RPM Automotive Group Limited

ABN 34 002 527 906

ANNUAL
REPORT
2025

THE RPM GROUP

CORPORATE DIRECTORY

Directors

Lawrence Jaffe - Chairman
Clive Finkelstein - CEO / Managing Director
Grant Carman - Non Executive Director
Kevin Berkowitz - Non Executive Director

Share Registry

Computershare Investor Services Pty Ltd
452 Johnston Street
Abbotsford VIC 3067

Investor enquiries:
Telephone 1300 557 010
(03) 9415 5000

Company Secretary

Wayne Kernaghan

Auditor

Nexia Melbourne Audit Pty Ltd
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Melbourne VIC 3000

Registered Office

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Securities Exchange Listing

ASX Limited
ASX Code: RPM

Principal Office

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Dandenong South VIC 3175

Website: http://www.rpmgroup.net.au

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CHAIRMAN'S LETTER

Dear Shareholders,

On behalf of the Board of RPM Automotive, I am pleased to present the 2025 Annual Report and to reflect on a year of meaningful progress and strategic transformation.

Throughout FY25, RPM continued to demonstrate the strength and resilience of its diversified business model, delivering solid margin improvements across all divisions and enhanced profitability in three of the four. While revenue in our Repairs and Roadside division declined, we are encouraged by an improvement in gross margins and have commenced a detailed review to identify operational efficiencies and restore momentum in this important area of the business.

Our focus on strategic execution remains strong. During the year, we launched several initiatives aimed at expanding our revenue base, leveraging our national footprint and sector expertise. These initiatives are already contributing to growth and positioning RPM for long-term success.

We are also proud to report that our new tyre recycling facility has been operational for several months and is steadily ramping up to full capacity, which we anticipate achieving within the next 12 months. Although the launch phase encountered some initial regulatory and engineering challenges, these have now been fully resolved. Our focus has shifted to refining operations and achieving both environmental compliance and commercial efficiency. Once we have successfully proven the model, we plan to explore expansion into other Australian states.

Despite ongoing macroeconomic pressures across retail and consumer markets, RPM delivered growth across the business. Our wholesale divisions, especially in wheels and tyres, performed strongly, with increased commercial demand in the industrial sector helping to drive organic growth. RPM recorded a 3.98% growth in reported EBITDA supported by a 1.88% uplift in margins, reflecting our ongoing commitment to driving efficiencies and leveraging scale benefits across all four of our divisions.

Looking ahead, RPM is now evolving its short to medium term approach . While previous years have focused on rapid expansion and capability building, the Board has resolved to shift toward a policy of gradual, sustainable growth. This new approach aims to extract greater profitability from our existing operations, improve operational cash generation, and build stronger free cash flow. With this solid financial base, RPM will be well positioned to consider becoming a dividend-paying company in the Short to medium term, an important milestone that reflects our confidence in the business and our commitment to delivering shareholder value.

CHAIRMAN'S LETTER (cont.)

We were also delighted to welcome Les DeCelis to the RPM team during the year. Les brings decades of experience in the tyre industry, having played a pivotal role in growing and ultimately selling Tyres4U,formerly Australia's largest independent tyre business. His deep industry knowledge and commercial acumen will strengthen our wholesale and tyre operations and support our ambition to scale sustainably in this important vertical.

I want to take this opportunity to thank our General Managers for their dedication and leadership during the year. Their efforts have not only maintained operational capability but also driven growth and delivered measurable outcomes in a challenging environment.

Finally, on behalf of the Board, I would like to extend our sincere thanks to our shareholders, customers, and employees for your continued support. RPM is on a clear and exciting path, well-positioned for long-term success. We are confident that the steps we are taking today will build enduring value for all stakeholders in the years ahead.

Lawrence Jaffe
Chairman,
RPM Automotive Group

CEO'S LETTER

Dear Shareholders

I am pleased to share the progress and achievements of RPM Automotive Group for the 2025 financial year.

This fiscal year can certainly be categorised as one of consolidation, continued resilience and the execution of key strategic initiatives. These strategic imperatives, include both the divestment on non-core, non-performing assets, as well as the implementation of our recycling program, aimed at material organic growth.

Despite challenges associated with trading volatility, most notably in our retail business units, directly relating to ongoing cost-of-living and inflationary pressures, RPM was able to achieve a satisfactory operating profit. With an increased gross profit margin up 2%, reflecting the focus on procurement and on chasing better, more profitable business. Despite inflationary pressures, through strong leadership and robust controls, operating costs actually reduced slightly, resulting in a 5% improvement in operating profit.

The discontinuation of one of our business units towards the end of H1 FY25, resulted in a total revenue decrease of 1%, to $119 million, although on a like-for-like basis, RPM achieved a 1.5% revenue increase. Reported revenue was $112 million, EBITDA was up 4%, to $13 million, in-line with guidance.

Profit for the year from continuing operations was up by 3% to $4.6 million, however our NPAT was severely impacted by the discontinued operation, that resulted in a $2.5 million goodwill impairment, contributing to a discontinued operations loss of $3 million, resulting in NPAT of $1.7million.

During the year, RPM launched several initiatives to drive better profitability, including a focused strategy towards B2B and B2Fleet work, as well as initiating our very exciting tyre recycling program, which went live in H2 FY25. This program leverages our existing distribution network and customer base to address a critical environmental challenge by repurposing tyres that would otherwise end up in landfill. By utilising our established wholesale infrastructure and retail network, RPM has developed a fully integrated tyre recycling operation. We have invested heavily in recycling and are extremely bullish on this strategy. We look to FY26 and beyond, as we build on this program, initially in Victoria, followed by both Queensland and New South Wales.

RPM has improved its Net Equity position by over 5% to a little under $58 million, while focusing heavily on improving our capital structure by strengthening our balance sheet through the complete repayment of a Collins Street Value Fund convertible note.

CEO'S LETTER (cont.)

RPM's cash position remains healthy, despite further investments over the fiscal year. We are now committed to providing shareholder distributions with an anticipated increase in free cash-generation as we end this investment cycle.

Looking ahead to FY26, our focus is on achieving higher returns specifically in our wholesale division, where we are fine-tuning our product and service offerings, while implementing our controlled geographical expansion. We are committed to leveraging our widespread infrastructure and strategic partnerships to drive sustainable profitability and deliver long-term value to our shareholders. With this in mind, we have invested in quality, highly experienced people, dedicated to maintaining our momentum and building on the solid foundation we have established.

I'd like to take this opportunity to thank my amazing team, led by an incredible executive, for all their hard work, dedication and commitment to achieving RPM's goals and ultimate success.

On behalf of the RPM team, I would like to thank all our shareholders for your ongoing support. I look forward to an exciting, although no-doubt challenging FY26, where once again, we are all absolutely focused on improving shareholder value.

.

Clive Finkelstein

Chief Executive Officer,

RPM Automotive Group

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OPERATIONS REVIEW

The year in review for each of the divisions are as follows:

Motorsport

The Motorsport division reinforced its position as Australia's market leader in soft parts and safety categories in motorsport, offering a broad range of brands, including RPM's own range, at various price points. For the year ended 30 June 2025, Gross Sales were $8,921,306 (2024 $9,279,574) and Underlying Earnings Before Interest & Tax of $1,939,242 (2024 $1,324,361)

Repairs and Roadside (Retail Tyre Division)

Repairs & Roadside, our retail tyre division faced a challenging trading period with continued pressure on cost of living seeing revenue decline to $39.6 million. The commercial tyre segment continues to actively pursue new fleet clients to drive growth and extend RPM's national footprint. For the year ended 30 June 2025, Gross Sales were $39,641,194 (2024 $41,340,783) and Underlying Earnings Before Interest & Tax of $1,538,820 (2024 $2,773,105).

Wheels and Tyres (Wholesale Tyre Division)

Wheels and Tyres (wholesale tyres) generated revenue of $45.9 million, a 6.6% increase on FY24. RPM has invested heavily in this division over the fiscal year and expect this to yield stronger returns in FY26. For the year ended 30 June 2025, Gross Sales were $45,865,695 (2024 $43,021,502) and Underlying Earnings Before Interest & Tax of $4,020,411 (2024 $3,745,254).

Performance and Accessories

Performance & Accessories generated $17.7 million in revenue, down 28.1% on FY24, primarily due to the discontinuation of one of its operations. This resulted in a significantly improved performance for this division. For the year ended 30 June 2025, Gross Sales were $17,701,304 (2024 $24,603,467) and Underlying Earnings Before Interest & Tax of $5,493,933 (2024 $4,560,135).

DIRECTORS' REPORT

Your Directors present their report on RPM Automotive Group Limited ("RPM" or "the Company") and its controlled entities ("the Group") for the year ended 30 June 2024.

DIRECTORS

The names of the Directors of the Company in office during the financial year and up to the date of this report were as follows. Directors were in office for the entire year unless specified otherwise.

Lawrence Jaffe (appointed 28 August 2019)
Clive Finkelstein (appointed 28 August 2019)
Grant Carman (appointed 25 November 2019)
Kevin Berkowitz (appointed 3 June 2025)
Guy Nicholls (appointed 18 August 2022, resigned 10 September 2024)

INFORMATION ON CURRENT DIRECTORS

Lawrence Jaffe (appointed 28 August 2019)

Lawrence is a co-founder and promoter of the RPM Group. Lawrence has a strong financial background having worked on many Mergers & Acquisitions. He has over 20 years' experience in the automotive sector and was the CEO of RPM Australasia until 2015 when the group sold off its largest subsidiaries to metcash and a family office. Lawrence is a significant shareholder in the RPM Group. Lawrence is Chairman of the RPM Automotive Group Limited.

Mr. Jaffe currently holds no other listed company directorships. in the past three years Mr Jaffe was a director of the following listed companies: Close the Loop (ASX: CLG) from 2 December 2021 to June 2025.

Clive Finkelstein (appointed 28 August 2019)

Clive is a co-founder and promoter of the RPM Group. Clive has over 25 years' experience in the automotive sector, having built, managed and sold a successful 4WD franchise group. Clive's experience spans manufacturing, development, wholesale, retail and franchising of automotive businesses. Clive is the CEO/Managing director of the RPM Automotive Group Limited.

During the past three years, Mr Finkelstein has held no other listed company directorships.

DIRECTORS' REPORT (cont.)

Grant Carman (appointed 25 November 2019)

Grant Carman is a chartered accountant with over 30 years' experience in corporate finance and the Australian Capital Markets.

Grant has held senior executive positions for and acted as a corporate adviser to a large number of Australian and international companies from a range of industry sectors, including financial services, automotive, pharmaceuticals, wholesale distribution, manufacturing, services, resources, technology and telecommunications.

His previous corporate roles include Chief Financial Officer for ORIX Australia, General Manager Finance & Shared Services National Australia Bank, CEO of National Australia Corporate Advisory, Director of Acquisitions at Ferrier Hodgson CA, Finance Director at Australian Envelopes and Group Financial Controller at Faulding.

Grant is Director – Capital Markets Group for Melbourne-based, D H Flinders Corporate Advisory. He specializes in mergers and acquisitions and raising corporate finance for listed and pre-IPO companies.

Grant has a broad range of experience which includes corporate strategy, mergers & acquisitions, business divestments, corporate restructuring, debt & equity raising and refinancing, corporate valuations, corporate governance and risk management.

During the past three years Mr Carman was a director of the following listed companies: Close the Loop (ASX: CLG) from 2 December 2021 to present.

Kevin Berkowitz (appointed 13 June 2025)

Kevin is a highly accomplished businessman with a proven record in building and scaling successful enterprises. He founded and led his own company, growing it over two decades into a multi-million-dollar market leader before its acquisition by a private equity group.

As an entrepreneur and investor, Kevin maintains a diverse portfolio of business interest across multiple sectors. He is a director of Zagga and several other companies, bringing extensive commercial experience, strategic insight, and strong leadership skills. At Zagga, he also serves as chair of the investment committee and a member of the credit risk committee.

DIRECTORS' REPORT (cont.)

COMPANY SECRETARY

Wayne John Kernaghan BBus, CA ANZ, FAICD, ACIS

Mr Kernaghan is a member of the Chartered Accountants Australia and New Zealand with a number of years' experience in various areas of the mining industry. He is also a Fellow of the Australian Institute of Company Directors.

DIRECTORS' INTERESTS IN SHARES AND OPTIONS

The relevant interest of each Director in the shares and options of the Company at the date of this report is as follows:

Name	Shares - Direct	Shares - Indirect	Options - Direct	Options - Indirect
Lawrence Jaffe	17,050	35,600,545	-	-
Clive Finkelstein	840,845	35,658,045	-	-
Grant Carman	-	1,671,428	-	-
Kevin Berkowitz	4,450,000	1,500,001	435,290	953,613

MEETINGS OF THE COMPANY'S DIRECTORS

The number of meetings of the Company's Directors held during the year ended 30 June 2025 and the number of meetings attended by each Director were:

Name	Number Attended	Maximum Possible
Lawrence Jaffe	6	6
Clive Finkelstein	6	6
Grant Carman	6	6
Kevin Berkowitz	1	1

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year was the involvement in the wholesale distribution and retail of tyres, auto parts and accessories and owns a variety of well-known and respected brands in the automotive market.

DIRECTORS' REPORT (cont.)

OPERATING AND FINANCIAL REVIEW

Operating Activities

A review of the operations of the Group is contained in the Operations Review.

SUMMARY OF COMPREHENSIVE INCOME

The Group's consolidated profit after tax for the financial year was $ 1,664,736 (2024: $4,404,525).

EARNINGS PER SHARE

The basic profit per share from continuing operations was $ 0.0176 per share.

SUMMARY OF FINANCIAL POSITION

At 30 June 2025 the Group's cash reserves were $6,757,147 (2024 $6,278,721).

DIVIDENDS

No dividend was paid or declared by the Company in the period since the end of the previous financial year and up to the date of this report.

CHANGES IN THE STATE OF AFFAIRS

In the opinion of the directors there were no significant changes in the state of affairs of the consolidated entity that occurred during the financial year under review, not disclosed in this report or the consolidated financial statements.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years other than:

- NIL

FUTURE DEVELOPMENTS

RPM is committed to developing its existing businesses which is the wholesale distribution and retail tyres, auto parts and accessories. The Company will continue looking for other opportunities to add to its existing businesses.

DIRECTORS' REPORT (cont.)

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements for Directors and Executives of RPM Automotive Group Limited. The information provided in the remuneration report includes remuneration disclosures that are audited as required by section 308(3C) of the Corporations Act 2001.

For the purposes of this report Key Management Personnel of the Group are defined as those persons having authority and responsibility for planning, directing, and controlling the major activities of the group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

For the purposes of this report the term "Executive" includes those key management personnel who are not Directors of the parent company.

A. Remuneration Committee

The full Board carries out the role and responsibilities of the Remuneration Committee and is responsible for determining and reviewing the compensation arrangements for the Directors themselves, the Managing Director and any Executives.

Executive remuneration is reviewed annually having regard to individual and business performance, relevant comparative remuneration and internal and independent external advice.

B. Remuneration policy

The board policy is to remunerate Directors at market rates for time, commitment, and responsibilities. The board determines payments to the Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of Directors' fees that can be paid is subject to approval by shareholders in general meeting, from time to time. The Company's aim is to remunerate at a level that will attract and retain high-calibre Directors and employees.

Fees for Non-Executive Directors are not linked to the performance of the consolidated entity. However, to align Directors' interests with shareholders' interests, the Directors are encouraged to hold shares in the Company.

All remuneration paid to directors is valued at the cost to the Company and expensed.

The Board believes that it has implemented suitable practices and procedures that are appropriate for an organisation of this size and maturity.

The Company did not pay any performance-based component of remuneration during the year.

DIRECTORS' REPORT (cont.)

C. Remuneration structure

In accordance with best practice corporate governance, the structure of Non-Executive Director compensation is separate and distinct.

Non-Executive Director Compensation

Objective

The Board seeks to set aggregate compensation at a level that provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

Structure

The Constitution and the ASX Listing Rules specify that the aggregate compensation of Non-Executive Directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the Directors as agreed. The latest determination was at the Annual General Meeting held in November 2021 when shareholders approved an aggregate compensation of $ 150,000 per year.

The amount of aggregate compensation sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board may consider advice from external consultants as well as the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process. Non-Executive Directors' remuneration may include an incentive portion consisting of options, as considered appropriate by the Board, which may be subject to shareholder approval in accordance with ASX listing rules. The Board is of the view that options are a cost effective benefit for small companies such as RPM that seek to conserve cash reserves. They also provide an incentive that ultimately benefits both shareholders and the option holder, as option holders will only benefit if the market value of the underlying shares exceeds the option strike price. Ultimately, shareholders will make that determination.

Separate from their duties as Directors, the Non-Executive Directors may undertake work for the Company directly related to the evaluation and implementation of various business opportunities, for which they receive a daily rate. These payments are made pursuant to consultancy arrangements entered into by the Non-Executive Directors with the Company and are not taken into account when determining their aggregate remuneration levels.

DIRECTORS' REPORT (cont.)

Executive Compensation

Objective

The entity aims to reward Executives with a level and mix of compensation commensurate with their position and responsibilities within the entity so as to:

- reward executives for company and individual performance against targets set by appropriate benchmarks;
- align the interests of executives with those of shareholders;
- link rewards with the strategic goals and performance of the company; and
- ensure total compensation is competitive by market standards.

Structure

In determining the level and make-up of Executive remuneration, the Board negotiates a remuneration to reflect the market salary for a position and individual of comparable responsibility and experience. Due to the limited size of the Company and of its operations and financial affairs, the use of a separate remuneration committee is not considered appropriate. Remuneration is regularly compared with the external market by participation in industry salary surveys and during recruitment activities generally. If required, the Board may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable Executive roles.

The Company's only Executive's during the year ended 30 June 2025 was the Chief Executive Officer, Chief Commercial Officer and Company Secretary, who both received fixed remuneration.

Fixed Remuneration

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Fixed remuneration is reviewed annually by the Board having regard to the Company and individual performance, relevant comparable remuneration in the tyre wholesale industry and external advice.

The fixed remuneration is a base salary or monthly consulting fee.

D. Service agreements

There are no formal service agreements with the Non-Executive Chairman or Non-Executive Directors. On appointment to the Board, all Directors receive a letter of appointment that summarises Board policies and terms, which mirror those set out within the Corporations Act 2001 relevant to the office of Director.

DIRECTORS' REPORT (cont.)

E. Company performance

In determining Key Management Personnel remuneration, the Board takes note of the following measures of company performance in respect of the current and previous four financial years.

	2025	2024	2023	2022	2021
Profit/(Loss) after tax (A$'000)	1,665	4,404	1,231	2,655	2,446
Closing share price (A$)	0.067	0.071	0.091	0.260	0.340

F. Details of remuneration for year

Details of Key Management Personnel are set out below.

Directors

Lawrence Jaffe	Chairman - appointed 28 August 2019
Clive Finkelstein	CEO / Managing Director - appointed 28 August 2019
Grant Carman	Non-Executive Director - appointed 25 November 2019
Kevin Berkowitz	Non-Executive Director - appointed 3 June 2025
Guy Nicholls	Executive Director - appointed 18 August 2022, resigned 10 September 2024

DIRECTORS' REPORT (cont.)

Remuneration

The remuneration of each Director and named executive officer of the Company, including their related entities, during the year was as follows:

	Year	Salary & Consulting Fees	Short term Incentives	Director Fees	Superannuation	Total	Remuneration consisting of options
L Jaffe	**2025**	**180,000**	**-**	**-**	**19,800**	**199,800**	**-**
	2024	132,000	-	72,600	13,200	217,800	-
C Finkelstein	**2025**	**355,000**	**100,000**	**-**	**40,825**	**495,825**	**-**
	2024	307,667	-	-	33,843	341,510	-
G Nicholls	**2025**	**168,339**	**-**	**-**	**16,017**	**184,356**	**-**
	2024	237,500	-	23,333	26,125	286,958	-
G Carman	**2025**	**-**	**-**	**40,000**	**-**	**40,000**	**-**
	2024	-	-	40,000	-	40,000	-
K Berkowitz	**2025**	**-**	**-**	**-**	**-**	**-**	**-**
	2024	-	-	-	-	-	-
Total	**2025**	**703,339**	**100,000**	**40,000**	**76,642**	**919,981**	**-**
	2024	677,167	-	135,933	73,168	886,268	-

*G Nicholls resigned as director on 10 September 2024.

DIRECTORS' REPORT (cont.)

G. Compensation Options Issued to Key Management Personnel

No options were granted as equity compensation benefits to Key Management Personnel during the year ended 30 June 2025.

H. Shares Issued to Key Management Personnel on Exercise of Compensation Options

No key management personnel exercised options during the years ended 30 June 2025.

I. Option holdings of Key Management Personnel

There were Nil options held by key management

Share holdings of Key Management Personnel

Name	Balance at 30 June 2024	Change due to appointment / (resignation)	Net Change Other	Balance at 30 June 2025
L Jaffe	35,617,595	-	-	35,617,595
C Finkelstein	36,498,890	-	134,245	36,633,135
G Nicholls	308,539	(308,539)	-	-
G Carman	1,100,000	-	571,428	1,671,428
K Berkowitz	-	5,950,001	-	5,950,001

*G Nicholls resigned as director on 10 September 2024

J. Other transactions and balances with Key Management Personnel

There were no other transactions and balances with key management personnel. This concludes the Remuneration Report.

SHARES UNDER OPTION

At the date of this report the Company had 96,370,464 (2024: 96,370,464) listed options on issue over unissued ordinary shares and the details are as follows:

Type	Grant Date	Number	Exrcise Price	Expiry Date
Unlisted	13 Jun & 14 Jun 2024	96370464	0.1	31-Aug-25

During the year nil (2024: Nil) fully paid ordinary shares were issued by virtue of the exercise of options. Since the end of the financial year nil shares have been issued by virtue of the exercise of options.

DIRECTORS' REPORT (cont.)

ENVIRONMENTAL REGULATIONS

The Group's environmental obligations are regulated under both State and Federal law. All environmental performance obligations are monitored by the Board and subjected from time to time to Government agency audits and site inspections. The Company has a policy of at least complying with, but in most cases exceeding, its statutory environmental performance obligations. No environmental breaches have occurred or have been notified by any Government agencies during the year ended 30 June 2025 or subsequent to year end.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of RPM Automotive Group Limited support and have adhered to the principles of corporate governance and have established a set of policies and manuals for the purpose of managing corporate governance. The Company's detailed corporate governance policy statement is available on the corporate website (https://rpmgroup.net.au/corporate-governance/).

INSURANCE OF OFFICERS

The Company now holds insurance covering Directors and Officers of the Company against any liability arising from a claim brought by a third party against its Directors and Officers, or against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in their capacity as a Director or Officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

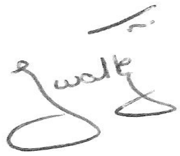
NON-AUDIT SERVICES

No non-audit services were provided by the Company's auditors.

AUDITOR INDEPENDENCE

The Company's auditors letter of independence is attached with the audit report. This report is made in accordance with a resolution of the Directors.

For and on behalf of the Board.



Lawrence Jaffe
Chairman
28 August 2025

FINANCIAL REPORT 2025

THE RPM GROUP

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2025

		Consolidated	
		2025	**2024**
	Note	$	$
Revenue	3	112,129,499	118,240,068
Cost of goods sold		(71,735,662)	(77,864,594)
Gross profit		**40,393,837**	**40,375,474**
Other income	3	1,597,604	1,328,446
Administrative expense	3	(19,830,535)	(19,545,905)
Depreciation and amortisation expense	3	(4,601,397)	(4,515,505)
Occupancy expense	3	(733,937)	(693,712)
Recovery of previously impaired goodwill	12	270,862	-
Other expenses	3	(8,705,424)	(8,969,525)
Operating profit		**8,391,010**	**7,979,273**
Finance income		105,275	50,666
Finance costs		(2,876,111)	(1,947,834)
Net finance costs		**(2,770,836)**	**(1,897,168)**
Profit from continuing operations before income tax		**5,620,174**	**6,082,105**
Income tax expense	4	(977,382)	(1,572,605)
Profit for the year from continuing operations		**4,642,792**	**4,509,500**
Loss for the year from discontinued operations	21	(2,978,056)	(104,975)
Other comprehensive income		-	-
Total comprehensive income		**1,664,736**	**4,404,525**
Profit for the year is attributable to:			
Owners of RPM Automotive Group Limited		1,664,736	4,404,525
Non-controlling interest		-	-
Total comprehensive income for the year is attributable to:			
Continued operations		4,642,792	4,509,500
Discontinued operations		(2,978,056)	(104,975)
Owners of RPM Automotive Group Limited		**1,664,736**	**4,404,525**
Earnings per share (basic and diluted)			
Earnings from continuing operations	5	**1.76**	**2.22**
Loss from discontinued operations	5	**-1.13**	**-0.05**

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

		Consolidated	
		2025	**2024**
	Note	**$**	**$**
Assets			
Current assets			
Cash and cash equivalents	6	6,757,147	6,278,721
Trade and other receivables	7	16,982,321	21,837,783
Inventories	8	26,161,759	24,597,455
Other assets	10	557,974	635,821
Assets and disposal group classified as held for sale	21	-	1,813,581
Total current assets		**50,459,201**	**55,163,361**
Non-current assets			
Trade and other receivables	7	439,101	548,855
Right of use assets	9	10,933,340	8,856,199
Deferred tax assets	18	1,129,953	1,030,534
Property, plant and equipment	11	11,720,223	8,799,535
Intangible assets	12	40,369,560	41,032,676
Total non-current assets		**64,592,177**	**60,267,799**
Total assets		**115,051,378**	**115,431,160**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025 (cont.)

		Consolidated	
		2025	**2024**
	Note	**$**	**$**
Liabilities			
Current liabilities			
Trade and other payables	13	8,751,423	14,106,626
Lease liabilities - current	14	2,806,646	2,930,117
Borrowings - current	15	16,148,944	18,425,414
Current tax liabilities	16	99,467	699,992
Provisions	17	2,672,790	2,188,679
Liabilities included in disposal group held for sale	21	-	1,426,895
Total current liabilities		**30,479,270**	**39,777,723**
Non-current liabilities			
Lease liabilities - non current	14	8,975,823	6,643,916
Borrowings - non current	15	17,640,196	13,525,231
Provisions - non current	17	24,459	342,986
Deferred tax liabilities	19	182,151	347,189
Total non-current liabilities		**26,822,629**	**20,859,322**
Total liabilities		**57,301,899**	**60,637,045**
Net assets		**57,749,479**	**54,794,115**
Equity			
Issued capital	20	45,728,696	44,438,065
Assets revaluation reserve		43,710	43,710
Retained earnings		11,977,073	10,312,340
Total equity		**57,749,479**	**54,794,115**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025

	Issued Capital	Share Based Payments Reserve	Acquisition Reserve	Total Issued Capital	Asset Revaluation Reserve	Retained Earnings	Total Equity
	$	$	$	$	$	$	$
Balance as at 30 June 2023	38,386,638	556,309	-	38,942,947	223,710	5,795,246	**44,961,903**
Profit from operations after income tax	-	-	-	-	-	4,509,500	**4,509,500**
Net result for the year from discontinued operations	-	-	-	-	-	7,591	**7,591**
Transaction with owners, in their capacity as owners, and other transfers							
Share based payments	-	113,334	-	113,334	-	-	**113,334**
Deferred business acquisition	-	-	-	-	(180,000)	-	**(180,000)**
Share issued during the year	5,381,784	-	-	5,381,784	-	-	**5,381,784**
Total transaction with owners and other transfers	5,381,784	113,334	-	5,495,118	(180,000)	-	**5,315,118**
Balance as at 30 June 2024	**43,768,422**	**669,643**	**-**	**44,438,065**	**43,710**	**10,312,337**	**54,794,112**
Profit from operations after income tax	-	-	-	-	-	4,642,792	**4,642,792**
Net result for the year from discontinued operations	-	-	-	-	-	(2,978,056)	**(2,978,056)**
Transaction with owners, in their capacity as owners, and other transfers							
Share based payments	-	40,000	-	40,000	-	-	**40,000**
Share's issued on business aquisition	1,276,000	-	-	1,276,000		-	**1,276,000**
Share costs associated with prior year share issue	(25,369)	-	-	(25,369)	-	-	**(25,369)**
Total transaction with owners and other transfers	1,250,631	40,000	-	1,290,631	-	-	**1,290,631**
Balance as at 30 June 2025	**45,019,053**	**709,643**	**-**	**45,728,696**	**43,710**	**11,977,073**	**57,749,479**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2025

		Consolidated	
		2025	**2024**
	Note	**$**	**$**
Cash flows from operating activities			
Receipts from customers		108,342,385	115,369,742
Payments to suppliers and employees		(98,021,886)	(104,355,668)
Interest and other income received		3,210	50,666
Borrowing costs paid		(2,160,305)	(1,405,690)
Income tax paid		(1,561,484)	(1,926,870)
Net cash from continuing operations		**6,601,920**	**7,732,180**
Net cash used in discontinued operations		(124,051)	(97,436)
Net cash used in operating activities	**6(ii)**	**6,477,869**	**7,634,744**
Cash flows from investing activities			
Payment for property, plant and equipment		(2,892,612)	(1,459,339)
Payment to acquired entities		(1,449,397)	(2,294,428)
Net cash used in investing activities		**(4,342,009)**	**(3,753,767)**
Cash flows from financing activities			
Payment for finance lease principal		-	(177,088)
Payment of lease liabilities		(3,791,900)	(3,658,924)
Proceeds from the issue of shares		1,315,999	3,682,686
Proceeds from borrowings		818,467	(1,831,892)
Net cash used in financing activities		**(1,657,434)**	**(1,985,218)**
Net increase / (decrease) in cash held			
Cash at the beginning of the financial year		6,278,721	4,382,962
Net cash flow for the year		478,427	1,895,759
Cash and cash equivalents at end of year	6(i)	**6,757,148**	**6,278,721**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

Corporate Information

The financial report of RPM Automotive Group Limited ("RPM" or "the Company") and its subsidiaries ("the Group") for the year ended 30 June 2025 was authorised for issue in accordance with a resolution of the Directors on 26 August 2025. The Directors have the power to amend and reissue the financial statements.

RPM is a company limited by shares incorporated in Australia. Its shares are publicly traded on the Australian Securities Exchange. The nature of the operations and principal activities of the Group are described in the Directors' Report.

1. Summary of Material Accounting Policy Information

Basis of Presentation

These general purpose consolidated financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. Except for cash flow information, the financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial report is presented in Australian dollars rounded to the nearest $1.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

Accounting Policies

The following accounting policies and methods of computation have been followed in this financial report.

A. Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the Parent RPM Automotive Group Limited and all of the subsidiaries (including any structured entities). Subsidiaries are entities the Parent controls. The Parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

The Consolidated Entity has adopted all new and amended Australian Accounting Standards and AASB interpretations, which were applicable as of 1 July 2023. Adoption of other new and amended Australian Accounting Standards and AASB interpretations did not have any effect on the financial position or performance of the Consolidated Entity.

The Consolidated Entity has not elected to early adopt any new standards or amendments.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

B. Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is obtained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations, other than those associated with the issue of a financial instrument, are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

C. Goodwill

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

(i) the consideration transferred at fair value;

(ii) any non-controlling interest (determined under either the fair value or proportionate interest method); and

(iii) the acquisition date fair value of any previously held equity interest; over the acquisition date fair value of any identifiable assets acquired and liabilities assumed.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored and not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

D. Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year.

A deferred tax liability shall be recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from: (a) the initial recognition of goodwill; or (b) the initial recognition of an asset or liability in a transaction which: (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised, unless the deferred tax asset relating to temporary differences arises from the initial recognition of an asset or liability in a transaction that:

- is not a business combination; and
- at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

E. Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

F. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate proportion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs or first in first out.

G. Plant and Equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss .A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

H. Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Consolidated Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Memorabilia assets are not depreciated and held based on Directors valuation. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Leasehold improvements	10-50%
Plant and equipment	5–20%
Motor vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. Gains shall not be classified as revenue. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

I. Leases

The Group as lessee

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (i.e. a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

Application of AASB 16: Leases

The Group has adopted AASB 16: Leases.

The Group has recognised a lease liability and right-of-use asset for all leases (with the exception of short-term and low-value leases) recognised as operating leases under AASB 117: Leases where the Group is the lessee.

Lease liabilities are measured at the present value of the remaining lease payments. The Group's incremental borrowing rate as at 1 July 2025 was used to discount the lease payments.

The following practical expedients have been used by the Group in applying AASB 16:

- For a portfolio of leases that have reasonably similar characteristics, a single discount rate has been applied.
- Leases that have remaining lease term of less than 12 months as at 1 July 2025 have been accounted for in the same was as short-term leases.
- The use of hindsight to determine lease terms on contracts that have options to extend or terminate.
- Applying AASB 16 to leases previously identified as leases under AASB 117: Leases and Interpretation 4: *Determining whether an arrangement contains a lease* without reassessing whether they are, or contain, a lease at the date of initial application.
- Not applying AASB 16 to leases previously not identified as containing a lease under AASB 117 and Interpretation 4.

The Group's weighted average incremental borrowing rate on 1 July 2025 applied to the lease liabilities was 4.4% p.a.

J. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

Classification and subsequent measurement

Financial liabilities

Financial instruments are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- it is incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship are recognised in profit or loss.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and are not subsequently reclassified to profit or loss. Instead, they are transferred to retained earnings upon de-recognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss. Measurement is on the basis of two primary criteria:
- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Group initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy, and information about the groupings was documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Group’s accounting policy.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

De-recognition

De-recognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

De-recognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

De-recognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for de-recognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (ie the Group has no practical ability to make a unilateral decision to sell the asset to a third party).

On de-recognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. On de-recognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On de-recognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

Impairment

The Group recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cashflows that are due and all cashflows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Group uses the following approaches to impairment, as applicable under AASB 9: Financial Instruments:

- the simplified approach

Simplified Approach

The simplified approach does not require tracking of charges in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

- trade receivables or contract assets that result from transactions within the scope of AASB 15 : Revenue from Contracts with Customers and which do not contain a significant financing component; and

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie diversity of customer base, appropriate groupings of historical loss experience, etc).

Recognition of expected credit losses in financial statements

- At each reporting date, the Group recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.
- The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.
- Assets measured at fair value through other comprehensive income are recognised at fair value, with changes in fair value recognised in other comprehensive income. Amounts in relation to change in credit risk are transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

K. Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg. in accordance with the revaluation model in AASB 116 : Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

L. Intangible Assets Other than Goodwill

Trademarks, customer listings and licences

Patents and trademarks, customer listings and licenses are recognised at cost of acquisition.

M. Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, which is the functional currency of all the entities in the group.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except exchange differences that arise from net investment hedges.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

N. Employee Benefits

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

O. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

P. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are reported within borrowings in current liabilities on the statement of financial position.

Q. Revenue and Other Income

Revenue recognition

Revenue generated by the Group is categorised into the following reportable segments:

(i) Motorsport

- Sale of specialised motorsport accessories.
- Manufacture and sale of FIA accredited motorsport racing suits using our trademarked RPM branding which is recognised and associated with our Revolution Racegear retail outlets.

(ii) Repairs and Roadside.

- Commercial and industrial tyre and auto service centres .

(iii) Wheels and Tyres

- Distribution of wheels and tyres.

(iv) Performance and Accessories

- Manufacture, distribution and retail of specialised automotive accessories for the automotive original equipment and aftermarket.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

The Group recognises revenue as follows:

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to their customers. For each contract with a customer, the Group:

- identifies the contract with a customer;
- identifies the performance obligations in the contract;
- determines the transaction price which takes into account estimates of variable consideration and the time value of money;
- allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and
- recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price if any, reflects concessions provided to the customer such as discounts, rebates and refunds and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount method'. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

Motorsport

Revenue from the sale of motorsports clothing, parts and accessories is recognised at the point in time when the buyer obtains control of the goods, which is generally at the point of time of purchase of the goods by the customer.

Repairs and Roadside

Repairs and Roadside service work on customers vehicles is carried out under instructions from the customer. Repairs and Roadside service is recognised over time based on either a fixed price or hourly rate. Revenue arising from the sale of parts fitted to customers vehicles during the Repairs and Roadside service is recognised at the point of time upon delivery of the fitted part to the customer upon completion of the service.

Revenue from retail sale and fitment of tyres on customer's vehicles is carried out under instructions from the customer. Retail revenue is recognised over time based on either a fixed price or hourly rate. Revenue arising from the sale of parts fitted to customers vehicles during the retail sale and fitment service is recognised at the point of time upon delivery of the fitted part to the customer upon completion of the service.

Wheels and Tyres

Revenue from the wholesale of tyres is recognised at the point in time when the buyer obtains control of the goods, which is generally at the point of time of delivery of the goods.

Performance and Accessories

Revenue from accessories is recognised at the point of time when the buyer obtains control of the goods, which is generally at the time of delivery of the vehicle.

Commercial Rebates

Commercial rebates are recognised when the right to receive payment is established.

R. Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

S. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

T. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

U. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

V. Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

W. Segment reporting

An operating segment is a component of the entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. Operating segments have been identified based on the information provided to the chief operating decision makers, being the executive management team.

X. Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates

(i) Impairment

The Group assesses impairment at the end of each reporting period by evaluating the conditions and events specific to the Group that may be indicative of impairment triggers for relevant assets. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(ii) Goodwill

Goodwill is assessed for impairment annually. Goodwill is allocated to cash generating units (CGU) according to management's expectations regarding which assets will be expected to benefit from the synergies arising from the business combination that gave rise to the goodwill. The recoverable amount of a CGU is based on value in use calculations. These calculations are based on projected cashflows approved by management. Management's determination of cash flow projections and gross margins are based on past performance and its expectations for the future. The present value of future cash flows has been calculated based on the key assumptions as disclosed in note 13 of the financial statements.

(iii) Inventories

Management has assessed the value of inventory which is likely to be sold below cost/written off in future periods. This analysis is based on past experience and judgement on the likely sell through rates of various lines of inventory. Based on management's analysis no provision has been deemed required at 30 June 2025.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

Y. Key judgements

(i) Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

(ii) Lease term and Option to Extend under AASB 16

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The decision on whether or not the options to extend are reasonably going to be exercised is a key management judgement that the entity will make. The Group determines the likeliness to exercise on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the entity.

Z. New accounting standards and interpretations

New accounting standards and interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2025. The Company's assessment of the impact of relevant new or amended Accounting Standards and Interpretations, most relevant to the Company is not material and have minimal impact on the financial statements.

AA. Profit or loss from discontinued operations

A discontinued operation is a component of the entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale

NOTES TO THE FINANCIAL STATEMENTS (cont.)

Profit or loss from discontinued operations, including prior year components of profit or loss, are presented in a single amount in the statement of profit or loss and other comprehensive income. This amount, which comprises the post-tax profit or loss of discontinued operations and the post-tax gain or loss resulting from the measurement and disposal of assets classified as held for sale (see also Note AB), is further analysed in Note 21.

The disclosures for discontinued operations in the prior year relate to all operations that have been discontinued by the reporting date for the latest period presented.

AB. Non-current assets and liabilities classified as held for sale and discontinued operations

When the Group intends to sell a non-current asset or a group of assets (a disposal group), and if sale within 12 months is highly probable, the asset or disposal group is classified as ‘held for sale’ and presented separately in the statement of financial position. Liabilities are classified as ‘held for sale’ and presented as such in the statement of financial position if they are directly associated with a disposal group.

Assets classified as ‘held for sale’ are measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some ‘held for sale’ assets such as financial assets or deferred tax assets, continue to be measured in accordance with the Group’s accounting policy for those assets. Once classified as ‘held for sale’, the assets are not subject to depreciation or amortisation.

Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item, profit or loss from discontinued operations (see Note AA).

NOTES TO THE FINANCIAL STATEMENTS (cont.)

3. Revenue and Expenses

	2025	2024
	$	$
(a) Revenue from contracts with customers		
Sale of goods/services	112,129,499	118,240,068
	112,129,499	**118,240,068**

Disaggregation of revenue with customers

Revenue is disaggregated by geography and nature of goods/services

	Motorsport	Repairs & Roadside	Wheels	Accessories	Total
Australia	9,482,807	39,718,905	46,347,812	18,177,579	113,727,103
Total	**9,482,807**	**39,718,905**	**46,347,812**	**18,177,579**	**113,727,103**

	2025	2024
	$	$
(b) Other Income		
Other income	462,016	36,213
Research & Development Grant	1,135,588	1,292,233
	1,597,604	**1,328,446**

	2025	2024
(c) Expenses	$	$
Expenses include:		
Administrative Expenses		
Salaries, wages and directors' fees	16,342,727	16,669,735
Defined contribution superannuation expense	1,723,158	1,703,204
Other administrative expenses	1,764,650	1,172,966
Total Administrative Expenses	**19,830,535**	**19,545,905**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

3. Revenue and Expenses (cont.)

	2025	2024
	$	$
Depreciation and Amortisation		
Property, plant and equipment	1,167,384	1,247,914
Total Depreciation	**1,167,384**	**1,247,914**
Amortisation		
Right of Use Assets	3,434,013	3,267,591
Total Amortisation	**3,434,013**	**3,267,591**
Total Depreciation and Amortisation	**4,601,397**	**4,515,505**
Occupancy Expenses		
Rental expenses on short term operating leases	(28,169)	174,207
Other occupancy expenses	762,106	519,505
Total Occupancy Expenses	**733,937**	**693,712**
Other Expenses		
Motor vehicles	1,749,272	1,585,911
Professional Fees	1,275,723	1,035,588
Business Development	981,981	1,263,852
Workshop	917,851	1,100,072
Travel, IT and Comms	1,142,019	931,376
Other expenses	2,638,578	3,052,726
Total Other Expenses	**8,705,424**	**8,969,525**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

4. Income Tax

	Consolidated	
	2025	2024
	$	$
(a) The major components of income tax are:		
Statement of profit or loss and other comprehensive income		
Current income tax	1,496,510	1,087,640
Deferred income tax	(519,128)	178,742
Prior year tax adjustment	-	306,223
Income tax expense reported in the statement of profit or loss and other comprehensive income	**977,382**	**1,572,605**

(b) Income Tax Reconciliation

The reconciliation between tax expense and the product of applicable income tax rate is as follows:

	2025	2024
Profit before income tax	**2,642,117**	**5,977,129**
Income tax expense / (benefit) at 30.0% (2024: 30.0%)	792,635	1,793,139
Non assessable amounts	516,720	(387,670)
Non-deductible expenses	803,615	86,198
Prior year tax adjustment	-	306,224
Research and development tax benefit	(1,135,588)	(225,286)
Income tax expense reported in the statement of profit or loss and other comprehensive income	**977,382**	**1,572,605**

(c) Deferred Income Tax

Deferred Tax Assets

Deferred tax asset comprises temporary differences attributable to:

Amounts recognised in profit or loss:

	2025	2024
Employee benefits	805,835	776,027
Leases	254,739	215,350
Provisions	29,244	6,417
Black hole expenses	42,977	21,767
Other	(2,842)	10,973
Total Deferred Tax Assets	**1,129,953**	**1,030,534**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

4. Income Tax (cont.)

	2025	2024
	$	$
Deferred Tax Liabilities		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Property, plant and equipment	182,151	347,189
Total Deferred Tax Liabilities	**182,151**	**347,189**

The balance of the franking account at year end was Nil.

5. Earnings per Share

	Consolidated	
	2025	**2024**
	$	**$**
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)	**4,642,792**	4,509,500
Earnings from continuing operations	**1.76**	2.22
Loss from discontinued operations	**(1.13)**	(0.05)
Underlying Earnings per share from continuing operations	**1.76**	2.22
	Number of shares #	**Number of shares #**
Weighted average number of ordinary shares used in the calculation	**263,819,368**	203,491,460
Options on issue at year end are not dilutive and hence not used in the calculation of diluted EPS	**96,370,464**	96,370,464

Diluted earnings per share do not differ from the basis earnings per share and therefore is not separately disclosed.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

6. Cash and Cash Equivalents

	Consolidated	
	2025	2024
	$	$
Cash at bank and on hand	**6,757,148**	**6,278,721**

(i) Reconciliation cash

Cash and cash equivalents at the end of the financial year as shown of financial position as follows:

Cash and cash equivalents	**6,757,148**	6,278,721

(ii) Reconciliation of the profit for the year to net cash flows used

Profit after tax for the year	**1,664,736**	4,404,525
Borrowing costs (non-cash)	**613,741**	771,338
Goodwill Impairment	**(270,862)**	-
(Profit) / Loss on discontinued operations	**2,474,039**	83,648
Depreciation and amortisation	**4,601,397**	4,515,505
Non operating income and expenses (non-cash)	**48,759**	(99,781)
Share expense (non-cash)	**40,000**	113,333
(Increase) / decrease in trade and other receivables	**(838,753)**	(3,608,261)
(Increase) / decrease in inventories	**(844,155)**	525,018
(Increase) / decrease in other assets	**59,228**	33,086
(Increase) / decrease in deferred tax assets	**(99,419)**	216,884
(Decrease)/Increase in payables	**923,752**	658,460
(Decrease)/Increase in current tax liabilities	**(1,454,512)**	(489,320)
(Decrease)/Increase in assets held for sale	**(440,628)**	440,628
(Decrease)/Increase in provisions	**165,584**	31,540
(Decrease)/Increase in DTL	**(165,038)**	38,141
Net cash flow from operating activities	**6,477,869**	**7,634,744**

(ii) Non-Cash Financing and Investing Activities

There were no non-cash financing or investing activities during the years ended 30 June 2025 or 30 June 2024

NOTES TO THE FINANCIAL STATEMENTS (cont.)

7. Trade and Other Receivables

	2025	2024
Current	**$**	**$**
Trade debtors	**13,322,188**	18,250,174
Less allowance for credit losses	**(97,480)**	(21,389)
Other current debtors	**3,757,613**	3,608,998
Total current	**16,982,321**	**21,837,783**
Non-current		
Deposits	**439,101**	548,855
Total non-current	**439,101**	**548,855**
Total trade and other receivables	**17,421,422**	**22,386,638**

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision is determined based on weighted average expected losses as determined from managements assessment.

The following table shows the movement in lifetime expected credit loss that has been recognised for trade and other receivables in accordance with the simplified approach set out in AASB 9: Financial Instruments.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

7. Trade and Other Receivables (cont.)

Lifetime Expected Credit Loss: Credit Impaired

		Opening balance	Net measure-ment of loss allowance	Amounts written off	Closing balance
			2024		
(i)	Current trade receivables	(33,064)	11,675	-	(21,389)
		(33,064)	**11,675**	**-**	**(21,389)**
			2025		
(i)	Current trade receivables	(21,389)	(76,091)	-	(97,480)
		(21,389)	**(76,091)**	**-**	**(97,480)**

Fair Value and Risk Exposures

(i) Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.

As at 30th June 2025, an aging analysis of those trade receivables are as follows:

	2025	2024
	$	**$**
Not overdue	3,398,535	5,745,219
1 – 30 Days	5,229,481	5,224,965
31 – 60 Days	2,753,327	3,373,344
60+ Days	1,843,365	3,906,646
	13,224,708	**18,250,174**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

8. Inventories

	2025	2024
	$	$
Current		
Finished products	**23,425,378**	23,899,400
Goods in transit	**1,068,454**	525,736
Work in progress	**1,667,927**	172,319
Total Inventories	**26,161,759**	**24,597,455**

Management has assessed the value of inventory which is likely to be sold below cost/written off in the future periods. This analysis is based on past experience, and judgements on the likely sell through rates of various lines of inventory. Based on managements analysis no provision has been deemed to be required at 30 June 2025.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

9. Right of use assets

The Group's lease portfolio includes premises in different locations. These leases have a term from 2 to 5 years including the option to extend.

Options to Extend or Terminate

The options to extend or terminate are contained in several of the property leases of the Group. These clauses provide the Group opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the Group. The extension options or termination options which management were reasonably certain to be exercised have been included in the calculation of the lease liability.

(i) AASB 16 related amounts recognised in the statement of financial position:

	2025	2024
Right-of-use assets	**$**	**$**
Leased building	**17,842,360**	17,848,150
Accumulated depreciation	**(6,909,020)**	(8,991,951)
	10,933,340	**8,856,199**
Movement in carrying amounts:		
Leased buildings:		
Opening balance	**8,856,199**	8,695,205
Recognised on application of AASB 16	**5,511,154**	3,428,585
Depreciation expenses	**(3,434,013)**	(3,267,591)
Net carrying amount	**10,933,340**	**8,856,199**
(ii) AASB 16 related amounts recognised in the statement of profit and loss:		
Depreciation charge related to right of use assets	**3,434,013**	3,267,591
Interest expense on lease liabilities	**613,741**	418,341

NOTES TO THE FINANCIAL STATEMENTS (cont.)

10. Other Assets

	2025	2024
	$	$
Prepayments	**557,974**	543,979
Prepaid Borrowing Expenses	**-**	91,842
Total other assets	**557,974**	**635,821**

11. Property, plant and equipment

	2025	2024
	$	$
Leasehold improvements	**307,648**	300,117
Less accumulated depreciation	**(169,200)**	(143,509)
Total Leasehold Improvements	**138,448**	**156,608**
Plant and equipment	**10,541,377**	7,530,570
Less accumulated depreciation	**(2,210,352)**	(1,754,704)
Total Plant and Equipment	**8,331,025**	**5,775,866**
Motor vehicles	**4,406,718**	4,026,573
Less accumulated depreciation	**(1,915,168)**	(1,609,512)
Total Motor Vehicles	**2,491,550**	**2,417,061**
Memorabilia	**759,200**	450,000
Total Property Plant and Equipment	**11,720,223**	**8,799,535**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

11. Property, plant and equipment (cont.)

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year:

	Property Improvement	Plant and Equipment	Memorabilia	Motor Vehicles	Total
Consolidated Group	**$**	**$**	**$**	**$**	**$**
Balance at 1 July 2023	101,803	4,448,698	450,000	2,483,809	7,484,310
Additions	85,127	1,735,160	-	195,665	2,015,952
Disposals	-	(128,000)	-	-	(128,000)
Assets available for sale		(556,613)		-	(556,613)
Acquisitions through business combination	-	883,511	-	538,700	1,422,211
Depreciation expense	(30,322)	(606,890)	-	(801,113)	(1,438,325)
Balance at 30 June 2024	**156,608**	**5,775,866**	**450,000**	**2,417,061**	**8,799,535**

	Property Improvement	Plant and Equipment	Memorabilia	Motor Vehicles	Total
Consolidated Group	**$**	**$**	**$**	**$**	**$**
Balance at 1 July 2024	156,608	5,775,866	450,000	2,417,061	8,799,535
Additions	7,531	3,276,882	309,200	425,116	4,018,730
Disposals	-	(266,075)	-	(44,971)	(311,046)
Assets available for sale	-	-	-	-	-
Acquisitions through business combination	-	-	-	-	-
Depreciation expense	(25,691)	(455,648)	-	(305,656)	(786,995)
Balance at 30 June 2025	**138,448**	**8,331,025**	**759,200**	**2,491,551**	**11,720,223**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

12. Intangible assets

	2025	2024
	$	$
Goodwill	**37,848,992**	38,523,942
Designs	**732,469**	732,469
Customer relationships	**1,494,074**	1,494,074
Patents, trademarks and others	**294,025**	282,191
Total intangible assets	**40,369,560**	**41,032,676**

	Goodwill	Designs	Customer Relationships	Patents, Trademarks & Other
Consolidated Group	$	$	$	$
Year ended 30 June 2023				
Balance at the beginning of the year	36,448,153	732,469	1,494,074	263,497
Impairment of goodwill				
Acquisitions through business combinations	2,057,789	-	-	-
New Patents, trademarks and others	18,000	-	-	33,044
Amortisation charge	-		-	(14,350)
Closing value at 30 June 2024	**38,523,942**	**732,469**	**1,494,074**	**282,191**
Consolidated Group	$	$	$	$
Year ended 30 June 2024				
Balance at the beginning of the year	38,523,942	732,469	1,494,074	282,191
Recovery of previously impaired goodwill	270,862		-	-
Acquisitions through business combinations	(945,812)	-	-	-
New Patents, trademarks and others	-	-	-	11,834
Amortisation charge	-		-	-
Closing value at 30 June 2025	**37,848,992**	**732,469**	**1,494,074**	**294,025**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

12. Intangible assets (cont.)

Impairment considerations

At each reporting date, the group assesses if there are any indications that the assest may be impaired, and where an indicator exists, the group makes a formal estimate of the recoverable amount. Where the carrying value of the assest exceeds its estimated recoverable amount, the asset is considered impaired and is written down to the estimated recoverable amount.

Impairment Tests for Goodwill and Intangible Assets with Indefinite Lives

Goodwill represents the excess of purchase consideration over the fair value of net assets acquired in a business combination. Goodwill is carried at cost less accumulated impirment losses and is tested for impairment annually or more frequently, if events or changes in circumstances indicate it might be impaired. For the purpose of impairment testing, assets are grouped at the lowest levels for which there are largely independent cash flows and these are defined as cash generating units ("CGUs"). Goodwill is allocated to CGUs or groups of CGUs, expected to benefit from syndergies of the business combination. Goodwill has been allocated for impairment testing purposes to ten individual CGUs across the four operating segments.

Operating Segment	Goodwill	%	Average (WACC)
Motorsport	600,000	1.52%	11.3%
Repairs and Roadside	13,326,964	33.81%	10.8%
Wheels and Tyres	11,381,102	28.87%	10.8%
Performance and Accessories	14,112,674	35.80%	11.3%
Total	**39,420,740**		

The historical goodwill at 1 July 2021 relates to the historical business combinations that formed the RPM Automotive Group together with further business combinations since listing. This historical goodwill as well as additional goodwill arising from business combinations during FY2023 and FY2024 have been tested at year end and an impairment was necessary at 30 June 2025. The recoverable amount of goodwill is determined based on value-in-use calculations. Value-in use is calculated based on the present value of the cashflow projections over a five year period. The cash flows are discounted using the yield of a 5 year weighted average cost of capital (WACC) at the beginning of the period. Future cash flows were projected for each CGU, with key assumptions being CGU earnings which is based in future performance indicators of the CGU.

Key assumptions

The value-in- use calcualtion model is sensitive to the following inputs:

NOTES TO THE FINANCIAL STATEMENTS (cont.)

12. Intangible assets (cont.)

Discount rate

The discount rates used in the dicounted cash flow model reflects the groups estimate of the time value of money and risks specific to the CGU. Discount rates are based on the groups weighted average cost of capital (WACC), adjusted for market risk and specific risk factors.

The group enganged an external impairment testing specialist, Leadenhall, to provide an independent assessment report of groups' goodwill position. The scope of the engagement was as follows:

Providing guidance on the use of their impairment testing tool and review of the final impairment testing model with a final report of comfort outlining their view on the reasonableness of the key assumptions.
Detailed discount rate report setting out their opinion of the appropriate discount rate to be applied to each of RPM's four divisions for impairment testing purposes.
To the extent required, review of RPM's impairment analysis of other intangibles assets (customer relationships, brands, patents etc.)

Projected cash flows

The projected cash flows are derived from FY2025 results and FY2026 to FY2030 based on a combination of historical and future performance indicators . This reflects the best estimate of the CGU projected cash flows at the time of this report, and projected cash flows can differ from the future actual cash flows and results of operations

Long term growth rate

A terminal growth rate of between 1.0% and 2.5% is used into perpetuniuty, based on the expected long range growth of the industry.

Sensitivity range for impairment testing assumptions

As at 30 June 2025, based on sensitivity testing of the discount rate between an average of 10%-20% no impairment arose as a result of goodwill impairment testing for the year ending 30 June 2025.

Customer relationships, designs, patents and trademarks

Patents, trademarks and customer relationshps are recognised at cost of acquisition. Patents and trademarks have a finite life and are carried at cost less accumulated amortisation and any impairment losses. Intangible assets are amortised over the estimated userful life which range from 10 to 15 years. Management has determined that as at 30th June 2025 the current years amortisation of customer relationships is immaterial and has not been accounted for.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

13. Trade and other Payables

	2025	2024
	$	$
Current		
Trade creditors	**7,645,733**	12,114,518
Other creditors	**519,256**	20,782
ATO liabilities	**586,434**	1,971,326
Total trade and other payables	**8,751,423**	**14,106,626**

Fair Value and Risk Exposures
(i) Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.
(ii) Details regarding liquidity risk are disclosed in Note 25. Trade and other payables are unsecured and usually paid within 60 days of recognition.

14. Lease Liabilities

The following information relates to the current reporting period only and is presented in accordance with AASB 16 Leases.

	2025	2024
	$	$
Current lease liabilities	**2,806,646**	2,930,117
Non-current lease liabilities	**8,975,823**	6,643,916
	11,782,469	**9,574,033**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

15. Borrowings

	2025	2024
Current	**$**	**$**
Loan bank	2,571,432	3,001,436
Loan trade finance	12,292,054	10,420,729
Loan debtor finance	-	-
Loan Collins Street	-	2,414,258
Hire purchase loans	620,458	493,016
Deferred acquisition payment	665,000	2,095,975
Total Current	**16,148,944**	**18,425,414**
Non Current		
Loan bank	14,142,854	11,188,079
Loan Collins Street	-	1,402,376
Hire purchase loans	3,851,784	1,202,217
Convertible note	-	-
Loan other	(354,442)	(267,441)
Total Non Current	**17,640,196**	**13,525,231**

The bank loans, trade finance and debtor finance are secured over all present and future rights, property and undertakings of RPM Automotive Group Ltd and the following subsidiary – RPM Automotive Holdings Pty Ltd.

Details of key borrowing facilities are:

	Balance 30 June 2025 $	Interest rate (30 June 2025)	Balance 30 June 2024 $	Interest rate (30 June 2024)
NAB Market Rate Loan	16,714,286	4.50%		
CBA Market Rate Loan			8,642,864	4.40%
CBA Market Rate Loan			1,642,850	4.45%
CBA Market Rate Loan			1,807,135	4.40%
CBA Market Rate Loan			1,430,000	4.40%
CBA Market Rate Loan			666,666	4.40%
NAB Trade Finance	12,292,054	5.53%		
CBA Trade Finance			10,420,729	6.10%
NAB Asset Finance	4,472,242	6.60%		
CBA Asset Finance			1,695,233	Variable

NOTES TO THE FINANCIAL STATEMENTS (cont.)

16. Current tax liabilities

	2025	2024
	$	$
Current tax liabilities	**99,467**	699,992
Total current tax liabilities	**99,467**	**699,992**

17. Provisions

	2025	2024
	$	$
Current employee benefits		
Annual leave	**1,558,377**	1,544,067
Long service leave current	**1,114,413**	644,612
Total current provisions	**2,672,790**	**2,188,679**
Non current employee benefits		
Long service leave non-current	**24,459**	342,986
Total non-current provisions	**24,459**	**342,986**

18. Deferred tax assets

	2025	2024
	$	$
Employee benefits	**805,835**	776,027
Leases	**254,739**	215,350
Provisions	**29,244**	6,417
Black hole expenses	**42,977**	21,767
Other	**(2,842)**	10,973
Total deferred tax assets	**1,129,953**	**1,030,534**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

19. Deferred Tax Liabilities

	2025	2024
	$	$
Property, plant and equipment	**182,151**	347,189
Total deferred tax liabilities	**182,151**	**347,189**

20. Issued Capital

	Consolidated			
	2025		2024	
	#	$	#	$
(a) Share capital				
Ordinary shares fully paid	**271,105,317**	**45,728,696**	252,305,318	44,438,065

	2025		2024	
	#	$	#	$
(b) Movement in ordinary shares on issue				
Beginning of period	**252,305,318**	**44,438,065**	184,406,999	38,942,947
Acquisition of businesses	**18,228,571**	**1,276,000**	11,041,062	1,370,397
Shares issued During year & associated capital raise costs	**-**	**(25,369)**	55,713,721	4,011,388
Share based payment reserve	**571,428**	**40,000**	1,143,536	113,333
Issued capital	**-**	**-**	-	-
End of period	**271,105,317**	**45,728,696**	**252,305,318**	**44,438,065**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

20. Issued Capital (cont.)

(c) Options at 30 June 2025

Listed Options at 30 Jun 2025

As at 30 June 2025 there were 96,370,464 listed options on issue which are exercisable at $0.10 each with an expiry date of 31 August 2025. (2024: 96,370,464)

	2025	2024
	#	#
Beginning of period	**96,370,464**	-
Issued during the period	**-**	96,370,464
End of period	**96,370,464**	**96,370,464**

During the year NIL listed options were exercised (2024: NIL)

Unlisted Options at 30 June 2025

As at 30 June 2025 there were Nil unlisted options on issue (2024:Nil)

	2025	2024
	#	#
Beginning of period	**-**	6,000,000
Issued during the period	**-**	-
Expired during the period	**-**	(6,000,000)
End of period	**-**	**-**

During the year Nil unlisted options were issued (2024: NIL)

During the year Nil unlisted options expired (2024: 6,000,000)

During the year Nil unlisted options were exercised (2024: NIL)

NOTES TO THE FINANCIAL STATEMENTS (cont.)

20. Issued Capital (cont.)

(d) Terms and conditions of contributed equity

Ordinary Shares:

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 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 for 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 (cont.)

21. Assets and disposal groups classified as held for sale and discontinued operations

AFT Automotive Group Pty Ltd

On the 13 December 2024, the operations of AFT Automotive Group Pty Ltd were discontinued due to chages in the strategic
direction of the performance & accessories division. AFT Automotive group generated a loss of $124,051 before tax for the year end 30 June 2024.

Operating profit of AFT Automtoive Group until the date of disposal is summarised as follows:

	13 Dec 2024	30 Jun 2024
	$	$
Revenue	**2,982,222**	6,986,135
Cost of goods sold	**(2,284,499)**	(5,294,787)
Gross profit	**697,723**	**1,691,348**
Other income		
Administrative expense	**(427,610)**	(856,091)
Depreciation and amortisation expense	**(27,536)**	(61,037)
Occupancy expense	**(207,963)**	(445,047)
Other expenses	**(136,715)**	(528,858)
Operating Loss	**(102,101)**	**(199,685)**
Finance costs	**(21,950)**	(90,325)
Net finance costs	**(21,950)**	**(90,325)**
Profit before income tax	**(124,051)**	**(290,010)**
Income tax expense		
(Loss)/profit for the year from discontinued operations	**(124,051)**	**(290,010)**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

21. Assets and disposal groups classified as held for sale and discontinued operations (cont.)

Sale Consideration	**Fair Value**
	Dec-24
Fair value of cash and shares transferred	1,546,367
Less associated costs	(210,366)
Less Fair Value of net identifiable assets	(1,964,069)
Goodwill	(2,349,988)
Loss on Sale	**(2,978,056)**

The fair value of the identifiable assets and liabilities of the Company at the date of disposal was as follows	
Property Plant and Equipment	266,075
Inventory	1,697,944
Shares	50
Total identifiable net assets at fair value	**1,964,069**

The loss on disposal is included in the loss for the year from discontinued operations in the consolidated statement of profit or loss. See Note 21.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

22. Commitments and Contingent Liabilities

	Consolidated	
	2025	2024
	$	$
Minimum Lease Payments		
Future Operating lease short term rentals of property, not provided for and payable as follows:		
Within one year	-	-
One to Five years	-	-
Total	**-**	-

Operating lease commitment includes contracted amounts for various warehouses and offices under non cancellable operating leases expiring within five years (2024: five years) with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the lease are renegotiated.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

23. Related Party Transactions

(a) Parent entity

The parent entity and ultimate parent entity within the Group is RPM Automotive Group Limited.

(b) Subsidiaries

Name of Controlled Entity	Place of Incorporation	% Held by Parent Entity		Principal Activities
		2025	2024	
RPM Automotive Holdings Pty Ltd	Australia	100	100	Motorsports Retail, Wheels and Tyres, Roadside and Repairs and Accessory Manufacture
Gully Mobile Tyres Pty Ltd	Australia	100	100	
RPM Autoparts Pty Ltd	Australia	100	100	
Direct Wholesale Tyres Pty Ltd	Australia	100	100	
Victoria Wide Tyre Services Pty Ltd	Australia	100	100	
Australia Wide Tyre Services Pty Ltd	Australia	100	100	
Equipit Group Pty Ltd	Australia	-	100	
All Terrain Designs Pty Ltd	Australia	-	100	
AFT Automotive Group Pty Ltd	Australia	-	100	
March 31 Pty Ltd	Australia	-	100	

NOTES TO THE FINANCIAL STATEMENTS (cont.)

23. Related Party Transactions (cont.)

(c) Key management personnel compensation

	Consolidated Group	
	2025	**2024**
	$	**$**
Short-term employment benefits	**1,020,924**	1,235,364
Post-employment benefits	**-**	-
Other long-term benefits	**-**	-
Total compensation	**1,020,924**	**1,235,364**

Further disclosures relating to key management personnel are set out in the remuneration report in the Directors' Report.

(d) Transactions with other related parties

(i) Director-related entities

(ii) Loans to/from related parties

Unsecured, at-call loans are provided by directors, key management personnel and other related parties on an arm's length basis. At 30th June 2025 the following Related Party Loans were outstanding:

Related Party	**Loan Amount**	**Interest Rate**	**Security**	**Expiry Date**
Jaffe Family	-	6.00%	Unsecured	February 2025
Finkelstein Family	-	6.00%	Unsecured	February 2025

24. Auditors remuneration

	2025	**2024**
	$	**$**
Amount received or due and receivable by the auditor of RPM Automotive Group Limited for:		
Auditing and reviewing the financial statements - Nexia Melbourne Audit Pty Ltd	178,000	171,500
Taxation compliance and administration - Nexia Melbourne Pty Ltd	60,648	61,200
Total auditor's remuneration	**238,648**	**232,700**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

25. Financial Risk Management Objectives and Policies

	2025	2024
	$	$
Financial assets at amortised cost		
Cash and cash equivalents	**6,757,148**	6,278,721
Trade and other receivables	**16,982,321**	21,837,783
Total financial assets	**23,739,469**	**28,116,504**
Financial liabilities at amortised cost		
Trade and other payables	**8,751,423**	14,106,626
Borrowings	**33,124,140**	28,452,294
Deferred Acquisition Payment	**665,000**	2,095,975
Lease Liabilities	**11,782,469**	9,574,033
Total financial liabilities	**54,323,032**	**54,228,928**

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, credit risk and foreign currency risk. The Board reviews and agrees on policies for managing each of these risks and they are summarised below.

Interest Rate Risk

At balance date the Group's exposure to market risk for changes in interest rates relates primarily to the Company's short-term cash deposits and bank borrowings. The Group constantly analyses its exposure to interest rates, with consideration given to potential renewal of existing positions, the mix of fixed and variable interest rates and the period to which deposits may be fixed.
At balance date, the Group had the following financial assets exposed to variable interest rates that are not designated in cash flow hedges:

	Consolidated Group	
	2025	2024
	$	$
Cash and cash equivalents held in interest-bearing accounts	**6,716,060**	6,238,154
Bank borrowings	**(33,478,582)**	(30,122,111)
Net exposure	**(26,762,522)**	**(23,883,957)**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

25. Financial Risk Management Objectives and Policies (cont.)

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date. The 1.0% sensitivity is based on reasonably possible changes, over a financial year, using an observed range of historical bank interest rate movements over the last three years.

At 30 June 2025, if interest rates had moved as illustrated in the table below, with all other variables held constant, post tax profit and equity relating to financial assets of the Group would have been affected as follows:

		Consolidated Group	
		2025	**2024**
		$	**$**
Judgements of reasonably possible movements:			
Post tax profit and equity - highter / (lower)			
	1.00%	**213,397**	281,789
	-1.00%	**(213,397)**	(281,789)

Liquidity Risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of its cash and funding requirements.

The table below reflects all contractually fixed pay-offs, repayments and interest resulting from recognised financial liabilities as of 30 June 2025. These amounts represent contractual undiscounted cash flows.

The contractual maturities of the Group's total reported financial liabilities are:

	Consolidated Group	
	2025	**2024**
	$	**$**
Within one year	**15,483,944**	13,915,181
Within one to five years	**17,994,638**	12,390,296

The contractual maturities of the Group's total undiscounted lease liabilities are:

	Consolidated Group	
	2025	**2024**
	$	**$**
Within six months	**1,403,323**	1,465,059
Within one year	**1,403,323**	1,465,059
Within one to five years	**8,975,823**	6,643,916

NOTES TO THE FINANCIAL STATEMENTS (cont.)

25. Financial Risk Management Objectives and Policies (cont.)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company measures credit risk on a fair value basis.

The maximum exposure to credit risk, excluding the value of any collateral or other security held, is equivalent to the carrying amount (net of any allowance for expected credit losses) as presented in the statement of financial position and notes to the financial statements.

Cash is primarily deposited only with Australian banks. The Company does not have any other significant credit risk exposure to a single counterparty or any group of counterparties having similar characteristics.

Foreign Currency Risk

The Group manages its foreign exchange risk by constantly reviewing its exposure to commitments payable and ensuring cash balances are maintained in appropriate currencies to meet operational commitments. The Group has limited exposure to foreign currency risk.

No reasonable movement in the Australian Dollar (AUD) rates (for example 10% up or down) used to determine the fair value of the groups financial assets/liabilities would result in a significant impact on profit or equity.

Fair Value

The methods of estimating fair value are outlined in the relevant notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

26. 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.

Segment assets and liabilities are not disclosed here as the CEO does not regularly receive such segmental information, the groups assets and liabilities are detailed throughout these financial statements.

The Groups operating segments are detailed in material accounting policies at Item w.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

26. Operating Segment (cont.)

	Motorsport		Repairs and Roadside		Wheels and Tyres		Performance & Accessories		Consolidated	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**Total 2025**	**Total 2024**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Sales from continuing operations	8,921,306	9,279,574	39,641,194	41,340,783	45,865,695	43,021,502	17,701,304	24,603,467	112,129,499	118,245,326
Sales from discontinued operations	-	-	-	-	-	-		1,431,265	-	1,431,265
Other Income	561,501	151,736	77,711	444,849	482,117	369,958	476,275	361,903	1,597,604	1,328,446
Total segment revenue	**9,482,807**	**9,431,310**	**39,718,905**	**41,785,632**	**46,347,812**	**43,391,460**	**18,177,579**	**26,396,635**	**113,727,103**	**121,005,037**
Segment gross profit	4,886,085	4,229,059	13,829,436	14,114,124	13,376,732	11,626,632	9,899,188	11,475,924	41,991,441	41,445,738
Segment gross profit %	51.5%	44.8%	34.8%	33.8%	28.9%	26.8%	54.5%	43.5%	36.9%	34.3%
Segment expenses	2,946,843	2,904,698	12,290,616	11,341,019	9,356,321	7,881,378	4,405,255	6,915,789	28,999,035	29,042,884
Segment EBITDA	**1,939,242**	**1,324,361**	**1,538,820**	**2,773,105**	**4,020,411**	**3,745,254**	**5,493,933**	**4,560,135**	**12,992,406**	**12,402,855**
Net finance costs									(2,770,836)	(1,897,168)
Loss on sale of Investment									(2,978,055)	-
Other non operating expenses										(13,052)
Depreciation and amortisation expense									(4,601,397)	(4,515,505)
Consolidated profit before tax									**2,642,118**	**5,977,130**
Income tax expense									(977,382)	(1,572,605)
Consolidated profit after tax									**1,664,736**	**4,404,525**

Inter- Segment Sales
Inter-segment sales are carried out on an arm's length basis and reflect current market price

NOTES TO THE FINANCIAL STATEMENTS (cont.)

27. Parent Entity Information

The parent entity has no operations apart from holding interests in the subsidiary trading company.

	2025	2024
	$	$
Non-current assets		
Loans	**45,728,696**	44,438,065
Total assets	**45,728,696**	**44,438,065**
Net assets	**45,728,696**	44,438,065
Issued capital	**45,728,696**	44,438,065
Accumulated Profit	**-**	-
Total equity	**45,728,696**	**44,438,065**
Profit of the parent entity after tax	**-**	-
Other comprehensive income, net of tax	**-**	-
Total comprehensive profit of the parent entity	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

28. Events Subsequent to the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years other than:

- None

Consolidated Entity Disclosure Statement

RPM Auomotive Group Limited

Consolidated entity disclosure statement as at 30 June 2025

Consolidated Entity Discolesure Statement				
Entity Name	Entity Type	Place Formed / Incorporated	% of Share Capital held	Tax residency
RPM Automotive Group Ltd	Public Company	Australia	100%	Australia
RPM Automotive Holdings Pty Ltd	Pty Ltd Company	Australia	100%	Australia
Direct Wholesale Tyres Pty Ltd	Pty Ltd Company	Australia	100%	Australia
Victoria Wide Tyre Services Pty Ltd	Pty Ltd Company	Australia	100%	Australia
Gully Mobile Tyres Pty Ltd	Pty Ltd Company	Australia	100%	Australia

DIRECTORS' DECLARATION

1. In the opinion of the Directors:

a) The financial statements and notes and the Remuneration report included in the Directors' Report designated as audited, are in accordance with the Corporations Act 2001, including:

i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the year ended on that date; and

ii) complying with Accounting Standards and the Corporations Regulations 2001; and

b) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as disclosed in note 2; and

c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

d) the consolidated entity discosure statement on page 81 is true and correct

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2025.

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

Lawrence Jaffe
Chairman
28 August 2025

AUDITORS INDEPENDENCE DECLARATION

Nexia Australia

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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 year ended 30 June 2025 there has been:

a. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and

b. no contraventions of any applicable code of professional conduct in relation to the audit.

Nexia	
Nexia Melbourne Audit Pty Ltd	**Benjamin Bester**
Melbourne	**Director**

Dated this 28th day of August 2025

Advisory. Tax. Audit.

INDEPENDENT AUDIT REPORT

Nexia Australia

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Independent Auditor's Report to the Members of RPM Automotive Group Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of RPM Automotive Group Ltd (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group 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 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*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Advisory. Tax. Audit.

INDEPENDENT AUDIT REPORT (cont.)

Nexia Australia

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment Goodwill ***Refer to note 12*** The impairment assessment of for goodwill is considered a be a key audit matter due to the size of the balance and the range of judgements and assumptions used in the impairment assessment model.	Our procedures included, amongst others: • We ensured that the recoverable amount calculations re based on the latest business plans. Management follows a clear process for future cash flows where the period covers the year 2025 to 2029. • We have assessed the reasonableness of the business plan by comparing the implicit growth rates to the market and assessed that overall, the growth rate appears to be reasonable. • We performed procedures to ensure that model inputs are consistent with observable market date and did not note material deviations. • We reperformed assessments through sensitivity analyses on the key assumptions to ascertain the extent of change in those assumptions that would be required for the goodwill to be impaired. We discussed the headroom of the sensitivity analyses with management and are of the view that no further impairment is necessary.

Other Information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

INDEPENDENT AUDIT REPORT (cont.)

Nexia Australia

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial (other than the consolidated entity disclosure statement) report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDIT REPORT (cont.)

Nexia Australia

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 15 to 20 of the Directors' Report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of RPM Automotive Group Ltd for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Nexia

Nexia Melbourne Audit Pty Ltd
Melbourne

Benjamin Bester
Director

Dated on this 28th day of August 2025

SUPPLEMENTARY INFORMATION

Additional information included in accordance with Listing Rules of the Australian Stock Exchange Limited

The shareholder information set out below was applicable as at 13 August 2025.

Ordinary fully paid shares			
Range	**Total holders**	**Units**	**% Units**
1 - 1,000	255	37,296	0.01%
1,001 - 5,000	171	514,269	0.19%
5,001 - 10,000	162	1,336,409	0.49%
10,001 - 100,000	415	15,585,584	5.75%
100,001 Over	253	253,631,759	93.56%
Total	**1,256**	**271,105,317**	**100.00%**

Unmarketable Parcels

	Minimum Parcel Size	Holders	Units
Minimum $ 500.00 parcel at $ 0.10 per unit	**7,937**	**487**	**929,616**

Listed Options			
Range	**Total holders**	**Units**	**% Units**
1 - 1,000	-	-	0.00%
1,001 - 5,000	-	-	0.00%
5,001 - 10,000	3	24,000	0.02%
10,001 - 100,000	15	492,887	0.51%
100,001 Over	44	95,853,577	99.47%
Total	**62**	**96,370,464**	**100.00%**

Unmarketable Parcels

	Minimum Parcel Size	Holders	Units
Minimum $ 500.00 parcel at $ 0.10 per unit	500,000	37	4,731,162

SUPPLEMENTARY INFORMATION (cont.)

Additional information included in accordance with Listing Rules of the Australian Stock Exchange Limited

2. Twenty Largest Shareholders

The names of the twenty largest shareholders are as follows:

	Name	Units	% Units
1	RPM WORLDWIDE GROUP PTY LTD	17,614,130	6.50%
2	RPM AUSTRALASIA PTY LTD	12,535,711	4.62%
3	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	11,489,668	4.24%
4	DMX CAPITAL PARTNERS LIMITED	10,991,193	4.05%
5	BRIAR PLACE PTY LIMITED <MJ FAMILY A/C>	8,872,016	3.27%
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	8,363,137	3.08%
7	VANWARD INVESTMENTS LIMITED	8,322,640	3.07%
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	7,373,998	2.72%
9	WEI LIU PTY LTD <WEI LIU FAMILY A/C>	5,025,704	1.85%
10	DE SENSI INVESTMENTS PTY LTD <DE SENSI FAMILY A/C>	4,888,999	1.80%
11	MLLW PTY LTD	4,840,000	1.79%
12	DUKAKIS INVESTMENTS PTY LTD <DUKAKIS FAMILY A/C>	4,782,365	1.76%
13	MR KEVIN BERKOWITZ	4,450,000	1.64%
14	MR SAMUEL NASH + MRS MARGOT FRANCES NASH	4,329,287	1.60%
15	MACKIE & BOOCHIE PTY LTD <S & N NASH FAMILY A/C>	4,329,285	1.60%
15	MRS JUDITH REBECCA NASH	4,329,285	1.60%
15	PHILLIP MAURICE NASH	4,329,285	1.60%
18	MR CHRISTOPHER CUNLIFFE	4,320,000	1.59%
19	MR JOEL SILVA + MISS JACQUELINE LEE	3,892,652	1.44%
20	IRWIN BIOTECH NOMINEES PTY LTD <BIOA A/C>	3,502,222	1.29%
	Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)	**138,581,577**	**51.11%**
	Total Remaining Holders Balance	**132,523,740**	**48.89%**

SUPPLEMENTARY INFORMATION (cont.)

Additional information included in accordance with Listing Rules of the Australian Stock Exchange Limited

3. listed Options

There are 96,370,464 listed options on issue (2024: 96,370,464 which have an exercise price of $0.10 each with an expiry date of 31 August 2025.

The Largest listed option holders are as follows:

	Name	Units	% Units
1	SANDHURST TRUSTEES LTD <COLLINS ST VALUE FUND A/C>	33,133,690	34.38%
2	DMX CAPITAL PARTNERS LIMITED	7,638,888	7.93%
3	MLLW PTY LTD	5,727,613	5.94%
4	VANWARD INVESTMENTS LIMITED	5,555,557	5.76%
5	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	5,000,000	5.19%
6	BRIAR PLACE PTY LIMITED <MJ FAMILY A/C>	3,777,778	3.92%
7	IRWIN BIOTECH NOMINEES PTY LTD <BIOA A/C>	3,502,222	3.63%
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,472,222	3.60%
9	CITICORP NOMINEES PTY LIMITED	2,777,778	2.88%
10	BELL POTTER NOMINEES LTD <BB NOMINEES A/C>	2,523,053	2.62%
11	THE DAVIDSON SF PTY LTD <DAVIDSON SUPER FUND A/C>	2,083,333	2.16%
11	THE NORRIS HARTLEY SF PTY LTD <NORRIS HARTLEY S/F A/C>	2,083,333	2.16%
13	IRWIN BIOTECH NOMINEES P/L <BIOA A/C>	2,000,000	2.08%
13	MR SAFA TAGHIZADEH	2,000,000	2.08%
15	MR VITTORIO SICILIANO + MRS GINA SICILIANO <VFS SUPERFUND A/C>	1,563,279	1.62%
16	EAGLE EYE EQUITIES PTY LTD	1,552,222	1.61%
17	GREG FOX <GREG FOX SUPER FUND A/C>	1,388,889	1.44%
18	STAND 4 PTY LTD	1,000,000	1.04%
19	MR CRAIG GRAEME CHAPMAN <NAMPAC DISCRETIONARY A/C>	999,323	1.04%
20	BERKOWITZ SUPERANNUATION FUND PTY LTD <BERKOWITZ SUPERFUND A/C>	953,613	0.99%
	Totals: Top 20 holders of OPA/ LISTED OPTIONS EXP 31/08/25 @ $0.10 (Total)	**88,732,793**	**92.07%**
	Total Remaining Holders Balance	**7,637,671**	**7.93%**

SUPPLEMENTARY INFORMATION (cont.)

Additional information included in accordance with Listing Rules of the Australian Stock Exchange Limited

4. Substantial Shareholders

Substantial shareholders in the Company as disclosed in the substantial shareholder notices given to the Company

	Number of Shares	Percentage of Issued Capital
RPM WORLDWIDE GROUP PTY LTD	17,614,130	6.50%
RPM AUSTRALASIA PTY LTD	12,535,711	4.62%
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	11,489,668	4.24%

5. Voting Rights

Shares

On a show of hands every member present in person or by proxy or attorney or being a corporation by its authorised representative who is present in person or by proxy, shall have one vote for every fully paid ordinary share of which he is a holder.

Options

Options have no voting rights until such options are exercised as fully paid ordinary shares.

6. On-market Buy-back

There is no current on-market buy-back of the Company's securities.

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info@rpmgroup.net.au

INVESTOR ENQUIRIES
investor@rpmgroup.net.au

ADMIN AND SUPPORT
support@rpmgroup.net.au

rpm
THE RPM GROUP