

**AMAGROUP**

## **FY 2021 RESULTS PRESENTATION**

**24 AUGUST 2021**

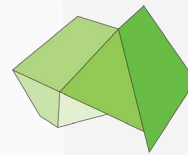
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# WORLD CLASS AUTOMOTIVE SOLUTIONS

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# Disclaimer.

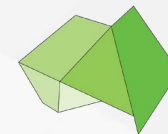
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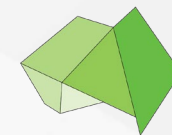
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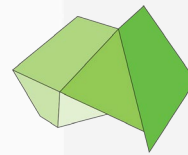


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# AMA GROUP OVERVIEW

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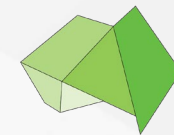


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# FY 2021 Results Summary.

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- Total Group revenue and other income from continuing operations of \$919.9 million (up 11% YoY)
- Normalised pre-AASB 16 EBITDAI of \$71.5 million (up 35% YoY)
- Normalised EBITDAI margin from continuing operations of 7% (up 25% YoY)
- Prudent approach to capital management with the Group reducing net debt by \$53.8 million (24%) to \$173.3 million at 30 June 2021
- Liquidity remains strong with \$57.7 million in undrawn facilities<sup>1</sup>
- All Banking Covenants met
- Completion of the sale of the ACAD and Fully Equipped businesses
- No final dividend declared for FY 2021

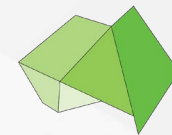


<sup>1</sup>Available to draw subject to approval from financiers..

# FY 2021 Operational Highlights.

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- Capital S.M.A.R.T integration
  - Transition to groupwide paint supply agreement with BASF complete
  - Transition to direct sourced consumables complete
  - \$17 million of FRR annual synergies on track to be realised on a normal volume basis
- Three acquisitions completed
  - Western Trucks
  - National Trucks (bringing the total number of Heavy Motor businesses to 9)
  - Perth Parts Solutions (ACM Parts geographic expansion to the West Coast)
- APAS continuing operations turnaround from loss making to modest EBITDAI profit



# FY 2021 Key Metrics.

Metric	Capital S.M.A.R.T	AMA Panel	Heavy Motor	APAS
Safety – LTIFR <sup>1</sup>	2.15	5.76	6.41	17.15 <sup>2</sup>
Average Repair Days	3.6 <sup>3</sup>	9.3	12.5	n/a
Repair Quality (rectification %)	2.5%	2.9%	0.2%	n/a
Customer Satisfaction	8.5 / 10 Customer survey	9.1 / 10 <sup>4</sup> Boost score	9.3 / 10 <sup>4</sup> Boost score	13 Net Promoter Score

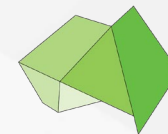
<sup>1</sup> Groupwide LTIFR reduced from 11.21 in FY20 to 5.14 in FY21

<sup>2</sup> Continuing operations only

<sup>3</sup> SMART repairs

<sup>4</sup> Boost scores for Panel and Heavy Motor available from November 2020

**Note:** AMA Panel in FY 2021 includes 20 of circa 120 sites transferring to the new Drive business unit for FY 2022. Therefore, data includes a mix of Drive and Non-Drive category repairs.



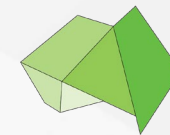
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# FY 2021 Notes to Results.

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- Normalisations largely related to Capital S.M.A.R.T paint agreement termination fee
- Recognised \$90.6 million non-cash impairment of goodwill related to the Capital S.M.A.R.T acquisition - reflects risk and uncertainty associated with COVID-19 and related allowances in respect of revenue projections
- Recognised \$30.7 million in wage subsidies from the Australian and New Zealand governments, fully paid out in wages support to staff
- Vehicle Repair volume continued to be impacted by COVID-19 in FY 2021
  - Average decline in vehicle collision repair volume of 17% compared to prior period
  - The Group excluding Victoria experienced an average decline in repair volume of 8% compared to prior period
  - Individual state declines: VIC 33%, NSW & ACT 9%, WA 9%, NZ 3%, QLD 3%, SA 1%
  - Victoria was impacted the most (with a 48% decline in volumes in 1H21), as a result of longer and more severe Government imposed restrictions

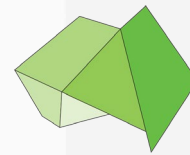


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# AMA GROUP FINANCIAL INFORMATION FOR FY 2021

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# Summary Financial Performance (Pre-AASB 16).

SUMMARY FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE	FY 2021	FY 2020	CHANGE	
	PRE-AASB 16	PRE-AASB 16		
	AUD \$'000	AUD \$'000	AUD \$'000	%
<b>Revenue and other income from continuing operations</b>	<b>918,293</b>	<b>825,356</b>	<b>92,937</b>	<b>11.3%</b>
Raw materials and consumables used	(436,609)	(388,390)	(48,219)	12.4%
Employment benefits expense	(314,189)	(298,166)	(16,023)	5.4%
Occupancy expense	(72,448)	(69,062)	(3,386)	4.9%
Supplier termination fee	(9,437)	-	(9,437)	100.0%
Professional services expense	(8,198)	(15,242)	7,044	(46.2%)
Other expense	(23,008)	(22,071)	(937)	4.2%
<b>Earnings before interest, tax, depreciation, amortisation, impairment and fair value adjustments ("EBITDAI")</b>	<b>54,404</b>	<b>32,425</b>	<b>21,979</b>	<b>67.8%</b>
Fair value adjustments on contingent vendor consideration	(5,977)	(4,487)	(1,490)	33.2%
Depreciation and amortisation expense	(40,495)	(32,490)	(8,005)	24.6%
Impairment expense	(101,037)	(49,046)	(51,991)	106.0%
<b>Operating loss before interest and tax</b>	<b>(93,105)</b>	<b>(53,598)</b>	<b>(39,507)</b>	<b>73.7%</b>
Finance costs	(10,533)	(10,336)	(197)	1.9%
<b>Loss before income tax from continuing operations</b>	<b>(103,638)</b>	<b>(63,934)</b>	<b>(39,704)</b>	<b>62.1%</b>
Income tax (expense) / benefit	(680)	2,041	(2,721)	(133.3%)
<b>Loss after income tax from continuing operations</b>	<b>(104,318)</b>	<b>(61,893)</b>	<b>(42,425)</b>	<b>68.5%</b>
Profit / (loss) after income tax from discontinued operations	12,339	(229)	12,568	(5,488.2%)
<b>Loss for the period</b>	<b>(91,979)</b>	<b>(62,122)</b>	<b>(29,857)</b>	<b>48.1%</b>
Normalisations	10,174	13,487	(3,313)	(24.6%)
ACAD and Fully Equipped businesses sold on 31 December 2020	6,971	7,257	(286)	(3.9%)
<b>Normalised EBITDAI (Pre-AASB 16)</b>	<b>71,549</b>	<b>53,169</b>	<b>18,380</b>	<b>34.6%</b>

Normalised EBITDAI Margin on continuing operations %

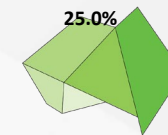
7.0%

5.6%

1.4%

25.0%

- Increase in revenue and EBITDAI is largely due to the benefit of a full twelve months trading for acquisitions such as Capital S.M.A.R.T and ACM Parts
- Normalisations for the period were \$10.2 million. This largely relates to the paint supplier termination fee. The supplier termination fee was incurred as a result of Capital S.M.A.R.T's paint transition to BASF, which is complete
- Normalised EBITDAI includes the contribution from the disposed businesses (ACAD and Fully Equipped for H1) but does not include the accounting gain on disposal
- Historical normalisations significantly reduced
- No normalisations for the COVID-19 pandemic
- From 1H22, reporting will be on a post-AASB 16 basis



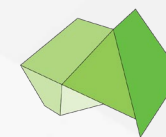
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# Statutory Financial Performance.

FY 2021 STATUTORY RESULTS FOR THE YEAR 30 JUNE	FY 2021	FY 2020	CHANGE	
	STATUTORY	STATUTORY		
	AUD \$'000	AUD \$'000	AUD \$'000	%
<b>Revenue and other income from continuing operations</b>	<b>919,920</b>	<b>825,408</b>	<b>94,512</b>	<b>11.5%</b>
Operating loss before interest and tax	(83,459)	(48,788)	(34,671)	71.1%
Loss before income tax from continuing operations	(113,513)	(75,712)	(37,801)	49.9%
Loss for the period	(99,079)	(71,468)	(27,611)	38.6%
<b>Loss attributable to members of AMA Group Limited</b>	<b>(96,950)</b>	<b>(70,265)</b>	<b>(26,685)</b>	<b>38.0%</b>
<b>Basic loss per share (cents) - continuing operations</b>	<b>(14.78)</b>	<b>(9.74)</b>	<b>(5.04)</b>	<b>51.7%</b>

- Results include full twelve months trading for acquisitions such as Capital S.M.A.R.T and ACM Parts
- Financial performance and loss for the period is impacted by:
  - Impairment charges of \$102.5 million, of which \$95.8 million was recognised against goodwill
  - The COVID-19 pandemic, although largely offset by operational actions and Government wage subsidies (contribution of \$30.7 million for both continuing and discontinued operations)
  - Supplier termination fee of \$9.4 million relating to Capital S.M.A.R.T's paint transition (non-recurring)
  - Adoption of AASB 16 *Leases* which impacted NPAT by \$7.1 million

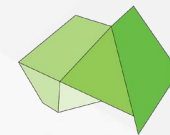
**Note:** Prior comparative information (for P&L only) has been re-presented in accordance with accounting standards. The comparative results of discontinued operations (e.g., sale of ACAD and Fully Equipped businesses) have been re-presented to Profit / (loss) after income tax from discontinued operations.



# Summary Financial Position.

SUMMARY FINANCIAL POSITION AS AT 30 JUNE	FY 2021	FY 2020	CHANGE	
	STATUTORY	STATUTORY		
	AUD \$'000	AUD \$'000	AUD \$'000	%
Cash and cash equivalents	64,203	112,916	(48,713)	(43.1%)
Other current assets	112,840	124,476	(11,636)	(9.3%)
Non-current assets	950,109	1,150,229	(200,120)	(17.4%)
<b>Total assets</b>	<b>1,127,152</b>	<b>1,387,621</b>	<b>(260,469)</b>	<b>(18.8%)</b>
Current liabilities	233,736	223,897	9,839	4.4%
Bank loan, net of capitalised borrowing costs	234,751	335,942	(101,191)	(30.1%)
Other non-current liabilities	407,747	484,762	(77,015)	(15.9%)
<b>Total liabilities</b>	<b>876,234</b>	<b>1,044,601</b>	<b>(168,367)</b>	<b>(16.1%)</b>
<b>Net Assets</b>	<b>250,918</b>	<b>343,020</b>	<b>(92,102)</b>	<b>(26.9%)</b>
Contributed equity	424,404	417,117	7,287	1.7%
Reserves	568	880	(312)	(35.5%)
Retained deficit	(188,268)	(91,318)	(96,950)	106.2%
Non-controlling interest	14,214	16,341	(2,127)	(13.0%)
<b>Equity</b>	<b>250,918</b>	<b>343,020</b>	<b>(92,102)</b>	<b>(26.9%)</b>

- Financial position is impacted by the divestment of ACAD and Fully Equipped which has impacted items such as:
  - Cash and debt have both decreased as a result of \$102.5 million repayment of debt from sale proceeds and cash
  - Decreased other items such as working capital (e.g. inventory)
  - Non-current assets have decreased, largely due to impairment charges, primarily against goodwill (\$95.8 million)



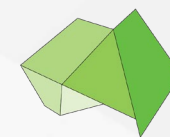
# AMA Delevered during FY 2021.

NET DEBT AS AT 30 JUNE	FY 2021	FY 2020	CHANGE	
	STATUTORY	STATUTORY		
	AUD \$'000	AUD \$'000	AUD \$'000	%
Financial liabilities - drawn cash facilities	237,500	340,000	(102,500)	(30.1%)
Cash and cash equivalents	(64,203)	(112,916)	48,713	(43.1%)
<b>Net debt</b>	<b>173,297</b>	<b>227,084</b>	<b>(53,787)</b>	<b>(23.7%)</b>
Contingent vendor consideration - 50% of cash portion	7,010	12,611	(5,601)	(44.4%)
<b>Net debt used in covenant calculations</b>	<b>180,307</b>	<b>239,695</b>	<b>(59,388)</b>	<b>(24.8%)</b>

- The Group prudently applied sale proceeds from the ACAD and Fully Equipped divestment to reduce net debt by 24% during the period to \$173.3 million
- The Group's liquidity remains strong, with \$57.7 million of undrawn facilities<sup>1</sup>
- During the period, the Group also made acquisition and earnout payments of \$17.9 million
- In response to COVID-19, the Group's financiers agreed to waive covenant testing until 31 December 2020 and provided a more favourable covenant testing regime for the balance of FY21
- The Group was compliant with all covenants during the period including as at 30 June 2021

**Note:** Contingent vendor consideration as at 30 June have been represented to reflect 50% of expected cash settlement (as opposed to total contingent vendor consideration), which is consistent to net debt used in covenant calculations.

<sup>1</sup>Available to draw subject to approval from financiers.

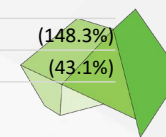


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# Summary Cash Flows.

SUMMARY CASH FLOWS FOR THE YEAR ENDED 30 JUNE	FY 2021	FY 2020	CHANGE	
	STATUTORY	STATUTORY		
	AUD \$'000	AUD \$'000	AUD \$'000	%
Receipts from customers (inclusive of GST)	1,042,324	996,432	45,892	4.6%
Payments to suppliers and employees (inclusive of GST)	(1,000,166)	(916,566)	(83,600)	9.1%
Government grants received	43,891	21,146	22,745	107.6%
Market incentive received (inclusive of GST)	-	59,510	(59,510)	(100.0%)
Interest received	267	330	(63)	(19.1%)
Interest and other costs of finance paid	(26,969)	(27,536)	567	(2.1%)
Income taxes paid	(7,243)	(10,858)	3,615	(33.3%)
<b>Net cash inflows provided by operating activities</b>	<b>52,104</b>	<b>122,458</b>	<b>(70,354)</b>	<b>(57.5%)</b>
Proceeds from sale of property plant and equipment	670	20	650	3,250.0%
Proceeds from disposal of business (net of costs and cash disposed)	63,184	25	63,159	252,636.0%
Payments for purchases of property, plant and equipment	(12,514)	(13,285)	771	(5.8%)
Payments for intangible assets	(191)	(510)	319	(62.5%)
Payments for businesses acquired (including earn-outs)	(17,885)	(451,597)	433,712	(96.0%)
Cash acquired through business combinations	-	19,488	(19,488)	(100.0%)
<b>Net cash inflows / (outflows) from investing activities</b>	<b>33,264</b>	<b>(445,859)</b>	<b>479,123</b>	<b>(107.5%)</b>
Proceeds from borrowings	-	378,500	(378,500)	(100.0%)
Repayment of borrowings	(102,500)	(119,068)	16,568	(13.9%)
Principal elements of lease payments	(31,560)	(29,552)	(2,008)	6.8%
Payment of new borrowings transaction costs	-	(4,926)	4,926	(100.0%)
Equity raised, net of transaction costs	-	208,711	(208,711)	(100.0%)
Dividends paid to AMA shareholders	-	(9,310)	9,310	(100.0%)
Dividends paid to non-controlling shareholders	-	(169)	169	(100.0%)
<b>Net cash (outflows) / inflows from financing activities</b>	<b>(134,060)</b>	<b>424,186</b>	<b>(558,246)</b>	<b>(131.6%)</b>
Net (decrease) / increase in cash and cash equivalents	(48,692)	100,785	(149,477)	(148.3%)
Cash and cash equivalents at the end of period	64,203	112,916	(48,713)	(43.1%)

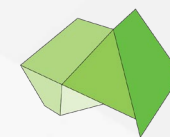
- ACAD and Fully Equipped group of businesses disposed for net proceeds of \$63.2 million
- Repaid \$102.5 million of gross debt
- Payment for businesses acquired and earn-outs were \$17.9 million
- On a pre-AASB 16 basis (excluding amortisation of market incentive), cash flow conversion to pre-AASB 16 EBITDAI is circa 75%
- Cash flows presented on a group basis (includes continuing and discontinued operations)



# Effects of AASB 16 – Leasing Standard.

SUMMARY FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE	FY 2021	AASB 16	FY 2021
	STATUTORY	ADJUSTMENT	PRE-AASB 16
	AUD \$'000	AUD \$'000	AUD \$'000
<b>Revenue and other income from continuing operations</b>	<b>919,920</b>	<b>(1,627)</b>	<b>918,293</b>
Raw materials and consumables used	(436,609)	-	(436,609)
Employment benefits expense	(314,189)	-	(314,189)
Occupancy expense	(22,207)	(50,241)	(72,448)
Supplier termination fee	(9,437)	-	(9,437)
Professional services expense	(8,198)	-	(8,198)
Other expense	(23,008)	-	(23,008)
<b>Earnings before interest, tax, depreciation, amortisation, impairment and fair value adjustments ("EBITDAI")</b>	<b>106,272</b>	<b>(51,868)</b>	<b>54,404</b>
Fair value adjustments on contingent vendor consideration	(5,977)	-	(5,977)
Depreciation and amortisation expense	(81,289)	40,794	(40,495)
Impairment expense	(102,465)	1,428	(101,037)
<b>Operating loss before interest and tax</b>	<b>(83,459)</b>	<b>(9,646)</b>	<b>(93,105)</b>
Finance costs	(30,054)	19,521	(10,533)
<b>Loss before income tax from continuing operations</b>	<b>(113,513)</b>	<b>9,875</b>	<b>(103,638)</b>
Income tax benefit / (expense)	2,283	(2,963)	(680)
<b>Loss after income tax from continuing operations</b>	<b>(111,230)</b>	<b>6,912</b>	<b>(104,318)</b>
Profit / (loss) after income tax from discontinued operations	12,151	188	12,339
<b>Loss for the period</b>	<b>(99,079)</b>	<b>7,100</b>	<b>(91,979)</b>

- The Group adopted the new lease accounting standard AASB 16 *Leases* from 1 July 2019
- Statutory results are directly comparable as both are on a post-AASB 16 basis
- AASB 16 *Leases* has had a material negative impact (\$7.1 million) on AMA Group's statutory results, including:
  - Substantial decrease in occupancy expense
  - Substantial increase in depreciation and finance costs
  - Impact to net profit after tax and earnings per share
  - No cash impact
- From 1H22, reporting will be on a post-AASB 16 basis

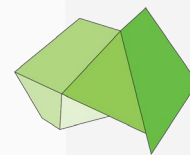




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# DIVISIONAL PERFORMANCE

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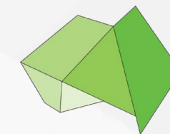
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# Vehicle Panel Repairs – Trading Performance.

SUMMARY FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE	FY 2021 AUD \$'000	FY 2020 AUD \$'000	CHANGE AUD \$'000 %	
Revenue and other income from continuing operations	855,320	788,527	66,793	8.5%
EBITDAI	110,328	95,772	14,556	15.2%
AASB 16 <i>Leases</i> impact to occupancy costs and other income	(48,168)	(41,838)	(6,330)	15.1%
<b>Pre-AASB 16 EBITDAI</b>	<b>62,160</b>	<b>53,934</b>	<b>8,226</b>	<b>15.3%</b>
Normalisations	9,437	3,076	6,361	206.8%
<b>Normalised EBITDAI</b>	<b>71,597</b>	<b>57,010</b>	<b>14,587</b>	<b>25.6%</b>
Normalised EBITDAI Margin %	8.4%	7.2%	1.2%	16.7%

## Highlights and Trading Performance

- Increase in revenue and EBITDAI is largely due to the benefit of a full 12 months trading for acquisitions such as Capital S.M.A.R.T and the additional 10 sites acquired in the prior year (FY 2020)
- Heavy Motor continues to be a strong contributor to Vehicle Panel Repairs. Heavy Motor contributed 13% of the total Normalised EBITDAI (compared to 10% of Normalised EBITDAI in prior comparative period)
- Capital S.M.A.R.T's paint and consumables integration is complete. Capital S.M.A.R.T \$17 million of FRR annual synergies on track to be realised on a normal volume basis
- Vehicle Panel Repairs received circa \$28 million in Government wage subsidies, fully paid out to employees. These subsidies allowed us to retain and support our workforce through this difficult trading period and have enabled the Group to make a faster recovery once community movement restrictions were eased

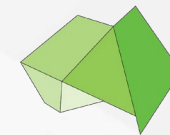


# Vehicle Panel Repairs – National Footprint.

VEHICLE PANEL REPAIR SITE COUNT	FY JUN-21	FY JUN-20
Opening Balance	181	130
Acquired	3	61
Greenfields	1	2
Disposed or consolidated	(7)	(12)
<b>Closing Balance</b>	<b>178</b>	<b>181</b>

VEHICLE PANEL REPAIR SITE LOCATION	FY JUN-21	FY JUN-20
Victoria	63	65
Queensland	34	34
Western Australia	14	14
New South Wales	38	38
Australian Capital Territory	9	9
South Australia	5	6
Tasmania	9	9
New Zealand	6	6
<b>Closing Balance</b>	<b>178</b>	<b>181</b>

VEHICLE PANEL REPAIR SITE TYPE	FY JUN-21	FY JUN-20
Prestige	6	6
Exclusive	82	83
Traditional	78	82
Mechanical	2	3
Heavy Motor	10	7
<b>Closing Balance</b>	<b>178</b>	<b>181</b>

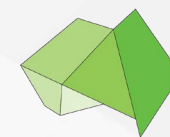


# APAS (Automotive Parts and Services) – Trading Performance.

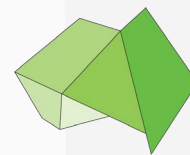
SUMMARY FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE	FY 2021 AUD \$'000	FY 2020 AUD \$'000	CHANGE AUD \$'000      %	
Revenue and other income from continuing operations	64,422	36,725	27,697	75.4%
EBITDAI	5,354	(2,076)	7,430	(357.9%)
AASB 16 <i>Leases</i> impact to occupancy costs and other income	(3,700)	(2,357)	(1,343)	57.0%
<b>Pre-AASB 16 EBITDAI</b>	<b>1,654</b>	<b>(4,433)</b>	<b>6,087</b>	<b>(137.3%)</b>
Normalisations	-	83	(83)	(100.0%)
<b>Normalised EBITDAI</b>	<b>1,654</b>	<b>(4,350)</b>	<b>6,004</b>	<b>(138.0%)</b>
Normalised EBITDAI Margin %	2.6%	-11.8%	14.4%	(122.0%)

## Highlights and Trading Performance

- The above results are for **continuing operations only** (ACM Parts and FluidDrive). Discontinued operations (ACAD and Fully Equipped group of businesses) contributed \$7.0 million Normalised EBITDAI at 17% Normalised EBITDAI margin
- Increase in revenue is largely due to the benefit of a full twelve months trading for ACM Parts. The revenue and other income set out above is in relation to external customers only. However, a focus for ACM Parts in the past 12 months has been to increase sales into the Vehicle Panel Repairs Division, benefiting the bottom-line in that division
- ACM Parts expanded into Western Australia through the acquisition of Perth Parts Solutions on 30 October 2020
- ACM Parts has been profitable during the period, including accounting for warehousing costs of consumables (previously funded by AMA Panel)
- Now that ACAD and Fully Equipped have been sold, the key area of focus in FY22 is to secure the quality products needed to execute operations on industry leading terms



# STRATEGY AND OUTLOOK



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# AMA Group's Three Dimensions of Value.

## Procurement

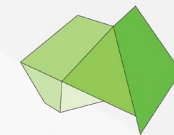
- Secure the quality products needed to execute operations on industry leading terms

## Production

- Leverage the technical skills and industry expertise in the business
- Operational effectiveness and efficiency

## Partnerships

- Build commercial relationships with customers for the long-term, built on trust and delivering industry leading value to both parties



# New Structure to Unlock the Value in One AMA.

## AMA Group

### Procurement

#### Supply

- Parts
- Paint
- Consumables

### Production

#### Drive

- Rapid repairs on cars that are still driveable
- Includes Capital S.M.A.R.T and the rapid repair businesses currently part of AMA Panel

#### Non-Drive

- Higher severity, more complex repairs of cars with more significant damage
- Prestige

#### Heavy Motor

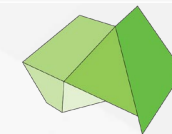
- Truck and bus repairs

### Partnerships

#### Corporate

- One AMA approach to the insurer market

Enabled by exceptional and highly valued people



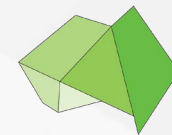
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# Opportunities to Unlock Value in Procurement.

Procurement

Supply

- Margin expansion through sourcing
  - Parts sourcing remains largely intermediated
  - Currently direct sourcing consumables and paint
  - Current approximate annual AMA Group spend (at FRR)
    - \$20m consumables
    - \$50m on paint
    - \$350m on parts
- Opportunity for organic growth given our almost 180 site, \$1bn turnover business as the “anchor customer”



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# Opportunities to Unlock Value in Production.

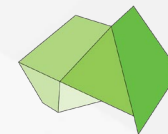
Production

Drive

Non-Drive

Heavy Motor

- Organic growth
  - Selling AMA Group's unique value proposition as a one stop shop for everything from low severity to heavy hit repairs across private and commercial vehicles
  - Embracing opportunities in a rapidly changing market
- Acquisition growth
  - Opportunities across all business units
- Operational excellence - reduce costs / expand margins
  - Capacity utilisation & labour productivity
  - Paint and consumables yields
  - Repair vs replace
  - ADAS recalibration capability development
  - Improve branch level performance & reduce overheads



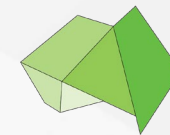
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# Opportunities to Unlock Value in Partnerships.

Partnerships

Key relationships

- Delivering value through trusted relationships
  - Delivering the breadth of the AMA Group proposition to insurers in one economic consideration
  - Provide a best in class, high volume capability - delivering insurance partners repair outcome certainty and customer satisfaction
  - Win-win contracting arrangements with success tied to work performed and key quality outcomes
  - Work with partners to mitigate impacts of disruptions to labour or parts availability, including any abnormal cost rises



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# Enhanced Governance.

Anthony Day

Chairman

Simon Moore

Non-Executive Director

Nicole Cook

Non-Executive Director

Carl Bizon

CEO and Executive Director

Paul Ruiz

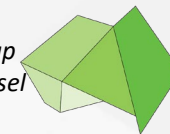
Non-Executive Director

Kyle Loades

Non-Executive Director

- Enhanced governance reflects AMA Group's position as an ASX300 publicly listed entity
- Two new Independent Non-Executive Directors appointed, with recruitment underway for a third
- Transition in management and leadership style
- Enhancements to systems and processes are already underway
- Risk assessment and mitigation

*Note: Board structure depicted as at November 2021 AGM, following Leath Nicholson's departure. AMA Group has engaged with Leath's firm, Nicholson Ryan Lawyers to retain his services as the outsourced General Counsel for the Group.*



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# Strengthened Leadership.

**Carl Bizon – CEO & Executive Director**

**Mathew Cooper**  
Group Chief  
Operating Officer

**Darren Basford**  
Interim Group Chief  
Financial Officer

**Andrew Mair**  
Group Chief  
Commercial Officer

**Janelle Leonard**  
Group Chief  
People Officer

**Alexandra Holston**  
Director Investor Relations  
& Corporate Affairs

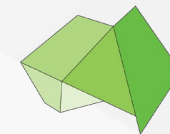
**David Marino**  
EGM – Drive &  
CEO Capital S.M.A.R.T

**Campbell Jones**  
EGM  
Non-Drive

**Darren Wales**  
EGM  
Heavy Motor

**Campbell Jones**  
Interim EGM  
Supply

- The strengthened leadership team brings a blend of skills, experience and depth, to facilitate the execution of the strategy
- Internal appointments reflect the skill and focus required to maximise the potential of each business unit
- New leadership team is commensurate with AMA Group's current size and future potential



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# Exceptional People.

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## One AMA

### AMA Group

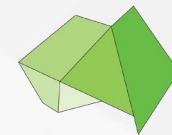
Drive

Non-Drive

Heavy Motor

Supply

- People
  - Define and consolidate the culture
  - Invest, develop and retain key industry skills
  - Apprenticeships – build the workforce of the future
  - Use scale and culture to attract and retain talent in an industry with skills shortages
  - International borders reopening will deepen available talent pool

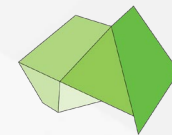


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# Operational Priorities.

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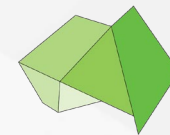
- Development of mutually beneficial customer contracting arrangements, reflecting the post COVID-19 market environment
- Realisation of the benefits of the new business structure by identifying and further enhancing best practice operations
- Continued growth of the Supply business unit to expand margins and secure supply consistency
- Pursuit of organic and acquisition growth opportunities
- Capitalisation on industry technology advancements through innovation
- Ongoing effort to position AMA Group as 'A Great Place to Work' through recruitment, development and advancement of employees at every level of the business



# Outlook – Headwinds.

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- Headwinds are situational, not structural
- COVID-19 impacts expected to continue throughout 1H22
  - Ongoing outbreaks, snap lockdowns and border closures
  - Lower kilometres driven reflected in reduced repair volumes
  - Lower repair volumes affect site productivity and fixed overhead absorption
  - In mid-August, weekly National volume averages for Drive and Non-Drive show approximately 35% and 25% unutilised booking capacity on a normalised basis respectively
    - NSW approximately 60% Drive and nearly 70% Non-Drive unutilised capacity
    - Victoria approximately 35% unutilised capacity in both Drive and Non-Drive

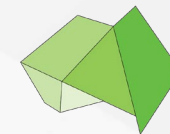


# Outlook – Response to COVID-19.

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- Active management of sites experiencing reduced repair volumes due to COVID-19 restrictions
- 13 Drive sites and 3 Non-Drive sites in NSW either hibernated or under partial stand down, with 190 staff temporarily hibernated across the group in mid-August
  - Dynamic response to repair volumes
- Continued focus on operational efficiencies and cost management
- Insurer partners are supportive of the business and working towards adjusting revenue structures in a COVID-19 affected environment
- Priority is supporting staff to maximise retention, so the business can withstand the impacts of COVID-19 and return to normal operations quickly

*Experience in 2020 that repair volumes return rapidly when restrictions lift, AMA Group has demonstrated its ability to respond*



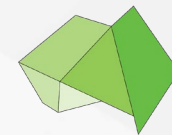


# Outlook – Tailwinds.

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- Vaccine rollout to hasten return to normal
- In 2020, hopes were pinned on the development of a vaccine which is now a reality
- Overseas experience shows that high vaccine rates substantially increase mobility
- Domestic driving holidays expected to increase kilometres travelled as consumers seek travel options while international borders remain closed

*AMA Group uniquely positioned to respond as life returns to normal*

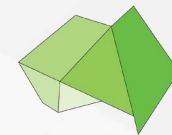


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# Outlook – Capital Structure.

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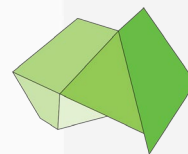
- Proactively managed the capital structure during FY 2021 to reduce leverage and focus on operating performance
  - Management has continued to undertake tactical cost and cash management initiatives
- Currently undertaking a capital structure review in order to manage the short-term disruptions associated with COVID-19, as well as to best position for growth
- May undertake capital markets initiatives in order to enhance balance sheet flexibility, diversify funding sources and extend duration
- Banking syndicate remains supportive and have agreed to covenant waivers through to 31 December 2021



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# OTHER INFORMATION

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# Normalisations.

NORMALISATIONS	FY 2021	FY 2020	CHANGE	
	AUD \$'000	AUD \$'000	AUD \$'000	%
Supplier termination fee	9,437	-	9,437	100.0%
Whistleblower investigation costs	737	-	737	100.0%
Acquisition costs	-	9,849	(9,849)	(100.0%)
Restructuring and reorganisation costs	-	2,366	(2,366)	(100.0%)
Integration costs	-	726	(726)	(100.0%)
Other costs	-	546	(546)	(100.0%)
<b>Total normalisations</b>	<b>10,174</b>	<b>13,487</b>	<b>(3,313)</b>	<b>(24.6%)</b>
Pre-AASB 16 EBITDAI	54,404	32,425	21,979	67.8%
ACAD and Fully Equipped businesses sold on 31 December 2020	6,971	7,257	(286)	(3.9%)
<b>Normalised EBITDAI</b>	<b>71,549</b>	<b>53,169</b>	<b>18,380</b>	<b>34.6%</b>
% of normalisations	14.2%	25.4%		

- Normalisations for the period were \$10.2 million which largely represents the Capital S.M.A.R.T paint supplier termination fee
- Normalised EBITDAI includes the contribution from the disposed businesses (ACAD and Fully Equipped) but does not include the accounting gain on disposal
- Normalisations have been significantly reduced and only relate to the acquisition of Capital S.M.A.R.T and costs associated with the whistleblower investigation
- There are no Normalisations for the impact of the COVID-19 pandemic



# Acquisitions and Divestments.

## ACQUISITIONS

### Vehicle Panel Repairs

Western Trucks	1	25-Sep-20
National Trucks	2	05-Feb-21

### Automotive Parts and Accessories

Perth Parts Solutions	N/A	30-Oct-20
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## DIVESTMENTS

### Automotive Parts and Accessories

ACAD Limited	N/A	31-Dec-20
AECOA Pty Ltd	N/A	31-Dec-20
ECB Pty Ltd	N/A	31-Dec-20
Service Body Manufacturing Australia Pty Ltd	N/A	31-Dec-20
Uneek 4x4 Australia Pty Ltd	N/A	31-Dec-20
AMA Fully Equipped NZ Holdings Pty Limited	N/A	31-Dec-20
Fully Equipped Auckland Limited	N/A	31-Dec-20
Fully Equipped Group Limited	N/A	31-Dec-20
Fully Equipped Limited	N/A	31-Dec-20
Fully Equipped Wellington Limited	N/A	31-Dec-20
Tuff Accessories Limited	N/A	31-Dec-20

