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Managing Specialist Automotive Aftercare and Ancillary Companies

ACQUISITION OF GEMINI ACCIDENT REPAIR CENTRES

Gemini – Australia's largest accident repair group

- **Gemini Accident Repair Centres Pty Ltd ("Gemini") has 40 panel repair centres across Australia and 1 in New Zealand, with group revenue of \$150 million in FY15**
- **Combined with AMA's presence, the group has a strong national footprint of 70 centres – in Victoria, Qld, ACT, NSW and WA and 1 in NZ**
- **AMA further improves its position to reap the benefits of consolidation in the fragmented panel repair market**
- **Gemini is highly complementary to AMA, blending skills and capabilities to add value to the combined group**
 - Significant cost savings and synergies expected through integration process
- **Deal consideration has financial performance hurdle – minimum annual Gemini EBITDA contribution for next 3½ years – maximum EBITDA multiple payable is 7.5x**
 - Maximum consideration of \$100m
 - Structured to protect AMA's balance sheet and will recognise performance delivery by Gemini
 - See slide 4 for further breakdown of consideration details
- **AMA's management team will be further strengthened through this transaction**
 - Gemini Executive Chairman, Andrew Hopkins, to join the AMA Board and become CEO of AMA's Panel Repair division

Gemini is one of Australia's leading panel repair groups

- Gemini was founded in 2009 in Perth by Andrew Hopkins
- Group operations now include:
 - 40 panel repair centres across Australia
 - 1 panel repair centre in Auckland, New Zealand
 - 1 mechanical repair centre specialising in fleet maintenance and collision mechanical repairs
- Panel repair operations spread across Australia and NZ
 - 2 centres in ACT
 - 5 centres in NSW
 - 18 centres in Queensland
 - 7 centres in Victoria
 - 8 centres in WA
 - 1 centre in Auckland
- Strong relationships with insurers and auto manufacturers
- Employs more than 750 staff
- Group revenue for FY15 was \$150 million



Highly complementary skills and capabilities with significant cost-savings and synergies

- Gemini's sophisticated centralised control systems together with AMA's operations management platform and the combined group procurement capabilities are expected to generate significant benefits

Gemini brings further management expertise and innovation within the sector

- Andrew Hopkins, Executive Chairman of the Gemini Group, brings further management expertise to AMA
- The success of his group is illustrative of his experience in the sector and his ability to continually innovate
- Andrew and his team have become the major independent consolidator in the country

Strong national footprint and customer relationships

- National coverage with little overlap between the two groups
- Broaden relationships with insurance companies



Transaction structured to protect AMA's balance sheet and recognise performance delivery

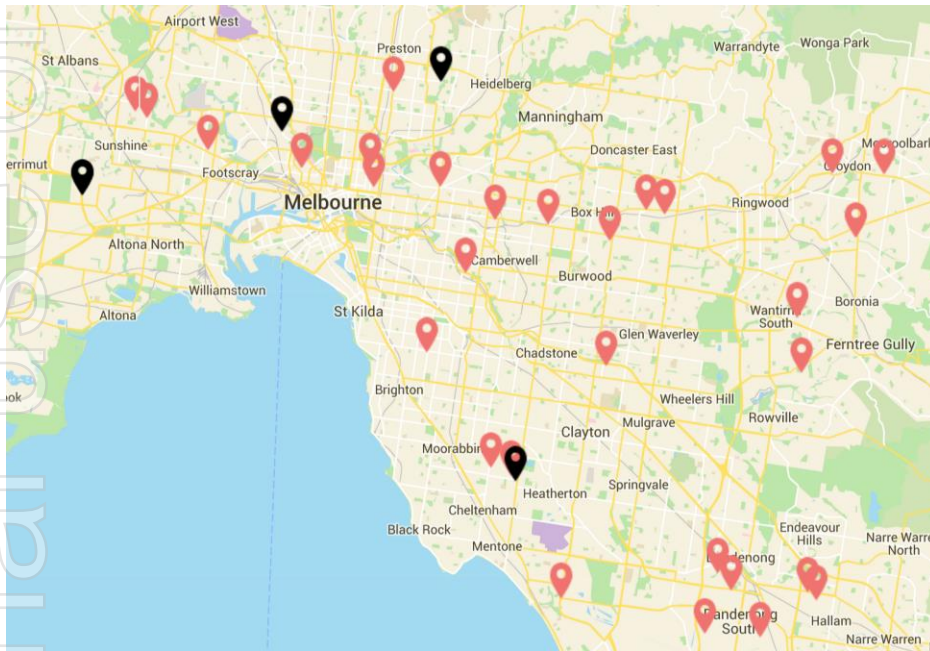
- Maximum consideration of \$100 million which would equate to an EBITDA multiple of 7.5 times but subject to Gemini achieving minimum EBITDA performance hurdle
- Upfront cash consideration of \$27-28m (\$35m less Gemini's working capital) funded from existing cash resources
- Two tranches of shares with an issue price of 60 cents per share – each escrowed for 3.5 years:
 - \$35 million of AMA ordinary shares- dividends paid during escrow period
 - \$15 million of AMA restricted class B shares – nil dividends during escrow period
 - \$15 million of cash payable at end of escrow period
 - The shares and the \$15m cash payment are subject to downward adjustment on a proportional basis if the financial performance hurdle is not met

Transformational deal- AMA cementing its leading position in Australian panel repair market

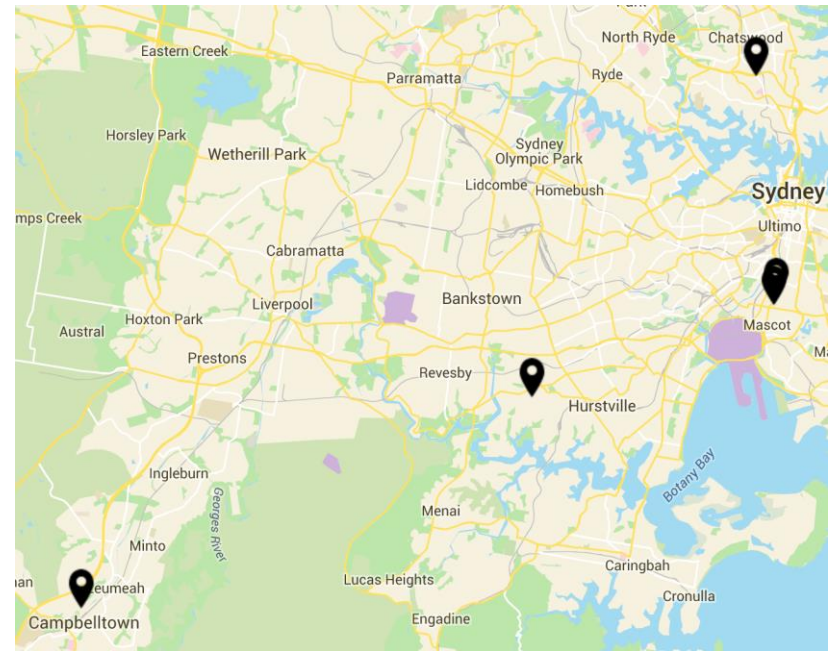
- Gemini transaction has significant strategic value to AMA in re-shaping the accident repair landscape
 - Combined group is leading operator with annualised revenue of more than \$250 million however over \$5 billion market remains highly fragmented and ripe for further consolidation
- Highly complementary businesses with ability to deliver significant benefits across combined group
- AMA and Gemini have strong track records of integrating businesses
- Large and growing national footprint with deep relationships across industry value chain
- AMA is well positioned to continue to take advantage of attractive acquisitions and growth opportunities across the group
 - Advanced discussions with major Australian bank regarding increased debt facility
 - Proceeds of recent \$45 million capital raising
 - Very strong operating cashflows

Appendix: National footprint

Melbourne



Sydney



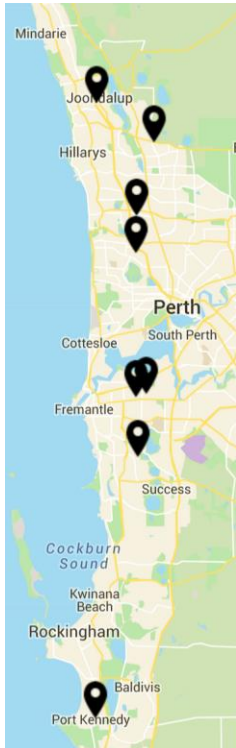
AMA repair centre



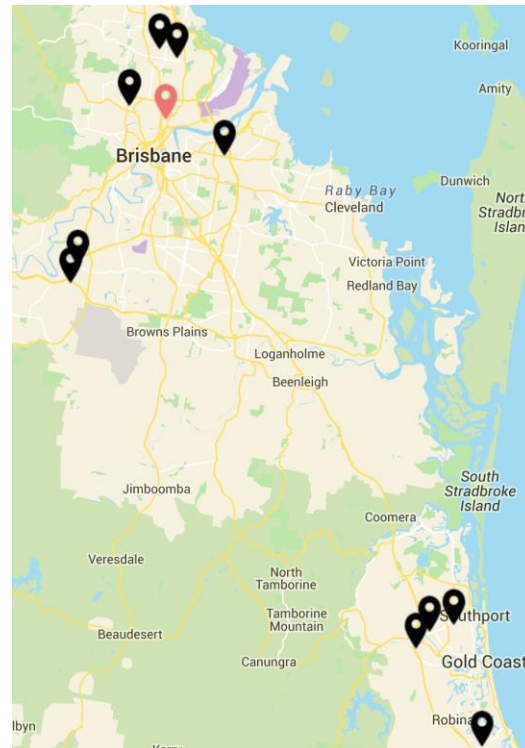
Gemini repair centre

Appendix: National footprint (continued)

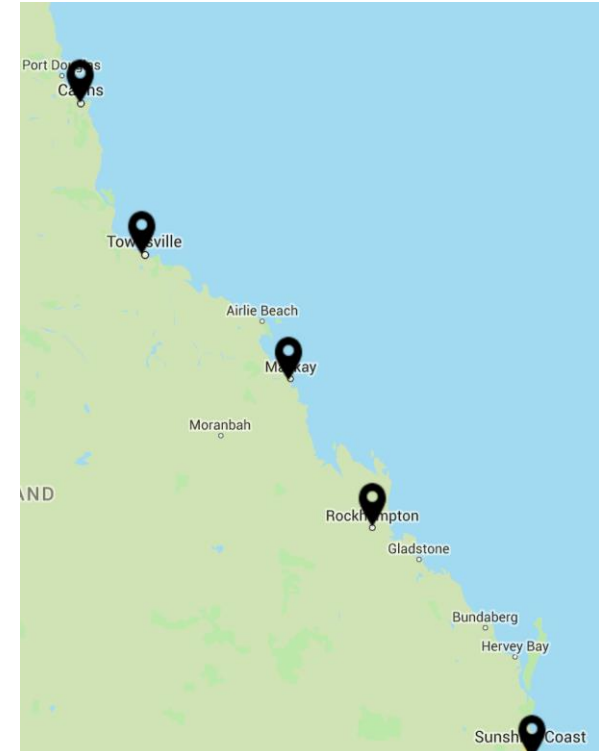
Perth



SE Queensland



Regional Queensland



AMA repair centre



Gemini repair centre