

**PENDRAGON PLC Pre-close update  
(ISSUED 30 June 2021)**

Pendragon PLC (the “Group”) today provides a pre-close trading update and reinstates guidance for the remainder of FY21.

The Group has continued to make strong progress against its strategic aims during the second quarter of FY21, outperformed in its new car markets and capitalised on favourable trading conditions, in particular in the used vehicle market where supply constraints and pent-up demand have increased vehicle pricing, driving higher margins. The Group executed well during this period, and as a result of particularly strong conditions in May and June, expects to report Group underlying profit before tax of c.£30m for the first-half of FY21 (H1 FY20: underlying loss before tax of £31.0m).

There remains continued uncertainty as we move in to the second-half of FY21 with potential further disruption from Covid-19, an expected realignment of used vehicle margins and the risk of both new and used vehicle supply constraints. Whilst the extent of the impact of the well-publicised semi-conductor chip shortage is not yet clear, it is becoming increasingly apparent there is likely to be some restriction of supply during the second-half of FY21, with vehicle order times already being extended.

As a result, there remains a wide range of possible outcomes for the full-year. However, the Group now has more visibility on the outlook than at the height of the pandemic and is therefore in a position to reinstate guidance. Accordingly, Group underlying profit before tax for FY21 is now expected to be in a range of approximately £45m to £50m (FY20: £8.2m). The Board continues to believe that the Group's strategy positions it well to respond to the ongoing market uncertainty and remains confident in the long-term outlook.

Enquiries		
Henry Wallers	Headland	07876 562436
Jack Gault	Headland	07799 089357