

**Chairman's Address to Shareholders
2018 Annual General Meeting
11.00am Thursday 22nd November 2018**

**Held at Computershare Conference Centre
Yarra Falls, 452 Johnston Street, Abbotsford Victoria 3067**

Good morning, ladies and gentlemen, and welcome to the AMA Group Limited 2018 Annual General Meeting.

Year in Review

Another extremely busy and productive Year for the group. The Company continued its rapid growth adding 29 panel repair sites and completing the on-market acquisition of ASG Limited culminating in year over year reported revenue growth of 33% and normalised EBITDA growth of 27%.

These results were achieved while the Company was being embraced by leading global private equity investor, The Blackstone Group, whose ambitions to acquire our vehicle panel repair business for circa \$530 million were thwarted by the Australian Tax Office's decision in June to reverse a number of years of practice and deny our shareholders rollover relief in relation to the separation of our businesses.

Your Board and Management then set about plotting the course for the Company for the next five years and to that end we have made some significant changes and additions to our Board and Management Team while also welcoming a number of new major investors, Australian Super, Myer Family Investments and Colinton Capital Partners whilst taking all overhang out of the register.

2018 Financial Result

The Board and Management have spent the last twelve months focussed on the growth opportunities for our Vehicle Panel Repair business and our Automotive Components and Accessories Division ("ACAD").

Your Company has been at the forefront of the consolidation of the Australasian Vehicle Panel Repair industry and we have taken advantage of the significant opportunities for strategic and accretive acquisitions in this industry segment as well as the roll-out of "greenfield" sites for our insurance partners. We currently have a network of approximately 120 sites and over the 15 months ending in September 2018 we added 33 panel sites. The ACAD business completed the acquisition of ASG Limited and has now successfully integrated its various businesses into ACAD's four operating divisions.

These activities have significantly impacted on our reported results. Normalised EBITDA was \$52.1 million (a rise of 27% over the previous year) with the increase driven by both organic growth and acquisitions. This growth also resulted in normalised EPS increasing by 15.7% to 4.59 cents per share. With an eye to the future growth capital needs of the business, the Directors maintained the Final Dividend at 2.0 cents per share fully franked; which was paid on November 13, 2018.

Importantly, the financial position of the Group is strong with:

- a leverage ratio of 1.52x LTM Normalised EBITDA as at 30 June 2018 (including all forms of debt including deferred income, bank debt and deferred vendor consideration),
- an expanded \$100 million credit facility with the National Australia Bank, and
- a 10 million share placement to the new major investors (pending shareholder approval today).

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This robust capital position will allow the Group to take advantage of the large number of attractive acquisition and greenfield expansion opportunities currently before it as well as allow the Company to grow its exciting new consumables procurement business.

I would like to thank both my fellow Board members and the members of the management teams of both the Vehicle Panel Repair and ACAD businesses for their exceptional efforts over the last year. Their dedication to the task at hand during a period of high distraction with the potential Blackstone transaction was truly outstanding. In particular, I would like to thank Andy Hopkins and Ray Smith-Roberts for the strong leadership of their respective business groups and for the advice and support they have given me over the last twelve months.

Organisational Changes

Over the past month, the Group has announced some significant changes to both our Board of Directors and Management Team. These changes are the product of a significant amount of thought about the future of the business and what needs to be done by the Company to position itself to maximise the opportunities currently before it.

At the Board of Directors level, we have decided to transition Board roles and composition to those more reflective of the ASX200 component sized company we want to become over the next three years. After a number of years leading the Group, I will be transitioning over the next nine months to a non-executive director role. I will be actively involved in the business before and after the transition, especially the new consumables procurement business where I strongly believe that I will be able to create significant value for all shareholders. A new Chairman will be announced in due course.

Two new appointments to the Board have been made with each appointee bringing a certain set of skills and experience that we feel will assist the Group to realise the opportunities before it and minimise the risks of so doing.

Anthony Day has accepted our invitation to join the Board effective post completion of the AGM. Mr Day is an extremely experienced insurance company senior executive whose most recent role was as the Managing Director of Suncorp Group's Insurance Operations. Mr Day will bring to the Board strong business judgement and an intimate understanding of our key customers, Australasia's auto insurance companies. He is here today and we welcome him to the Board.

Subject to the passage of certain of today's meeting shareholder resolutions, Simon Moore has accepted our invitation to join the Board effective post completion of the AGM and act as Deputy Chairman. Mr Moore is an experienced private equity investor with significant public company board experience. Mr Moore will bring to the Board strong corporate finance skills and significant amounts of experience working closely with senior executives assisting them with the development and execution of their business plans. He is here today and we welcome him to the Board, all going well with the soon to be held vote.

At the Management Team level, as part of my transition from the role of Executive Chairman and Group Chief Executive Officer, Andy Hopkins will be assuming the role of Group Chief Executive Officer as of the close of the AGM. Mr Hopkins has truly been my business partner for the last three years and has done an exceptional job growing the Vehicle Panel Repair business over that time.

The Group has also appointed a new Chief Financial Officer, Steven Becker, to replace Ashley Killick who has retired after four years of exceptional service to the Group. Mr Becker joins the Group from Affinity Education Group where he has been Chief Financial Officer for the last two years prior to which he had been the Chief Financial Officer of Mantra Group for six years. During his time at Mantra Group, the Company went public and grew both organically and by acquisition to become an ASX200 component. Steven's skills and experience will be a welcome addition to the Group as we seek to go on a similar journey.

Finally, I would like to thank Hugh Robertson for his valuable service on the Board over the last three years.

Closing Comments

As I noted at last year's AGM, the strategic position the Group finds itself in is quite extraordinary.

We are blessed with both large acquisition's and greenfield site rollout pipelines at a time when our Insurer business partner relationships have never been stronger. The Insurers are looking for high quality service provider partners on national and state-wide bases and we are increasing our industry leadership in terms of quality and reach almost every day. In addition, our ACAD business is growing and there are numerous consumables procurement business opportunities in advanced discussions.

Finally, the organisational changes put in place the structure and capability we need to realise our goal of becoming an ASX200 component over the next three years. I am proud of what we have achieved over the last five years and excited for the next five years.

Thank You

Ends.

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