

REDDE NORTHGATE PLC

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

Trading Update and Launch of Share Buyback

Stronger than expected performance with PBT ahead of consensus

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

Group trading

The Group continues to perform well and is trading ahead of expectations, driven by a strong performance across the business. Rental margin to the end of February was 15.8% in UK&I and 17.5% in Spain.

Further to the interim results announcement on 1 December 2021, the Group has continued to defleet a lower number of vehicles due to rental demand and new vehicle supply constraints with used vehicle market values staying strong. Vehicle supply constraints are expected to continue through FY 2023.

Redde volume recovery was hindered in December and January by the Omicron and work-from-home restrictions. The Group has seen good improvement since the beginning of February and volumes are now running at circa 90% of pre-Covid levels.

Based on the current trends the Board now expects full year underlying profit before tax for the year ended 30 April 2022 to be in the region of £150m, comfortably ahead of consensus^[1] of £133.9m. The Board expects disposal profits to account for c.33% of the full year underlying profit before tax compared to c.43% in the prior year.

Share buyback programme

The Group's objective is to employ a disciplined approach to investment, returns and capital efficiency to deliver sustainable compounding growth. It continues to see exciting opportunities to deploy capital organically and has a good M&A pipeline. Even after taking into consideration capital to fund organic growth, payment of dividends in line with the Company's dividend policy and acquisitions within the M&A pipeline, the Company has substantial headroom under its facilities and target leverage of 1-2x.

As a result, the Company announces that it will launch a share buyback programme of the Company's ordinary shares for up to a maximum aggregate consideration of £30 million (the **Programme**), commencing on the date of this announcement. It is expected the Programme will be completed by 15 September 2022.

The Company has entered into an agreement with Numis pursuant to which it is intended that Numis will purchase up to a maximum of 24 million ordinary shares in the Company on the Company's behalf. Under the Programme the repurchased shares will be held in treasury.

Notes

The Programme is in accordance with the Company's general authority to purchase a maximum of 24,609,142 ordinary shares. Any purchase of the Company's ordinary shares contemplated by this

announcement will be carried out on the London Stock Exchange and be executed in accordance with the Company's general authority to repurchase ordinary shares granted by its shareholders on 20 September 2021, Market Abuse Regulation 596/2014 and the Commission Delegated Regulation (EU) 2016/1052 (both as incorporated into UK domestic law by the European Union (Withdrawal) Act 2018), and Chapter 12 of the Financial Conduct Authority's Listing Rules.

The Group plans to announce a pre-close trading update for the year ended 30 April 2022 in May 2022, ahead of the publication of its full year results scheduled for July 2022.

The person responsible for making this announcement on behalf of the Company is Nick Tilley (Group Company Secretary).

For further information contact:

Buchanan

David Rydell/Jamie Hooper/Tilly Abraham 44 (0) 207 466 5000

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 please visit the Company's website:

www.reddenorthgate.com

This announcement contains inside information as defined in Article 7 of the retained EU law version of the Market Abuse Regulation No 596/2014 ("UK MAR") and has been announced in accordance with the Company's obligations under Article 17 of UK MAR.

[1]Current Company compiled analyst consensus for FY 2022 underlying profit before tax is £133.9m, see www.reddenorthgate.com