

ASX Announcement

FINANCIAL YEAR JUNE 2019 TRADING UPDATE

RPM Automotive Group Ltd (ASX: RPM) (**RPMAG**) is pleased to announce a trading update for the RPM Group businesses acquired on 27 August 2019. The aggregated trading results (subject to final audit) of the RPM Group businesses are presented below, segmented as per the new operating units of RPMAG.

RPM GROUP BY SEGMENT					
	Tyres & Wheels	Repairs & Roadside	Performance & Accessories	Motorsport	Aggregated
	\$	\$	\$	\$	\$
Revenue	15,442,767	9,285,178	3,547,314	7,773,892	36,049,151
Gross Profit	4,370,407	2,081,907	1,989,347	3,619,100	12,060,761
Net Profit	1,276,324	561,935	414,130	852,271	3,104,660
EBITDA	1,414,614	622,052	440,769	1,018,149	3,495,584

Highlights of 2019 Current Trading Results:

- RPM Group revenue increased by 7.8% over FY 2018 aggregated revenue.
- RPM Group gross profit margin was 33.5% of revenue, which was consistent with prior years.
- The aggregate net profit (before tax) of the RPM Group increased by \$1,199,152 over FY 2018 aggregated net profit before tax.
- RPM Group EBITDA of \$3,495,584 (normalised) compared to our estimated FY 2019 EBITDA of \$3,166,218 reflecting a 10.4% increase over estimates.



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Looking ahead to Financial Year 2020, RPMAG intends actioning our plan to grow the business as summarised in our Prospectus:

- Organically growing the commercial vehicle tyre import and distribution business by increasing market share for the LongMarch, Tianli and Landsail Tyre Brands;
- Organically growing the Carline Automotive Licence Group both by increasing the number of stores ("Target 200") and by expanding and developing their product offerings;
- Further developing the sales channels and cross-sell opportunities between the various businesses; and
- Selectively acquiring automotive businesses that fit in with the Company's strategic objectives

RPM's balance sheet and cash position from the successful capital raise provides the strategic platform required for management to pursue these objectives.

For further information, please contact:

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THE RPM GROUP

About RPMAG: RPM Automotive Group Limited is a leading player in the Australian Automotive Aftermarket comprising a number of businesses involved in: importing, wholesaling and retailing of tyres, mechanical repairs, motorsport apparel and safety equipment, niche manufacturing and a roadside assistance service for the transport industry. RPMAG was founded in 2013 and owns brands, such as: RPM Racewear, Carline, Genie, Air Anywhere, Formula Off-Road and Fix-My-Truck.

Important Information and Disclaimer

This announcement may contain forward-looking statements, which include all matters that are not historical facts. Without limitation, indications of, and guidance on, future earnings and financial positions and performance are examples of forward-looking statements.

Forward-looking statements, including projections or guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including RPM). In particular, no representations, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based.



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