

## Chair's statement

—— “It’s a privilege to succeed Ed Williams as Chair of Auto Trader.”

**INTRODUCTION**

It’s a privilege to succeed Ed Williams as Chair of Auto Trader and I would like to thank him for the support he has provided to me in taking on this role and acknowledge the immense contribution he has made over his tenure. As Nathan summarises on the subsequent pages, we believe that the drivers of our future performance are likely to be reasonably consistent and I am clear as to the value creation opportunity that lies ahead from pursuing the strategy that is outlined below.

**RESULTS OVERVIEW**

This year marks another strong financial and operational performance for Auto Trader. Whilst parts of the automotive market have seen some softening, the market has generally been robust and more customers than ever have opted to partner with us. We continue to improve our product offering, enabling customers to compete on our marketplace through greater access to our data-driven insight and enabling more of the buying journey to be completed online, all yielding greater efficiencies for customers. We continue to grow and invest in our people, creating an environment where there is increasing alignment between employees, customers and shareholders. Excluding the pandemic recovery year, the business achieved record revenue growth in the core Auto Trader business, increasing 12% to £529.7m.

At a Group level, Autorama revenue was £41.2m (2023: £27.2m) and therefore Group revenue was £570.9m (2023: £500.2m). Operating profit in the core Auto Trader business was £378.6m (2023: £332.9m), up 14% on last year, with an operating profit margin of 71% (2023: 70%). Autorama recorded a reduced operating loss of £8.8m (2023: £11.2m). Group operating profit increased by 26% to £348.7m (2023: £277.6m), reflecting the increase in revenue and the £23.0m reduction in Group central costs to £21.1m (2023: £44.1m). Group operating profit margin was 61% (2023: 55%). Basic earnings per share increased 13% to 28.15p (2023: 25.01p).

**BOARD CHANGES**

An important enabler for our success over the years has been a capable, diligent and supportive Board. Following my appointment as Chair with effect from the 2023 Annual General Meeting ('AGM'), much of my focus has been on succession planning. Geeta Gopalan joined the Board on 1 May 2024 and Amanda James will join the Board on 1 July 2024, both as Non-Executive Directors and as members of the Audit, Remuneration, Corporate Responsibility and Nomination Committees. With effect from the conclusion of the 2024 AGM on 19 September 2024, Geeta will be appointed as Senior Independent Director and Remuneration Committee Chair, and Amanda will be appointed as Audit Committee Chair, both subject to shareholder approval. These appointments replace David Keens and Jill Easterbrook who came to the end of their third three-year terms in 2024, and therefore will not stand for re-election at the 2024 AGM. We are deeply grateful for the contribution Ed, David and Jill have made in their time at Auto Trader.

Following this AGM, the number of Independent Non-Executive Directors will reduce to five and our Board will comply with the recommendation in the FTSE Women Leaders Review and Listing Rules with respect to appointing a woman in one of the roles of Chair, Senior Independent Director, Chief Executive or Chief Financial Officer.

**CAPITAL STRUCTURE AND DIVIDENDS**

The Directors are recommending a final dividend of 6.4 pence per share. Subject to shareholders' approval at the AGM on 19 September 2024, the final dividend will be paid on 27 September 2024 to shareholders on the register of members at the close of business on 30 August 2024. The total dividend for the year is therefore 9.6 pence per share (2023: 8.4 pence per share).

The Group's long-term capital allocation policy remains unchanged: continuing to invest in the business enabling it to grow while returning around one third of net income to shareholders in the form of dividends. Following these activities any surplus cash will be used to continue our share buyback programme and steadily reduce gross indebtedness.

**ANNUAL GENERAL MEETING**

The AGM will be held in our Manchester office on 19 September 2024 at 11am.

**Matt Davies**  
Chair  
30 May 2024

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