

ASX Announcement (ASX: MTO)



1 December 2021

MotorCycle Holdings acquisition update and Underlying EBITDA guidance

MotorCycle Holdings Limited (ASX:MTO), Australia's leading motorcycle dealership and accessories group, today provides an update in relation to a proposed acquisition and expected Underlying EBITDA for the six months ending 31 December 2021.

Acquisition update

MotorCycle Holdings is set to expand its operations in Queensland through the proposed acquisition of Wide Bay Motorcycles.

Located in Glanmire just south of Gympie, Queensland, Wide Bay Motorcycles is a long-running business that retails a range of motorcycles and ATVs, including Honda, Suzuki, KTM, Polaris and Indian Motorcycles, as well as Toro, Ferris and Masport mowers.

The business had an annual turnover of \$10 million in 2021 and employs 14 staff, with existing management to stay with the business.

Completion of the acquisition is expected early in 2022, subject to manufacturer and bailment approvals, and due diligence.

The acquisition is expected to be earnings accretive in 2021/22.

MotorCycle Holdings Chief Executive Officer David Ahmet, said he was delighted the Company was able to acquire Wide Bay Motorcycles, subject to the conditions outlined above.

"Wide Bay Motorcycles is a well-established, well-run business with a strong reputation in the Wide Bay region, stocking a diverse range of leading motorcycle brands and catering to large customer base north of the Sunshine Coast," Mr Ahmet said.

Mr Ahmet said this acquisition followed the recent purchase of leading New Zealand motorcycle wholesale business Forbes and Davies, and the Company would continue to seek acquisition opportunities.

Underlying EBITDA guidance

In providing an update to shareholders on its financial position, the Company expects to report underlying earnings before interest, tax, depreciation and amortisation ('Underlying EBITDA') of between \$16 million and \$18 million for the six months ending 31 December 2021, subject to audit.

This announcement was authorised for release by the Chief Executive Officer.

ENDS

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