

22 February 2023

ASX announcement

Autosports Group reports 71% increase in net profit after tax to \$35.1 million

- Normalised net profit before tax¹ up 33% to \$52.0m
- Gross profit up 26% to \$220.6m
- Statutory net profit after tax up 71% to \$35.1m
- Interim dividend up 29% to 9 cents per share (fully franked)

Autosports Group Limited (ASX: ASG) today announced its financial results for the half-year ended 31 December 2022 ("H1 2023FY").

The Company reported statutory net profit of \$35.1 million, an increase of 71% on the prior corresponding period.

Normalised net profit before tax increased by 33% to \$52.0 million and gross profit increased 26.4% to \$220.6m.

Commenting on the result, Autosports Group CEO Nick Pagent said: "We have delivered this financial result from continued organic growth and accretive growth from our strategically aligned acquisitions.

"We continue to deliver growth which demonstrates the scale and diversity of our business.

"We recorded underlying growth of 15% in new vehicle revenue and new vehicle order bank grew 14% (net of cancellations) in H1 2023FY. Total used car revenue grew by 20% with organic revenue lifting by 11%.

"Like-for-like revenue in Service and Parts increased by 21% which continues to be higher margin.

"Meanwhile, our strategically aligned acquisitions contributed further revenue and earnings growth to the business. We acquired Auckland City BMW Limited during the period and Motorline BMW Group in February 2023, which complement our existing portfolio and provide approximately \$400 million in annualised revenue.

"Once again this demonstrates the continued success of the Group's disciplined acquisition strategy to enhance shareholder returns," he said.

Dividend and Capital Position

The Board declared an interim dividend of 9 cents per share, fully franked, up 29% on the prior corresponding period. The record date for the interim dividend is 17 May 2023 with payment scheduled for 31 May 2023.

Cash at hand as at 31 December 2022 was \$47 million with net debt of \$71 million backed by the Company's \$98 million property portfolio.

¹ Normalised PBT excludes AASB16 adjustments, acquisition and restructure costs and acquisition amortisation

Outlook – continued momentum in second half FY23

Mr Pagent said Autosports Group expected to continue its growth momentum into the second half.

“Our organic revenue will be boosted by cycling the full year impact of revenue from strategic acquisitions made over the last 12 months.

“New vehicle supply is expected to continue its gradual improvement through the second half of FY2023 and into the first half of FY2024.

“Our Service and Parts division is a higher margin business and should maintain underlying revenue growth rates in the range of 6 – 9%.

“The opening of the Ringwood BMW and Motorrad greenfield site will supplement organic growth through FY2024.

“The Group continues to maintain its operating leverage with increasing revenue. Meanwhile, our balance sheet supports further acquisitions and potential consolidation opportunities to further enhance our growth platform,” he said.

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This announcement was approved for release by the Board of Directors.