

AMA GROUP

SGX Announcement

29 November 2023

2023 Annual General Meeting Chair, CEO and COO Address

Attached is an announcement made by AMA Group Limited (ASX: AMA) (AMA Group) which is provided for the information of AMA Group Noteholders.

AMA Group has Notes listed on the Singapore Exchange.

ENDS.

Investors and Media:

Alexandra Holston, Director Investor Relations and Corporate Affairs

E: alexandra.holston@amagroupltd.com M: +61 418 312 837

AMA Group Limited

Level 13, 484 St Kilda Road, Melbourne VIC 3004 ABN 50 113 883 560
+61 3 7066 5022 info@amagroupltd.com amagroupltd.com

AMA GROUP

ASX Announcement

23 November 2023

2023 Annual General Meeting Chair, CEO and COO Address

In accordance with ASX Listing Rule 3.13.3, please see attached the addresses to shareholders to be delivered by Caroline Waldron, Chair, Carl Bizon, Group Chief Executive Officer, and Mathew Cooper, Group Chief Operating Officer at the 2023 AMA Group Limited (ASX: AMA) Annual General Meeting, being held as a hybrid in-person and virtual meeting today.

Also enclosed are the slides to be presented at today's meeting.

This announcement has been authorised by the Board of AMA Group Limited.

ENDS.

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Alexandra Holston, Director Investor Relations and Corporate Affairs

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Chair's Address

I would like to start my address by advising that after strong trading in the first quarter of financial year 2024 (which I will refer to as FY24), and October trading in line with expectations, we have tightened our FY24 guidance. We have increased the bottom of the range, and our updated guidance is \$89 - \$96 million normalised post-AASB 16 EBITDA, or \$42 – 49 million normalised pre-AASB 16 EBITDA, noting that we are heading into the seasonally weaker summer period and expect the quarterly results which will be released this coming January to reflect this seasonality.

This update in guidance follows a tough year ending 30 June 2023 (FY23). We were faced with external headwinds of industry wide labour constraints and related throughput challenges, combined with parts and wage inflation, while operating under largely fixed price repair contracts.

As a result, the Group reported an FY23 normalised post-AASB 16 EBITDA of \$65 million. While this represented a \$43 million increase on the prior year, with quarterly EBITDA improving throughout the period, it was short of our original FY23 guidance of \$70 to \$90 million – a big disappointment, both for us, and you, our shareholders, and the value of your company suffered.

The better news is that, as evidenced by our most recent quarterly trading update, the operating performance of our business has improved over the last six months. While our return to growth may not be linear, on balance it gives us greater confidence in our ability to deliver our FY24 guidance.

Our aim is to continue to build a customer-centric culture at all levels of the organisation to ensure AMA Group is the repairer of choice for our customers, through excellence in the delivery of service to vehicle owners.

In the immediate term we are committed to focusing on six key areas as we reposition the Group for growth and long-term success.

First, let me give you some detail on our three governance focus areas.

Our **first governance priority** when I took over as Chair was to build a fit for purpose Board, comprising people with the right mix of skills and experience, and to adopt a structured approach to Board refresh.

To this end, we recently announced the appointment of Kim Stewart-Smith to the Board from 1 December 2023. Kim will also take on the role of Audit Committee Chair from that date.

Today, we also announced the appointment of Brian Austin to the Board from 1 December 2023. Both Kim and Brian are experienced ASX directors and will complement the skillset of existing directors.

We are also undertaking a search for a new Non-Executive Director with collision repair, automotive parts (or similar) sector skills, with a particular focus on those who have built a customer-first culture in an organisation.

In addition, after five years on the Board, Simon Moore has advised his intention to retire from the AMA Group Board. We take this opportunity to thank Simon for his dedicated service to AMA Group during his tenure. To ensure an orderly transition and handover to Kim Stewart-Smith, he will leave the Board in February 2024, following delivery of the Group's 1H24 results and in order to continue supporting the current refinancing activities.

At this point, I would like to acknowledge our recently retired Board members Anthony Day and Paul Ruiz who after nearly five and three years respectively, retired from the Board on 1 September 2023. Both served AMA Group tirelessly and with uncompromising dedication, and for that we thank them.

Moving now to our **second governance priority** - the Board's commitment to creating better alignment between remuneration and shareholder interests. We have taken an important step forward in this regard by announcing an overall Non-Executive Director fee reduction and introducing a Minimum Shareholding Guideline for all Non-Executive Directors. The Board continues to progress the review of the management remuneration framework.

The Board's **third governance priority** is to ensure a smooth CEO transition.

The new CEO search is progressing to plan. We are at the final interview stage now and expect to land on a preferred candidate and finalise arrangements within the next few weeks. With a well-established management team in place, and guidance from the Board, we are confident the leadership and operational teams will continue to deliver solid results for the business during this process.

Next, let me address our three operational priorities.

First, the refinancing of our debt facilities, including providing a clear solution for the current \$50 million of convertible bonds which, while maturing in March 2027, have a cash redemption option for bondholders in March 2025. Today we have formally launched the process with a group of prospective lenders who have shown strong interest in the transaction, and we expect to be well progressed with the refinancing by the release of our half year results in February 2024.

Our **second operational priority** is to deliver on Project SHIFT. This involves operational initiatives including enabling a full spectrum of drivable repairs at the majority of Capital S.M.A.R.T locations, to improve efficiency and best meet our customers' needs in the long-term.

The **final operational priority** is optimising our business so that we can sustainably return to growth. This includes building on our solid foundations to ensure we are a customer-centric organisation at every level. As the largest collision repairer across the combined Australia and New Zealand market, AMA Group is uniquely positioned to optimise our business operations to deliver a consistently high-quality service to both our insurer customers and vehicle owners, so that we become the repairer of first choice. To do this in a sustainable way, we are driving revenue opportunities to enable us to invest in technology, and training and developing our team while continuing our disciplined approach to cost management and prioritising the safety of our team, who are critical to our success.

As we moved into the first quarter of FY24, we continued to progress the Group's strategy, with two things of note:

- First, we continue to tightly manage spending with a review of overhead costs expected to deliver approximately \$5.0 million in annualised savings by the end of FY24. These savings will be redeployed to expedite our growth initiatives.
- Second, as the car parc evolves, we are committed to investing in new technologies that enable us to repair the vehicles of the future. Today, we are pleased to announce the Group's first phase investment in fixed ADAS technology, to be delivered by AMA Group's dedicated ADAS solutions business, Tech Right ADAS Solutions (Tech Right). The technology will initially be installed in six sites across the AMA Group network with the intent to also service AMA Group's nearby repair facilities. Tech Right's business performance will be assessed over the coming months, at which point, further investment decisions will be made including the location of additional installations and capital to be deployed in relation to rolling out ADAS calibration technology further throughout the AMA Group network.

This address would not be complete without a mention of our \$55m equity raise in September. The raise comprised of a fully underwritten Institutional Placement and a fully underwritten accelerated non-renounceable entitlement offer.

In solidarity with our shareholders, and to demonstrate our belief in the AMA Group business going forward, the Non-Executive Directors all supported the raising. This participation is of course, subject to shareholder approval today.

The capital raising will facilitate the principal repayment of \$35 million of existing senior bank debt by 31 December 2023. It also provides liquidity and working capital, through the expected seasonal low trading of the summer months and supports the execution of refinancing of residual debt facilities through FY24.

While Carl will provide a more detailed update on FY23, I would like to personally thank Carl for taking the decision to step in as CEO during a time of need and wish him all the best as he retires from full time operational roles.

As I said upon taking up the role of Chair, our shareholders have been patient, and our team members resilient, as we have weathered the challenges of the last few years. I thank the approximately 3,300 team members, who are key to delivering for our customers, for their incredibly hard work during FY23. We now have the foundations in place to allow us to harness the exceptional talent within our business, to deliver meaningful value to our customers, team, and shareholders through operational excellence.

On behalf of the Board, I would like to thank our insurer and supplier partners and our customers for their ongoing support. Most importantly, thank you to you, our shareholders, for your support of the AMA Group.

We are ready for the next phase for AMA Group, and I look forward to working with the Board and management as we lead the business into the future.

With that, I will hand over to Carl Bizon, who will cover key achievements in FY23 in his final presentation to you as the Chief Executive Officer of the Group. This will be followed by a short trading update from Mathew Cooper, AMA Group's Chief Operating Officer.

Chief Executive Officer's Address

Thank you, Caroline. I would also like to welcome everyone who is joining us in-person and online for today's meeting, in what is my last AGM, and indeed, my last day as the AMA Group CEO.

First, a reflection on FY23:

- In the early months of FY23, we approached our insurer customers to discuss pricing on our contracts. This was fundamental to our viability as a business, although uncomfortable at the time. During this process, we moved away from unprofitable work across our AMA Collision portfolio. While this resulted in some short- to medium-term repair volume disruption, in recent months, some insurers who we had not been able to reach agreement previously have begun to re-engage with us, this time on better pricing terms. While many insurer contracts still do not have dynamic adjustment mechanisms to deal with external pressures such as inflation or increasing repair severity, we now have established relationships and a new cadence for engagement to continue to progress this work.
- We continue to focus on attracting, retaining, and training our people, with our Take the LEAD health, safety and environment program, frontline leaders training, and focus on I-CAR training, with 12 sites now I-CAR Gold accredited, and a focus on our market leading apprenticeship program, which closed the year with 373 apprentices across the network.
- Parts disintermediation is a core element of AMA Group's strategy, and during the year, ACM Parts moved from its warehouse in Arundel near the Gold Coast to Hemmant near Brisbane. This much larger facility will enable the ongoing execution of the parts supply strategy, by supporting increased breadth of inventory and improved geographical reach.
- The ACM Parts warehouse at Arundel was subsequently converted into an ACM Collision site, showcasing new branding and customer experience.
- The Group significantly progressed the new Heavy Motor site in South Australia. This site has now been completed and seen the relocation of the All Transport team into the new, Wales branded facility, and the team commenced operations at the new site during the first quarter of FY24

I would like to take a moment to reflect on what the AMA Group team has achieved in my tenure as the CEO:

- We have reset the base business
- established a new leadership team
- improved governance
- substantially improved safety across the business
- developed an industry-leading apprenticeship program
- substantially improved team member satisfaction and engagement
- restored profitability following the substantial impact of the COVID-19 era, with a more than \$40 million increase in normalised post-AASB-16 EBITDA from FY22 to FY23
- and turned the Group's focus to growth and innovation.

In closing, I would like to thank the Board, the AMA Group team who are at the heart of everything we do, our insurer, fleet and other partners, our end customers, and our shareholders for their ongoing support.

It has been a privilege to serve as the CEO of this business. It has been a challenging, but also rewarding experience. I am exceptionally proud of everything that has been achieved, and I look forward to seeing the company evolve into its next phase under new leadership.

I am now going to hand over to Mathew Cooper, the company's Chief Operating Officer, to provide an operational update for FY24.

Chief Operating Officer's Address

Thank you, Carl, and welcome everyone who is joining us in-person and online.

Caroline invited me to provide a brief operational update today, and I can confidently say that a lot has already been achieved this financial year with more planned in the fullness of the year. I'm pleased to share some of this with you today:

- The first quarter of FY24 was the fifth straight quarter of growth in post-AASB 16 EBITDA, and October traded to expectations.
- We know our team is at the centre of our success, and so we are continuing leadership training, to support retention and development of our operational leaders. We continue to focus on safety, through our Take the LEAD program and ended October with an LTIFR of 2.25.
- We are continuing to build our workforce. Labour supply has seen ongoing improvement, with a net increase in Group headcount of over 90 team members from 1 July to 17 November. Our apprentice program has grown to a total of 443 apprentices across our network at mid-November. Over 100 technicians from the Philippines have recently accepted employment offers and will arrive over the coming months. And of course, we continue onshore hiring of experienced technicians
- The Capital S.M.A.R.T team are firmly focused on delivering a transformation plan with a focus on improved customer experience and operational effectiveness. Project SHIFT is well underway to transition the Capital S.M.A.R.T operating model to expand the scope of drivable repairs offered at most locations across the network. Feedback from the sites which have recently converted has been very positive.
- AMA Collision officially opened the flagship site at Arundel in Queensland, and our RMA Hallam team have moved into the reopened RMA Dandenong site in Victoria, which is a larger, and more productive site. We have a new Prestige site underway in Gosford in New South Wales, which will see the Harris & Adams team moving into this new, far larger site once completed. In Townsville in Queensland, soil has been turned for a greenfield facility which will relocate an existing facility and provide significantly more capacity than the existing site to service growing demand in the area. We are also well underway with plans to reopen the hibernated Craig Hall site in the Australian Capital Territory in the 2024 calendar year.
- Heavy Motor has continued to deliver strong revenues and the new, substantially larger site in South Australia is now operational, hosting their official opening next week.
- ACM Parts has continued to grow Parallel and Aftermarket Parts revenues and hosted the very successful official opening of the Hemmant, Queensland warehouse in October.

We are looking forward to new business, both with the introduction of an in-house ADAS solution as Caroline has already mentioned, and with a meaningful engagement with one of our insurance partners for new work with new pricing.

Thank you to the AMA Group team who are central to our success, and to our suppliers, our insurer, fleet, and other partners, our end customers, and our shareholders for your support.

With that, I will hand back to Caroline for the business of the meeting.

AMA Group Limited

2023 Annual General Meeting

23 November 2023

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AMA Group Board



Caroline Waldron

Non-Executive Director and Chair



Carl Bizon

Group CEO and Executive Director
(retiring at the conclusion of today's AGM)



Talbot Babineau

Non-Executive Director



Simon Moore

Non-Executive Director

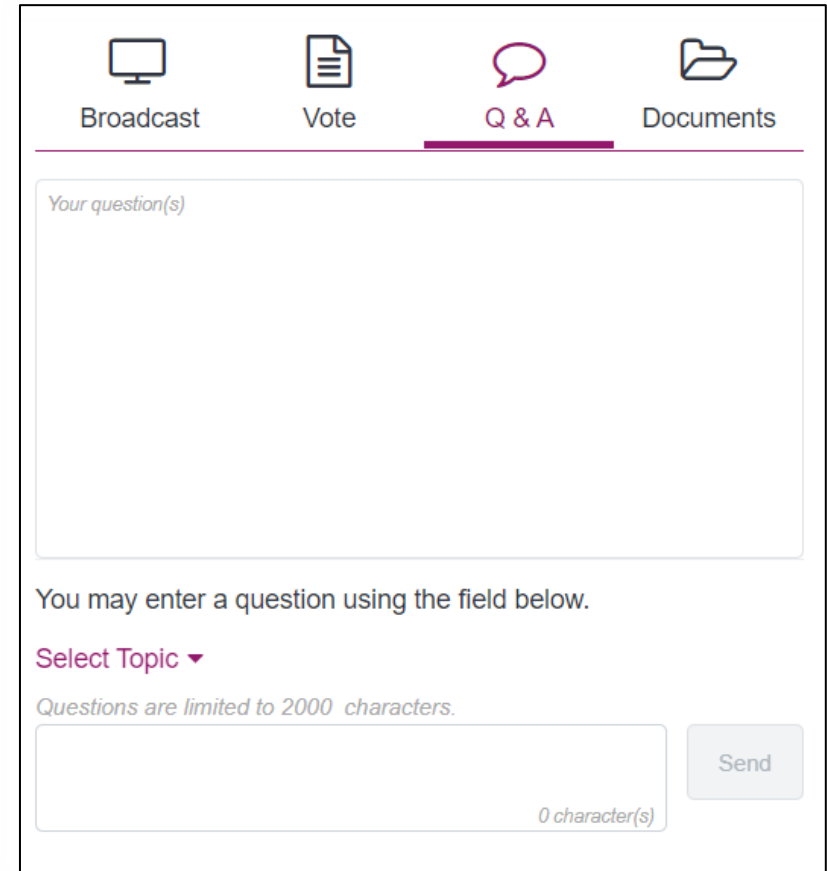


Kyle Loades

Non-Executive Director

Online Attendees – Question Process

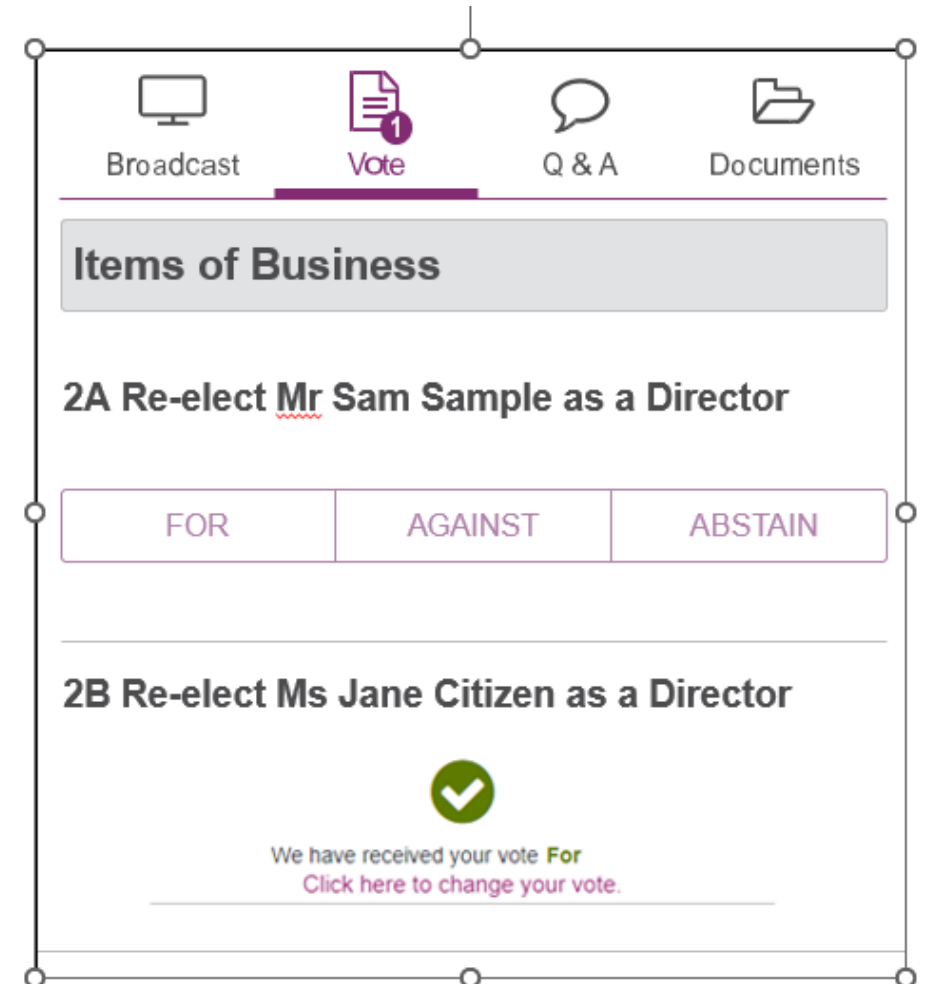
- To ask a written question select the Q & A icon
- Select the topic your question relates to from the drop-down list
- Type your question in the text box and **press** the send button
- To ask a verbal question follow the instructions below the broadcast window



The screenshot displays a web interface for online attendees. At the top, there are four icons: a monitor for 'Broadcast', a document for 'Vote', a speech bubble for 'Q & A' (which is highlighted with a purple underline), and a folder for 'Documents'. Below these icons is a large text box labeled 'Your question(s)'. Underneath this box, a message states 'You may enter a question using the field below.' followed by a 'Select Topic' dropdown menu. A note indicates 'Questions are limited to 2000 characters.' Below this is a smaller text box with a character count '0 character(s)' and a 'Send' button.

Online Attendees - Voting

- When the poll is open, select the vote icon at the top of the screen
- To vote, select either For, Against or Abstain
- You will see a vote confirmation
- To change or cancel your vote “click here to change your vote” at any time until the poll is closed





Chair Address – Caroline Waldron

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A close-up, black and white photograph of a car's interior, focusing on the dashboard and steering wheel. The image is dark and moody, with strong highlights and shadows. A thin red horizontal line is positioned below the main title.

Group CEO Address – Carl Bizon

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A close-up, black and white photograph of a laptop's keyboard and trackpad area. The image is angled, showing the keys and the trackpad with a focus on the lighting and shadows. The text is overlaid on this background.

Group COO Address – Mathew Cooper

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Formal Business of the Meeting

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Item 1

Receipt of the Annual Financial Report

To receive the Annual Financial Report, including Directors' declarations and accompanying reports of the Directors' and Auditor's for the financial year ended 30 June 2023.

Please note there is no vote required for this Item.

An explanatory note to this Item appears on page 9 of the Notice of Meeting.

Resolution 1

Adoption of Remuneration Report

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 250R(2) of the Corporations Act, 2001 (Cth) (Corporations Act) and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s Annual Financial Report for the year ended 30 June 2023.”

Please note that the vote on this Resolution is advisory only and does not bind the Directors or the Company.

An explanatory note to this Resolution appears on pages 9-10 of the Notice of Meeting.

Proxy Voting Results – Resolution 1

Adoption of Remuneration Report

		Number	%
FOR		752,502,299	86.45
AGAINST		118,030,667	13.55
OPEN	- Chair ¹	37,500	-
	- Other Nomination	41,500	-
ABSTAIN		38,381,584	-

1. To be voted in **FAVOUR** of the Resolution

Resolution 2

Election of Talbot Babineau as a Director

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, Talbot Babineau, having been appointed by the Board since the last AGM of the Company, retires in accordance with clause 15.1(c) of the Company’s Constitution and, being eligible, offers himself for election, be elected as a Director of the Company.”

An explanatory note to this Resolution appears on page 10 of the Notice of Meeting.

Proxy Voting Results – Resolution 2

Election of Talbot Babineau as a Director

		Number	%
FOR		825,756,279	84.17
AGAINST		155,329,741	15.83
OPEN	- Chair ¹	37,500	-
	- Other Nomination	41,500	-
ABSTAIN		327,265	-

1. To be voted in **FAVOUR** of the Resolution

Resolution 3

Re-Election of Kyle Loades as a Director

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, Kyle Loades, a Director of the Company who retires in accordance with clause 15.3(b) of the Company’s Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

An explanatory note to this Resolution appears on pages 10-11 of the Notice of Meeting.

Proxy Voting Results – Resolution 3

Re-Election of Kyle Loades as a Director

		Number	%
FOR		826,531,367	84.23
AGAINST		154,854,653	15.77
OPEN	- Chair ¹	37,500	-
	- Other Nomination	41,500	-
ABSTAIN		27,265	-

1. To be voted in **FAVOUR** of the Resolution

Resolution 4

Approval of Previous Share Issue under Unconditional Placement (Listing Rule 7.4)

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders approve and ratify the previous issue of 200,126,451 Shares for the purposes of ASX Listing Rule 7.1, on the terms and conditions set out in the Explanatory Memorandum.”

An explanatory note to this Resolution appears on pages 11-12 of the Notice of Meeting.

Proxy Voting Results – Resolution 4

Approval of Previous Share Issue under Unconditional Placement (Listing Rule 7.4)

	Number	%
FOR	818,489,566	99.79
AGAINST	1,517,586	0.19
OPEN - Chair ¹	54,000	0.01
- Other Nomination	41,500	0.01
ABSTAIN	37,363,008	-

1. To be voted in **FAVOUR** of the Resolution

Resolution 5

Approval of Previous Share Issue to Caroline Waldron under Conditional Placement (Listing Rule 10.11)

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders approve to allot and issue 1,286,821 Shares under the Conditional Placement to Caroline Waldron, the Chair and a Director of the Company, on the terms and conditions set out in the Explanatory Memorandum.”

An explanatory note to this Resolution appears on pages 13-14 of the Notice of Meeting.

Proxy Voting Results – Resolution 5

Approval of Previous Share Issue to Caroline Waldron under Conditional Placement (Listing Rule 10.11)

	Number	%
FOR	952,756,535	99.80
AGAINST	1,892,663	0.20
OPEN - Chair ¹	37,500	-
- Other Nomination	41,500	-
ABSTAIN	26,764,087	-

1. To be voted in **FAVOUR** of the Resolution

Resolution 6

Approval of Previous Share Issue to Simon Moore under Conditional Placement (Listing Rule 10.11)

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders approve to allot and issue 32,346,326 Shares under the Conditional Placement to Simon Moore, via his controlled entities, Colinton Capital Partners Fund I (A) and Colinton Capital Pty Limited, a Director of the Company, on the terms and conditions set out in the Explanatory Memorandum.”

An explanatory note to this Resolution appears on pages 13-14 of the Notice of Meeting.

Proxy Voting Results – Resolution 6

Approval of Previous Share Issue to Simon Moore under Conditional Placement (Listing Rule 10.11)

	Number	%
FOR	874,968,872	98.97
AGAINST	9,044,416	1.02
OPEN - Chair ¹	45,750	0.01
- Other Nomination	41,500	-
ABSTAIN	26,617,575	-

1. To be voted in **FAVOUR** of the Resolution

Resolution 7

Approval of Previous Share Issue to Kyle Loades under Conditional Placement (Listing Rule 10.11)

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders approve to allot and issue 471,309 Shares under the Conditional Placement to Kyle Loades, via his self-managed super fund, Blueys 92 Pty Limited as trustee for Blueys 92 Superannuation Fund, a Director of the Company, on the terms and conditions set out in the Explanatory Memorandum.”

An explanatory note to this Resolution appears on pages 13-14 of the Notice of Meeting.

Proxy Voting Results – Resolution 7

Approval of Previous Share Issue to Kyle Loades under Conditional Placement (Listing Rule 10.11)

	Number	%
FOR	951,929,716	99.80
AGAINST	1,912,663	0.20
OPEN - Chair ¹	37,500	-
- Other Nomination	41,500	-
ABSTAIN	26,653,665	-

1. To be voted in **FAVOUR** of the Resolution

Resolution 8

Approval of Additional 10% Placement Capacity

To consider, and if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purpose of ASX Listing Rule 7.1A and all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum.”

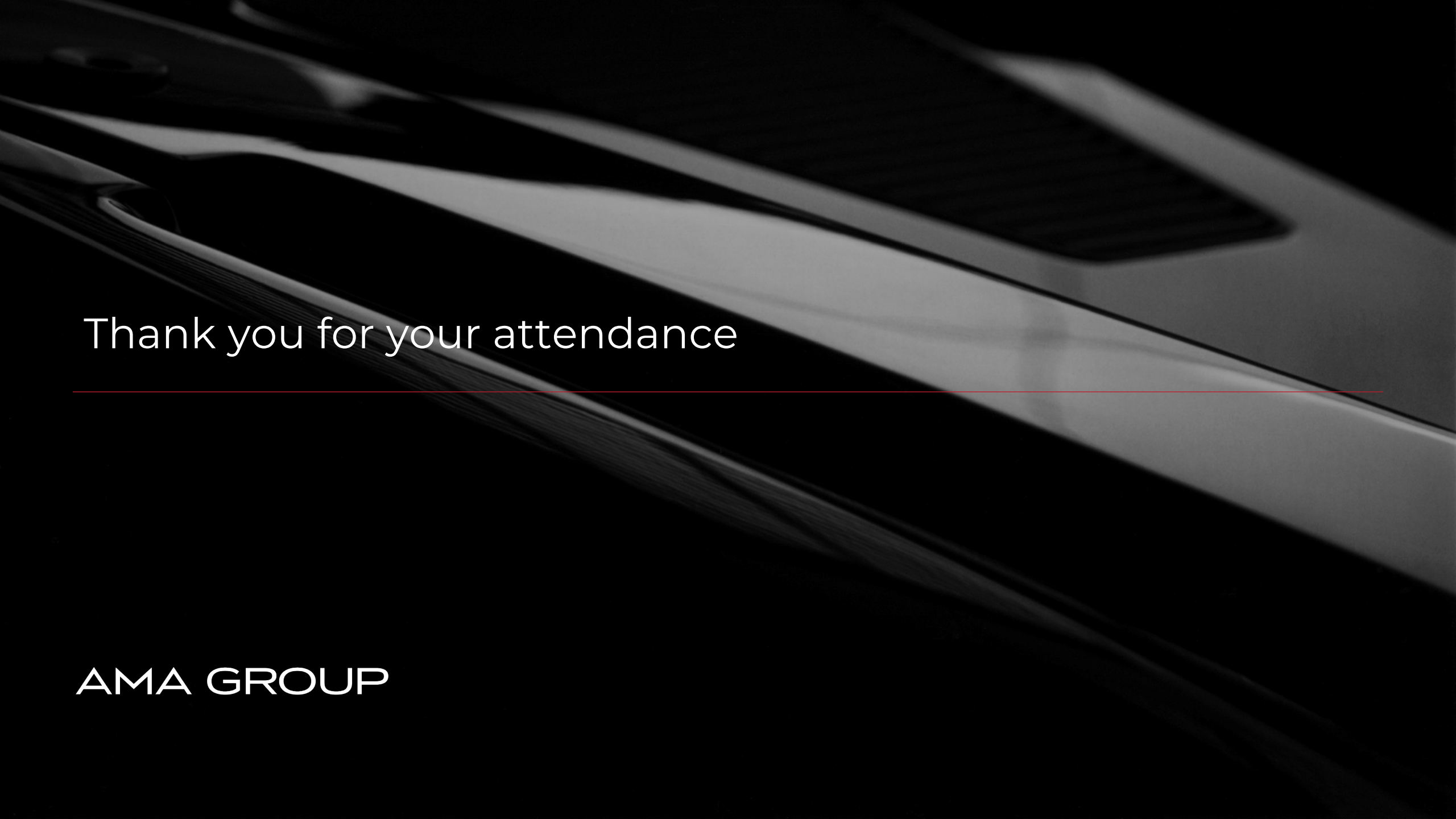
An explanatory note to this Resolution appears on pages 14-17 of the Notice of Meeting.

Proxy Voting Results – Resolution 8

Approval of Additional 10% Placement Capacity

		Number	%
FOR		816,183,344	83.17
AGAINST		165,161,913	16.83
OPEN	- Chair ¹	37,500	-
	- Other Nomination	41,500	-
ABSTAIN		68,028	-

1. To be voted in **FAVOUR** of the Resolution

A close-up, black and white photograph of a laptop's keyboard and trackpad area. The image is angled, showing the keys and the trackpad with a grid pattern. The lighting creates strong highlights and shadows, emphasizing the textures and shapes of the laptop components.

Thank you for your attendance

AMA GROUP