



ESTABLISHING A NATIONAL FOOTPRINT IN THE AUTOMOTIVE AFTERMARKET

RPM AUTOMOTIVE GROUP LTD
(ASX: RPM)

AGM INVESTOR PRESENTATION | 24 NOVEMBER 2022

IMPORTANT NOTICE & DISCLAIMER

Overview

This document is issued by RPM Automotive Group Limited ACN 002 527 906 RPM ("RPM Automotive" or "RPM") on 24 November 2022.

Summary Information

This document contains summary information about RPM Automotive and its associated and proposed associated entities and their activities as known by RPM Automotive at the date of this document. The information contained in this document is of general background and does not purport to be complete. It should be read in conjunction with RPM Automotive's periodic and continuous disclosure announcements lodged with ASX which are available at www.asx.com.au.

This document is not a prospectus or other offering document under Australian or any other law. This document does not contain all of the information which would be required to be disclosed in a prospectus or other offering document. The information in this document remains subject to change without notice.

Not an offer

This document is for information purposes only and is not an invitation nor offer of securities for subscription, purchase or sale in any jurisdiction. This document will not be lodged with ASIC and is not approved by or registered with any regulator in any jurisdiction. This document should not be considered to be an offer or invitation or a solicitation of an offer to acquire entitlements or New Shares or any other financial products and neither this document nor any of its contents will form the basis of any contract or commitment.

Forward looking statements

This document may contain certain forward looking statements. Forward looking statements can generally be identified by the use of forward looking words such as 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'will', 'could', 'may', 'target', and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include statements regarding outcome and effects. Indications of, and guidance or outlook on future earnings, distributions or financial position or performance are also forward looking statements. These forward looking statements have been made based upon RPM's expectations and beliefs concerning future developments and their potential effect upon RPM (and its controlled entities) and are subject to known and unknown risks and uncertainties which are, in many instances, beyond RPM's control, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. No assurance is given that future developments will be in accordance with RPM's expectations.

Actual results could differ materially from those expected by RPM and RPM assumes no obligation to update any forward-looking statements or information.

Not advice or recommendation

The information set out in this document does not constitute or purport to be a securities or other recommendation by RPM or any other person and has been prepared without taking into account the objectives, financial situation or needs of any recipient or other person. The information in this document does not constitute financial product advice (nor investment, taxation or legal advice).

Before making an investment decision, investors should consider the appropriateness of the information having regard to their own objectives, financial situation or needs and seek appropriate advice applicable to them in their jurisdiction. An investment in RPM is subject to investment risk including possible loss of income and principal invested.

ESTABLISHING A NATIONAL FOOTPRINT IN THE AUTOMOTIVE AFTERMARKET



RPM business units offer wheels, tyres, accessories and apparel across **wholesale** and **retail**

Underlying demand (over 70%) comes from **commercial & industrial** customers driven by transport fleets, the mining and agricultural sectors



RPM has grown organically and by acquisition over the past 2 years to rapidly grow its **product range**, **network footprint** and **internal capabilities**



In FY22, RPM **generated \$79m in sales revenue** (up 75% on pcp) and **\$7.6m in underlying EBITDA*** (up 124% on pcp)

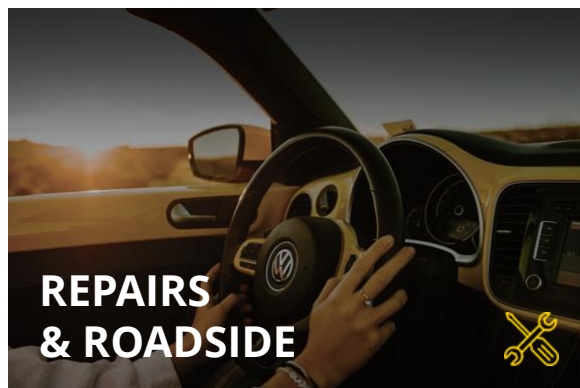
RPM's annualised revenue run rate is over \$120m, with Q2 and Q3 seasonally stronger



RPM has **39 points of presence** across Australia, predominately along the east coast with retail locations in Perth and Adelaide

*FY22 Underlying EBITDA excludes \$300K in one-off flood related expenses

4 COMPLEMENTARY BUSINESS UNITS

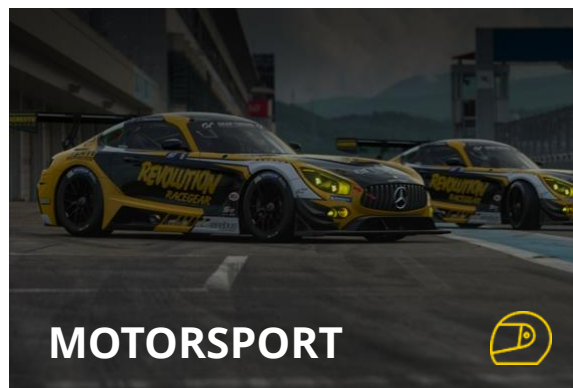


**Commercial & Industrial
Tyre and auto
service centres**

Retail

- Retail sales, wheel and tyre repairs, and roadside assist to commercial vehicle nationwide
- Services both commercial (including fleet) and consumer customers

40% of FY22 revenue

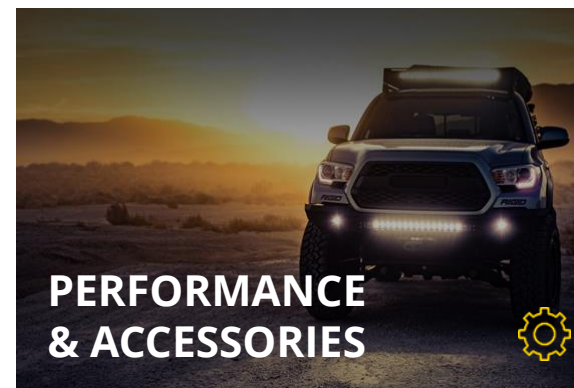


**Certified race safety wear,
suits and helmets**

Retail

- The sole FIA-approved racewear manufacturer in Australia under the RPM Racewear brand
- Exclusive distributor of Alpinestars, Hans Devices, Cobra Seats and Bell Motorsport Helmets

10% of FY22 revenue

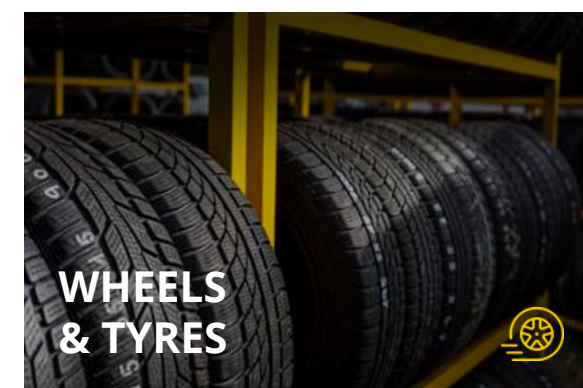


**Bolt on vehicle parts and
accessories**

Retail & Wholesale

- Well-known “best-in-class” accessory brands
- Distributed through a nationwide group of auto repair shops
- Several fleet contracts in place

14% of FY22 revenue



**Distribution of wheels and
tyres**

Wholesale

- 11 exclusive, in-house brands offered across all three tyre categories (commercial, industrial and passenger)
- Exclusive mature supply chain in place to offer distribution of quality wheels & tyres at value prices

36% of FY22 revenue

KEY BRANDS

REPAIRS
& ROADSIDE



MOTORSPORT



PERFORMANCE
& ACCESSORIES



WHEELS
& TYRES



REVOLUTION
TYRE SERVICES

REVOLUTION
RACEGEAR

rpm
AUTOPARTS

rpm
AUTOPARTS

Primary retail brand
supported by acquired
retail business

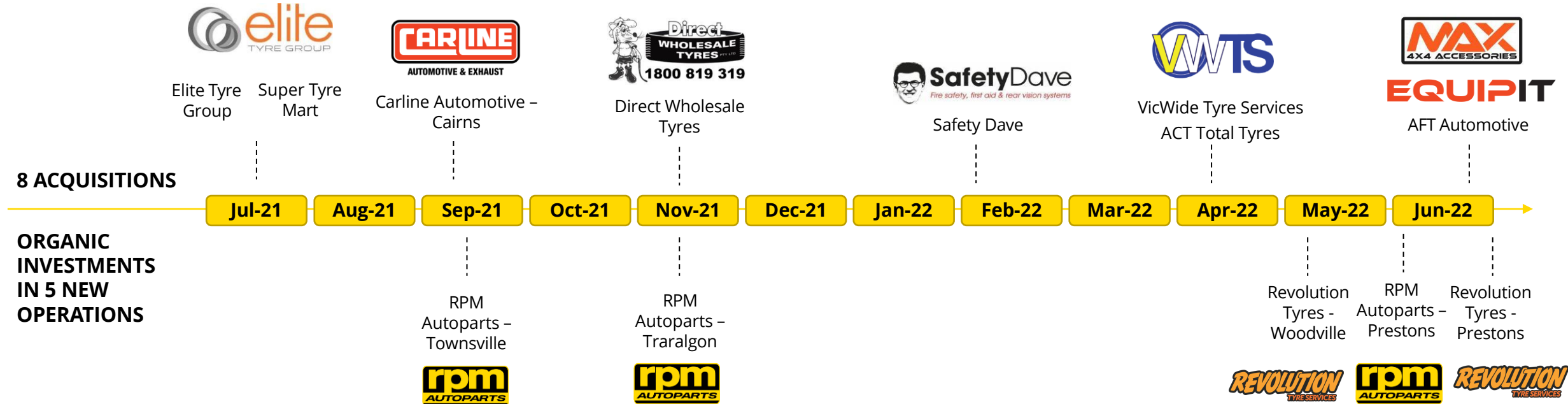
Primary retail brand offers
RPM and leading brand
products

Primary wholesale brand
supported by acquired
wholesale business

Primary wholesale brand
supported by acquired
wholesale businesses



INVESTMENTS IN GROWTH – ORGANIC & ACQUISITION



EXPANDING RETAIL, WHOLESALE AND MANUFACTURING CAPABILITIES

26

Retail points of presence (PoPs)

9

Wholesale distribution PoPs to service the retail footprint

4

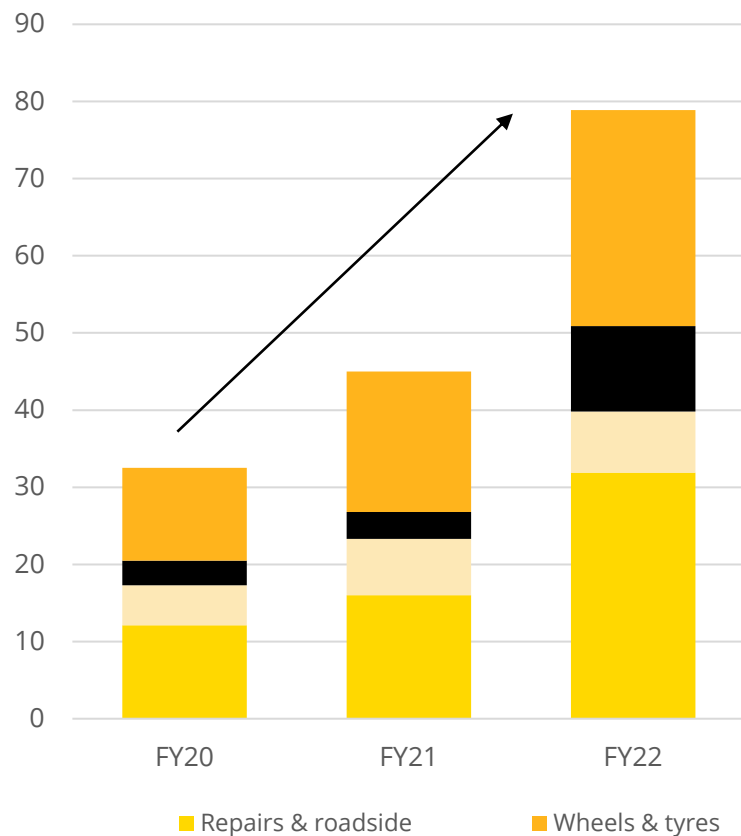
Manufacturing PoPs

Total PoPs: FY20 (20), 1H FY23 (39), FY26F (50+)

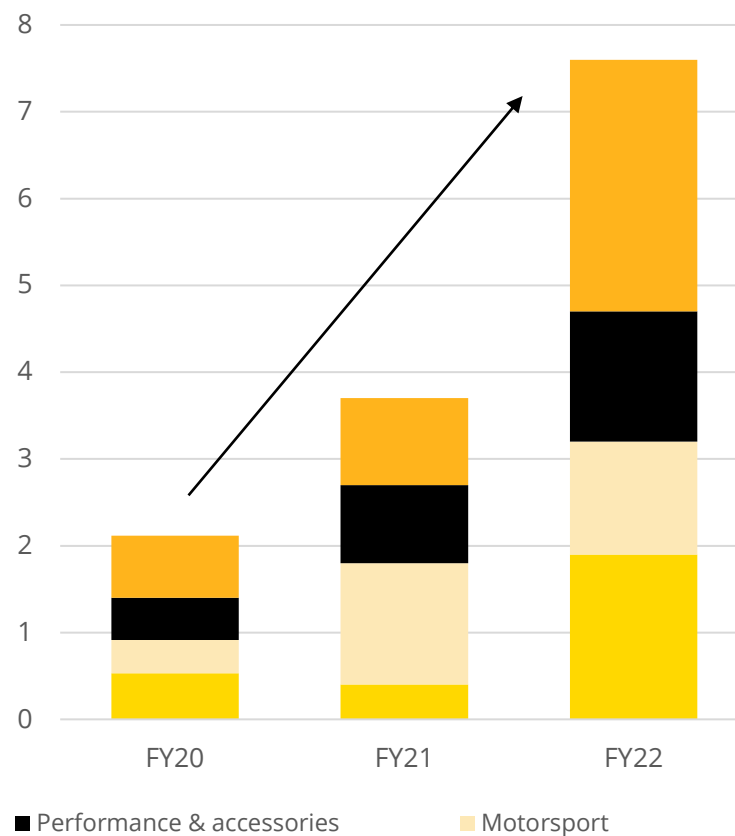


TRACK RECORD OF REVENUE AND EARNINGS GROWTH

Sales revenue
(by business unit) (\$m)



Underlying EBITDA contribution
(by business unit) (\$m)



- FY22 organic growth of 18%
- Q1 FY23 revenue of \$28.4m, up 7% q-on-q and up 89% y-on-y
- Q1 FY23 EBITDA of \$2.6m, up 17% q-on-q and up 179% y-on-y
- Annualised revenue run rate of over \$120m, with Q2 and Q3 seasonally stronger

REVENUE GROWTH ANALYSIS

Components of Revenue Growth

(\$m)	FY20	FY21	FY22
Total Revenue ¹	35.5	48.8	82.0
<i>Acquisition Growth</i>	2.8%	34.8%	49.9%
<i>Organic Growth</i>	9.4%	3.0%	18.1%
Total Revenue Growth	12.2%	37.7%	68.0%

Organic Growth by Division

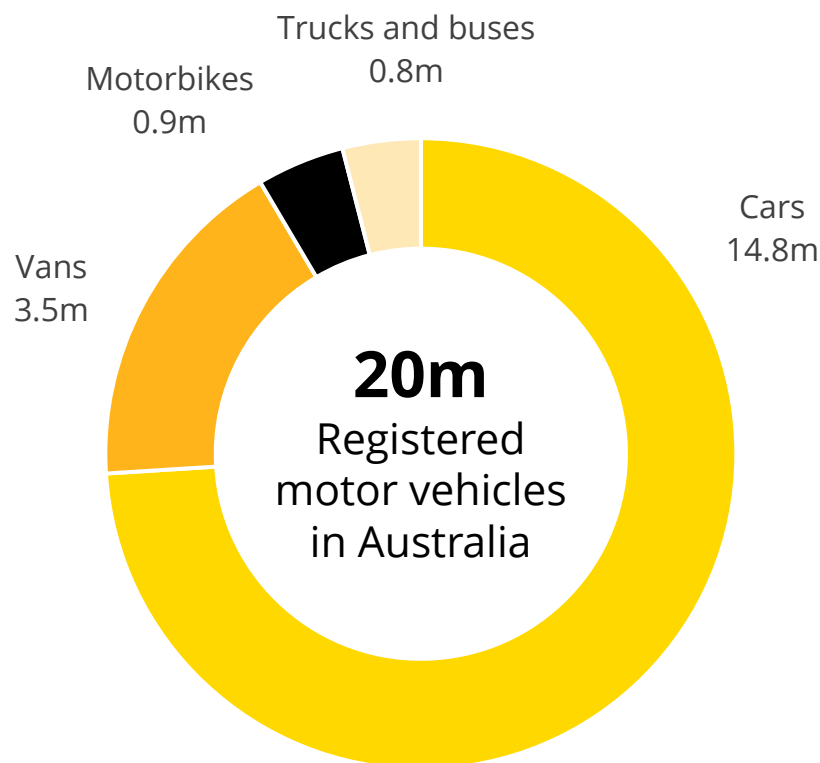
(\$m)	FY20	FY21	FY22
Repairs & Roadside (Retail)	-4.1%	3.7%	28.9%
Motorsport (Retail)	-15.5%	27.3%	7.0%
Wheels & Tyres (Wholesale)	55.1%	-5.9%	4.2%
Performance & Accessories (Wholesale)	-13.8%	-0.4%	75.2%

¹ Revenue is based on raw sales data. Reported revenue excludes inter-company sales.

CAPTURING SHARE IN A FRAGMENTED MARKET

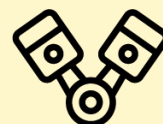
1,050,000 new vehicles sold in 2021

Aging vehicles = more maintenance



\$5.1B

Tyre retailing sector annual revenue in Australia



\$34B

Auto parts & maintenance sector annual revenue in Australia

The sector is highly fragmented and RPM has a strong track record of driving consolidation to capture market share

RPM'S 3-YEAR VISION



In the next three years, RPM is working towards:

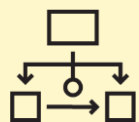
- **Expansion of wholesale:** Warehouses and distribution facilities in each of the major centres
- **Expansion of retail:** A well-built out retail network servicing the transport industry in major transportation hubs, focused on commercial and industrial fleets
- **New geographies:** A presence in New Zealand and additional footprint of retail networks across Australia
- **Broader product range:** A comprehensive range of motor vehicle accessories
- **Complementary activities:** Participating in the tyre recycling market

FY23 OUTLOOK

- RPM's annualised revenue run rate remains over \$120m
- 2H FY23 revenue and EBITDA expected to be stronger than 1H FY23 currently tracking towards \$60m, with seasonally higher revenue in Q2 and Q3
- Positive impact on working capital and operating cash flow in 2H FY23, with inventory typically peaking in Q2 and declining through 2H
- Further investment in both retail and wholesale capabilities across NSW, SA and WA
- Focus on integration of acquisitions and exceptional customer service
- Target further complementary acquisitions of earnings accretive businesses that expand the RPM national network



KEY HIGHLIGHTS



VERTICALLY INTEGRATED MODEL

RPM continued network expansion in design, manufacture, wholesale and retail provides opportunities for cross selling, operational efficiency, revenue diversification to push organic growth



COMMERCIAL & INDUSTRIAL TARGET MARKET

RPM's target markets are commercial & industrial customers and the retail operations are predominately B2B or B2Fleet



FAVOURABLE INDUSTRY TAILWINDS

Underlying demand for RPM's products and services comes from commercial transport fleets, the mining sector and the agricultural sector



CLEAR GROWTH STRATEGY

RPM has a clear strategy to consolidate the fragmented auto market through acquisition to aggressively build the business while driving organic growth



MEDIA & INVESTORS
KATIE MACKENZIE
T: +61 455 502 197
E: INVESTORS@RPMGROUP.NET.AU

RPM AUTOMOTIVE GROUP LTD
(ASX: RPM)

www.rpmgroup.net.au