

# ASX Announcement (ASX: MTO)



25 February 2022

## MotorCycle Holdings maintains growth momentum

Australia's largest motorcycle dealership and accessories group, MotorCycle Holdings Limited (ASX: MTO), today announced its results for the six months to 31 December 2021, with continued strong growth in new and used motorcycle sales driving increased revenue for the half.

Despite challenging trading conditions with 16 dealerships subject to COVID-19 trading restrictions for three of the six months of the half, compared with only 6 dealerships in Victoria impacted last year, the group's performance exceeded management's expectations.

Increases in new and used motorcycles and retail accessories sales since the easing of restrictions contributed to a robust finish to the first half.

Key features of the result include:

- Revenue increased 9% to \$237.0 million (2020: \$218.4 million)
- Gross profit increased 3% to \$66.6 million (2020: \$64.7 million)
- Underlying EBITDA decreased 6% to \$19.8 million (2020: \$21.0 million)
- Net profit after tax decreased 27% to \$12.6 million (2020: \$17.2 million)

Directors declared an interim dividend of 12 cents per share, fully franked, payable on 6 April 2022 with a record date of 17 March 2022.

	31 Dec 2021	31 Dec 2020	Annual change %
Total motorcycle sales (units)	13,059	11,467	14
New motorcycle sales (units)	7,699	6,770	14
Revenue (\$m)	237.0	218.4	9
Underlying EBITDA* (\$m)	19.8	21.0*	(6)
Underlying EBITDA margin (%)	8.4	9.6	(13)
NPAT (\$m)**	12.6	17.2**	(27)

\* Underlying EBITDA includes interest and amortisation on leased properties as an expense to enable comparison to prior periods when lease expense was included and excludes acquisition costs. JobKeeper payments received are excluded.

\*\* 1H20 NPAT includes JobKeeper received

## ASX Announcement (ASX: MTO)



New motorcycle sales increased 14% to 7,699 units (2020: 6,770 units), reflecting ongoing demand and growth momentum across the industry. The company secured approximately 11.4% of national new bike sales during the half.

Used motorcycle sales increased 14% to 5,360 units (2020: 4,697 units) due to increasing stock availability, generating a gross profit increase of 9% compared to last year's comparative period results.

Retail Accessories and Parts revenue decreased 15%, with our large Accessory stores in NSW and ACT subject to restricted trading this year, but not in 2020.

The combination of increased turnover in lower margin motorcycle sales, and decreased turnover in high margin accessory sales, lead to a decrease in average gross profit margin overall.

Servicing and Repair revenue decreased 2%, and Retail Finance, Insurance and Warranty income increased 1%.

Wholesale accessory external sales increased 7% to \$22.8 million (2020: \$21.3 million), with demand expected to remain high in the second half.

The Finance joint venture delivered \$624,000 NPAT an increase of 52% for the half with the contribution expected to continue to increase as the portfolio matures.

MotorCycle Holdings CEO David Ahmet said the half year results reflected the ongoing market demand for recreation and leisure products and solid dealership performance.

"Despite sales being impacted by 16 dealerships with restricted trading due to COVID-19 lockdowns, the group achieved an overall strong performance," Mr Ahmet said.

"We've also seen new and used motorcycle sales volumes and demand remain high throughout the first half of the year.

"Used bike stock supply has improved significantly, with sales volume increasing 14%, and historically high margins were maintained."

Mr Ahmet said the company expected the increased market demand and trading conditions to remain consistent, despite COVID-19 challenges and stock supply delays.

"Supply chain challenges are ongoing, particularly for accessories, however we have significantly increased our inventory to enable us to minimise any impacts. Although we do expect supply of accessories to improve over the next 12 months.

"The result also reflects the resilience of our business model and is underpinned by the permanent operational improvements we have implemented across the group over the past 18 months."

**ENDS**

# ASX Announcement (ASX: MTO)



.../3

-3-

## Half Year Results Presentation

MotorCycle Holdings invites investors to participate, via teleconference, in a half year results presentation by Managing Director David Ahmet and Chief Financial Officer Bob Donovan at 9AM AEST on Monday 28 February 2022, after which they will take questions on the results.

Full details of the teleconference are below:

<b>Date</b>	Monday 28 February 2022
<b>Time</b>	9.00am (AEST)
<b>Participants Dial-in Details</b>	<p>All participants will be asked for their full name and Conference ID when joining the call.</p> <p><b>Conference ID:</b> <b>8592006</b></p> <p><b>Participant International Dial-In Number:</b> +61 283733580</p> <p><b>Participant Local Dial-In Numbers:</b></p> <p>Australia, Perth +61 894600818</p> <p><b>Participant ITFS Dial-In Numbers:</b></p> <p>Australia 1300157230</p> <p>Australia 1800148258</p> <p>New Zealand 0800667018</p> <p>United Kingdom 08002797151</p> <p>United States 18332395971</p>

The presentation is available for download from the ASX announcements platform and the company's website [www.mcholdings.com.au](http://www.mcholdings.com.au)

This announcement was authorised for release by MotorCycle Holdings' Board of Directors.

For further information please contact:

### Investor enquiries

Mr David Ahmet  
Managing Director  
MotorCycle Holdings Limited  
Phone: 0403 333 048  
Email: [dave.ahmet@mcholdings.com.au](mailto:dave.ahmet@mcholdings.com.au)

### Media enquiries

Mr Andrew Buckley  
Manager, Corporate PR  
Phillips Group  
Phone: 07 3230 5000 / 0402 009 704  
Email: [abuckley@phillipsgroup.com.au](mailto:abuckley@phillipsgroup.com.au)