

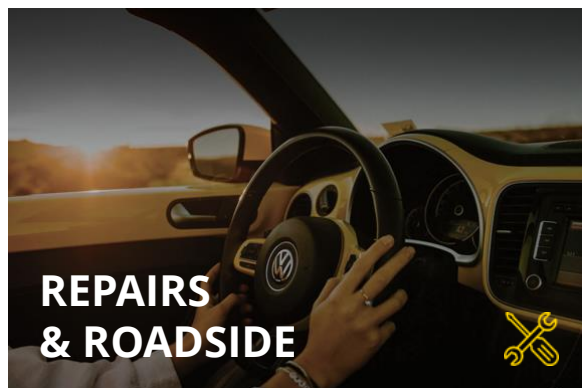


ESTABLISHING A NATIONAL FOOTPRINT IN THE AUTOMOTIVE AFTERMARKET

RPM AUTOMOTIVE GROUP LTD
(ASX: RPM)

AGM INVESTOR PRESENTATION | 22 NOVEMBER 2023

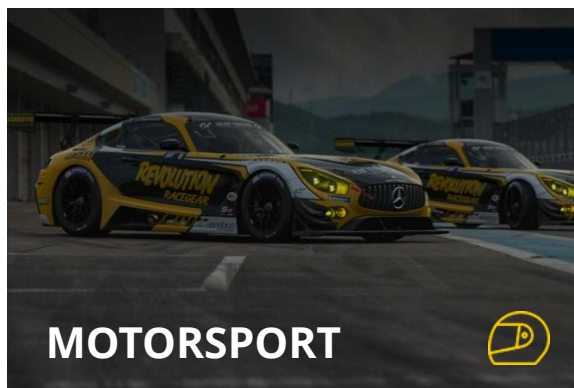
FOUR COMPLEMENTARY DIVISIONS



**Commercial & industrial
tyre and auto
service centres**

Retail

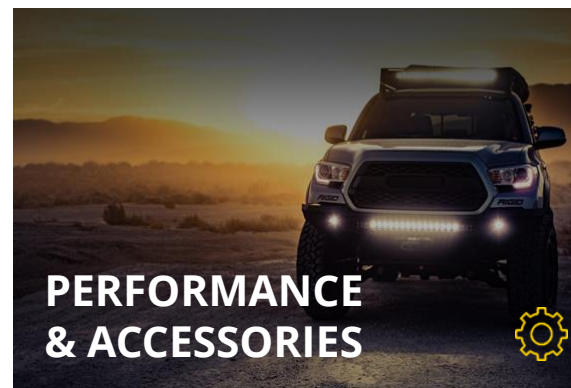
- Retail sales, wheel and tyre repairs, and roadside assist to commercial vehicles nationwide
- Services both commercial & industrial (including fleet) and consumer customers



**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



**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



**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 offering distribution of quality wheels & tyres at value prices



RESULTS OVERVIEW

FY23 RESULTS OVERVIEW

	FY23	FY22	▲
Revenue	\$117m	\$78.8m	48%
Revenue <small>excluding discontinued operations</small>	\$109m	\$70.8m	54%
Gross Profit	\$37.0m	\$27.5m	35%
Gross Profit <small>excluding discontinued operations</small>	\$33.9m	\$24.8m	37%
Reported EBITDA	\$8.8m	\$7.3m	21%
Underlying EBITDA	\$10.6m	\$7.6m	40%
Net Profit After Tax <small>excluding discontinued operations</small>	\$1.8m	\$2.8m	-38%
Net Profit After Tax (NPAT)	\$1.2m	\$2.7m	-54%
Net Operating Cash <small>from continuing operations</small>	\$0.9m	\$(2.8)m	+\$3.7m
Cash balance	\$4.4m	\$7.0m	-38%
Underlying Earnings per Share (EPS)	2.17cps	2.07cps	+0.10cps
Earnings per Share (EPS)	1.02cps	1.86cps	-0.84cps

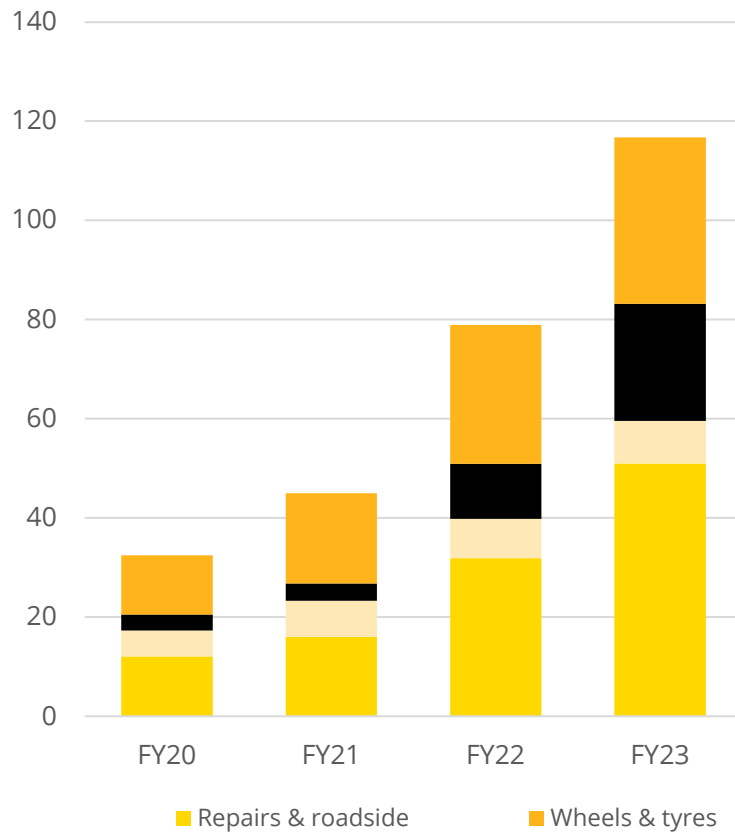
Reconciliation of underlying EBITDA (\$,000)	FY23	FY22
Operating profit after tax	1,769	2,831
Income tax expense	702	1,255
Operating profit before tax	2,471	4,086
Loss on discontinued operations	- 538	- 176
Net finance costs	1,699	858
Impairment of goodwill	1,010	-
Other non operating expenses	480	-
Depreciation and amortisation	3,700	2,518
Reported EBITDA	8,822	7,286
Refinance costs	253	-
Raise fees	220	-
Insurance claim reversal	350	-
Optimisation and disposal costs	919	-
QLD flood expenses	64	302
Underlying EBITDA	10,628	7,588

FY23 Key Highlights

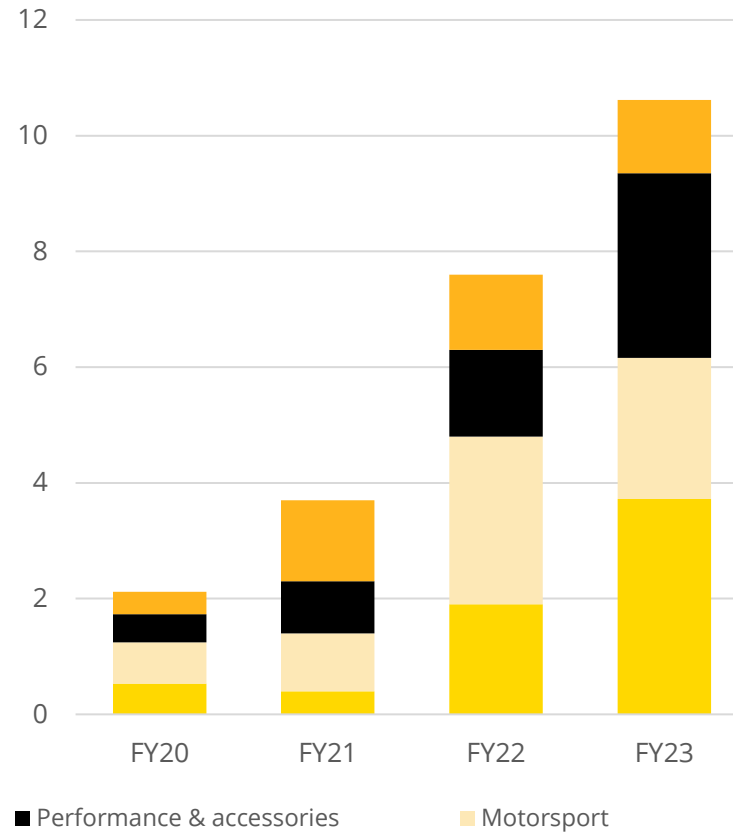
- Expanded national footprint
- Operational optimisation driving improved ROI
- Strong revenue and underlying earnings growth
- Building a better business

TRACK RECORD OF REVENUE AND EARNINGS GROWTH

Sales Revenue
(by division) (\$m)



Underlying EBITDA
(by division) (\$m)



Key Highlights

- Resilient turnover growth in FY23
- Organic growth of over 8% in FY23
- Sales Revenue CAGR 35%
- EBITDA+ CAGR 50%

NATIONAL COVERAGE IN THE AUTOMOTIVE INDUSTRY

In brief

RPM business units offer wheels, tyres, accessories and apparel to both wholesale and retail (B2B commercial, industrial and consumer) customers

Successful record of integration

12 strategic acquisitions since Sept 2020 - leveraging operational capability (shared services) - freeing up customer facing personnel to best serve our customer

Scale drives operational leverage

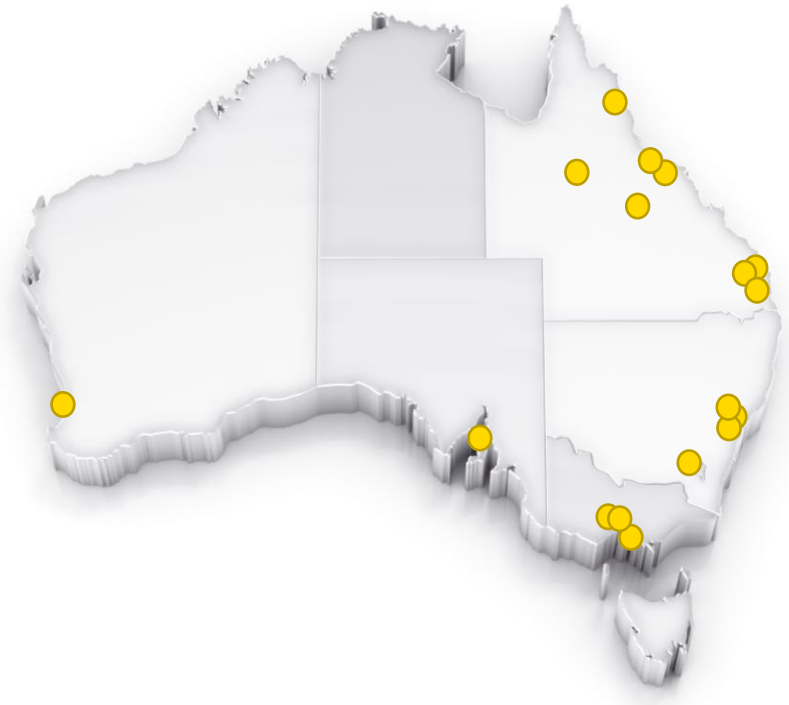
Increasing economies of scale and margins through cross-selling expanded product ranges to different customer groups

Leveraging capability and footprint

Adding new products, services and customers to our uniquely independent national footprint

Substantial market opportunity

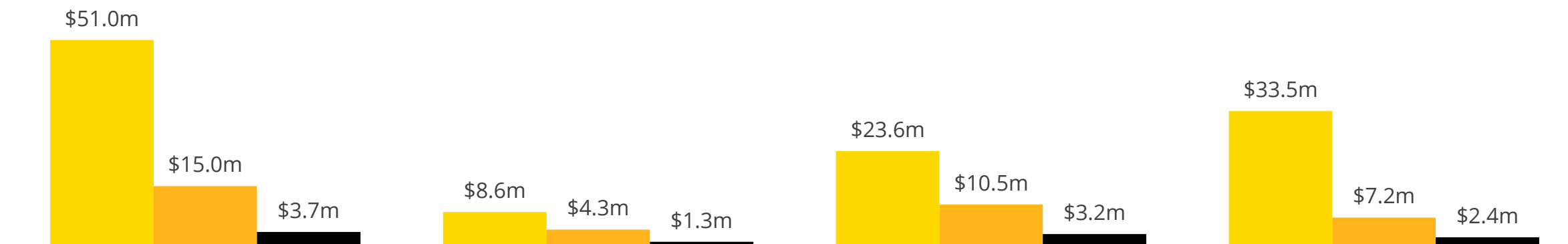
Highly fragmented industry ripe for consolidation...demand for services outstrips supply in retail



DIVERSIFIED REVENUE STREAMS

FY23 Revenue, GP Margin & EBITDA+ (by division)

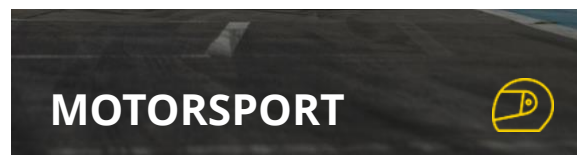
■ Revenue ■ Gross Profit ■ EBITDA+



REPAIRS & ROADSIDE

Retail

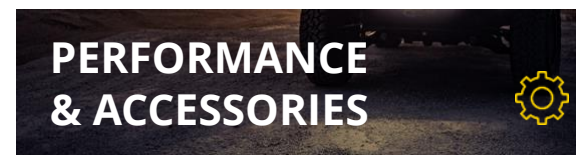
- Resilient business performance under increased cost pressures
- Sales growth of 55%
- Gross profit margin of 29%
- EBITDA+ margin of 7%



MOTORSPORT

Retail

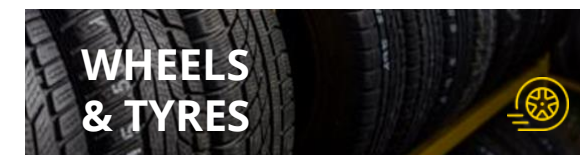
- Solid business unit – consistent performer
- Sales growth of 9% (all organic)
- Gross profit margin of 50%
- EBITDA+ margin of 15%



PERFORMANCE & ACCESSORIES

Retail & Wholesale

- Addition of high margin 4WD and caravan accessories in FY22 & FY23
- Sales Growth of 108%
- Gross profit margin of 44%
- EBITDA+ margin of 14%



WHEELS & TYRES

Wholesale

- Difficult year - improving supply chain efficiencies and economies of scale
- Sales Growth of 19% (all organic)
- EBITDA+ margin of 7%

Q1 FY24 TRADING UPDATE

Q1 FY24 Highlights

- FY24 guidance reaffirmed
- Continued revenue growth and improving margins
- Wholesale tyre division strengthened with the acquisition of Chapel Corner Tyres
- Cost benefits from restructure flowing through

	Q1 FY24	Chg on pcp
Underlying Revenue	\$24.9m	+5.5%
Acquisition Revenue	\$3.5m	n/a
Reported Revenue	\$28.4m	Flat
Contribution margin	34.1%	+530bps
EBITDA	\$3.0m	+19.0%
EBITDA to Sales	10.6%	+140bps



COMPANY STRATEGY

THREE CORE STRATEGIES TO BETTER SERVICE OUR CUSTOMERS



Strategic initiatives

- Identify complementary businesses to unlock synergies through cross selling and leveraging existing infrastructure
- Geographic expansion across Australia – both retail and wholesale
- Leverage existing wholesale platform by implementing tyre recycling strategy



Vertical integration

- Capitalise on in house design capability to bring new products to market
- Capitalise on existing supply chain capability
- Use network footprint to distribute planned products
- Premium products at value prices has appeal to both consumers and commercial users



Operating leverage

- Consolidate brands to maximise brand awareness at the state and national level
- In-fill existing network with products
- Invest in systems and analytics to drive cross selling
- Use economies scale to deliver improved margin



NEW PROGRAMS AND AGREEMENTS

TYRE RECYCLING PROGRAM

RPM is improving sustainable practices in its operations

This expansion program is anticipated to launch prior to the end of FY24 and will provide a new and ever-growing revenue stream to our wholesale tyre division

STAGE 1

- Project initiation and inquiries completed
- Fulfillment of Town Planning and EPA requirements
- Awaiting EPA approval

STAGE 2

- Town Planning approval
- Power supply & Fire Services requirements

PLANNING & EPA APPROVALS

STAGE 3

- Power supply upgrades
- Fire Services upgrades

STRATEGIC ALLIANCES AND DISTRIBUTION EXPANSIONS

New agreement with Yokohama

- Distribution partnership with Yokohama, one of the largest wheels & tyre businesses in the world
- Strengthens RPM's wholesale operations through collaborative efforts with Yokohama
- Strategic alliance to commence in Victoria initially



Other partnerships and initiatives to drive further growth

- Additional OEM supply contracts
- New commercial, industrial & mining tyre fleet contracts
- Distribution collaboration with a strong multi-national player in the 4WD accessories industry
- Geographic expansion in our wholesale divisions
- Innovation of newly developed product line in launch-phase





OUTLOOK

FY24 OUTLOOK

- Forecast annual revenue of \$130 – 140 million and a projected double digit organic growth
- Increased operating leverage through cross-sell and economies of scale
- Continuing product expansion in our retail division to better service our customers
- Growth in wholesale division from expansion in VIC and organic growth in NSW & QLD
- Focus on integration of acquisitions, inventory management and exceptional customer service
- Implementation of our Tyre Recycling Strategy





APPENDIX

EXPERIENCED BOARD OF DIRECTORS



GRANT CARMAN
NON-EXECUTIVE CHAIRMAN

Chartered accountant with over 30 years of experience in corporate finance and the Australian Capital Markets

Held senior executive positions for and acted as a corporate adviser to a large number of Australian and international companies in the financial services, automotive, pharmaceuticals, wholesale distribution, manufacturing, services, resources, technology, and telecommunications sectors



CLIVE FINKELSTEIN
CEO/MANAGING DIRECTOR

Co-founder of RPM

Over 25 years' experience in the automotive sector, having built, managed and sold companies including a parts and accessories manufacturer and wholesaler and a 4WD franchise group

Automotive experience spans international markets, manufacturing, development, wholesale, retail and franchising

A significant shareholder in RPM



LAWRENCE JAFFE
NON-EXECUTIVE DIRECTOR

Co-founder of RPM

Previously CEO and Managing Director of RPM Australasia until 2015 and stepped down when the company sold off its largest division. He remained on as Non-Executive Chairman until the company listed on the ASX and currently the Strategic Director at RPM.

Strong financial background in private equity, mergers and acquisitions.

A significant shareholder in RPM



GUY NICHOLLS
COO/EXECUTIVE DIRECTOR

Over 30 years' experience in Senior Executive roles in the automotive sector across strategy design and execution, manufacturing and supply chain, as well as mergers and acquisitions.

Guy was previously the CEO of Rycos Group, a business unit of ASX 200-listed GUD Holdings (ASX:GUD), and also held senior executive roles at NYSE-listed Genuine Parts Company, known locally as Repco and Napa Autoparts.



ALEX GOODMAN
NON-EXECUTIVE DIRECTOR

Strong background in private equity, business expansion of private companies, and executive management in Global Companies such as IBM, Lotus (Boston), and Amdahl (Silicon Valley)

Previously worked at Jagen P/L, the family office of the Liberman Family, and sat as a Director, on a number of boards which included activities such as investment management and mergers and acquisitions

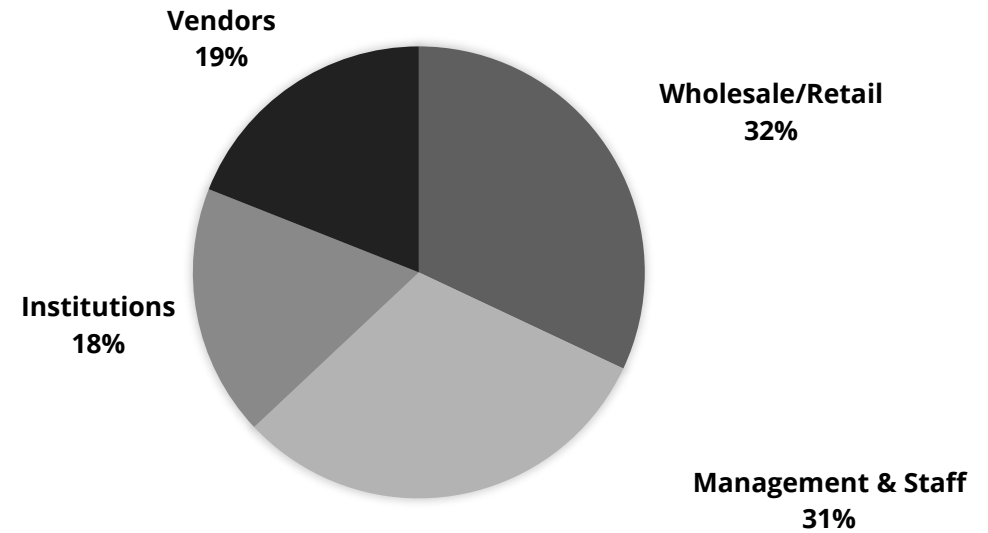
CORPORATE SNAPSHOT

CAPITAL STRUCTURE – 21 November 2023

Shares on Issue	195.4m
Options (Exp.03/24 @ \$0.435)	6m
Share Price	\$0.095
Market Capitalisation	\$18.6m



REGISTER



MAJOR SHAREHOLDERS

Clive Finkelstein (CEO/MD)	~12%
Lawrence Jaffe (Executive Director)	~12%
Management (original vendors)	~19%
Collins Street Value Fund	~5%

IMPORTANT NOTICE & DISCLAIMER

Overview

This document is issued by RPM Automotive Group Limited ACN 002 527 906 RPM ("RPM Automotive" or "RPM") on 22 November 2023.

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

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