ASX Announcement
21 February 2025

Peter Warren Automotive Holdings Limited

H1 FY25 Results Presentation

Peter Warren Automotive Holdings Limited (ASX: PWR) encloses for immediate release its H1 FY25 Results Presentation.

Authorised for lodgement by the Board of Peter Warren Automotive Holdings Limited.

-ENDS-

About Peter Warren

Peter Warren is an Automotive Dealership group with a rich heritage that has been operating in Australia for over 60 years. The Company operates 80+ franchise operations and represents more than 30 OEMs across the Volume, Prestige and Luxury segments. Peter Warren operates across the eastern seaboard under various banners including Peter Warren Automotive, Frizelle Sunshine Automotive, Sydney North Shore Automotive, Mercedes-Benz North Shore, Macarthur Automotive, Penfold Motor Group, Bathurst Toyota and Volkswagen and Euro Collision Centre.

Further information can be found on the Company's website www.pwah.com.au or by contacting:

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Peter Warren Automotive Holdings
H1 FY25 Results Presentation
21 February 2025

Andrew Doyle
Chief Executive Officer

Victor Cuthell
Chief Financial Officer

Agenda

H1 FY25 Results Overview

H1 FY25 Financial Overview

Underlying PBT delivered in line with guidance of $6m - $8m

2.2% Revenue Growth

H1 FY25 Revenue	$1,229m
H1 FY24 Revenue	$1,203m

PBT Within Guidance

H1 FY25 Underlying PBT(1)	$7.1m
H1 FY24 Underlying PBT(1)	$34.4m

Strong Aftersales Growth(2)

LFL Service Revenue (2)	+10.2%
LFL Parts Revenue (2)	+4.3%

Lower Inventory

Inventory: 31 Dec	$460.8m
Inventory: 30 Jun	$476.9m

Strong Property Backing

Property Value	$225m
Net Debt to property	37%

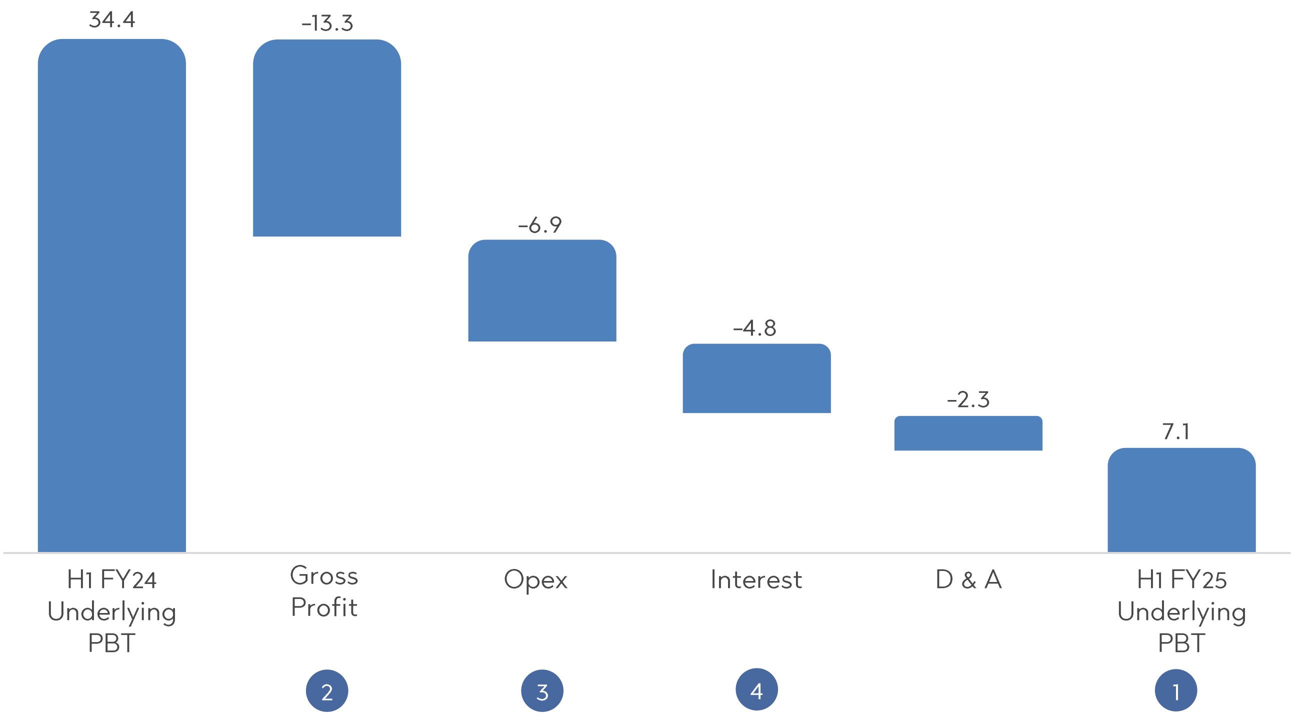
Dividend

H1 FY25 Interim Dividend	1.6c
H1 FY24 Interim Dividend	8.5c

(1) Underlying PBT excludes one-off costs of $1.1m (H1 FY24: $2.6m)
(2) Aftersales Growth - LFL excludes revenue growth from acquisitions

PBT Bridge

PBT was impacted by a $29.3m drop in new car gross profit, mitigated by cost savings and organic growth in other service lines



1. PBT reduced to $7.1m as new car gross margins had a large impact

2. Gross profit reduced by $13.3m including:
   - -$29.3m in new vehicle GP
   - +$4.5m organic GP growth achieved in other service lines
   - +$11.5m in acquisition GP

3. Opex grew by $6.9m reflecting:
   - +$4.0m in inflation
   - -$5.2m achieved in cost savings (cost programs discussed on p16)
   - +$8.1m in acquisition Opex

4. Interest increased by $4.8m including:
   - +$2.8m in acquisition interest costs
   - +$2.1m in LFL floorplan interest (due to low stock in prior period)
   - -$0.1m in other items

CEO Review

CEO Review

Industry Trends

Peter Warren Performance

1st Impressions + Opportunities

Initiatives to Deliver

CEO Review – Industry Trends

More competitive market presents new car margin challenges, but also many opportunities

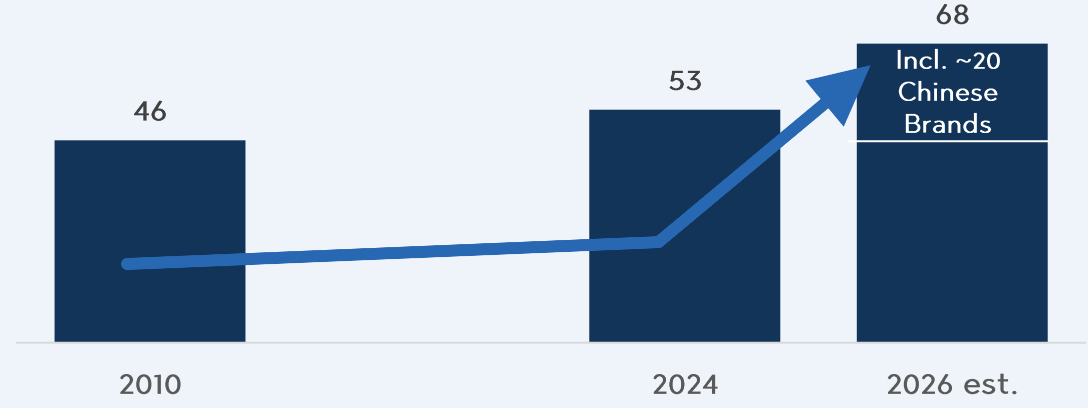
Market Dynamics are pressuring margins and profit

- Macro-economic cost of living pressure driving weaker customer demand on prior periods
- Accelerating growth in the number of OEMs, and competitive new entrants increases volume push
- Reduced OEM profitability, leading to over-supply, and risk of future market presence
- Fuel type mix: Growing Hybrid, BEV mix stalling
- Uncertainty of OEMs and NVES car registrations

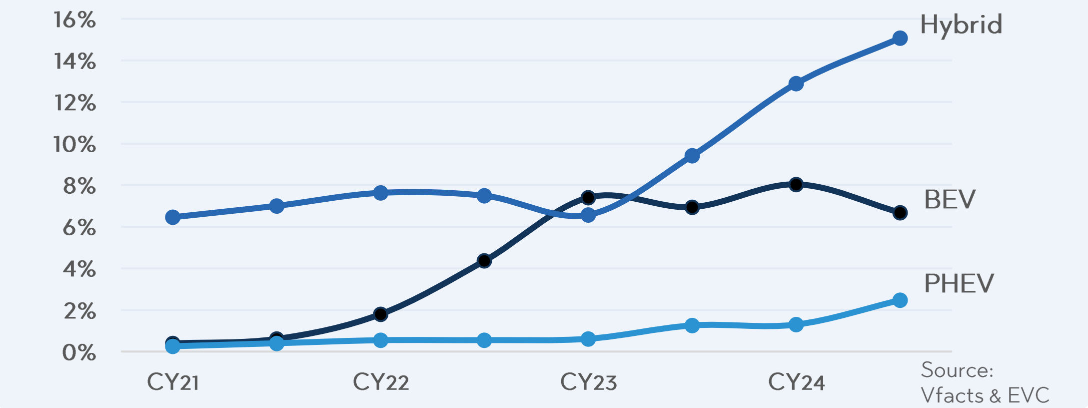
But with that challenge, comes opportunities

- Maximise performance with legacy brands / OEMs
- Partnering with the right new entrants
- Market consolidations with dealers exiting the market
- Growing revenues in service, parts, used, F&I
- Maximise Peter Warren scale and efficiency
- Balance Sheet strength for investment opportunities provides the key to continued growth

Number of OEMs is accelerating



Market Share by Alternative Fuel Type



CEO Review – Peter Warren Performance

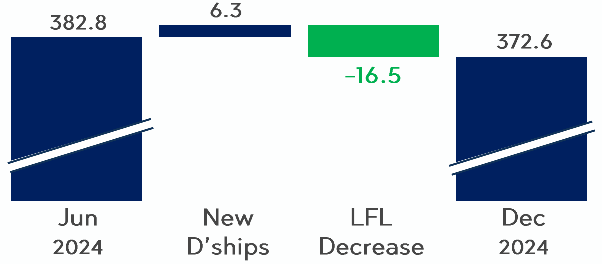
New car margins impacted by oversupply. Focus on the controllables: Stock, F&I, Used, Service & Parts

New Vehicle Department

LFL Revenue -9.1%

New Vehicle Stock

LFL Decrease –$16.5m



Focus on the Controllables

Finance & Insurance

LFL Revenue +1.8%

Service Business

LFL Revenue +10.2%

Used Vehicles

LFL Revenue +7.5%

Parts & Accessories

LFL Revenue +4.3%

CEO Review – First Impressions and Opportunities

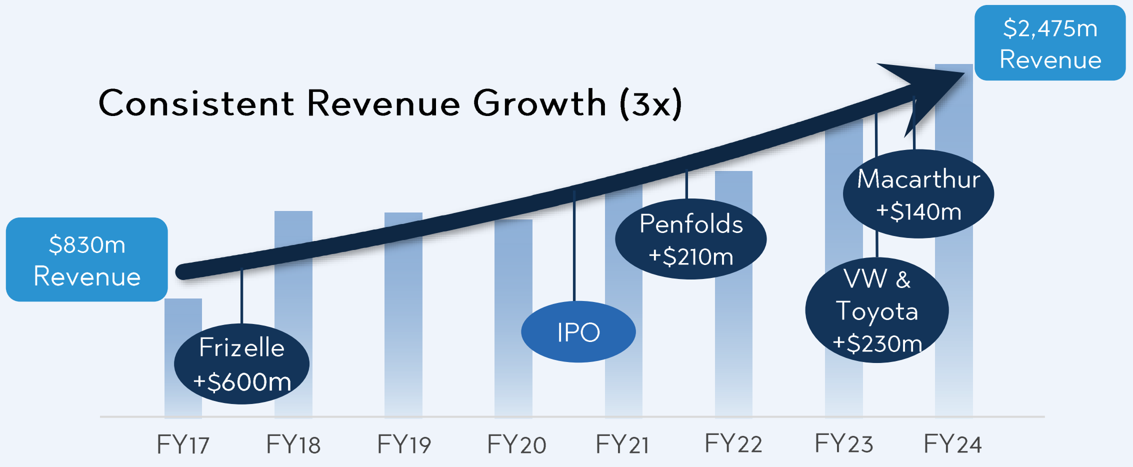
Very strong foundations, with solid opportunities to offset margin pressure

First Impressions

- 65+ years of brand legacy, strong culture, and high-quality management professionalism
- Extensive experience of managing through the cycle
- Active founder with substantial shareholding, and interests aligned with investors
- 80+ dealership operations in prime market locations, with strong foundations
- Brand portfolio mix strong; however, some brands in particular are impacting margin
- Balance sheet has substantial property backing
- History of growth and acquisitions to be continued
  - 3x revenue growth in 7 years
  - Consolidation opportunities increasing in a largely fragmented market
- Solid operational and expansion opportunities exist

Opportunities

- ✓ Macro environment optimism (rate relief) into 2025
- ✓ More intensive cost out opportunities utilising scale, supplier scrutiny, sweating of asset capacity, and technology.
- ✓ Higher benchmark dealership performance / lower dispersion
- ✓ Scope to further optimise brand portfolio
- ✓ More growth in Service, Parts, Used, F&I, Aftermarket
- ✓ Tougher market stimulates further accretive M&A



CEO Review – Initiatives to Deliver

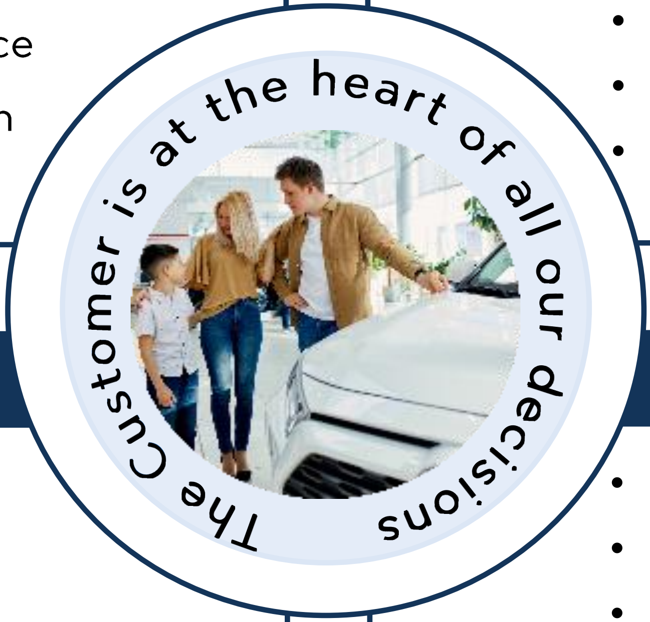
Initiatives underway to actively manage through the cycle and deliver improved profitability

People

- Strong target-driven culture
- Clearly aligned incentives communicated
- Peter Warren the employer of choice
- Talent management and succession

Brand Partners

- Close and trusted partnerships
- Improved retail performance
- Best in class dealerships
- Performance partner of choice
- Strategic portfolio management



Operational Excellence

- Cost out opportunities
- Reduce dispersion of performance
- Strong inventory management
- Grow high margin service lines
- Smart use of efficient technology

Inorganic Growth

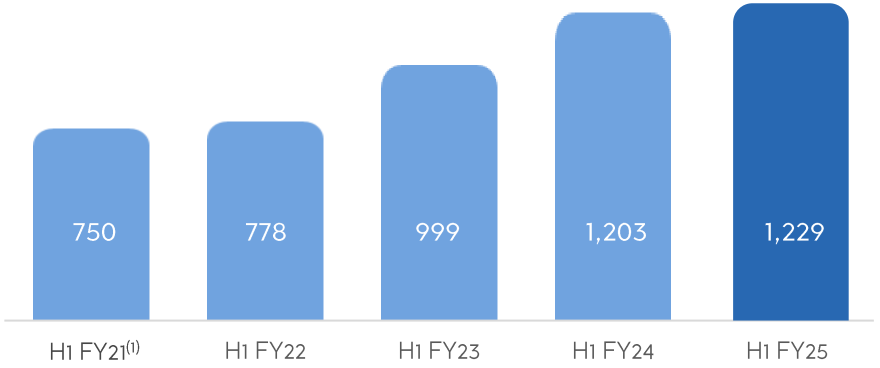
- Selective addition of new brands
- Use of existing sites & efficiencies
- Fully leverage size and scale
- Pursue strategic, accretive M & A
- Utilise property-backed balance sheet strategically

H1 FY25 Financial Summary

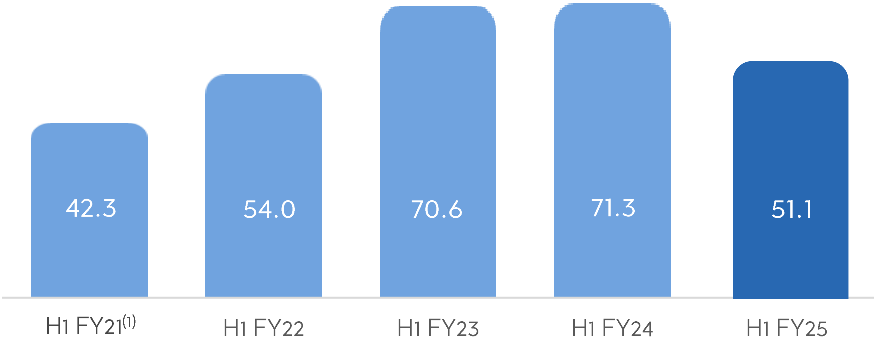
H1 FY25 Financial Results

Continued revenue growth, PBT in line with guidance

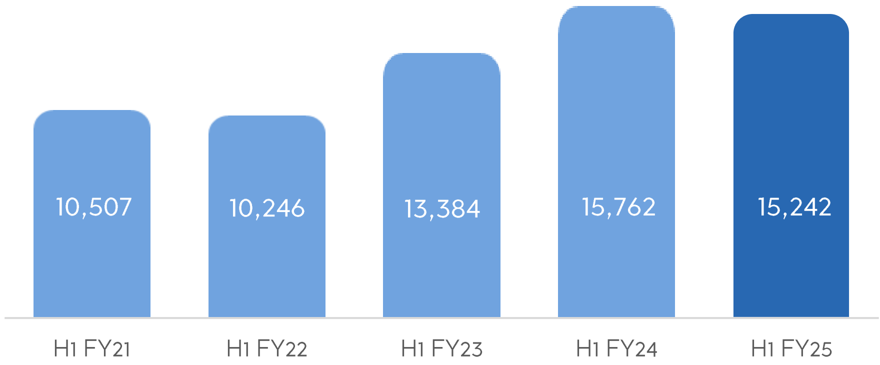
Revenue ($m)



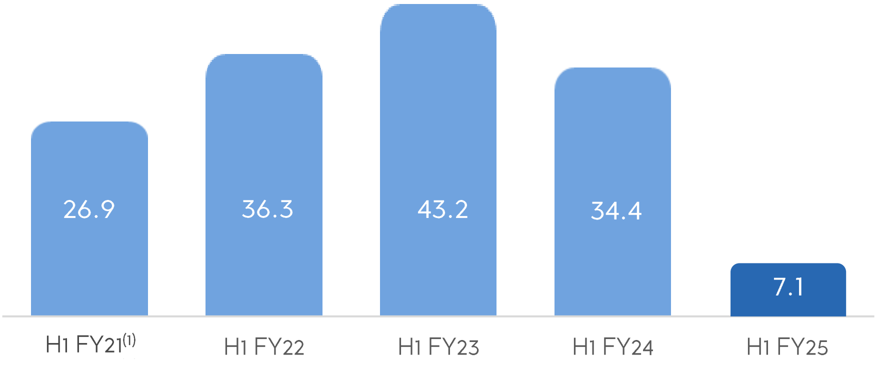
EBITDA(2) ($m)



New Vehicle Units Sold



PBT(2) ($m)



(1) Proforma result as reported in the Prospectus
(2) Underlying result

H1 FY25 Profit and Loss

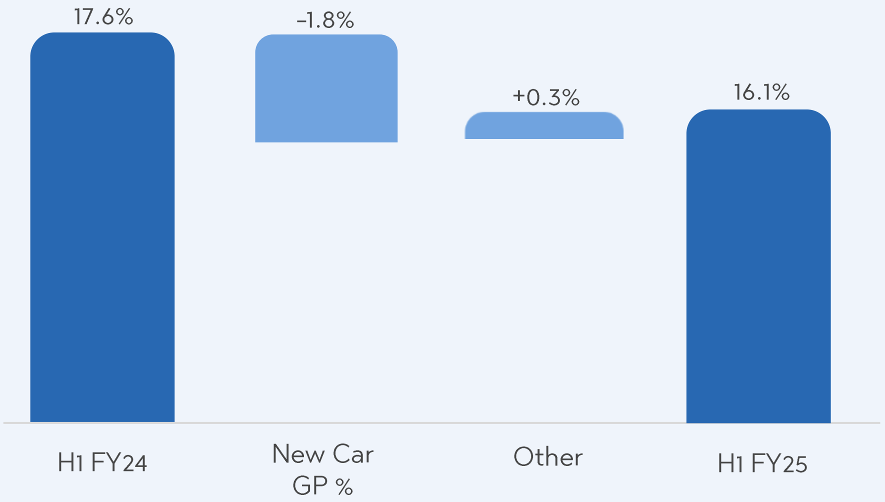
Impact of new car margins mitigated by acquisitions and organic growth in used cars, service, parts and finance

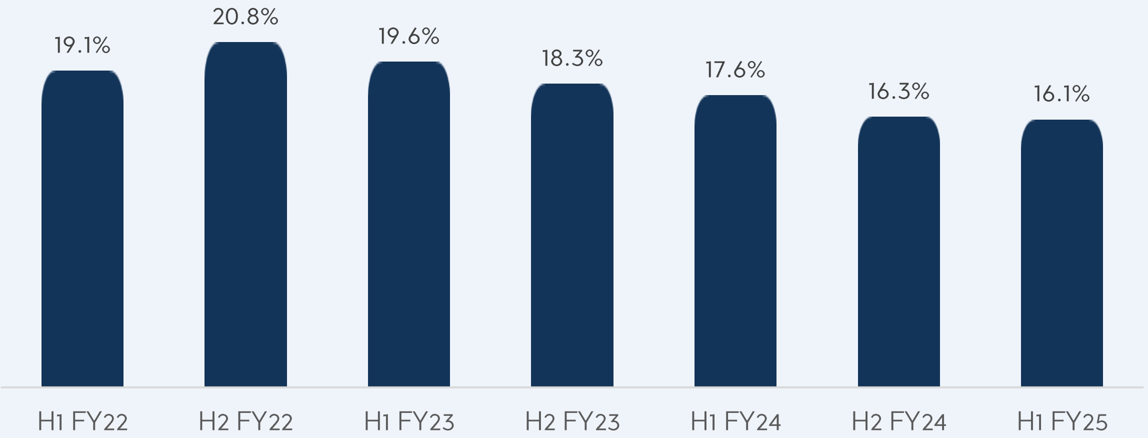
		H1 FY25 $m	H1 FY24 $m	Variance $m	Variance %
1	Revenue	1,229.4	1,203.1	26.3	2.2%
2	Gross Profit	198.4	211.7	(13.3)	(6.3%)
	Gross Profit %	*16.1%*	*17.6%*		
3	Operating expenses - underlying	(147.3)	(140.4)	(6.9)	(4.9%)
	Operating expenses %	*12.0%*	*11.7%*		
	EBITDA - underlying	51.1	71.3	(20.2)	(28.3%)
	Acquisition expenses	(0.5)	(0.6)	0.1	
	Legal costs	-	(1.3)	1.3	
	Restructure costs	(0.6)	(0.7)	0.1	
	EBITDA - statutory	50.0	68.7	(18.7)	(27.2%)
	Depreciation and Amortisation	(19.0)	(16.7)	(2.3)	(13.8%)
	EBIT – statutory	31.0	52.0	(21.0)	(40.4%)
4	Interest	(25.0)	(20.2)	(4.8)	(23.8%)
	PBT - statutory	6.0	31.8	(25.8)	(81.1%)
5	PBT – underlying	7.1	34.4	(27.3)	(79.4%)

1. Total revenue up 2.2%.
   - Excluding acquisitions revenue was -4.3% due to fewer new cars sold
   - Revenue growth occurred on a like-for-like basis in used cars, service, parts, finance
2. Gross profit margins reduced by $13.3m including;
   - $29.3m reduction in new cars (ex-acquisitions)
   - Offset by organic growth and acquisitions
3. Opex increased by $6.9m
   - Cost savings mitigated Opex increases
   - Further cost savings are targeted (refer p16)
4. Higher interest costs of $4.8m include:
   - $2.8m from acquisitions
   - $2.1m from floorplan interest (LFL), reflecting lower stock in early H1 FY24. (Interest costs began reducing in late H1 FY25).
5. Underlying PBT reduced to $7.1m with the largest factor being lower new car margins

Gross Profit

New car supply is impacting industry gross margins

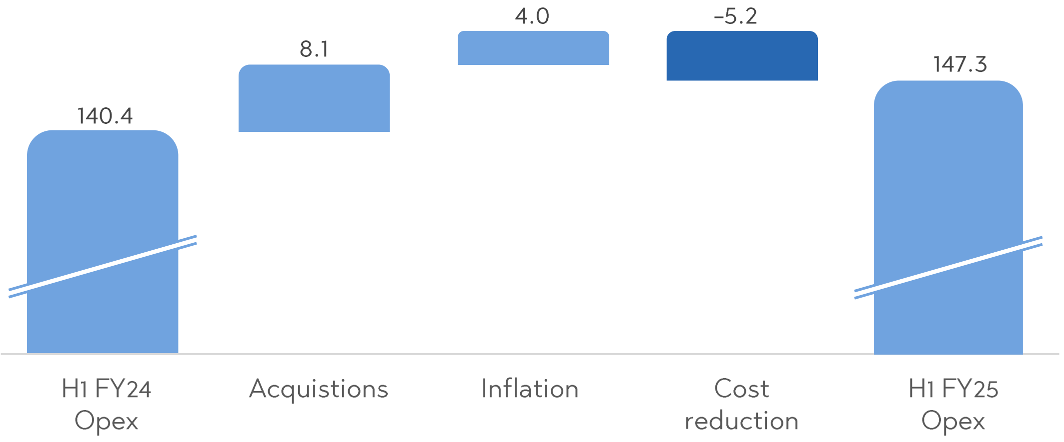


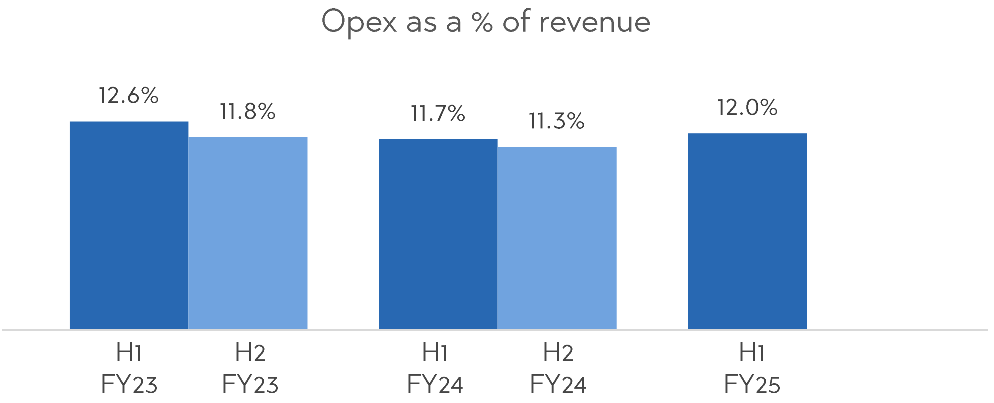


- Margin down 1.5ppts to 16.1%
- Increased vehicle supply of new cars reduced margins by 1.8ppts:
  - Industry inventory levels are higher
  - Dealers are discounting
  - New car margin reductions vary by brand
- Margins remain favourable in other areas
  - Service
  - Parts
  - Used cars
  - Finance & insurance
  - Aftermarket products
- Margin accretion programs are in place:
  - Service
  - F & I
  - Inventory management
  - Regular price reviews

Operating Cost Bridge ($m)

Opex savings of $5.2m offset inflation with more Opex savings targeted





- Cost reduction programs reduced Opex by $5.2m
  - This offset Opex inflation of $4.0m
- Further ongoing cost opportunities are being pursued and include:
  - People costs
  - Supplier costs
  - Technology costs
  - Low-return locations
  - Salesperson productivity
- Opex as a % of revenue was 12.0%
  - H1 FY25 impacted by lower like-for-like revenue
  - Further Opex savings are being pursued
  - H2 FY25 Opex % expected to improve
- H2 FY25 floorplan costs are also expected to reduce

Cash Flow Statement

Operating cash flow of $29.2m generated from EBITDA of $50.0m

		H1 FY25 Statutory $m	H1 FY24 Statutory $m	Variance %
	EBITDA	**50.0**	**68.7**	**(27.2%)**
2	Movement in working capital	(5.3)	(6.9)	
	Movement in customer deposits	(1.2)	(6.4)	
	Operating cash flow before floorplan interest	**43.5**	**55.4**	**(21.5%)**
3	Floorplan interest	(14.3)	(11.3)	
1	**Operating cash flow after floorplan interest**	**29.2**	**44.1**	**(33.8%)**
	Proceeds from borrowings	16.5	25.0	
	Repayment of borrowings	(5.9)	(4.5)	
	Payments for acquisitions, net of cash acquired	(7.1)	(36.4)	
4	Capital expenditure	(6.8)	(5.4)	
	Lease payments	(17.9)	(15.3)	
5	Tax paid	(6.5)	(13.3)	
	Dividends paid	(10.9)	(18.9)	
	Other financing activities [1]	(3.1)	(2.0)	
	Net movement in cash	**(12.5)**	**(26.7)**	

(1) Other financing activities include interest on capital loans and other items.

CASH FLOW

1. Operating cash flow of $29.2m reflects lower EBITDA from trading
2. Working capital outflow of $5.3m is seasonal
3. Floorplan interest increased with acquisitions, interest rates and inventory (refer page 14)
4. Capex reflects the expansion of two key dealerships. Lower capex expected in H2 FY25
5. Tax payments in H2 FY25 will be lower and will include a January refund ($3.0m)

DIVIDENDS

- The directors have declared an interim dividend of 1.6 cents per share (fully franked)
- Payment arrangements for the dividend are:

Record date	27 Feb 2025
Payment date	26 Mar 2025

Conclusions and Outlook

Conclusions and Outlook

Near term focus is on actively managing through the cycle, whilst capturing compelling opportunities

Conclusions

- H1 FY25 profitability impacted by market-driven over-supply of new vehicles
- LFL revenue growth achieved in other departments:
  - Service
  - Parts
  - Used cars
  - F & I
- Near-term focus on actively managing through the cycle and crystallising market opportunities
- Strong foundations, including a substantial property-backed balance sheet
- M&A: number of selling dealers is increasing due to industry pressure / trends
- Peter Warren Group in a strong position, well-placed for the future

Outlook for H2 FY25

- Challenging new car market conditions expected to continue, with high supply, more OEMs entering the market and strong competition between brands
- However, any further deterioration in new car margins expected to be offset by management initiatives
- Focus on driving further performance improvements in other departments / profit centres, and in individual dealership performances
- Further actions being taken to reduce costs and leverage scale and technology
- Actively assess expansion opportunities (greenfield and M&A) to continue the Peter Warren Group consistent revenue growth path

Questions

Disclaimer

IMPORTANT NOTICE

The material in this presentation has been prepared by Peter Warren Automotive Holdings Limited (ASX: PWR) ABN 57 615 674 185 ("Peter Warren" or the "Company") and is general background information about Peter Warren's activities current as at the date of this presentation, 21 February.

The information is given in summary form and does not purport to be complete in every aspect. It should be read in conjunction with the Company's periodic reporting and other announcements lodged with the Australian Securities Exchange ("ASX"). In particular, you are cautioned not to place undue reliance on any forward-looking statements regarding our belief, intent, or expectations with respect to Peter Warren's businesses, market conditions, and/or results of operations, as although due care has been used in the preparation of such statements, actual results may vary in a materially positive or negative manner. Information in this presentation or subsequently provided to the recipient of this information, whether orally or in writing, including forecast financial information, should not be considered advice or a recommendation to investors or potential investors in relation to holding, purchasing, or selling securities in the Company. Before acting on any information you should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular you should seek independent financial advice.

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Any additional financial information in this presentation which is not included in the Company's H1 FY25 Interim Report was not subject to independent audit or review by KPMG.

Appendices

Balance Sheet

$m	31-Dec-24 Actual	30-Jun-24 Actual	Variance
Cash and cash equivalents	22.7	35.2	(12.5)
Trade and other receivables	82.6	102.0	(19.4)
Inventories	460.8	476.9	(16.1)
Property, plant & equipment	280.0	278.2	1.8
Other assets	25.7	20.1	5.6
Right-of-use assets	204.8	206.8	(2.0)
Intangibles	326.3	319.9	6.4
Deferred tax assets	11.4	10.5	0.9
Income tax refund due	6.4	2.6	3.8
Total assets	**1,420.7**	**1,452.2**	**(31.5)**
Trade and other payables	(94.7)	(105.1)	10.4
Employee benefits	(28.3)	(29.3)	1.0
Borrowings - floorplan finance	(423.3)	(447.5)	24.2
Borrowings	(106.5)	(95.9)	(10.6)
Contract and other liabilities	(2.2)	(2.2)	0.0
Lease liabilities	(247.3)	(247.2)	(0.1)
Total liabilities	**(902.3)**	**(927.2)**	**24.9**
Net assets	**518.4**	**525.0**	**(6.6)**

AASB 16 Reconciliation

$m	H1 FY25 Actual	H1 FY24 Actual
EBITDA (AASB 117)	32.1	53.4
Decrease in operating lease expense	17.9	15.3
EBITDA (AASB 16)	**50.0**	**68.7**
EBIT (AASB 117)	26.0	47.8
Decrease in operating lease expense	17.9	15.3
Increase in depreciation of right-of-use asset	(12.9)	(11.1)
EBIT (AASB 16)	**31.0**	**52.0**
PBT (AASB 117)	8.0	33.6
Decrease in operating lease expense	17.9	15.3
Increase in depreciation of right-of-use asset	(12.9)	(11.1)
Increase in interest expense	(7.0)	(6.0)
PBT (AASB 16)	**6.0**	**31.8**
NPAT (AASB 117)	5.6	23.5
Decrease in operating lease expense	12.5	10.7
Increase in depreciation of right-of-use asset	(9.0)	(7.8)
Increase in interest expense	(4.9)	(4.2)
NPAT (AASB 16)	**4.2**	**22.2**

Adjustments to Statutory Income Statement

December half year end ($m)	Statutory H1 FY25	Statutory H1 FY24	Underlying [1] [2] H1 FY25	Underlying [1] [2] H1 FY24
Revenue	1,229.4	1,203.1	1,229.4	1,203.1
Cost of sales	(1,031.0)	(991.4)	(1,031.0)	(991.4)
Gross profit	**198.4**	**211.7**	**198.4**	**211.7**
Gross profit margin	*16.1%*	*17.6%*	*16.1%*	*17.6%*
Employee benefits expense [1]	(104.0)	(102.5)	(103.4)	(102.5)
Advertising expenses	(5.4)	(4.7)	(5.4)	(4.7)
Insurance expenses	(5.9)	(6.2)	(5.9)	(6.2)
Vehicle expenses	(4.4)	(4.9)	(4.4)	(4.9)
Other expenses [1] [2]	(28.7)	(24.7)	(28.2)	(22.1)
Operating expenses	**(148.4)**	**(143.0)**	**(147.3)**	**(140.4)**
EBITDA	**50.0**	**68.7**	**51.1**	**71.3**
Depreciation and amortisation expense	(19.0)	(16.7)	(19.0)	(16.7)
EBIT	**31.0**	**52.0**	**32.1**	**54.6**
Floorplan interest	(14.3)	(11.3)	(14.3)	(11.3)
Net finance expense	(10.7)	(8.9)	(10.7)	(8.9)
Profit before tax	**6.0**	**31.8**	**7.1**	**34.4**
Income tax expense	(1.8)	(9.6)	(2.1)	(10.3)
NPAT [3]	**4.2**	**22.2**	**5.0**	**24.1**

(1) Underlying result for H1 FY25 excludes financial impact of acquisition related expenses ($0.5m) and restructure costs ($0.6m).
(2) Underlying result for H1 FY24 excludes financial impact of acquisition related expenses ($0.6m), Mercedes Benz legal fees ($1.3m) and restructure costs ($0.7m).
(3) NPAT includes minority interest share of $0.6m (H1 FY24: $0.8m)

Definitions

AASB	Australian Accounting Standards Board
Accounting Standards	Accounting standards, principles and practices applying by law or otherwise generally accepted and consistently applied in Australia
Aftermarket	Non-OEM products for sale by automotive dealers
BEV	Battery electric vehicle
CAGR	Compound Annual Growth Rate
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
EBITDA margin	Calculated as EBITDA as a percentage of revenue
Employee costs	Presented as all personnel and employee-related costs (including salaries, wages, share based payments, payroll tax, superannuation, leave entitlements and other related on-costs)
EPS	Earnings per share
EV	Electric vehicle
EVC	Electric Vehicle Council
F&I	Finance and insurance
GIFT	Company Values of Growth, Integrity, Focus and Teamwork
Gross profit	Revenue less costs of goods sold
Gross margin	Calculated as gross profit as a percentage of revenue
GPU	Refers to the gross profit per unit sold

IFRS	International Financial Reporting Standards
LFL	Like for like
NEV	New Energy Vehicle (Including battery-powered electric, plug-in hybrid electric and hydrogen powered vehicles)
NPAT	Net profit after tax
OEM	Original equipment manufacturer
Operating cash flow conversion	The ratio of operating cash flow after floorplan interest as a percentage of EBITDA
PBT	Profit before tax
PBT margin	Calculated as profit before tax as a percentage of revenue
PCP	Prior corresponding period
PHEV	Plug-in hybrid electric vehicle
PMA	Prime market area
PWR or PWAH	Refers to Peter Warren Automotive Holdings Limited
Significant items	Items that are non-recurring in nature, individually material or do not relate to the operations of the existing business
SUV	Sports utility vehicle
TIV	Total industry volume
Underlying PBT	Profit before tax adjusted for significant items
VFACTS	Published by the Federal Chamber of Automotive Industries (FCAI) and provides a breakdown of monthly new motor vehicles sales statistics, outlining the number of new cars sold by brand and by model

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