



THE RPM GROUP

RPM Automotive Group Limited

ABN 34 002 527 906

Appendix 4D

**Half-year ended
31st December 2022**

(Previous corresponding period:
Half-year ended 31st December 2021)

HALF-YEAR INFORMATION GIVEN TO THE ASX UNDER LISTING RULE 4.2A

RPM AUTOMOTIVE GROUP LIMITED

ABN 34 002 527 906

Reporting period

Half-year ended 31 December 2022

Half-year ended 31 December 2021

The information contained in this report should be read in conjunction with the most recent annual financial report.

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RESULTS FOR ANNOUNCEMENT TO THE MARKET

					Current Period A\$,000
Revenue from ordinary activities			Up	62.18%	to 55,735
Profit from ordinary activities after income tax attributable to members	Down	-5.86%	From	1,323	to 1,246
Net profit for the period attributable to members	Down	-5.86%	From	1,323	to 1,246

Dividends per Share

	Amount per Share	Franked Amount per Share
Final	Nil cents	Nil cents
Interim	Nil cents	Nil cents

Record date for determining entitlements to dividends

Explanations on the results for announcement to the market

Refer Director's Report and Note 1 to the Financial Statements for the Half Year ended 31 December 2022

Net Tangible Assets per Ordinary Share (NTA Backing)

	31 December 2022	31 December 2021
	3.81 cents	4.12 cents

DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

Equity Accounted Associates and Joint Venture Entities

% OWNERSHIP INTEREST		CONTRIBUTION TO NET PROFIT	
Current Period %	Previous Corresponding Period %	Current Period	Previous Corresponding Period
		A\$,000	A\$,000

Aggregate Share of Profits (Losses) of Associates and Joint Venture Entities

Groups' Share of Associate' and Joint Venture Entities':	Current Period	Previous Period
	A\$,000	A\$,000
Profit (Loss) from ordinary activities before tax	-	-
Income tax on ordinary activities	-	-
Profit (Loss) from ordinary activities after tax	-	-
Extraordinary items net of tax	-	-
Net profit/(loss)	-	-
Adjustments	-	-
Share of net profit/(loss) of associates and joint venture entities	-	-

DIVIDEND AND CAPITAL RETURN

DIVIDEND PER SHARE

	Amount per share	Franked amount per share at Nil% tax	Amount per share of foreign source dividend
	cents	cents	cents
Final			
- current period	-	-	-
- previous corresponding period	-	-	-
Interim			
- current period	-	-	-
- previous corresponding period	-	-	-
Special			
- current period	-	-	-
- previous corresponding period	-	-	-
RETURN OF CAPITAL PER SHARE			
- current period	-	-	-
- previous corresponding period	-	-	-

TOTAL DIVIDEND AND CAPITAL RETURN

	Current Period	Previous Period
	A\$'000	A\$'000
Interim - paid/payable on	-	-
Final - paid/ payable on	-	-
Special - paid/payable on	-	-

SHARE DIVIDEND REINVESTMENT PLAN

There is no dividend reinvestment plan.

The last date for receipt of election notices for participation in any dividend reinvestment plans

Not Applicable

ACCOUNTING STANDARDS

AASB134 "Interim Financial Reporting" has been used in compiling the information contained in this Appendix 4D

AUDIT DISPUTES OR QUALIFICATIONS

There is no audit dispute or qualification



RPM Automotive Group Limited

ABN 34 002 527 906

**ASX Half-year Report
31st December 2022**

Lodged with the ASX under Listing
Rule 4.2A

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Independent Auditor’s Review Report to the Members of RPM Automotive Group Limited.

DIRECTORS’ REPORT

The Board of Directors of RPM Automotive Group Limited is pleased to present their report on the consolidated entity for the half-year ended 31st December 2022.

1. Directors

The following persons were the Directors of RPM Automotive Group Limited during the whole of the half-year and up to the date of this report:

Mr Grant Carman (Chairman)

Mr Clive Finkelstein (Chief Executive Officer & Managing Director)

Mr Lawrence Jaffe

Mr Alex Goodman

Mr Guy Nicholls (Appointed 18 August 2022)

DIRECTORS' REPORT (cont.)

2. Review of Operations

During the half year the Company has incorporated and expanded the RPM Group businesses with the acquisition of the AFT Automotive Group and continues to identify and evaluate other opportunities in the automotive space to increase its nationwide footprint.

For the six months ended 31st December 2022, the Company recorded income from operations of \$55,735,091, Net Profit from operations before tax of \$1,533,894 and EBITDA of \$4,342,362.

EBITDA is broken down as follows:

	\$
Profit after tax per accounts	1,245,876
Addback:	
Income tax expense	288,018
Interest and finance charges	1,076,958
Depreciation and amortisation	1,731,509
EBITDA	4,342,361

Net Debt is broken down as follows:

	\$
Total Borrowings	25,299,611
Less:	
Cash and cash equivalents	4,645,181
Deferred Vendor Finance	1,582,603
Convertible note	5,709,662
Net Debt	13,362,165

DIRECTORS' REPORT (cont.)

Over the past six months, we delivered solid revenue growth at stable gross profit margins, due to 8% organic growth and the contribution of acquisitions. However, margin pressures adversely impacted earnings mainly due to increased staff costs and the underperformance of some new businesses. In addition, profitability was adversely impacted by currency fluctuations as both supplier contracts and freight contracts were locked in at unfavourable rates, as the AUD strengthened late in 2022 and international freight charges dropped.

Our acquisition growth model is now on hold whilst we consolidate assets across the network and streamline operations. We are confident that the restructure will improve both profitability and operating cash flow and ultimately provide more value for shareholders in the second half and more specifically into FY24.

3. Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set on the next page

4. Rounding

Amounts presented are rounded to the nearest \$1.00 AUD

This report has been made in accordance with a resolution of the Directors.



Mr Grant Carman
Chairman



Mr Clive Finkelstein
Managing Director

27th February 2023

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF RPM AUTOMOTIVE GROUP LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2022 there has been:

- a. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- b. no contraventions of any applicable code of professional conduct in relation to the review.



**Nexia Melbourne Audit Pty Ltd
Melbourne**



**Benjamin Bester
Director**

Dated this 27th day of February 2023



RPM Automotive Group Limited

ABN 34 002 527 906

Financial Statements for the Half Year Ended 31st December 2022

Lodged with the ASX under Listing
Rule 4.2A

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR 31 DECEMBER 2022

	Consolidated Half Year Ended	
	31 December 2022	31 December 2021
	\$	\$
Revenue	55,735,091	34,365,700
Cost of goods sold	(38,631,573)	(23,474,841)
Gross profit	17,103,518	10,890,859
Other income	1,759,336	627,224
Administrative expense	(9,218,059)	(6,399,901)
Depreciation and amortisation expense	(1,731,510)	(1,042,147)
Occupancy expense	(469,946)	(481,226)
Other expenses	(4,832,487)	(1,589,670)
Operating profit	2,610,852	2,005,139
Finance income	4,713	4,936
Finance costs	(1,081,671)	(234,934)
Net finance costs	(1,076,958)	(229,998)
Profit before income tax	1,533,894	1,775,141
Income tax expense	(288,018)	(451,728)
Profit from operations after income tax	1,245,876	1,323,413
Total comprehensive income for the year	1,245,876	1,323,413
Earnings per share		
Profit per share attributable to ordinary equity holders of the parent (basic and diluted)	0.76	0.98

CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE HALF-YEAR 31 DECEMBER 2022

	Note	Consolidated Half Year Ended	
		31 December 2022	30 June 2022
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		4,645,181	7,047,808
Trade and other receivables		15,786,518	13,676,242
Inventories	4	27,543,737	24,490,409
Other assets		613,703	450,000
Total current assets		48,589,139	45,664,459
Non-current assets			
Trade and other receivables		835,985	318,703
Right of use assets		7,874,624	6,655,898
Deferred tax assets		1,267,688	1,115,767
Property, plant and equipment		7,066,042	6,485,410
Intangible assets		37,040,088	33,153,138
Total non-current assets		54,084,427	47,728,916
Total assets		102,673,566	93,393,375
Liabilities			
Current liabilities			
Trade and other payables		15,509,386	14,580,647
Lease liabilities - current		1,093,748	2,044,418
Borrowings - current		7,725,951	7,033,900
Deferred acquisition payment		5,246,181	5,962,051
Current tax liabilities		1,844,307	1,515,213
Provisions		2,187,279	1,766,945
Total current liabilities		33,606,852	32,903,174
Non-current liabilities			
Lease liabilities - non current		7,247,055	4,906,321
Borrowings - non current		17,573,660	15,999,653
Provisions - non current		150,699	150,699
Deferred tax liabilities		401,649	417,814
Total non-current liabilities		25,373,063	21,474,487
Total liabilities		58,979,915	54,377,661
Net assets		43,693,651	39,015,714
Equity			
Issued capital	6	37,647,399	34,215,339
Assets revaluation reserve		223,710	223,710
Retained earnings		5,822,542	4,576,665
Total equity		43,693,651	39,015,714

CONSOLIDATED STATEMENT OF CHANGES OF EQUITY FOR THE HALF-YEAR 31 DECEMBER 2022

	Issued Capital	Share Based Payments Reserve	Acquisition Reserve	Total Issued Capital	Asset Revaluation Reserve	Retained Earnings	Total Equity
	\$	\$	\$	\$	\$	\$	\$
Balance as at 30 June 2021	23,882,666	56,667	130,366	24,069,699	180,000	1,921,497	26,171,196
Profit for the year after tax	-	-	-	-	-	2,655,168	2,655,168
Revaluation of assets	-	-	-	-	43,710	-	43,710
Transaction with owners, in their capacity as owners, and other transfers							
Share based payments	-	384,911	-	384,911	-	-	384,911
Deferred business acquisition	-	-	(130,366)	(130,366)	-	-	(130,366)
Share issued during the year	9,891,095	-	-	9,891,095	-	-	9,891,095
Total transaction with owners and other transfers	9,891,095	384,911	(130,366)	10,145,640	-	-	10,145,640
Balance as at 30 June 2022	33,773,761	441,578	-	34,215,339	223,710	4,576,665	39,015,714
Profit for the year after tax	-	-	-	-	-	1,245,876	1,245,876
Revaluation of assets	-	-	-	-	-	-	-
Transaction with owners, in their capacity as owners, and other transfers							
Share based payments	-	114,731	-	114,731	-	-	114,731
Deferred business acquisition	-	-	-	-	-	-	-
Share issued during the year	3,317,329	-	-	3,317,329	-	-	3,317,329
Total transaction with owners and other transfers	3,317,329	114,731	-	3,432,060	-	-	3,432,060
Balance as at 31 December 2022	37,091,090	556,309	-	37,647,399	223,710	5,822,541	43,693,650

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR 31 DECEMBER 2022

	Consolidated	
	31 December 2022	31 December 2021
	\$	\$
Cash flows from operating activities		
Receipts from customers	55,394,153	30,140,787
Payments to suppliers and employees	(54,880,811)	(30,950,531)
Interest and other income received	4,713	4,936
Borrowing costs paid	(828,243)	(111,357)
Income tax paid	(160,853)	(310,489)
Net cash used in operating activities	(471,041)	(1,226,654)
Cash flows from investing activities		
Payment for property, plant and equipment	(869,268)	(329,719)
Payments for financial assets	(2,264,601)	(908,160)
Proceed from sale of financial assets	-	-
Payment to acquired entities	(2,841,492)	(3,807,489)
Cash flow from investing activities	(5,975,361)	(5,045,368)
Cash flows from financing activities		
Proceeds / (repayment) of finance lease principal	182,119	164,158
Proceeds from the issue of shares	1,850,000	4,276,599
Proceeds from borrowings	2,011,656	5,712,936
Repayment for borrowings	-	-
Net cash inflow from financing activities	4,043,775	10,153,693
Net increase / (decrease) in cash held		
Cash at the beginning of the financial year	7,047,808	1,737,900
Net cash flow for the year	(2,402,627)	3,881,671
Cash and cash equivalents at end of year	4,645,181	5,619,571

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR 31 DECEMBER 2022

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2022 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of RPM Automotive Group Limited and its controlled entities (referred to as the “Consolidated Group” or “Group”). As such, it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2022 together with any public announcements made during the following half year.

These interim financial statements were authorised for issue on 27th February 2023.

Accounting Policies

The same accounting policies and methods of computation have been followed in the interim financial report as were applied in the most recent financial statements.

The Group has considered the implications of new and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

Note 2: Business Combination

AFT Automotive Group

The acquisition of AFT Automotive Group strengthens RPM’s position in the fast-growing 4WD accessories market and will significantly expand RPM’s vertically integrated offering across design, manufacture, and wholesale distribution.

The new wholesale product range in 4WD accessories complements RPM’s existing retail accessories business through the supply of existing retail customers with more products and greater control over the supply chain. In addition, RPM will expand AFT’s existing wholesale operations from Queensland to a national footprint by leveraging RPM’s existing infrastructure throughout Australia. The addition of All Terrain Design’s business will enable RPM to utilize the market leading design software to produce custom design work for RPM’s internal divisions as well as for external customers.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR 31 DECEMBER 2022 (CONT.)

AFT Automotive Group is comprised of Equipit Group, a leading wholesaler of premium 4x4 Accessories, and All Terrain Design, a leading designer of 4WD motor vehicle accessories.

MAX 4X4 Accessories is a leading brand for the 4WD industry. The current product range includes the MAX GEN II Bull Bars, Side Steps and Rails. The MAX brand has developed a strong reputation for quality accessories that are great value and easy to fit.

All Terrain Design is a design company specialising in motor vehicle accessories, predominately for the 4WD industry. All Terrain Design utilises market leading technology to provide a range of services including 3D scan tooling, CAD and technical drawing, and custom design work for new products.

All Terrain Design owns the design and manufacture of all MAX 4x4 Accessories.

	Consolidated Group
	Fair Value
	2022
Purchase Consideration	
Fair value of cash and shares transferred	3,052,372
Less fair value of net identifiable assets acquired	40,670
Excess consideration - goodwill on acquisition consideration	<u>3,011,702</u>
The fair value of the identifiable assets and liabilities of the company at the date of acquisition w	
Assets:	
Cash and cash equivalents	330,575
Accounts receivable	581,353
Inventory	2,792,645
Prepayments	9,416
Property plant and equipment	238,083
Less liabilities:	
Accounts payable	(1,558,907)
Financial liabilities	(2,312,900)
Provisions	(39,596)
Identifiable net assets at fair value	<u>40,670</u>

Profit before tax and revenue resulting from the acquisition of AFT Automotive Group amount to \$317,735 and \$4,692,201 respectively are included in the consolidated statements of profit or loss and other comprehensive income for the year ended 31 December 2022.

The values identified in relation to the acquisition of AFT Automotive Group are accounted for on a provisional basis as at 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR 31 DECEMBER 2022 (CONT.)

Note 3: Operating Segment

The Groups segments represent strategic business units that offer different products and operate in different segments of the automotive aftermarket. They are consistent with the way the CEO monitors and assesses the business performance in order to make decisions about resource allocation over the Group. Performance assessment is based on EBIT (Earnings Before Interest and Tax) and EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation). These measures are different from the profit and loss reported in the consolidated financial statements which is shown after net interest and tax expense. This is because decisions that affect the net interest expenses and tax expense are made a Group level. It is not considered appropriate to measure segment reporting at the net profit after tax level.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR 31 DECEMBER 2022 (CONT.)

	Motorsport		Repairs and Roadside		Wheels and Tyres		Accessories		Consolidated	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	Total 2022	Total 2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Sales	4,250,643	3,508,863	22,024,094	13,982,877	18,028,325	13,678,024	12,587,318	3,460,193	55,735,091	34,365,700
Other Income	(20,704)	107,232	751,493	192,335	354,099	(2,239)	72,641	299,972	1,759,336	627,224
Total Segment Revenue	4,229,939	3,616,095	22,775,587	14,175,212	18,382,424	13,675,785	12,659,959	3,760,165	57,494,427	34,992,924
Segment Gross Profit	2,183,391	1,678,687	6,448,794	3,492,521	3,512,817	3,688,137	5,449,139	2,031,514	17,590,812	10,890,859
Segment Gross Profit %	51%	48%	29%	25%	19%	27%	43%	59%	32%	32%
Segment Expenses	1,333,396	1,167,364	6,082,020	2,980,554	2,463,900	2,220,485	3,823,604	1,183,621	15,007,787	7,843,572
Segment EBITDA	829,291	511,323	1,118,267	511,967	1,403,015	1,467,652	1,698,176	847,893	4,342,361	3,047,287
Net finance costs									(1,076,958)	(229,998)
Depreciation and amortisation expense									(1,731,509)	(1,042,147)
Consolidated profit before tax									1,533,894	1,775,142
Income tax expense									(288,018)	(451,728)
Consolidated profit after tax									1,245,875	1,323,414

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR 31 DECEMBER 2022 (CONT.)

Note 4: Inventories

	31 December 2022	30 June 2022
	\$	\$
Current		
Finished products	24,666,491	21,591,458
Goods in transit	2,441,339	2,477,494
Work in progress	435,907	421,457
Total Inventories	27,543,737	24,490,409

Note 5: Shareholders Returns

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$
The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:		
Profit per share attributable to ordinary equity holders of the parent (basic and diluted)	1,245,876	1,323,413
Earnings per share	0.76	0.98
	#	#
Weighted average number of ordinary shares used in the calculation	163,265,782	135,569,851
Options on issue at year end are not dilutive and hence not used in the calculation of diluted EPS	26,939,570	26,939,570
Diluted earnings per share do not differ from the basis earnings per share and therefore is not separately disclosed.		

Note 6: Equity and Reserves

	Consolidated			
	31 December 2022		30 June 2022	
	#	\$	#	\$
(a) Share capital				
Ordinary shares fully paid	174,581,469	37,647,399	157,581,645	34,215,339
(b) Movement in ordinary shares on issue				
Beginning of period	157,581,645	34,215,339	121,477,305	23,939,315
Acquisition of businesses	5,214,054	1,467,329	18,854,812	5,544,972
Share issued during the year	11,212,115	1,850,000	8,333,333	2,500,000
Share based payment reserve	573,655	114,731	1,284,352	384,911
Exercise of options	-	-	7,631,843	1,846,141
Less Capital Raise Costs	-	-	-	-
End of period	174,581,469	37,647,399	157,581,645	34,215,339

(c) Options at 31 December 2022

Listed Options expiry 28 August 2021

As at 31 December 2022 there were Nil listed options on issue (2022: Nil)

	31 December 2022	30 June 2022
	#	#
Beginning of period	-	7,631,843
Issued during the period	-	-
Exercised during the period	-	(7,631,843)
End of period	-	-

During the year Nil listed options were exercised (2022: 7,631,843)

Note 6: Equity and Reserves (cont.)

Unlisted Options at 31 December 2022

As at 31 December 2022 there were 26,939,570 unlisted options on issue (2022: 26,939,570)

	31 December 2022	30 June 2022
	#	#
Beginning of period	26,939,570	20,939,570
Issued during the period	-	6,000,000
Exercised during the period	-	-
End of period	26,939,570	26,939,570

There are 26,939,570 unlisted options which are exercisable at \$.38 each with an expiry date of 15 January 2023.

During the previous year 6,000,000 unlisted options were issued at \$nil which are exercisable at \$.435 each with an expiry date of 31 March 2024.

During the year Nil unlisted options were exercised (2022: Nil)

(d) Terms and conditions of contributed equity

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on the shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Capital Management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits to other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Management may in the future adjust the capital structure to take advantage of favourable costs of capital and issue further shares in the market. Management has no current plans to adjust the capital structure other than as disclosed in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR 31 DECEMBER 2022 (CONT.)

Note 7: Contingent Liabilities

There has been no change in contingent liabilities since the last annual reporting period. We have acquired the shares in Direct Wholesale Tyres Pty Ltd and as a part of our due diligence prior to acquisition and subsequent review post acquisition, we are not aware of any contingent liability from the historical operations of either of these entities and note that any potential contingent liability will be covered under the warranties as part of the contract for sale of shares agreement entered into by the parties.

Note 8: Subsequent Events

In Q3 FY23, RPM will complete the acquisition of Metro Tyre Services (“Metro”) in Penrith, NSW. Metro is a full-service tyre dealer, providing 24/7 onsite mobile tyre fitting repairs and servicing, specialising in earthmoving, forklift and commercial tyre sales, fitting, service and repairs.

In December 2022, RPM completed an institutional placement, raising \$1.85m and in January 2023, the SPP raised a further \$1m. The issue of shares to Directors worth \$150K will be approved at an EGM in early April.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors RPM Automotive Group Limited the Directors of the Company declare that:

1. The financial statements and notes, as set out in the financial report are in accordance with Corporations Act 2001 including:
 - I. Complying with Accounting Standard AASB 134 Interim Financial Reporting, and
 - II. Giving a true and fair view of the Consolidated Group's financial position as at 31st December 2021 and of its performance for the half-year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Mr Grant Carman
Chairman



Mr Clive Finkelstein
Managing Director

Dated this 27th day of February 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of RPM Automotive Group Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of RPM Automotive Group Limited, which comprises the Consolidated Statement of Financial Position as at 31 December 2022, the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of RPM Automotive Group Limited does not comply with the *Corporations Act 2001* including:

- i) giving a true and fair view of RPM Automotive Group Limited's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- iii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company, as at the date of this auditor's review report.


Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Nexia Melbourne Audit Pty Ltd
Melbourne



Benjamin Bester
Director

Dated this 27th day of February 2023

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