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4 January 2021

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

Our ref: Scott Bayne

Dear Sirs

Lookers plc – registration number 111876

In accordance with Section 521 of the Companies Act 2006, we enclose a copy of our statement of reasons connected with our ceasing to hold office as auditors of the above company which we consider should be brought to the attention of the members or creditors of the company.

Please stamp and return the enclosed postage-paid card to acknowledge receipt.

Yours faithfully

Deloitte LLP



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Statement of Reasons pursuant to section 519 of the Companies Act 2006 ("the Act") in relation to the resignation of Deloitte LLP ("we" and "Deloitte") as statutory auditors of Lookers plc ("the Company")

As part of our 2017 and 2018 year end audits, we reported to the Board of the Company a number of recommendations for actions related to the financial controls of the Company, which the Company committed to undertake. We made these recommendations because we considered there was a considerable gap between the financial controls seen within the Company and those we saw in other public companies of equivalent scale and complexity.

During our audit for the year ended 31 December 2019 we assessed the Company's progress as falling short of what was committed, and what we expected to be in place by this date. In section 8.2 of our Audit Report on page 125 of the Company's 2019 Annual Report & Accounts, we commented that the findings of the Board's investigation into the control environment coupled with our own observations previously reported, highlighted the improvements required and that the deficiencies in controls led to the accounting irregularities, non-compliance with the Group's accounting policies and accounting errors.

As set out on pages 32 to 35 of the Company's 2019 Annual Report & Accounts, the directors acknowledge improvements are required in the Company's financial control environment, including the formalisation of financial processes and the implementation of minimum control standards. In our view, the quality and timeliness of financial information received from the Company's divisions also requires improvement and additional technical resource and capability is required at Head Office to strengthen this team and the associated group financial reporting controls. As a result of the progress in these areas falling short of the commitments given to us, we have decided that we no longer wish to carry on as statutory auditor to the Company and its UK subsidiaries and have resigned effective 28 December 2020.

Unless the company applies to the court, this statement of reasons is required to be brought to the attention of members or creditors of the company, and must be sent by the company within 14 days to every person entitled under Section 423 of the Companies Act 2006 to be sent copies of the company's accounts. This is a requirement of Section 520(2) of that Act.

Deloitte LLP – Audit registration C009201919