

ASX Announcement (ASX: MTO)



01 August 2019

Motorcycle Holdings enters into contract to acquire dealership in Canberra

MotorCycle Holdings Limited (ASX:MTO), Australia's leading motorcycle dealership and accessories group, is to expand its operations in Canberra through the proposed acquisition of Canberra Motorcycle Centre.

Canberra Motorcycle Centre represents 9 motorcycle brands: Yamaha, Honda, Kawasaki, Suzuki, KTM, Ducati, Can-Am, Indian and Royal Enfield, and one PWC brand: Sea-Doo, operating from one location.

The business has an annual turnover of approximately \$22 million (2019), employs 44 staff and sells 1376 new and used motorcycles per annum.

The transaction is subject to satisfactory due diligence, lease documentation and manufacturer approval and is expected to settle in September 2019. Land and buildings are not included in the transaction.

The acquisition is expected to be earnings accretive in 2019/20.

MotorCycle Holdings Chief Executive Officer, Mr David Ahmet, said he was delighted that the company was able to acquire, subject to the conditions outlined above, such a key dealership in Canberra.

"Canberra Motorcycles is a well established dealership with a strong reputation in the ACT and this acquisition provides further geographical diversification for the company in the dealership market," he said.

"For Canberra Motorcycle Centre customers and staff, Motorcycle Holdings brings stability and financial strength to the dealership, as well as the support required to continue to deliver quality customer experience and excellent after sales service support," Mr Ahmet said.

ENDS

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