



AMA Group Limited

Annual General Meeting

27th November 2012

Chairman's Address

At the 2011 AGM we reconfirmed that we would be focussing on our core business activities and reducing our bank debt.

And indeed that is what we have done.

The financial statements for 2012 show the achievements of our very focussed executive team.

- Revenue: \$62.925m up 16.7%;
- Profit after tax: \$7.665m ;
- Reduced interest bearing debt to under \$10m; and
- Total equity: \$24.582m up from 2011 of \$19.144m

Given these outcomes AMA is in a sounder financial position.

And following these excellent results your board decided to declare a dividend of 1.6 cent per share which was paid to shareholders on 15 November 2012.

This makes 2 dividends paid to shareholders since our last AGM.

The 1 cent declared at the end of 2011 and the 1.6 cents dividend declared for 2012.

We see this as a real turnaround of AMA in that we can now provide you, as shareholders, a return on your investment.

We have seen the AMA Group share price range from 12.5c to 36.0c since our last AGM.

This is a real indication that the market acknowledges the performance and the value of our company.

ECB and KT Cables have had exceptional performances.

We are indeed very fortunate to have a very capable and dedicated management team at AMA and the board would like to make particular mention of our Chief Operating Officer, Ray Smith-Roberts, who has been instrumental in achieving the operational results for 2012.

The continued strenuous efforts on efficiencies have resulted in better management of our overheads which has contributed to our results for 2012.

And our panel businesses continue to deliver excellent business.



Operating Specialised Automotive Aftercare and Accessory Companies

Last year I reported that we had an unfortunate incidence in Alanco in Perth where a competitive business was established by a former employee using AMA intellectual property. As notified, this matter was settled favourably for us and I must recognise the personal efforts of Ray Malone in achieving this outcome. Ray flew over to Perth and on his own presented AMA's case and claim and negotiated an excellent settlement, which I am pleased to say has now been fully settled, "the money is in the bank".

The efforts of our staff in achieving these results cannot be overstated

You would be aware that Ray Malone presented at the 3rd annual Australian Microcap Investment conference and told the AMA story, which has seen an increased interest in our company by the market. Ray received excellent reviews for his presentation at this conference. Ray, congratulations for a job well done.

The board is very confident with Ray Malone and Ray Smith-Roberts continuing to guide the company.

To secure our future growth and value the board negotiated an extension of Ray Malone's contract and that we have proposed an award of shares to Ray as reasonable consideration for extending the contract, at this AGM.

The future will see sustained improvement in performance and building of shareholder value.

There is still a lot of hard work to be done but I am confident that Ray and his team will manage this business well and will continue to maximise shareholder value going forward.

I would now like to hand over to your CEO Ray Malone, to talk about the business activities.

CEO's Address

Awesome year for us all.

The standout for me is the constant reminder of the extraordinary culture that has been created across the subsidiaries.

This now allows us to grow from a fantastic low slippage disciplined base with exceptional staff buy in. The teams and culture that have been put in place are exceptional.

I would like to thank Ray Smith-Roberts and our teams for all of their outstanding achievements over the past 3 years and for their enormous contributions across all aspects of our business.

When we restructured the company, many considered ECB to be a mature business with not much prospect of growth.

Our first quarter was up 18.9% on the same quarter last year with an average monthly turnover of \$1.709m

I am delighted that Ray and the rest of our executive have joined me for long term contracts and with 12.9% of our employees owning equity, slippage will be to a minimum.

KT Cables has steadily grown its revenue over the past 3 years with many new products coming on line over the next few months.

Alanco has been a standout also with a year on year increase of 39.7%. Over the last 2 years, this business has reinvented itself with approximately 300 new customers on its books.

FluidDrive is another example of outstanding leadership. It has been taken from an OEM low margin type business to a great company to have in our group. Revenue is up 61.8% and EBIT is up 66.9%. Our first quarter revenue numbers to end September are up 24.9% and EBIT is up 200.3% on the corresponding period.



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Panel has just finalised new contracts with Youi and QBE.

We have most of the complex issues behind us now and the next 5 years is all about growth whilst rewarding our stakeholders.

Our future is looking great and with a PE of approximately 12 on last year's results, we are now in a good position to grow our group via earning accretive acquisitions as well as organically.

Whilst we are currently looking at several opportunities, the board will always measure twice and cut once.

THANK YOU

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