



THE RPM GROUP

RPM Automotive Group Ltd
6-18 Antonella Court,
Dandenong South, VIC 3175
ABN: 34 002 527 906

19 August 2021
ASX Announcement

RPM AUTOMOTIVE GROUP SECURES \$8 MILLION GROWTH FUNDING VIA STRATEGIC INVESTOR

- Collins St Value Fund (CSVF) has agreed to invest \$2.5 million in RPM Automotive Group at 30 cents per share, and provide a very competitive 3-year \$5.5 million unsecured convertible note (“CN”)
- RPM Automotive Group will use these funds to progress its pipeline of large scale, EPS accretive acquisitions
- The \$8 million raised from CSVF in conjunction with further bank financing once utilised and fully deployed, should increase forward looking EBITDA by at least \$3 million p.a.
- This agreement puts RPM Automotive Group in a strong financial position to support its current growth plans without the need to raise additional capital from the market

RPM Automotive Group (ASX: RPM; “RPM” or the “Company”) is pleased to announce that it has executed an agreement with Collins St Value Fund (“CSVF”) for an equity placement of \$2,500,000 at 30 cents per share, a slight premium to the current share price.

Additionally, CSVF has agreed to provide a \$5,500,000 CN (subject to shareholder approval for the conversion of the CN which will be sought at a general meeting to be convened for this purpose). The CN is convertible at 35 cents per share by CSVF at any time over the term of the CN. The CN is convertible at 35 cents per share by RPM at its discretion if RPM’s share price trades at \$0.50 or higher for 30 consecutive days. The CN pays a coupon rate of 3.5% pa quarterly in arrears in cash or shares (issued at the 30-day VWAP) at the Company’s discretion.

RPM Co-founder and Managing Director Clive Finkelstein said: *“Over the next 12 months RPM intends to continue its strategy of growth via strategic acquisitions. This funding package has been set on attractive terms to our shareholders and provides RPM with the capital necessary to take advantage of attractive M&A opportunities while introducing a well-respected institutional investor onto our register.”*

CSVF Founder and Chief Investment Officer Vasilios Piperoglou said: *“As a concentrated fund we don’t back many teams. RPM have proven that they possess the right entrepreneurial management team and maintain a sustainable and scalable business model. Especially in today’s markets, we are thrilled to have identified and invested in RPM, a company that offers a great growth strategy, and appears to offer clear value.”*



www.rpmgroup.net.au

A LEADING AUSTRALIAN AUTOMOTIVE GROUP



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This announcement was approved, and authorised for release, but RPM's Board of Directors.

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About RPM Automotive Group

RPM Automotive Group Limited (ASX: RPM) is a leading player in the Australian Automotive Aftermarket, comprising a number of businesses involved in importing, wholesaling and retailing of tyres, mechanical repairs, motorsport apparel and safety equipment, niche manufacturing and a roadside assistance service for the transport industry. RPM owns brands, such as: RPM Racewear, Carline, Genie, Air Anywhere, Formula Off-Road, RPM Autoparts.

For further information, please visit: <http://www.rpmgroup.net.au/>

About Collins St Value Fund:

Founded by Michael Goldberg and Vasilios Piperoglou, the Collins St Value Fund is a concentrated portfolio of the team's highest conviction ideas. Having opened to the public in 2016, the Fund has regularly featured among the best performing Australian equity mandates in the country. Currently ranked No.1 by Morningstar in its category over 1, 3 and 5 years, the Fund ranked No.1 across all Australian equity mandates by Mercer for 2020 and ranked 2nd for FY2021.

More information on the Fund can be found at www.csvf.com.au.



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This announcement may contain forward-looking statements, which include all matters that are not historical facts. Without limitation, indications of, and guidance on, future earnings and financial positions and performance are examples of forward-looking statements.

Forward-looking statements, including projections or guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including RPM). In particular, no representations, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will occur. Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based.



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