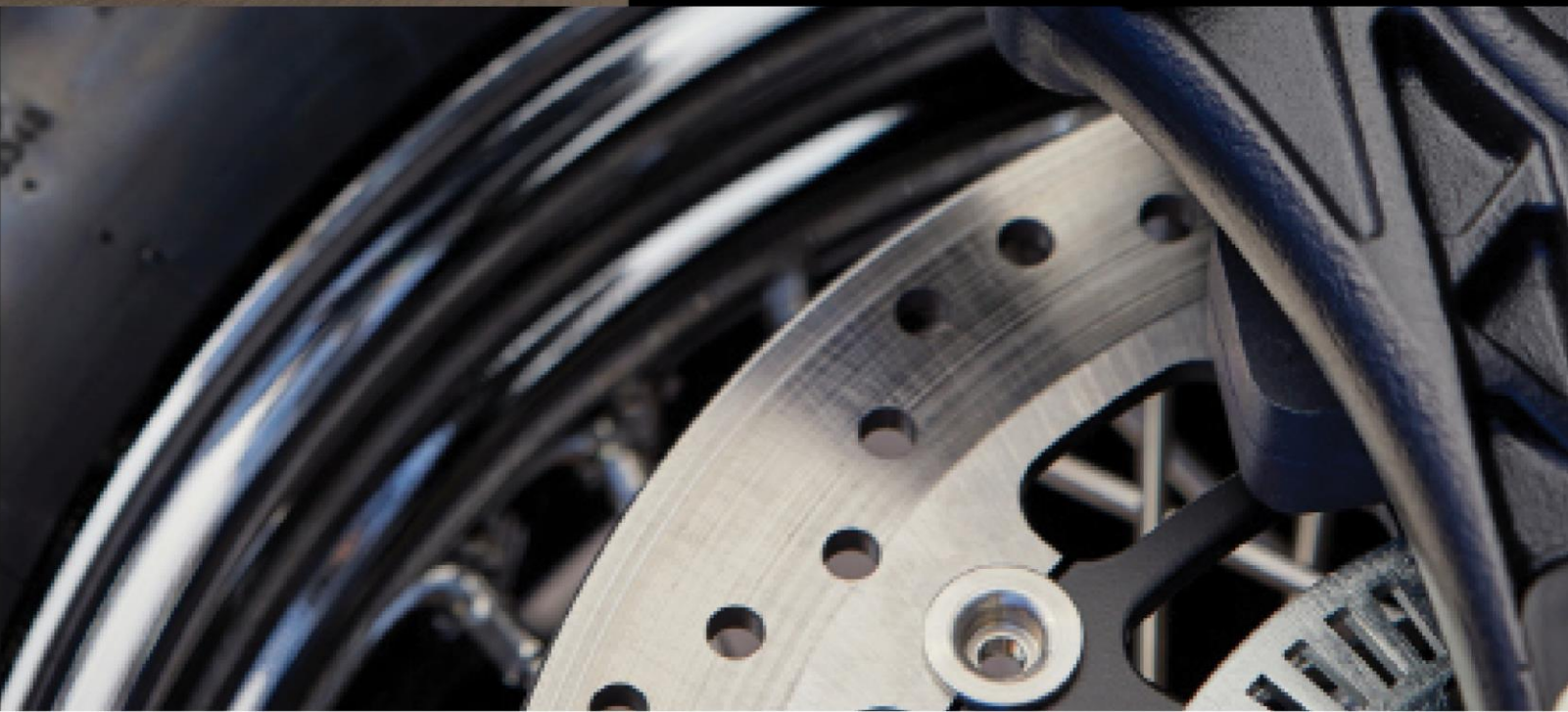




**MotorCycle**  
Holdings

**INVESTOR  
PRESENTATION**

**1H24**



# DISCLAIMER

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# AGENDA

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1. SUMMARY HIGHLIGHTS
2. FINANCIAL RESULTS
3. OPERATIONAL PERFORMANCE
4. FY2024 OUTLOOK

# SUMMARY HIGHLIGHTS

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# FINANCIAL HIGHLIGHTS


STATUTORY REVENUE

 **6% to  
\$293.4m**

LIKE-FOR-LIKE REVENUE<sup>1</sup>

 **7% to  
\$230.3m**


GROSS PROFIT

 **2% to  
\$76.4m**


UNDERLYING EBITDA

 **12% to  
\$21.8m**

NPAT

 **37% to  
\$6.6m**

NET ASSETS

 **1% to  
\$195.1m**

INTERIM DIVIDEND PER SHARE

**3c**  
fully franked

1. Excludes from both periods: TeamMoto Townsville, TeamMoto CFMOTO Springwood and Mojo Group

# OPERATIONAL HIGHLIGHTS

**1** Revenue growth from full period contribution by Mojo Group.

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**2** National market share<sup>1</sup> increase to 15% in a challenging market reflects resilient MTO business model.

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**3** July to October performance in line with forecasts in retail and wholesale segments.

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**4** Demand impacted from November due to interest rate and cost of living pressures; ATV sales impacted by predicted El Niño weather conditions.

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<sup>1</sup>Share of new retail motorcycle unit sales based on Federal Chamber of Automotive Industries (FCAI) data

# FINANCIAL RESULTS

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# PROFIT RESULTS

Overview of Results (\$'000)	31 Dec 23	31 Dec 22	% Δ PCP
Total income	294,562	277,511	6%
Cost of sales	(218,202)	(202,321)	8%
<b>Gross profit</b>	<b>76,360</b>	<b>75,191</b>	<b>2%</b>
Gross profit margin (%)	26%	27%	(4%)
Employee benefits expense	(35,732)	(35,728)	-
Occupancy expense	(1,944)	(1,538)	26%
Other expenses	(15,364)	(12,490)	23%
Bailment interest	(1,494)	(642)	133%
<b>Operating expenses</b>	<b>(54,533)</b>	<b>(50,398)</b>	<b>8%</b>
<b>Underlying EBITDA</b>	<b>21,827</b>	<b>24,793</b>	<b>(12%)</b>
Underlying EBITDA margin (%)	7%	9%	(17%)
Depreciation and interest on ROU assets	(7,616)	(6,754)	13%
Note – Underlying EBITDA as reported last year	14,211	18,039	(21%)
Acquisition expenses	(75)	(964)	(92%)
Depreciation and amortisation	(9,409)	(7,262)	30%
Net bank interest	(1,455)	(675)	116%
<b>Net profit before tax</b>	<b>9,586</b>	<b>14,846</b>	<b>(35%)</b>
Income tax expense	(3,001)	(4,380)	(32%)
<b>Net profit after tax</b>	<b>6,585</b>	<b>10,466</b>	<b>(37%)</b>



# LIKE-FOR-LIKE RESULTS<sup>1</sup>

Proforma Results (like-for-like <sup>1</sup> ) (\$'000)	31 Dec 23	31 Dec 22	% Δ PCP
Total income	231,450	247,508	(7%)
Cost of sales	(170,042)	(178,626)	(5%)
<b>Gross profit</b>	<b>61,407</b>	<b>68,882</b>	<b>(11%)</b>
Gross profit margin (%)	27%	28%	(5%)
Employee benefits expense	(32,568)	(34,956)	(7%)
Occupancy expense	(1,747)	(1,466)	19%
Other expenses	(11,340)	(10,668)	6%
Bailment interest	(877)	(470)	87%
<b>Operating expenses</b>	<b>(46,532)</b>	<b>(47,560)</b>	<b>(2%)</b>
<b>Underlying EBITDA</b>	<b>14,876</b>	<b>21,322</b>	<b>(30%)</b>
Underlying EBITDA margin (%)	6%	9%	(25%)
Depreciation and interest on ROU assets	(7,326)	(6,656)	10%
<b>Note – Underlying EBITDA as reported last year</b>	<b>7,550</b>	<b>14,667</b>	<b>(49%)</b>

1. Excludes from both periods — TeamMoto Townsville, TeamMoto CFMOTO Springwood and Mojo Group.

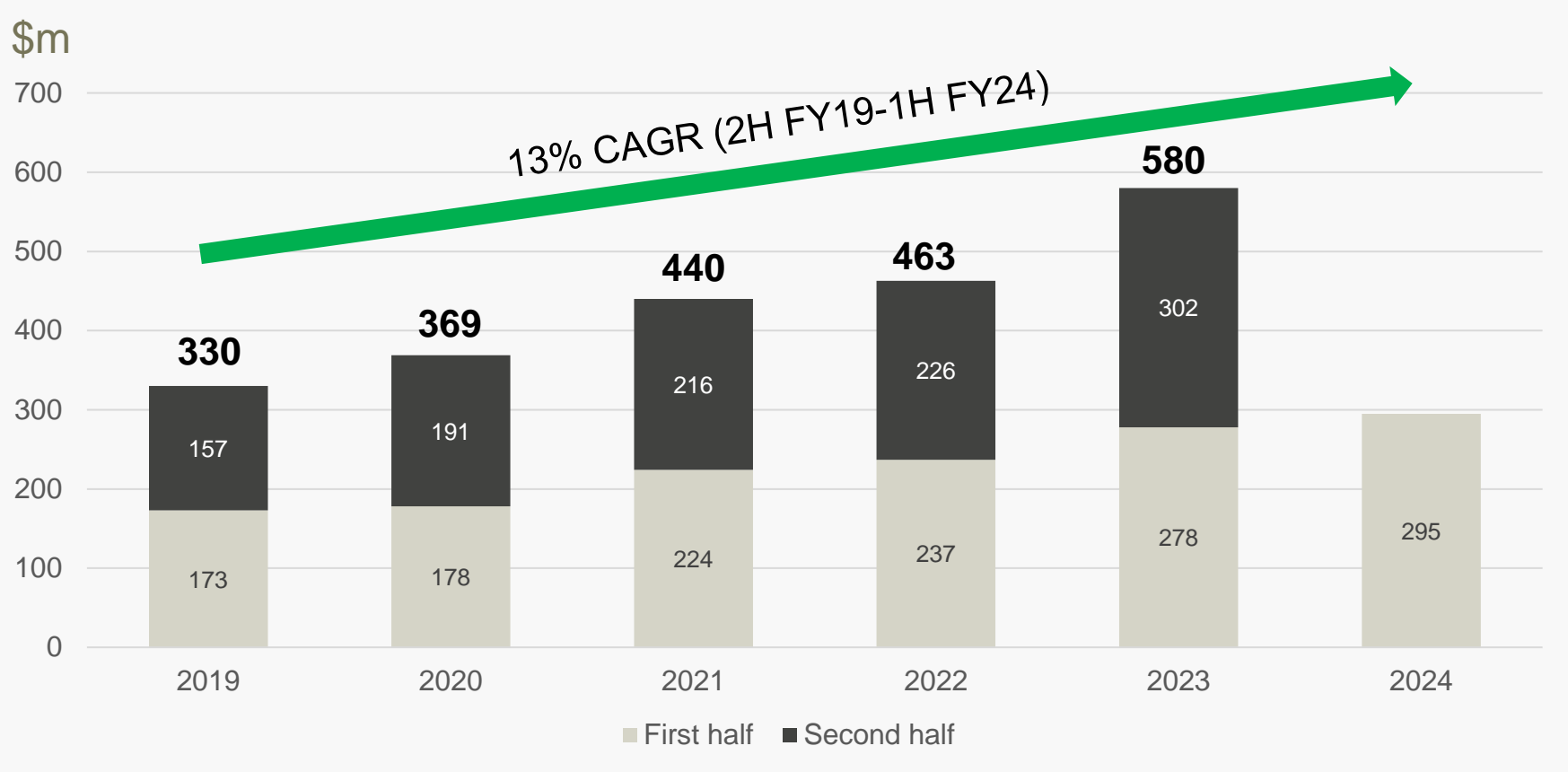
# BALANCE SHEET

Balance Sheet (\$ million)	31 Dec 23	30 Jun 23	% Δ PCP
Cash and cash equivalents	6.6	24.7	(74%)
Trade and other receivables	11.3	12.1	(6%)
Inventories	162.1	155.8	4%
Lease right-of-use assets	45.4	48.2	(6%)
Plant and equipment	13.7	13.4	2%
Goodwill and other intangibles	145.2	147.5	(2%)
Investments	6.7	6.8	(2%)
Tax assets	1.8	-	100%
Other assets	4.4	1.4	223%
<b>Total assets</b>	<b>397.1</b>	<b>409.9</b>	<b>(3%)</b>
Trade and other payables	34.7	39.7	(13%)
Bailment finance	47.7	48.5	(2%)
Bank debt	50.0	50.0	-
Lease liabilities	48.7	51.2	(5%)
Provisions	19.5	17.8	10%
Tax liabilities	1.4	5.3	(73%)
<b>Total liabilities</b>	<b>202.1</b>	<b>212.4</b>	<b>(5%)</b>
<b>Net assets</b>	<b>195.1</b>	<b>197.6</b>	<b>(1%)</b>
<b>Total equity</b>	<b>195.1</b>	<b>197.6</b>	<b>(1%)</b>

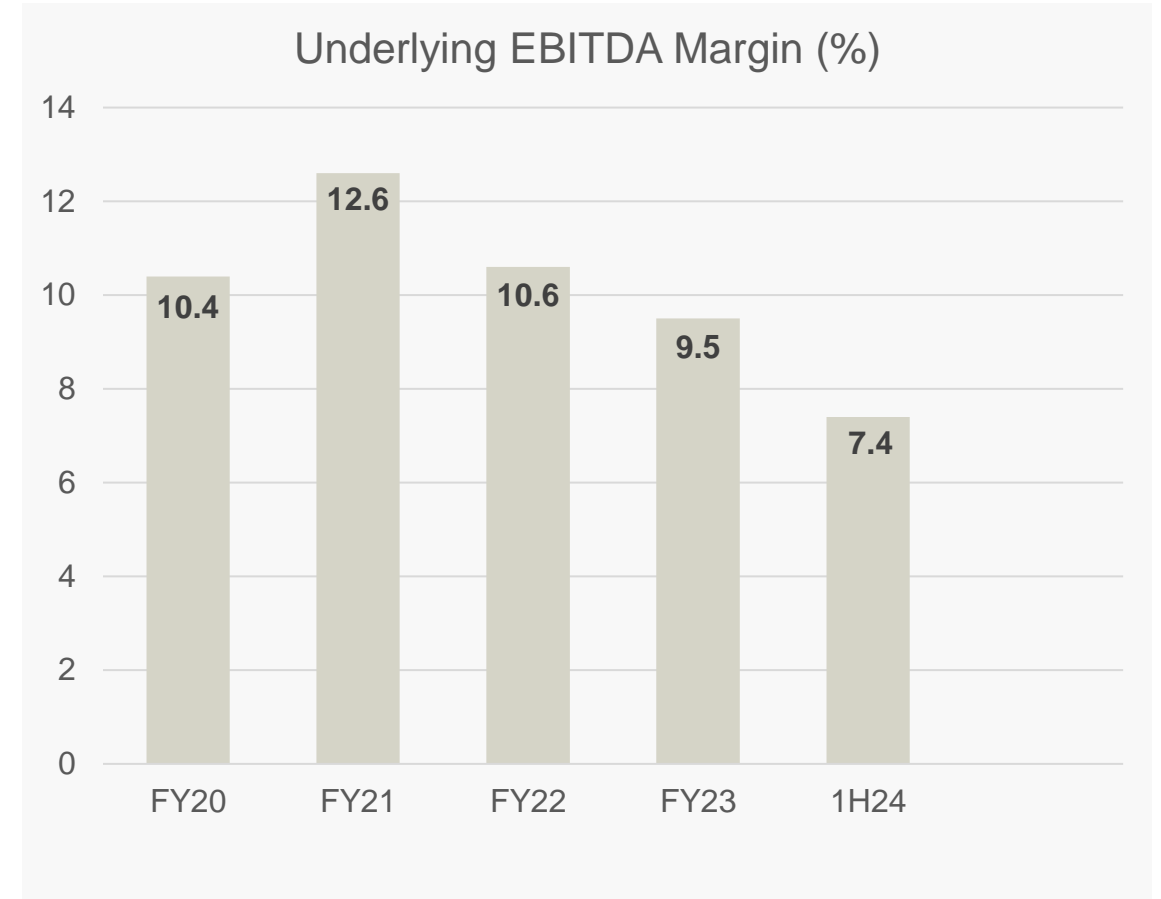
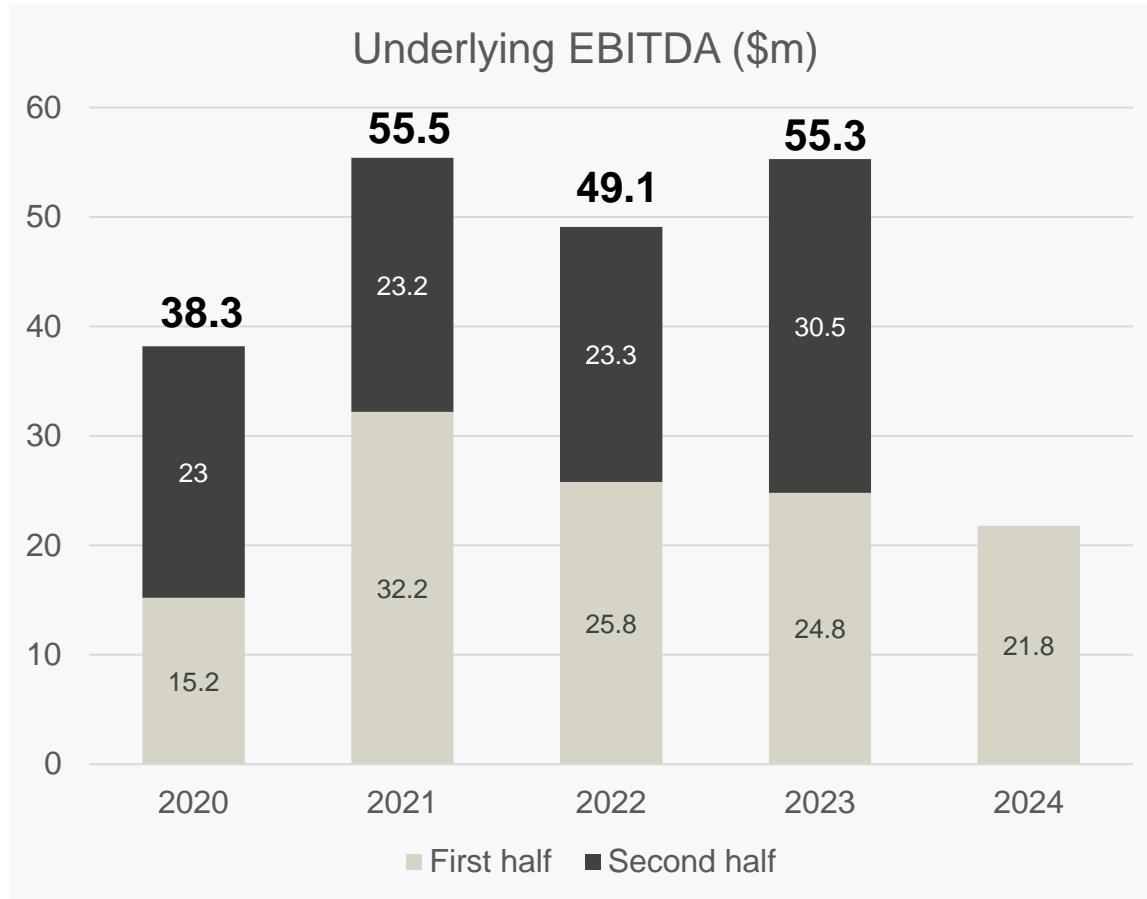
# MARKET VALUE

Results for the period ended	31 Dec 23	31 Dec 22	% Δ PCP
Net profit after tax (\$)	6,584,902	10,466,137	(37%)
Closing share price (\$)	2.00	2.39	(16%)
Securities on issue (number)	73,806,444	73,245,710	1%
Dividends paid per share (LTM)	20.0	20.0	-
Basic earnings per share (LTM)	26.0	32.1	(19%)
Price to earnings ratio (LTM)	7.7	7.4	3%
Dividend yield (LTM)	10.0%	8.4%	19%
Franking	100%	100%	-

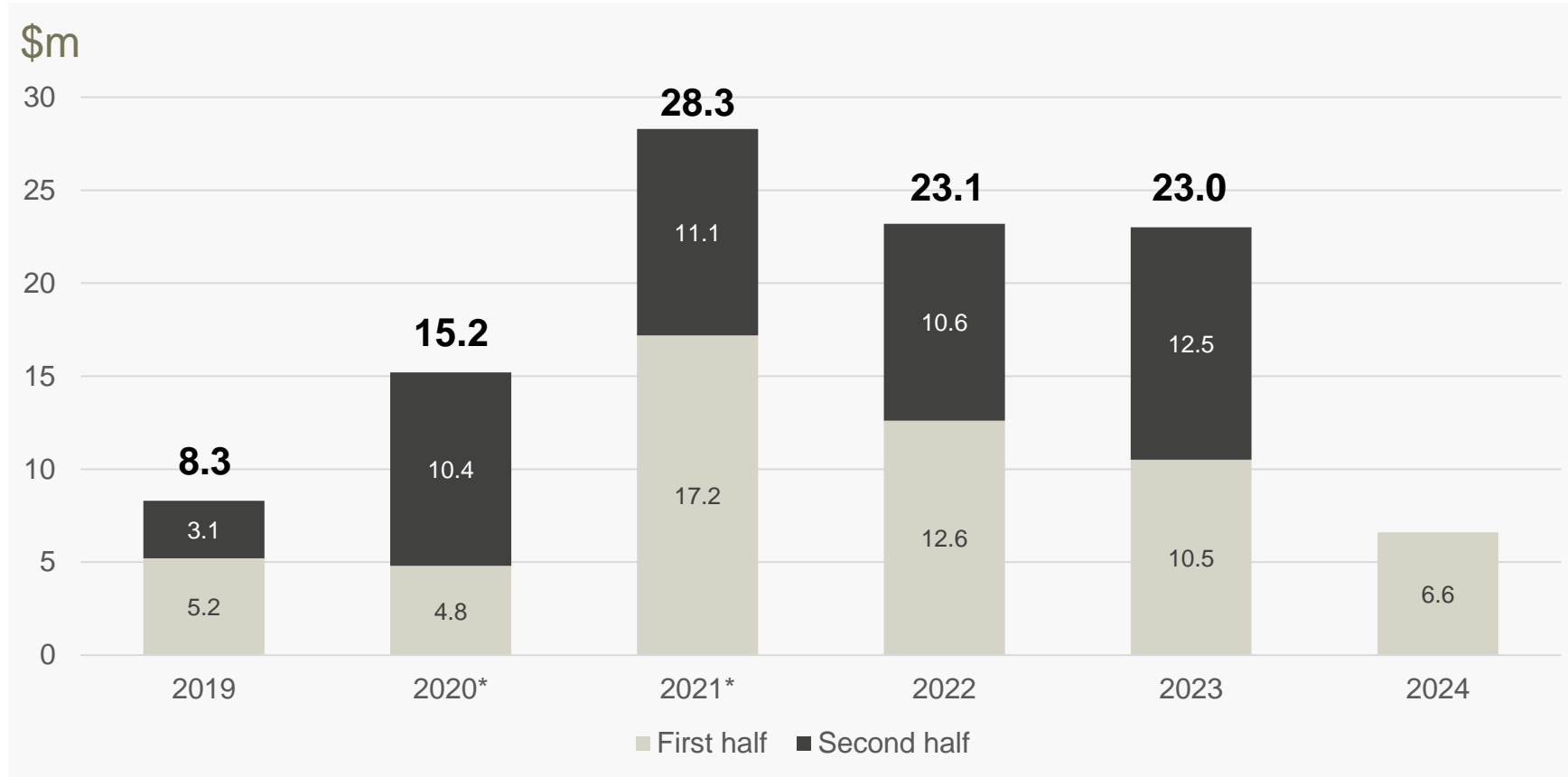
# REVENUE GROWTH



# UNDERLYING EBITDA AND MARGIN



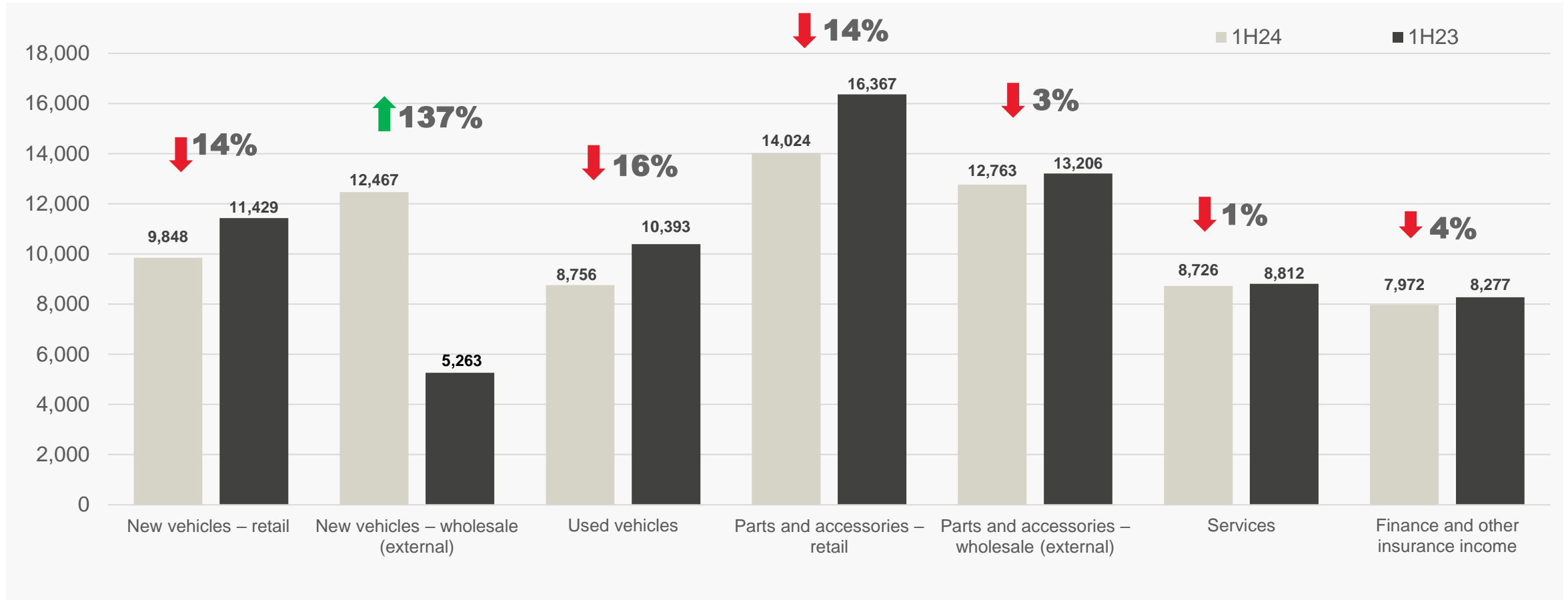
2019 figures excluded due AASB16 Leases adopted 1 July 2020



\* Includes JobKeeper payment

# DIVERSIFIED EARNINGS

Gross Profit by Department (\$'000)



A close-up, high-angle photograph of a mechanical chain and gear. The chain is dark blue with gold-colored links and is positioned diagonally across the frame. The gear is a light-colored metal with several teeth visible. The background is dark and out of focus, emphasizing the mechanical components.

# **OPERATIONAL PERFORMANCE**

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# RETAIL

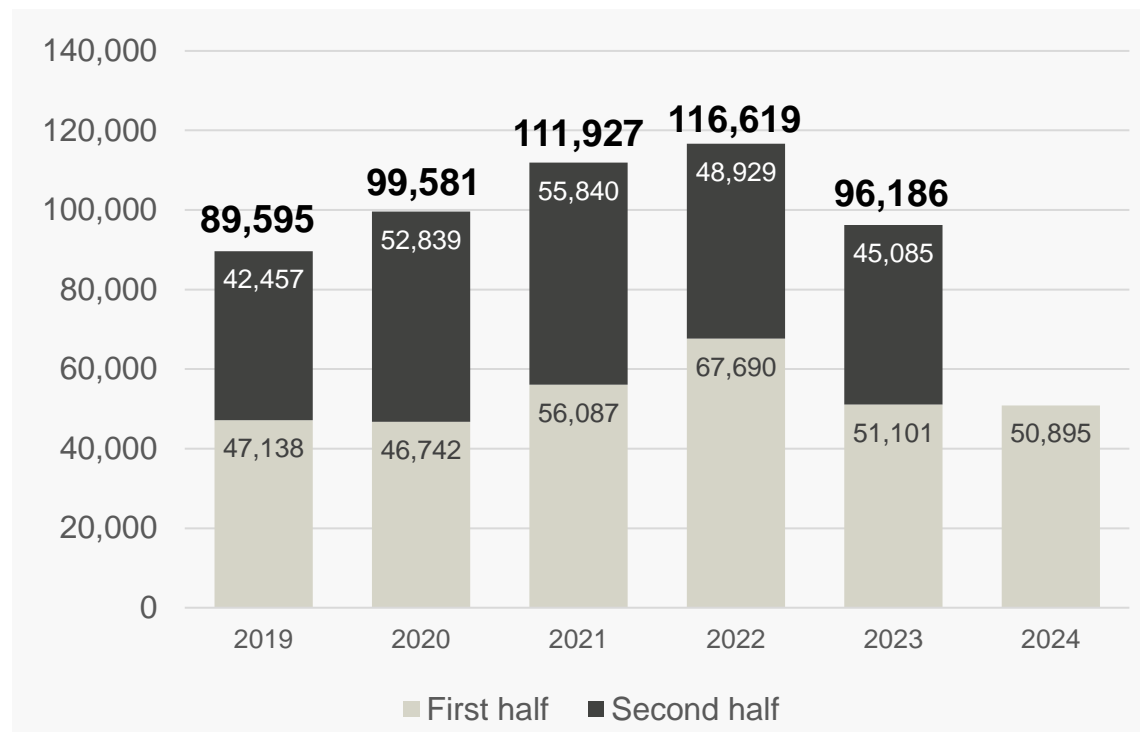


- Rising interest rates and cost of living pressure dampened discretionary spending from November, reducing demand for new and used motorcycles.
- New motorcycle unit sales rose 8% but gross profit fell 14% due to margin pressures, compared to 1H23.
- Used motorcycle unit sales fell 8% and gross profit fell 16%.
- Retail accessories sales fell 6% and gross profit down 14%.

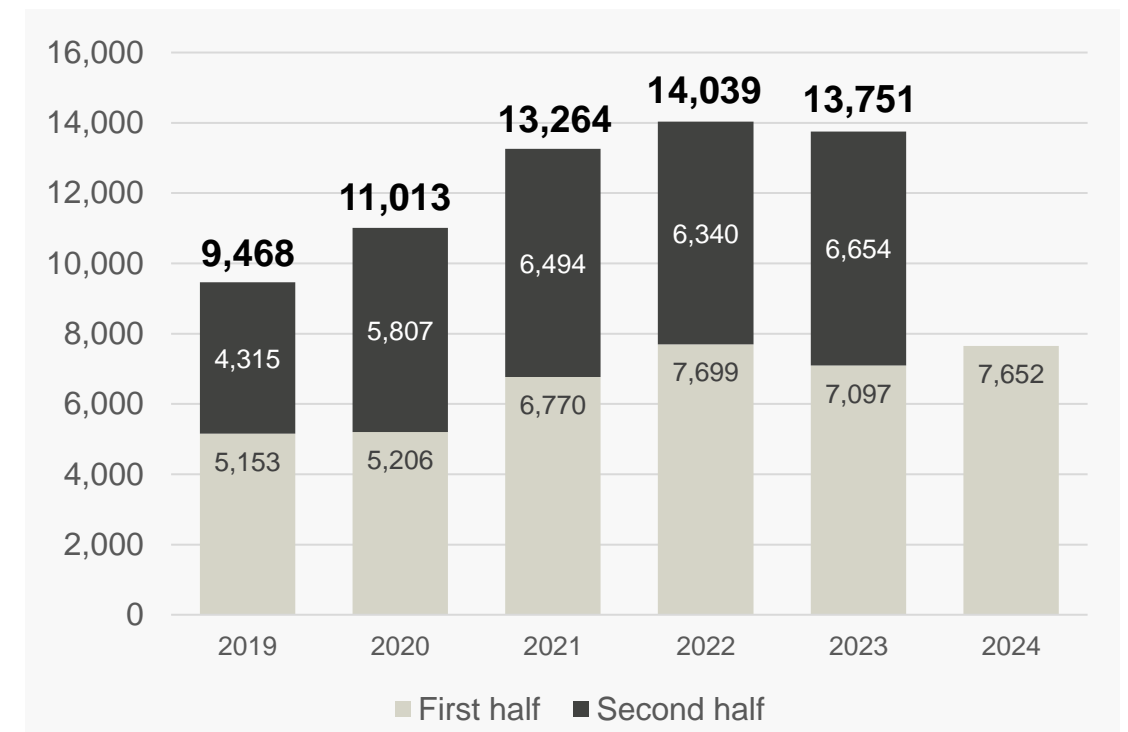
# NEW MOTORCYCLE UNIT SALES

Solid MTO sales performance and market share gains

Industry<sup>1</sup>: Sales flat 1H24 vs prior corresponding period



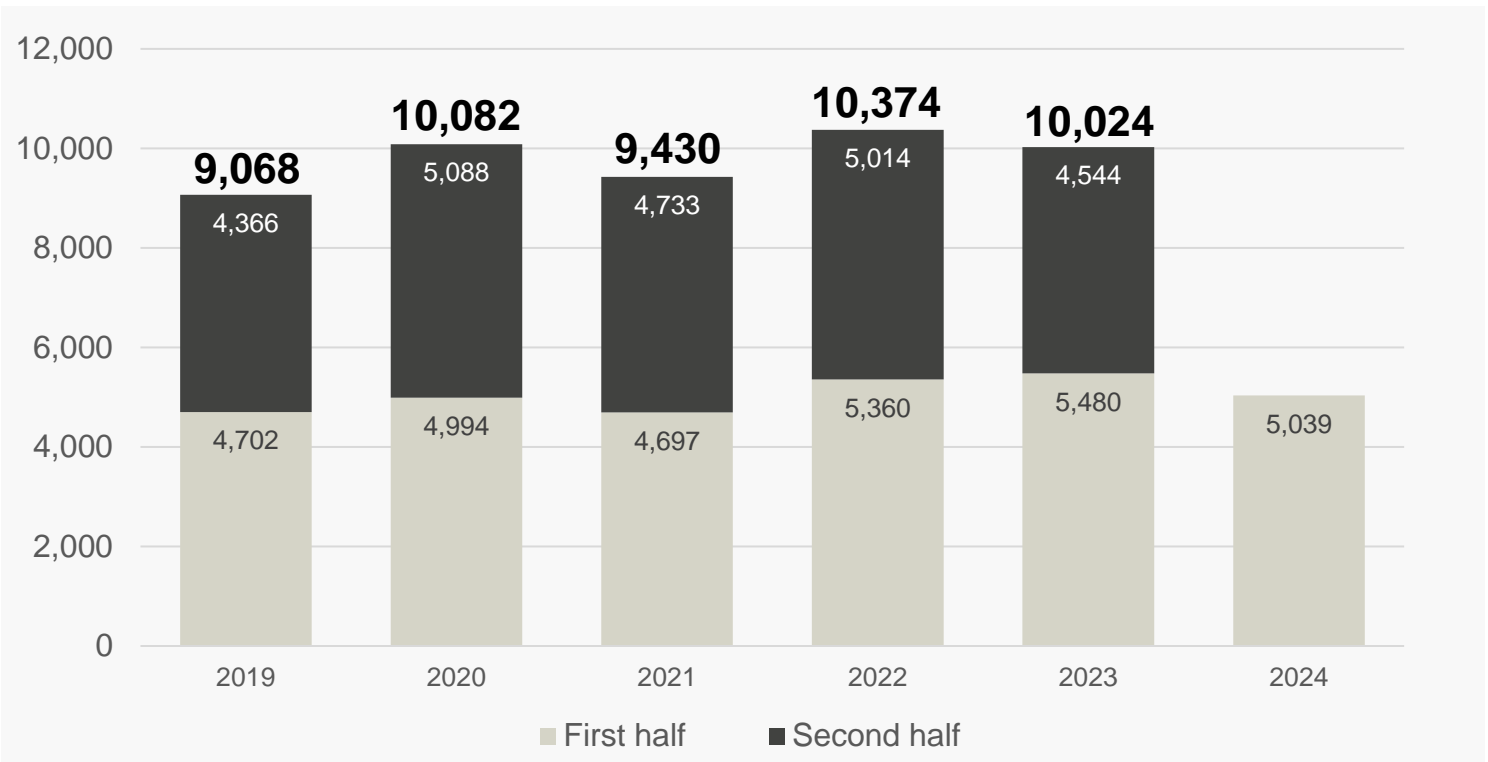
MTO: increased 8% in 1H24



1. FCAI reported New Retail Unit Sales

# USED MOTORCYCLE UNIT SALES

MTO: decreased 8% in 1H24



# MOJO GROUP



- Full 6-month contribution from Mojo Group for half year, compared to 2 months in 1H23.
- Agricultural industry impacted by rising interest rates and predictions of El Niño weather conditions, significantly reducing ATV demand.
- New CFMOTO motorcycle models over next 12 months to contribute further to sales.

# WHOLESALE ACCESSORIES



- Sales impacted by softening industry conditions.
- Upgrade to computer systems during first half will drive future growth.
- Logistics improving with Brisbane warehouse added and re-location to larger premises in Auckland.

# FINANCE JV



- Revenue and bad debts in line with expectations.
- Pressure on cost of funds due to rise in interest rates.



# FY2024 OUTLOOK

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# FY2024 OUTLOOK

1

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Interest rates and cost of living pressures expected to continue to impact trading in second half.

2

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Wages and cost control to remain a major area of focus.



# ONGOING PROJECTS

## Retail

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Focus on operating costs and wages. Full review of dealerships to determine if closures or restructures are required.

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Contribution from Morgan and Wacker Harley Davidson Sydney to commence.

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Consolidation of online accessory logistics in one location. Addition of Harley Davidson accessories and Genuine Spare Parts online stores.

## Wholesale accessories

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Benefits of better sales support and logistics through IT project, along with lower cost now implementation is complete.

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New distribution rights for multiple brands acquired from a competitor.

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Increased warehouse space in Auckland to allow for more brands to be distributed in NZ.

## Wholesale vehicles

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Expanded product range with increased CFMOTO road bike range and new ranges of electric motorcycles.

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NZ distribution combined with Forbes and Davies for better infrastructure, presence and support to dealers.

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Look for more synergy opportunities retailing Mojo products in MTO dealerships.

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**Thank you**

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