



# 1H FY2025 RESULTS PRESENTATION

RPM AUTOMOTIVE GROUP LTD  
(ASX: RPM)

26 FEBRUARY 2025

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# AGENDA

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# ABOUT RPM

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# ABOUT RPM - FOUR COMPLEMENTARY DIVISIONS



## REPAIRS & ROADSIDE

Commercial Tyre and auto service centres

Retail

Retail sales, wheel and tyre repairs, and roadside assist to commercial vehicles nationwide

Services both commercial & industrial (including fleet) and consumer customers

32% of 1H FY25 revenue



## MOTORSPORT

Certified race safety wear, suits and helmets

Retail

The sole FIA-approved racewear manufacturer in Australia under the RPM Racewear brand

Exclusive distributor of Alpinestars, Hans Devices, Cobra Seats and Bell Motorsport Helmets

7% of 1H FY25 revenue



## PERFORMANCE & ACCESSORIES

Bolt on vehicle parts and accessories

Retail & Wholesale

Well-known "best-in-class" accessory brands

Distributed through a nationwide group of auto repair shops

Several fleet contracts in place

21% of 1H FY25 revenue



## WHEELS & TYRES

Distribution of wheels and tyres

Wholesale

13 exclusive, in-house brands offered across all three tyre categories (commercial, industrial and passenger)

Exclusive supply chain of quality wheels & tyres at value prices

40% of 1H FY25 revenue

# NATIONAL COVERAGE IN THE AUTOMOTIVE INDUSTRY

## In brief

RPM business units offer wheels, tyres, accessories and apparel to both wholesale and retail (B2B commercial, industrial and consumer) customers

## Successful record of integration

12 strategic acquisitions since Sept 2020 - leveraging operational capability (shared services) - freeing up customer facing personnel to best serve our customer

## Scale drives operational leverage

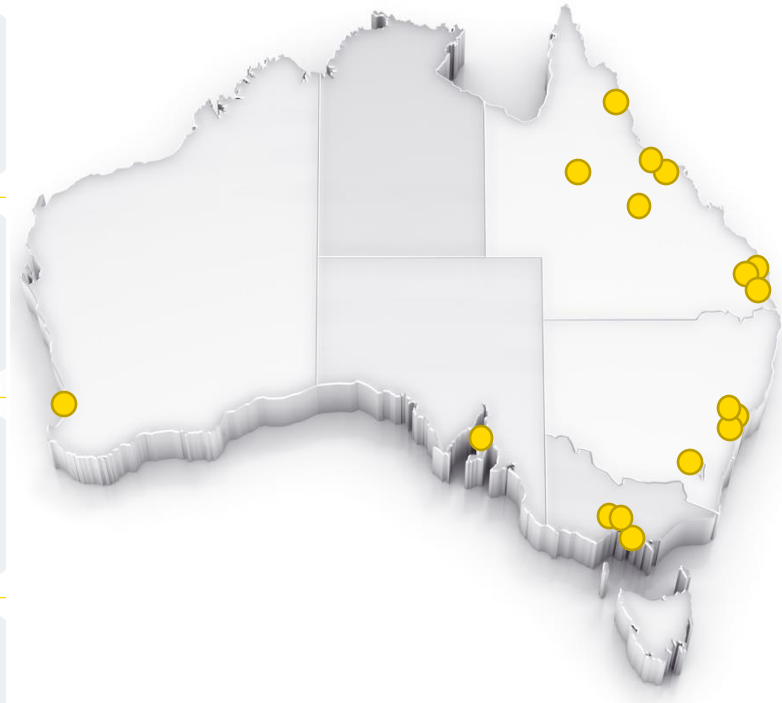
Increasing economies of scale and margins through cross-selling expanded product ranges to different customer groups

## Leveraging capability and footprint

Adding new products, services and customers to our uniquely independent national footprint

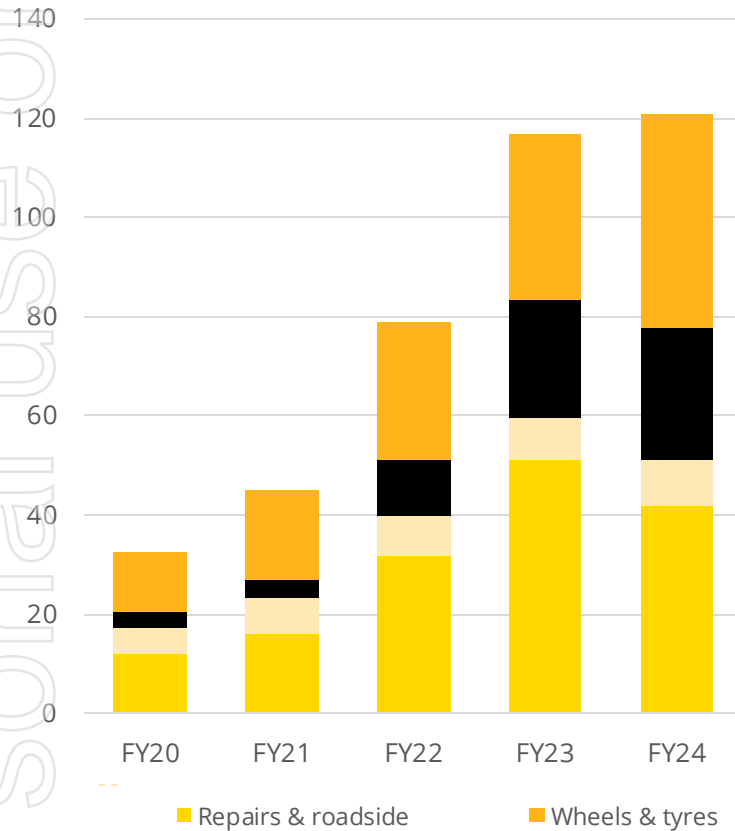
## Substantial market opportunity

Highly fragmented industry ripe for consolidation...demand for services outstrips supply in retail

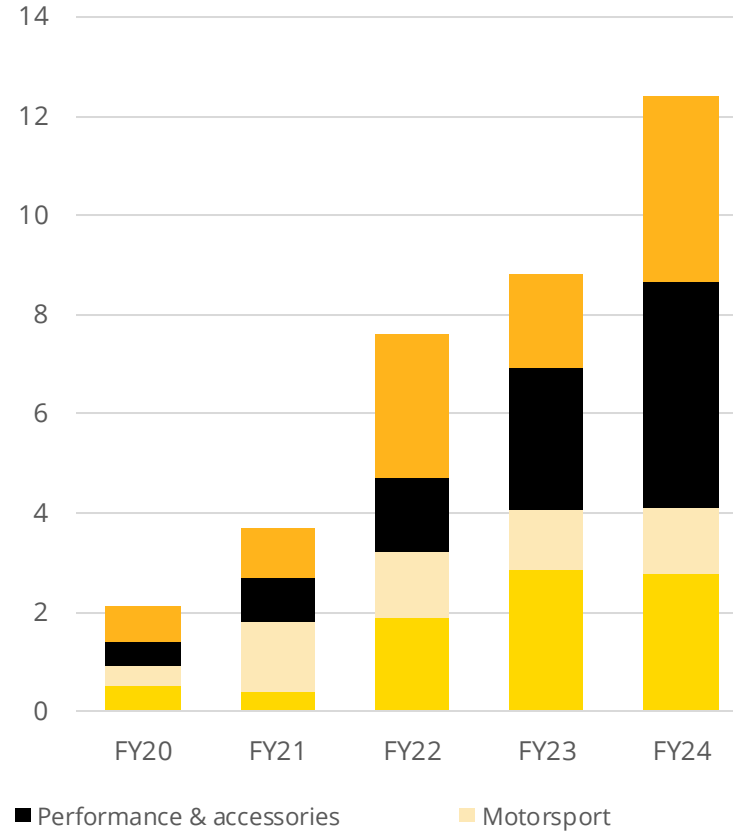


# TRACK RECORD OF REVENUE AND EARNINGS GROWTH

Sales Revenue  
(by division) (\$m)



Underlying EBITDA  
(by division) (\$m)



## FY24 Key Highlights

- EPS\* up 127.4% pcp
- NPAT up 275% pcp
- Gross Margin up 250bp
- EBITDA up 41.2% pcp

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# KEY FINANCIAL DRIVERS

## 1H FY25

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# 1H FY25 KEY FINANCIAL DRIVERS

## REVENUE

1H FY25 Group Revenue increased +6% to \$60 million

## GROSS MARGIN

1H FY25 Group Gross Margin to \$21 million up 5% on 1H FY24

## OPERATING COSTS

Operational Costs \$16 million, up 10% on 1H FY24

## EBITDA

1H FY25 Group EBITDA+ \$4.8 million, 10% down on 1H FY24

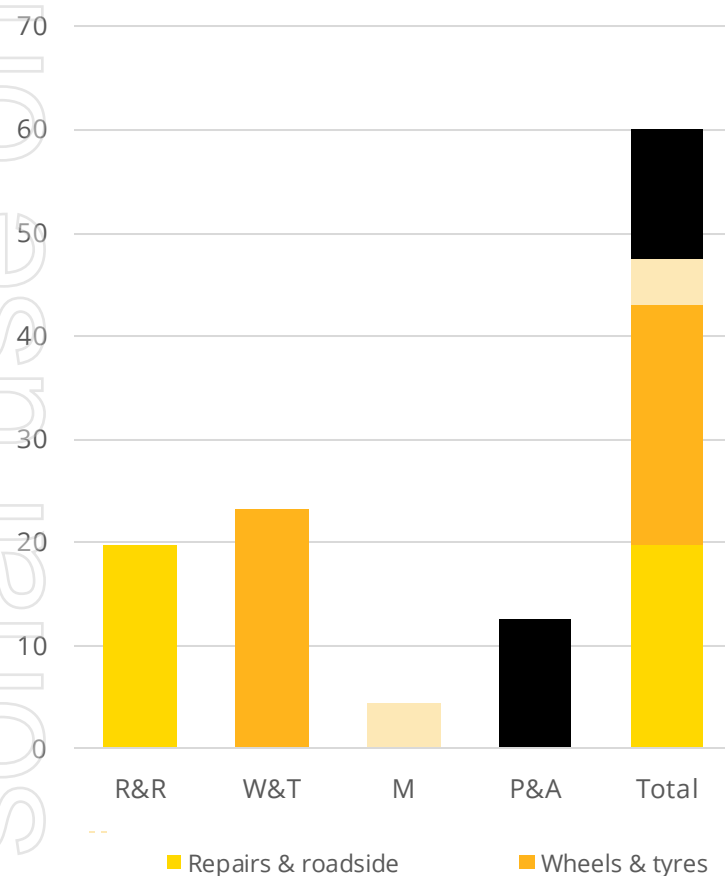
## CASH FLOW

1H FY25 Net Cash Flow \$1.5 million, (1H FY24 -\$0.4 million)

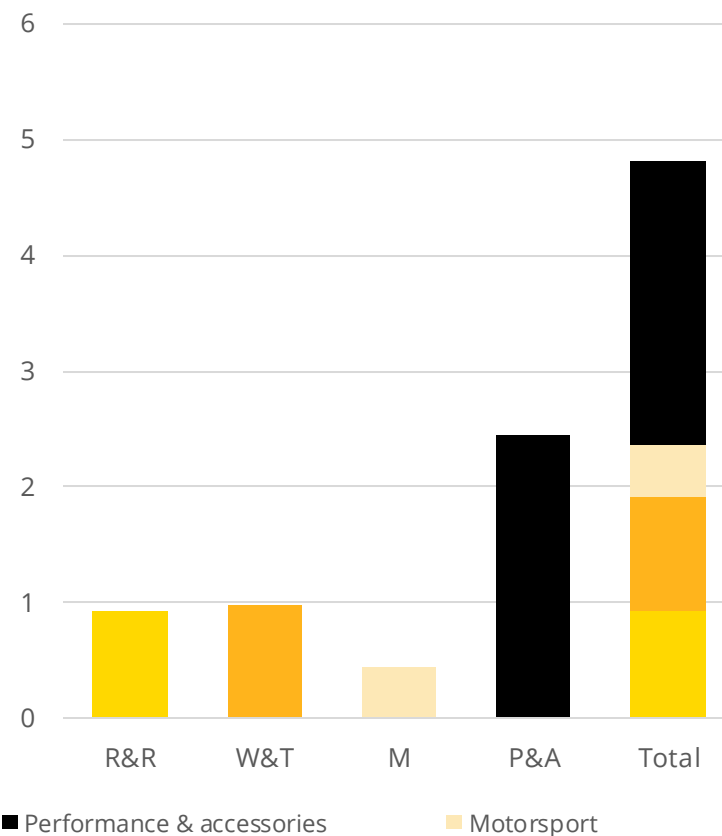


# DIVERSIFIED REVENUE AND EARNINGS

H1 FY25 Sales Revenue  
(by division) (\$m)



H1 FY25 EBITDA  
(by division) (\$m)

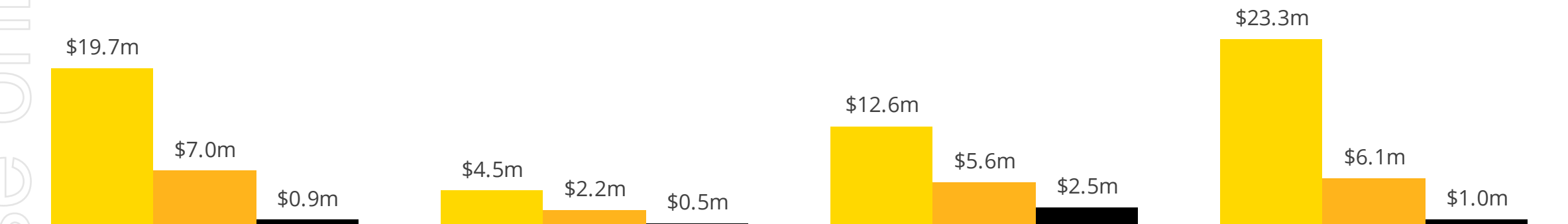


H1 FY25 EBITDA Calculation	(\$m)
<b>NPAT</b>	(1.2)
Add back:	
Income Tax Expense	0.5
Interest & Finance Fees	1.1
Depreciation & Amortisation	2.0
Discontinued Operations	2.5
<b>EBITDA+</b>	<b>4.8</b>

# 1H FY25 DIVERSIFIED REVENUE STREAMS

1H FY25 Revenue, GP Margin & EBITDA (by division)

■ Revenue ■ Gross Profit ■ EBITDA



## REPAIRS & ROADSIDE



### Retail

- Focus on optimisation and business rationalisation
- Sales down 5%
- Gross profit margin of 35%
- EBITDA margin of 5%

## MOTORSPORT



### Retail

- Improved product range and expanded footprint
- Sales flat
- Gross profit margin of 49%
- EBITDA margin of 10%

## PERFORMANCE & ACCESSORIES



### Retail & Wholesale

- Focus on optimisation and business rationalisation
- Sales down 2%
- Gross profit margin of 45%
- EBITDA margin of 20%

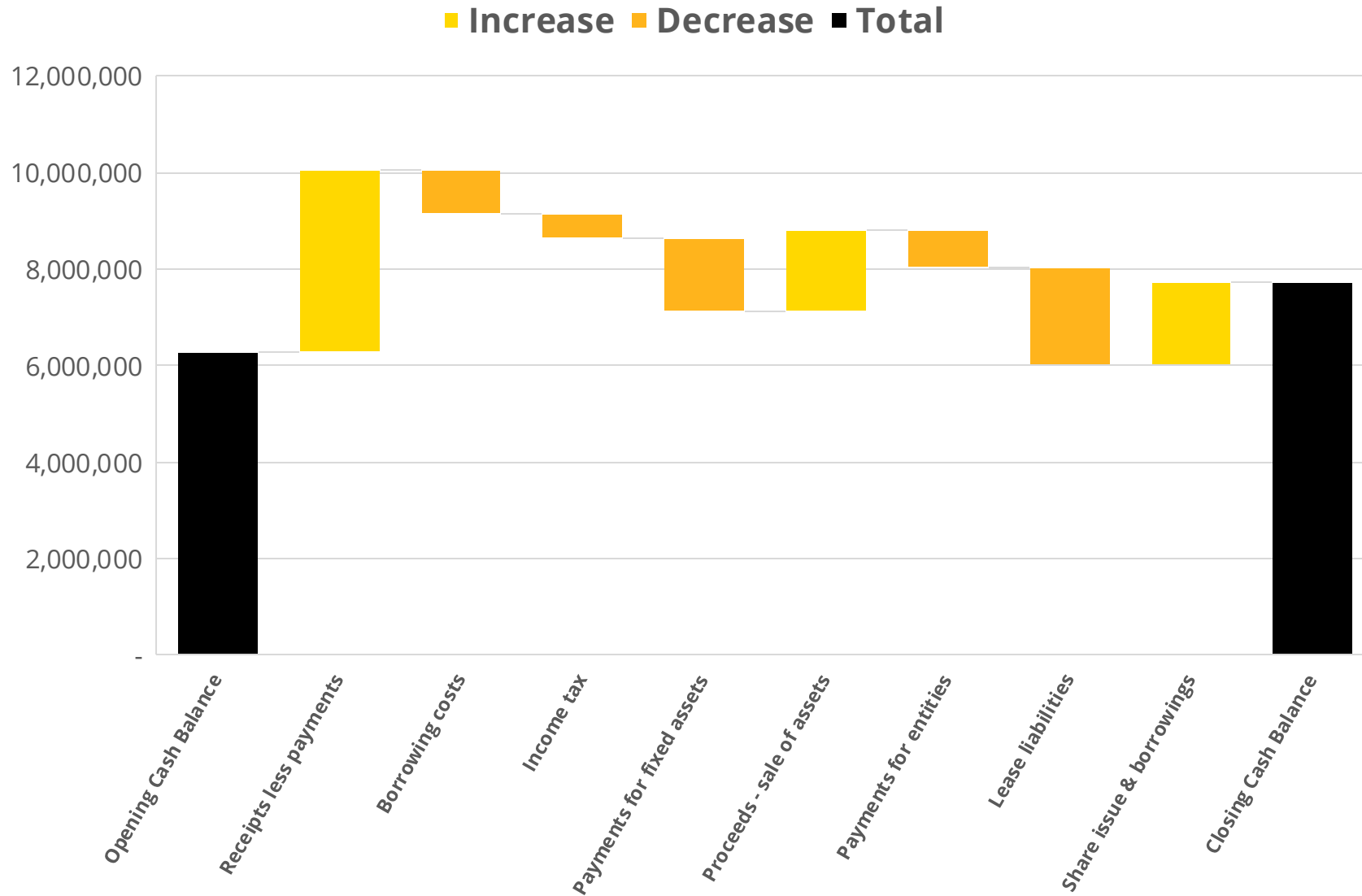
## WHEELS & TYRES



### Wholesale

- Focus on Tyre Recycling plant set up and procurement
- Sales Growth of 24%
- Gross profit margin of 26%
- EBITDA margin of 4%

# 1H FY2025 Cash Flow Waterfall Diagram



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# FINANCIAL REVIEW

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# 1H FY2025 RESULTS HIGHLIGHTS

## 1H FY25 Key Highlights

- Revenue growth of 6% in line with expectations and better than auto market conditions
- Gross margin up 5% as a result of improved procurement and scaled network
- Operating costs up reflecting increases across all metrics – focus for H2
- Divestment of non-core under-performing asset – strategic imperative
- Financing activities reflected complete repayment of convertible note
- Continued focus on Working capital management with focus on collections and reducing debt

1H FY25 Summary	FY25	FY24	Change
Revenue	60.0m	56.9m	Up 6%
Gross Profit \$	20.9m	19.9m	Up 5%
Gross Profit %	35%	35%	Flat
OPEX*	16.0m	14.6m	Up 10%
EBITDA+	4.8m	5.4m	Down 10%
Sale of Assets	(2.5m)	(0.1m)	
NPAT**	(1.2m)	2.1m	Down 3.3m
Cash Balance	7.7m	4.0m	Up 3.7m
Total Equity	54.8m	48.5m	Up 13%
Inventory	24.8m	28m	Down 12%
Underlying EPS	0.49cps	1.13cps	Down 56%

\* - Includes costs associated with future revenue streams

\*\* - Includes impairment from sale of Assets (\$2.5m)

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# OUTLOOK

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# OUTLOOK

## TRADING

- Continued growth in H2 with new revenue streams
- Both group revenue and EBITDA to improve in 2H FY25

## PRODUCT EXPANSION

- Continuing product expansion in our retail divisions and to better service our customers

## GEOGRAPHIC

- Growth in wholesale division from expansion in VIC and organic growth in NSW & QLD

## OPERATIONS

- Focus on controlling operating expenses, inventory management and exceptional customer service

## TYRE RECYCLING PROJECT

- Implementation of our Tyre Recycling Strategy in FY25
- ROI to begin in 2H FY25



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# APPENDIX

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# THREE CORE STRATEGIES TO BETTER SERVICE OUR CUSTOMERS



## Strategic initiatives

- Identify complementary businesses to unlock synergies through cross selling and leveraging existing infrastructure
- Geographic expansion across Australia – both retail and wholesale
- Leverage existing wholesale platform by implementing tyre recycling strategy



## Vertical integration

- Capitalise on in house design capability to bring new products to market
- Capitalise on existing supply chain capability
- Use network footprint to distribute planned products
- Premium products at value prices has appeal to both consumers and commercial users



## Operating leverage

- Consolidate brands to maximise brand awareness at the state and national level
- In-fill existing network with products
- Invest in systems and analytics to drive cross selling
- Use economies scale to deliver improved margin

# EXPERIENCED BOARD OF DIRECTORS & EXECUTIVES



**LAWRENCE JAFFE**  
NON-EXECUTIVE CHAIRMAN

Co-founder of RPM

Previously CEO and Managing Director of RPM Australasia until 2015 and stepped down when the company sold off its largest division. He remained on as Non-Executive Chairman until the company listed on the ASX.

Strong financial background in private equity, mergers and acquisitions.

A significant shareholder in RPM



**GRANT CARMAN**  
NON-EXECUTIVE DIRECTOR

Chartered accountant with over 30 years of experience in corporate finance and the Australian Capital Markets

Held senior executive positions for and acted as a corporate adviser to a large number of Australian and international companies in the financial services, automotive, pharmaceuticals, wholesale distribution, manufacturing, services, resources, technology, and telecommunications sectors



**CLIVE FINKELSTEIN**  
CEO/MANAGING DIRECTOR

Co-founder of RPM

Over 20 years' experience in the automotive sector, having built, managed and sold companies including a parts and accessories manufacturer and wholesaler and a 4WD franchise group

Automotive experience spans international markets, manufacturing, development, wholesale, retail and franchising

A significant shareholder in RPM



**REBECCA PAYNE**  
CHIEF FINANCIAL OFFICER

Rebecca is a qualified chartered accountant with over 20 years' experience in Senior Financial Advisory positions, having worked in multiple industries including the automotive sector and joins RPM from a very respected multi-national Truck Manufacturer.

Rebecca has extensive experience in the auto industry and has managed large teams in multi-entity organisations.

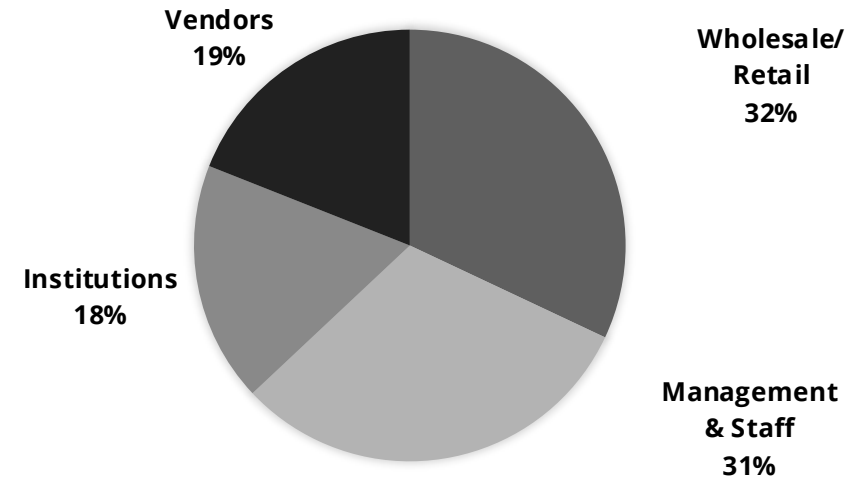
# CORPORATE SNAPSHOT

## CAPITAL STRUCTURE – 20 FEBRUARY 2025

Shares on Issue	270m
Options (Exp 08/25 @ \$0.10)	96m
Share Price	\$0.065
Market Capitalisation	\$18m



## REGISTER



## MAJOR SHAREHOLDERS

Clive Finkelstein (CEO)	~10%
Lawrence Jaffe (Non-Executive Chairman)	~10%
DMX Capital Partners	~9%
Henrock Pty Ltd	~4%
Briar Place Pty Ltd	~3%

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## Overview

This document is issued by RPM Automotive Group Limited ACN 002 527 906 RPM ("RPM Automotive" or "RPM") on 26 February 2025.

## Summary Information

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