to the future with confidence.”

Notice of results

The Group is planning to announce its preliminary results on 6 July 2022 and publish its Annual Financial Report shortly thereafter. The Group’s interim results for FY2023 is expected to be announced on 7 December 2022.

Presentations will also be made available via a link on the Company’s website

www.reddenorthgate.com.

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Notes to Editors:

Redde Northgate is the leading integrated mobility solutions platform providing services across the vehicle lifecycle. The Company offers integrated mobility solutions to businesses, fleet operators, insurers, OEMs and other customers across seven key areas: vehicle rental, vehicle data, accident management, vehicle repairs, fleet management, service and maintenance, vehicle ancillary services and vehicle sales.

The Company's core purpose is to keep its customers mobile, whether through meeting their regular mobility needs or by servicing and supporting them when unforeseen events occur. With its considerable scale and reach, Redde Northgate's mission is to offer a market-leading customer proposition and drive enhanced returns for shareholders by creating value through sustainable compounding growth. The Group aims to achieve this through the delivery of its strategic framework of *Focus, Drive and Broaden*.

Redde Northgate services its customers through a network and diversified fleet of over 120,000 owned and leased vehicles, supporting over 600,000 managed vehicles, with more than 170 workshop, body shop and rental locations across the UK, Ireland and Spain and a specialist team of over 6,000 automotive services professionals.

Further information regarding Redde Northgate plc can be found on the Company’s website:

www.reddenorthgate.com