



Operating Specialised Automotive Aftercare and Accessory Companies

Ray Malone

Executive Director & CEO Presentation

4th Annual Australian

Microcap Investment Conference

22 – 23 October 2013

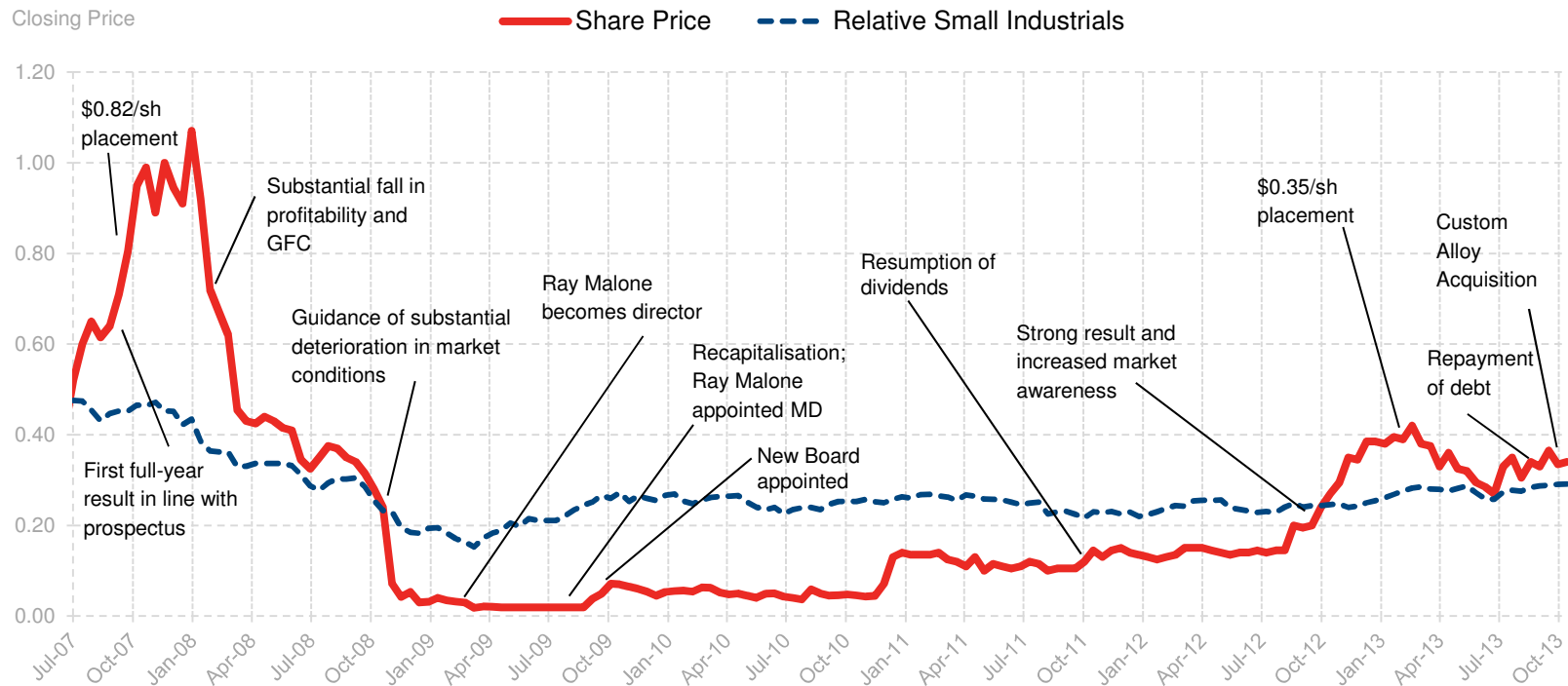
AMA Group

- AMA Group Ltd (ASX:AMA) was listed on the Australian Stock Exchange on 31 August, 2006.
- Focused on the wholesale vehicle aftercare and accessories market.
 - vehicle protection bullbars
 - smash repair shops
 - automotive and electrical components
 - servicing workshops for transmissions and brakes
- Market leading brands with a commitment to operating excellence.
- Strong Balance Sheet (net cash) and highly cash generative.
- Culture of employee ownership.
- Well positioned for organic and inorganic growth opportunities.
- Enhancement of business through Custom Alloy acquisition



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AMA History



February 2009

- \$50m+ of liability
- Challenging operating environment
- Business inefficiencies
- Unstable outlook

Getting back on track: FY09 – FY12

- Stabilise management/HR investment
- Debt reduction plan
- Focus on increasing revenues
- Stabilise/grow operating cash
- Increase EBITDA
- Improve stakeholder returns

FY13 and beyond

- Capital Raising
- Debt Reduction
- Organic Growth
- Complementary Acquisition

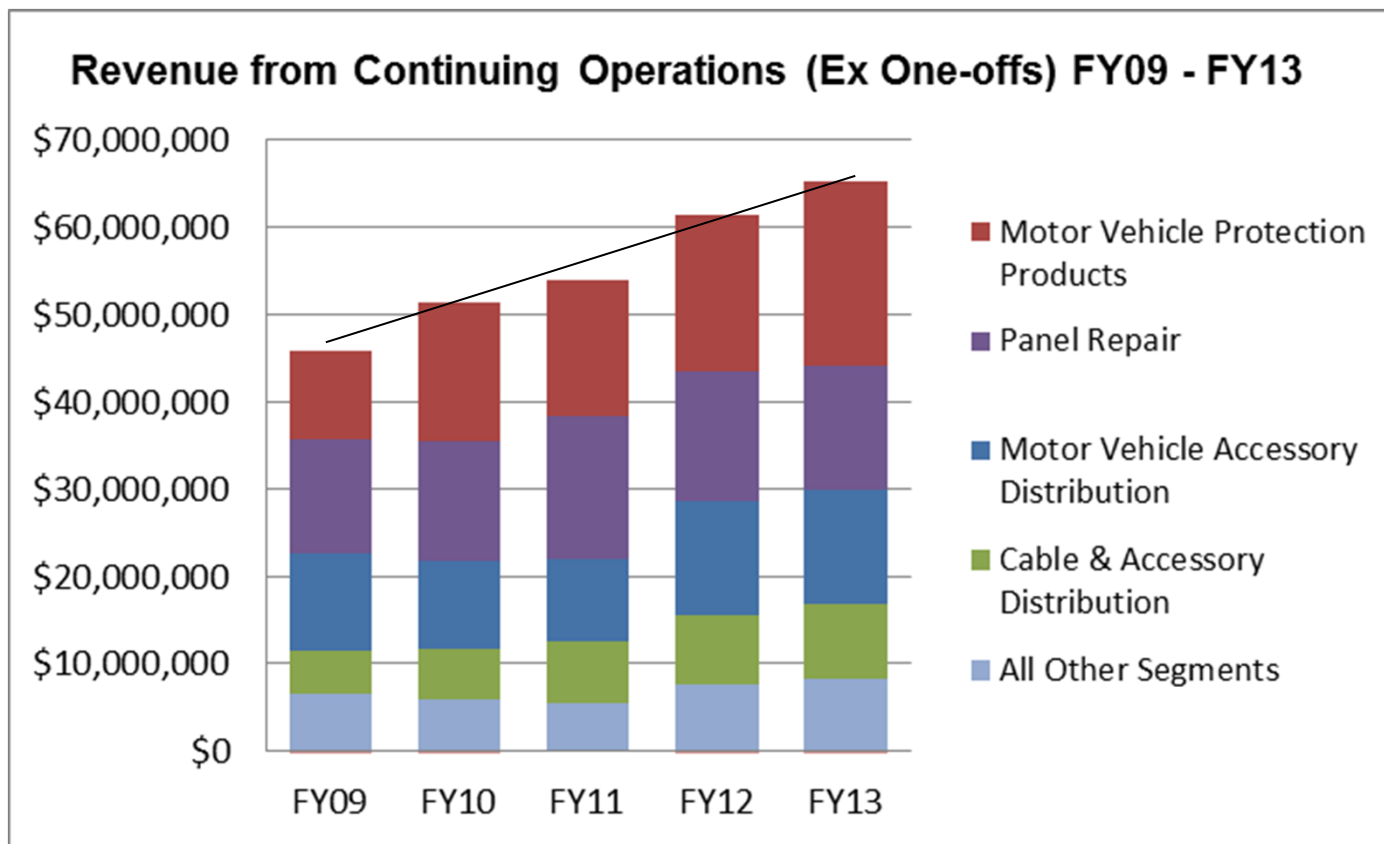
AMA Group



Reporting segment	Vehicle protection products	Vehicle protection products	Panel repair	Vehicle accessory distribution	Cable & accessory distribution	Vehicle transmission repair	Other
Market focus	<ul style="list-style-type: none"> SUV and 4WD vehicles 	<ul style="list-style-type: none"> Medium commercial vehicles 	<ul style="list-style-type: none"> Prestige vehicles Broader market 	<ul style="list-style-type: none"> SUV and 4WD vehicles 	<ul style="list-style-type: none"> Vehicle auto-electrical, caravan & boat 	<ul style="list-style-type: none"> All road vehicles 	<ul style="list-style-type: none"> Off the road and sports brakes sales and repair
Client focus	<ul style="list-style-type: none"> Wholesale distributors 	<ul style="list-style-type: none"> Wholesale distributors 	<ul style="list-style-type: none"> Major insurance companies, OEM, fleet, private clients 	<ul style="list-style-type: none"> Auto electrical, fleet buyers, mining operations 	<ul style="list-style-type: none"> OEMs, mass-market retail chains 	<ul style="list-style-type: none"> Major vehicle manufacturers 	<ul style="list-style-type: none"> Specialist fleets, private after-market
Geographic spread	<ul style="list-style-type: none"> Qld based, national & international market 	<ul style="list-style-type: none"> Qld based, national 	<ul style="list-style-type: none"> South-east Melbourne 	<ul style="list-style-type: none"> Western Australia 	<ul style="list-style-type: none"> Qld based with national & international distribution 	<ul style="list-style-type: none"> Melbourne based, national distribution 	<ul style="list-style-type: none"> Western Australia
FY13 Revenue	<ul style="list-style-type: none"> \$21.09m 	<ul style="list-style-type: none"> \$11.69m 	<ul style="list-style-type: none"> \$14.33m 	<ul style="list-style-type: none"> \$13.01m 	<ul style="list-style-type: none"> \$8.476m 	<ul style="list-style-type: none"> \$5.58m 	<ul style="list-style-type: none"> \$2.81m

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Continued Organic Growth



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Financial Summary

	FY09	FY10	FY11	FY12	FY13
Revenue (\$million)	44.95	51.34	53.93	60.79 ⁽¹⁾	64.91
EBIT (\$million)	(6.72)	8.15	8.16	8.92 ⁽²⁾	9.21
Operating Cash Flow (\$million)	(3.09)	6.86	6.45	7.93	10.99
Dividends (cents per share)	0	0	1.0	1.6	1.6
Net Debt (\$ million)	27.25	21.97	15.17	15.53	(8.24)

(1) From continuing operations

(2) Normalised to remove legal recovery from EBIT



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2013 Highlights

Date (2013)	Event
January	Successful Capital Raising - \$14.5m net proceeds @ \$0.35 per share
August	Entire Bank Debt extinguished Restrictive Bank Covenants removed
October	First Major Acquisition Announced

Custom Alloy Acquisition - Headline Information

- Main business is Alloy bullbar manufacturing specifically for the medium commercial vehicle market
- Located in Queensland, within 15km of ECB
- Has demonstrated strong growth in recent years
 - Revenue was c\$11.69 million in FY13
 - EBIT was c\$1.42 million in FY13
- Acquired at an EBIT multiple of 3.4x for cash of \$4.9 million plus Inventory (capped at \$1.0 million)



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Custom Alloy Acquisition

Improved market positioning for AMA in the Motor Vehicle Protection Products Segment

- The total Vehicle Frontal Protection Bar market is made up of, Steel Bullbars and Nudge Bars, Aluminium Bullbars and Nudge Bars and Plastic/Poly Bullbars.
- Aluminium Bullbars only – represent approx. 35%-40% of total Vehicle Frontal Protection Bars sold in Australia.
- ECB
 - Primarily services the SUV, Light Commercial and Passenger Vehicle markets
 - Currently supplies approx. 35% of the total Alloy Bullbar market and approx 20% of the Alloy Nudge Bar market
- Custom Alloy
 - Primarily services the Medium and Heavy Commercial Vehicle segments
 - Currently supplies approx. 15% of the total Alloy Bullbar market
- In summary the combined companies would supply approximately;
 - 50% of the Aluminium Bullbar market.
 - 20%-22% of the overall Frontal Protection Bar market.



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Custom Alloy Acquisition

The Acquisition will improve AMA earnings through:-

- Significant improvement in:
 - Business Leadership
 - Financial Management
 - Internal Control Systems
 - Production Productivity
 - Inventory Management
- Maximisation of purchasing & sub-contract services synergies with our ECB business.
- Business focus of ECB and CA
 - allow each business to focus on their own target market sectors
 - eliminate duplication of products for the same vehicle
 - eliminate competing market offerings
- Efficiency gains in R&D through maximisation of knowledge-sharing and capacity utilisation.
- Increase potential customers for CA and ECB through cross-pollination.
- Leverage marketing synergies.
- Increase customer satisfaction through RFT (Right First Time) and DIFOT (Delivered In-Full & On-Time) management and “the best job possible” mentality.



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AMA – FY2014 Outlook

- Commitment to paying and growing dividends
- Continued focus on delivering organic growth across all business units
- Integration of Custom Alloy acquisition
- Further earnings accretive acquisitions will be considered when the time is right



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Thank you

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