



INVESTOR PRESENTATION

1H 2023
RESULTS

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A photograph of two motorcyclists racing on a desert road at sunset. The lead rider is in the foreground, leaning into a turn, wearing a white and black racing suit and a helmet with 'BMW helmets' written on it. The second rider is visible in the background, also leaning into the turn. The sky is a mix of orange and blue, with mountains in the distance. The road is dark asphalt.

AGENDA


1. SUMMARY HIGHLIGHTS
2. FINANCIAL RESULTS
3. OPERATIONAL PERFORMANCE
4. FY2023 OUTLOOK

SUMMARY HIGHLIGHTS



FINANCIAL HIGHLIGHTS

STATUTORY REVENUE

 **17% to**
\$277.5m

LIKE-FOR-LIKE REVENUE¹

 **1% to**
\$237.9m

GROSS PROFIT

 **13% to**
\$75.2m

GROSS PROFIT MARGIN

27%

UNDERLYING EBITDA

 **9% to**
\$18m

INTERIM DIVIDEND OF

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fully franked

1. All references to Like-for-like (LFL) comparisons in this document exclude the effects of recent acquisitions: Mojo Group, TeamMoto Townsville, Forbes and Davies NZ and TeamMoto Wide Bay.

OPERATIONAL HIGHLIGHTS

1

Strong topline growth buoyed by recent acquisitions

2

Increased national market share to 13.9%

3

Continued investment in enhancing customer engagement and digital capabilities

4

Result achieved against backdrop of rising interest rates and increasing cost of living pressures

5

Acquisitions will support the business in dealing with a more challenging environment

FINANCIAL RESULTS



STATUTORY RESULTS

OVERVIEW OF RESULTS (\$M)	31 DECEMBER 22	31 DECEMBER 21	CHANGE %
Total income	277.5	237.0	17%
Cost of sales	(202.3)	(170.4)	19%
GROSS PROFIT	75.2	66.6	13%
Gross profit margin (%)	27%	28%	(4%)
Employee benefits expense	(35.7)	(30.5)	17%
Occupancy expense	(1.5)	(1.4)	7%
Other expenses	(12.5)	(8.6)	45%
Bailment interest	(0.6)	(0.3)	100%
Depreciation and interest on RoU assets	(6.8)	(6.0)	13%
OPERATING EXPENSES	(57.1)	(46.8)	22%
UNDERLYING EBITDA	18.1	19.8	(9%)
Underlying EBITDA margin (%)	6.5%	8.4%	(23%)
Acquisition expenses	(1.0)	(0.1)	900%
Depreciation and amortisation	(1.5)	(1.8)	(17%)
Net bank interest	(0.7)	(0.1)	600%
NET PROFIT BEFORE TAX	14.9	17.8	(16%)
Income tax expense	(4.4)	(5.2)	(15%)
NET PROFIT AFTER TAX	10.5	12.6	(17%)

PROFORMA RESULTS

(Like-for-Like)

OVERVIEW OF RESULTS (\$'000)	31 DECEMBER 22	31 DECEMBER 21	CHANGE %
Total income	237.9	236.6	1%
Cost of sales	(171.7)	(170.2)	
GROSS PROFIT	66.2	66.4	1%
Gross profit margin (%)	28%	28%	
Employee benefits expense	(33.8)	(30.5)	11%
Occupancy expense	(1.4)	(1.4)	
Other expenses	(10.3)	(8.5)	21%
Bailment interest	(0.5)	(0.3)	67%
Depreciation and interest on RoU assets	(6.5)	(6.0)	8%
OPERATING EXPENSES	(52.5)	(46.7)	12%
UNDERLYING EBITDA	13.7	19.7	(30%)
Underlying EBITDA margin (%)	5.8%	8.3%	(30%)
Acquisition expenses	-	-	
Depreciation and amortisation	(1.5)	(1.9)	(21%)
Net bank interest	(0.7)	(0.1)	600%
NET PROFIT BEFORE TAX	11.6	17.8	(35%)

Other expense to note:

- Unrealised FX hedging losses of \$900k
- Increased freight costs
- Increased travel costs

BALANCE SHEET

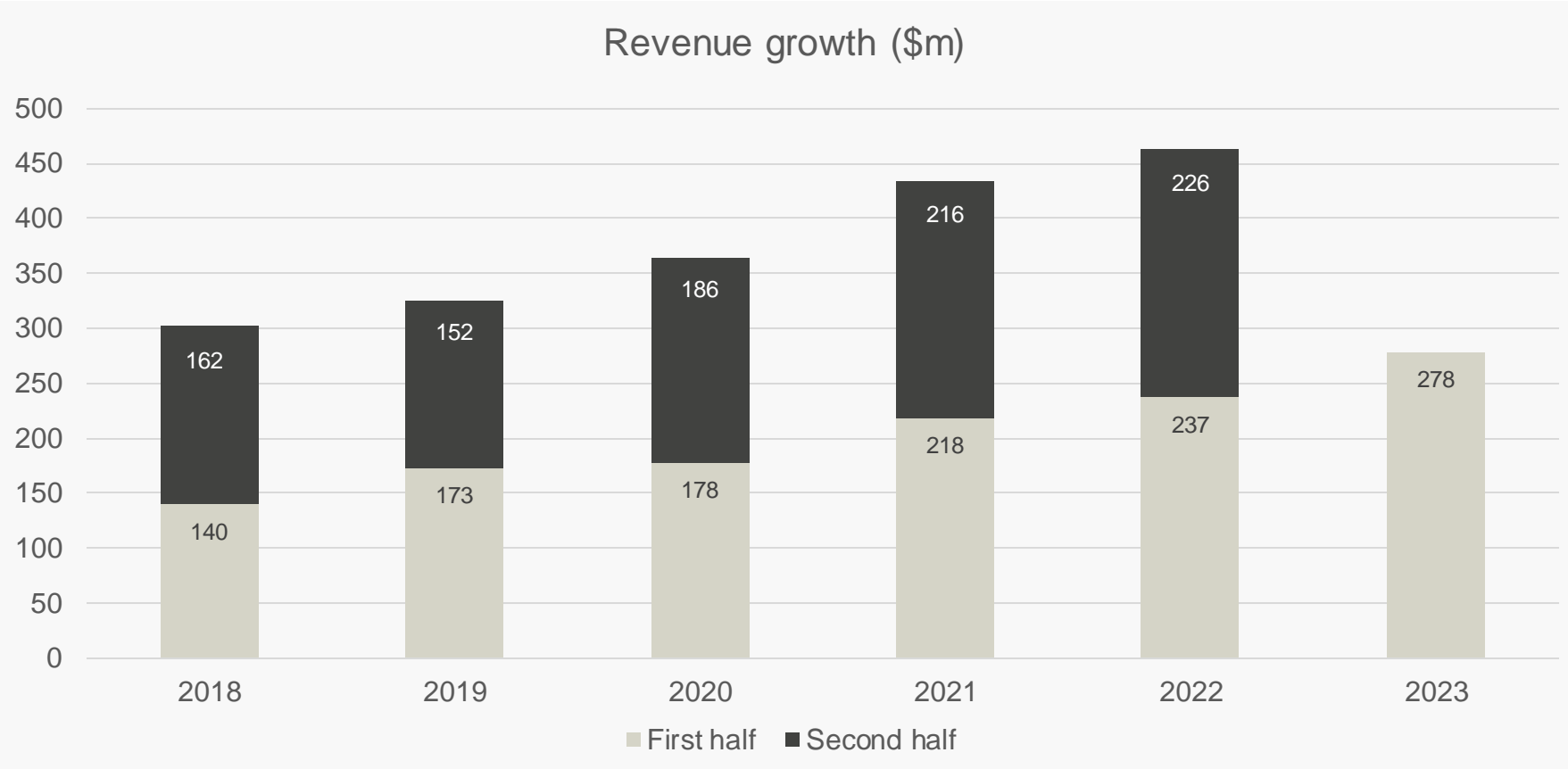
BALANCE SHEET AS AT (\$M)	31 DECEMBER 22	30 JUNE 22	CHANGE %
Cash and cash equivalents	8.9	3.9	128%
Trade and other receivables	11.5	7.1	62%
Inventories	160.4	107.6	49%
Plant and equipment	13.0	11.8	10%
Lease right of use assets	51.0	45.8	11%
Goodwill and intangibles	150.0	94.8	58%
Investments	6.9	6.4	8%
Other assets	0.8	2.5	(68%)
TOTAL ASSETS	402.5	279.9	44%
Trade and other payables	37.8	15.4	145%
Short-term borrowing	45.8	24.9	84%
Bank debt	50.0	20.0	150%
Lease liabilities	53.8	48.4	11%
Provisions	17.4	16.2	7%
Tax liabilities	6.6		100%
TOTAL LIABILITIES	211.4	124.9	69%
NET ASSETS	191.1	155.0	23%
TOTAL EQUITY	191.1	155.0	23%

MARKET VALUE

RESULTS FOR THE YEAR ENDED	31 DECEMBER 22	31 DECEMBER 21	INC/DEC	CHANGE \$'000	CHANGE %
Net profit after tax (NPAT)	10,466,134	12,557,538	Decrease	(2,091,404)	(17%)
Closing share price (\$)	2.39	3.24	Decrease	(0.85)	(26%)
Shares on issue (number)	73,245,710	61,706,710	Increase	11,539,000	19%
Dividends per share (LTM)	20.0	20.0			
Basic earnings per share LTM	33.0	38.3	Increase	5.3	(14%)
Price to earnings ratio	7.2	8.5	Decrease	(1.2)	(14%)
Dividend yield	8.4%	6.2%	Increase	2.2%	35%
Franking	100%	100%			

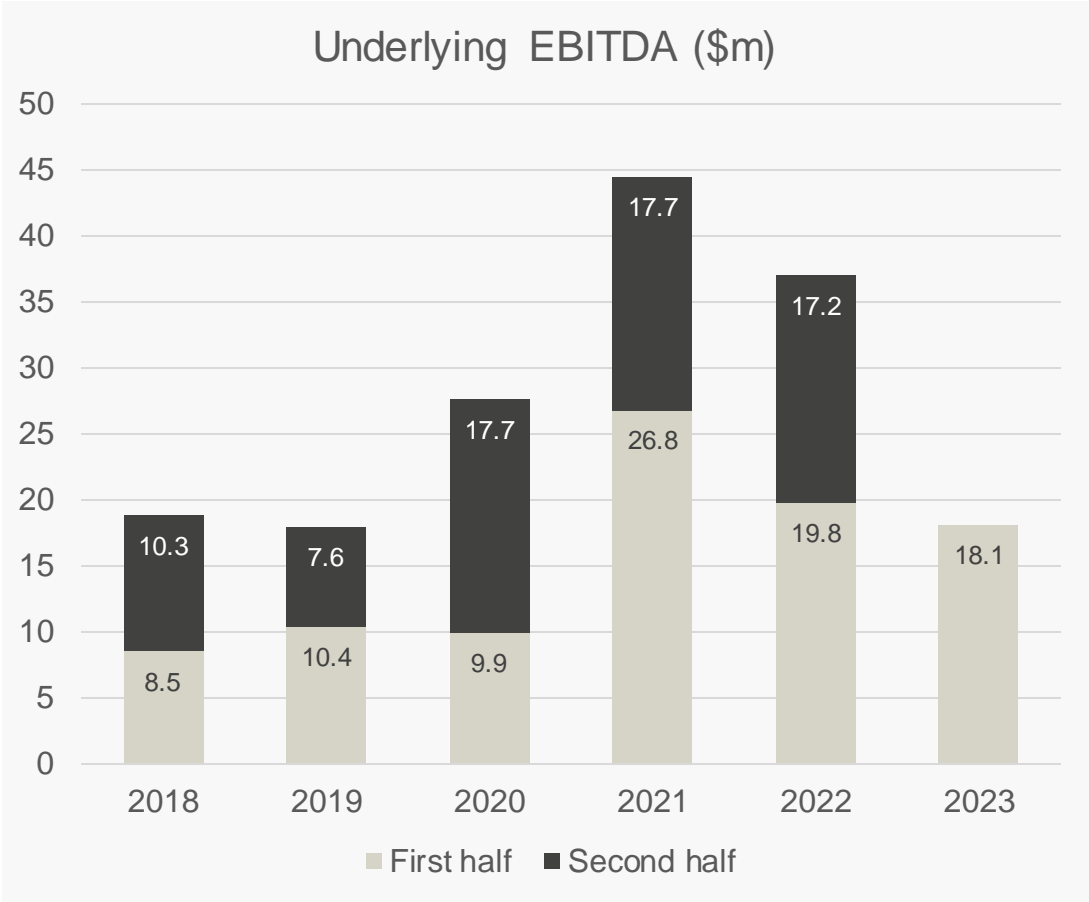
REVENUE GROWTH

Revenue increased 17% to \$277.5 million, supported by recent acquisitions



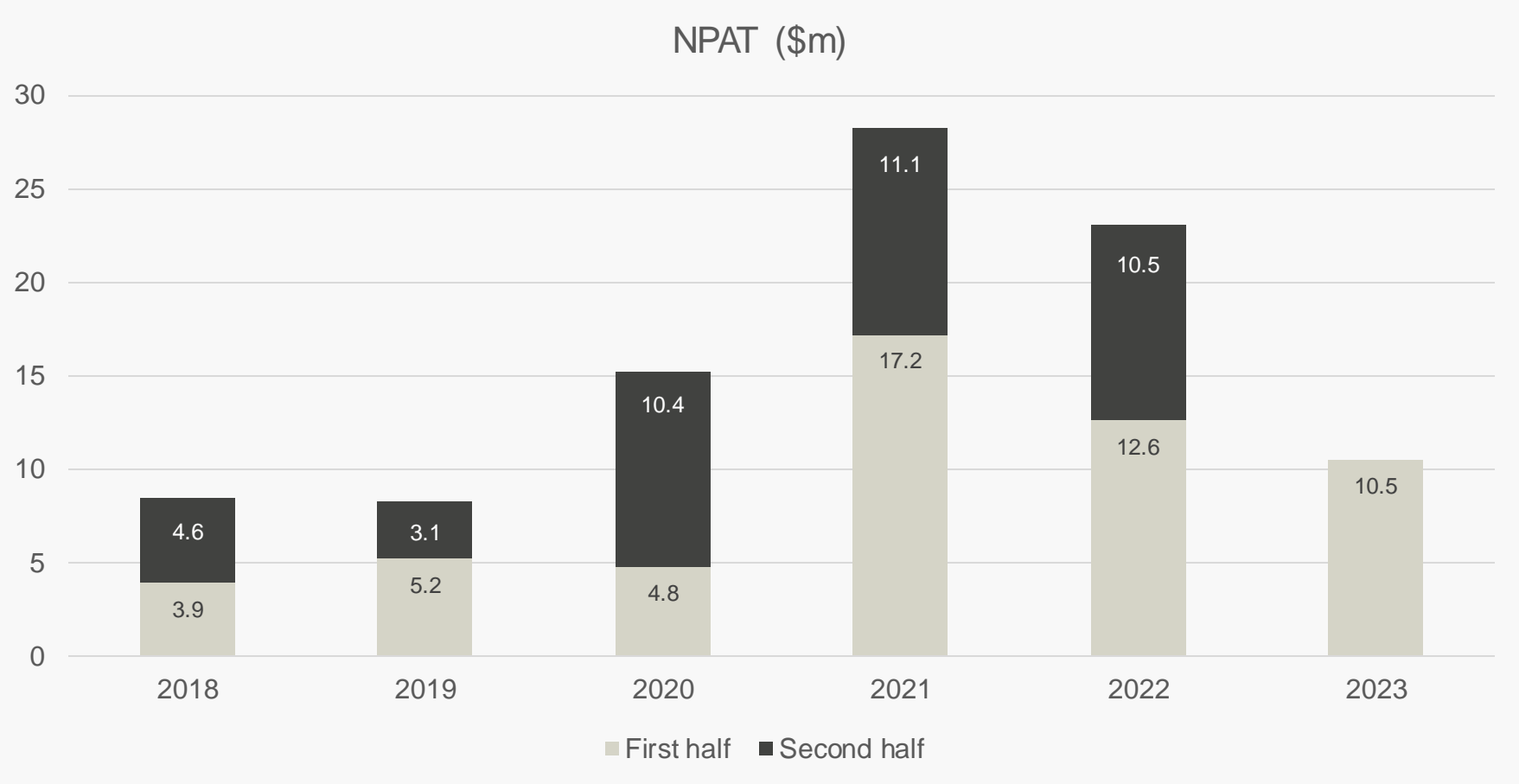
UNDERLYING EBITDA AND MARGIN

Underlying EBITDA decreased 9% to \$18.1 million

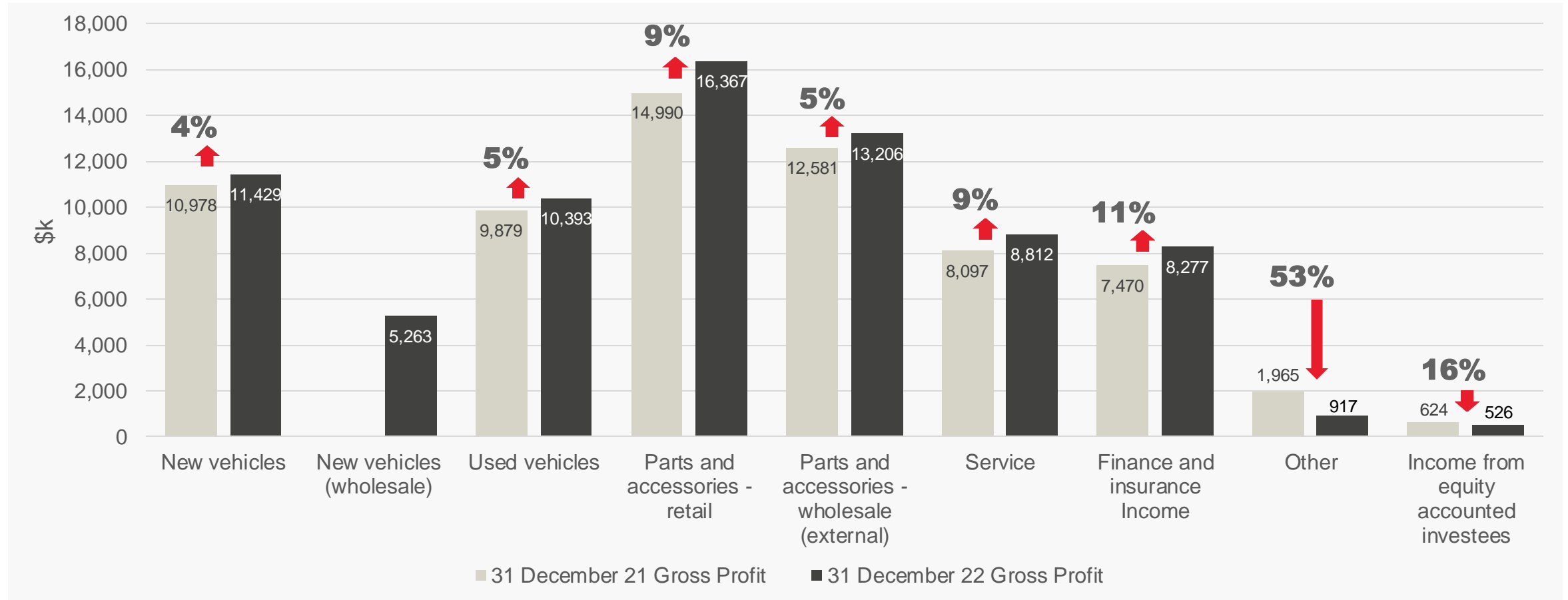


NPAT RESULTS

NPAT \$10.5 million for the half



DIVERSIFIED EARNINGS



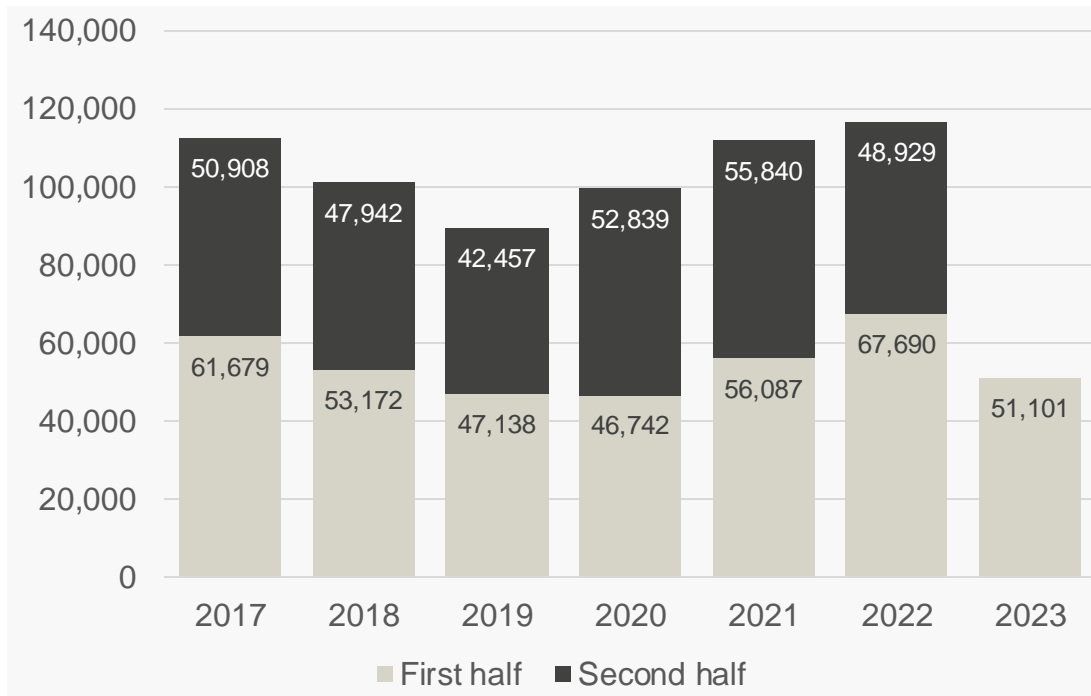
A close-up, high-angle photograph of a mechanical chain and gears. The chain is dark blue with gold-colored links and is positioned diagonally across the frame. The background is dark and out of focus, showing the intricate details of a mechanical assembly.

OPERATIONAL PERFORMANCE

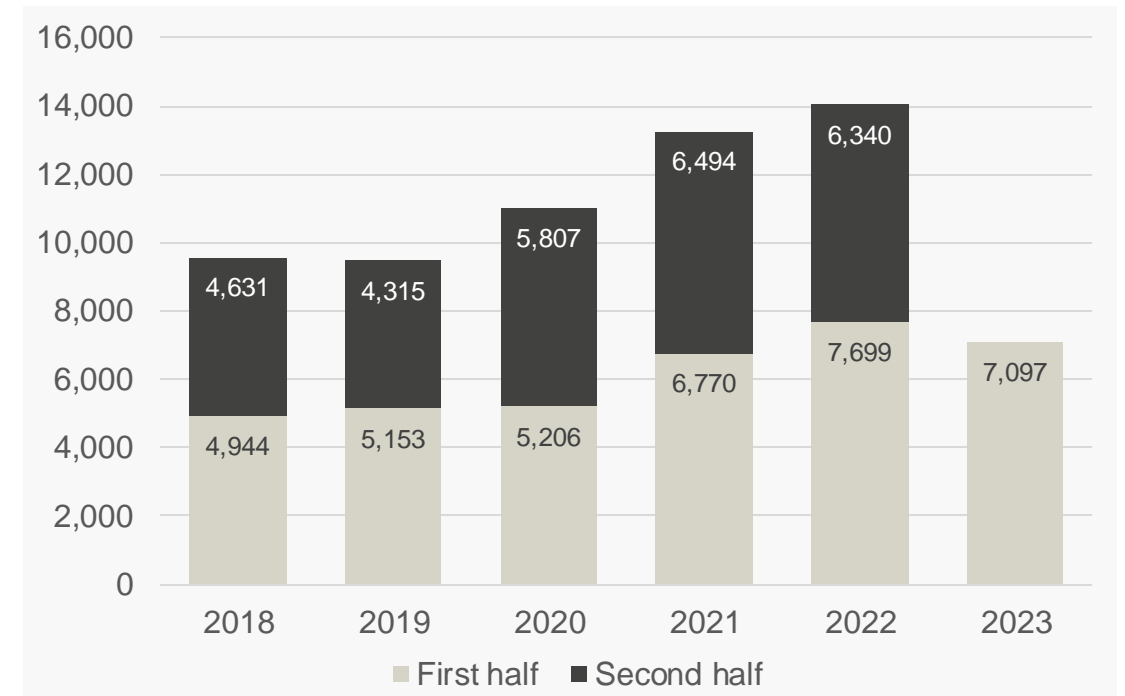


NEW MOTORCYCLE SALES

Industry new motorcycle unit sales decreased 25%*



MTO new motorcycle unit sales decreased 8%

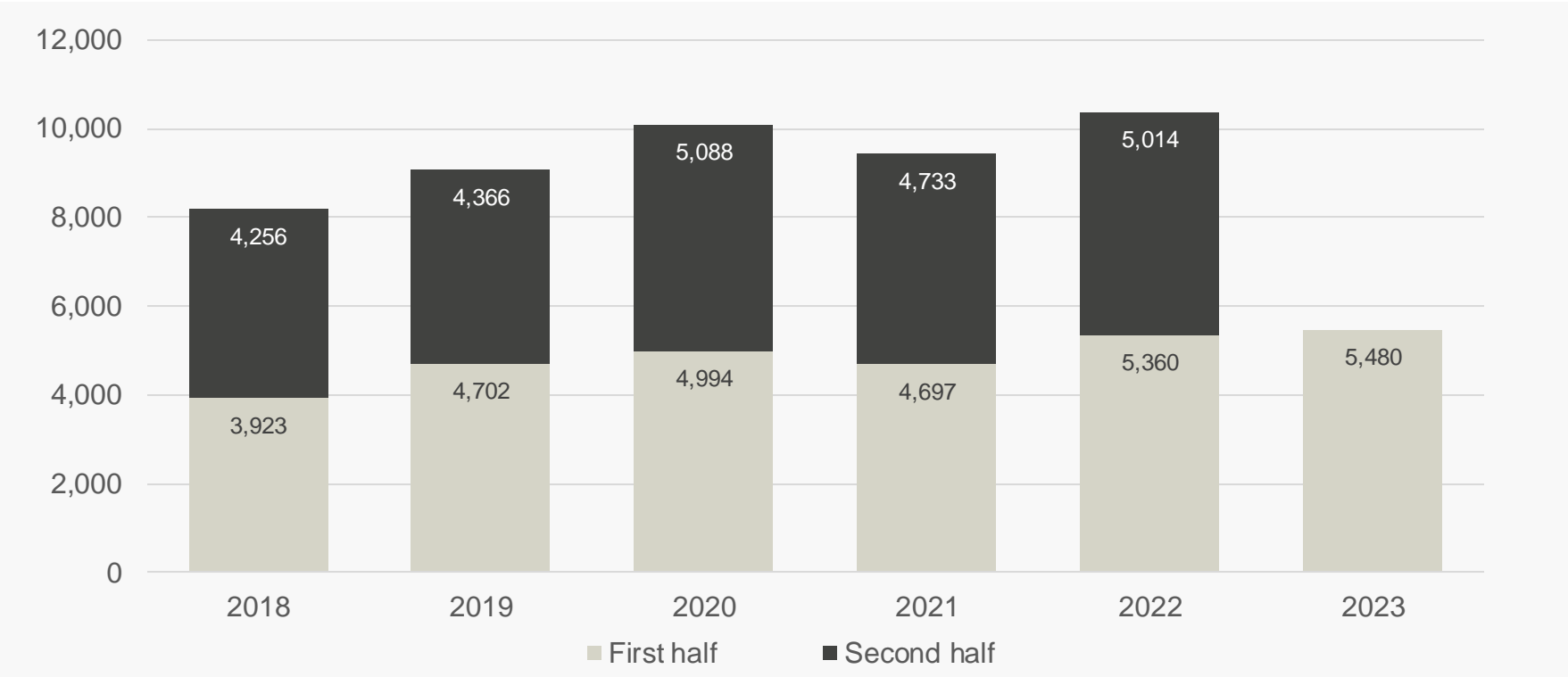


*Based on Federal Chamber of Automotive Industries (FCAI) published data

Our Metro locations are road-bike focused. FCAI data showed a much smaller decline in road-bike unit sales of 10%, compared to a 25% decline in the overall market.

USED MOTORCYCLES

Used motorcycle unit sales increased 2%



RETAIL



- Overall solid performance despite macro-economic headwinds.
- Moderating demand for new and used motorcycles feature of second quarter.
- Retail accessories sales held up well.

ACQUISITIONS



- Result included contribution from recent acquisitions including Mojo Group and Townsville Team Mojo.
- Mojo Group acquisition and integration performing ahead of management's expectations.
- FY23 will include increased contribution from new acquisitions and first full year contribution of Forbes and Davies and Wide Bay Motorcycles.



WHOLESALE

(excluding Mojo acquired this half)

- Trading softened during the later part of 1H.
- Supply chain issues have moderated and inventory normalised.
- New management continue to focus on disciplined cost management and operating efficiencies.
- Supply chain freight expenses were well up for the first half, but have recently returned to pre-pandemic levels.
- Opportunity to add further products.

FINANCE JV



- 50% share contributed profit of \$526,000, down 16% on pcp.
- Increased cost of borrowing leading to margin pressure.
- Delinquencies satisfactory



FY2023 OUTLOOK

FY2023 OUTLOOK

Rising interest rates and cost of living pressures expected to impact demand

Preparing for more challenging macro-economic conditions

Continue to pursue acquisition opportunities

Focus on business improvement and cost control

Higher cost of doing business will continue to be a feature of current market dynamics

New acquisitions will help insulate the Group from more challenging trading conditions



Thank you



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