22 August 2023

Peter Warren Automotive Holdings Limited

FY23 Results Presentation

Peter Warren Automotive Holdings Limited (ASX: PWR, "Peter Warren") provides its FY23 Results Presentation relating to Peter Warren's FY23 Results Announcement.

-ENDS-

This announcement was authorised for release by the Board of Peter Warren Automotive Holdings Limited.

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 27 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:

Media Enquiries
Jack Gordon
Citadel-MAGNUS
jgordon@citadelmagnus.com
+61 2 8234 0116 / 0478 060 362

Investor Enquiries
Maddie Seacombe
Citadel-MAGNUS
mseacombe@citadelmagnus.com
+61 2 8234 0114 / 0402 999 291

Peter Warren Automotive Holdings

FY23 Results Presentation

Tuesday 22 August 2023

Mark Weaver
Chief Executive Officer

Victor Cuthell
Chief Financial Officer

Agenda

FY23 Results Highlights

Mark Weaver
Chief Executive Officer

FY23 Financial Highlights

Peter Warren Automotive Holdings

Diversity of revenue streams helped to deliver a solid result

Revenue	EBITDA (1)	Profit before tax (PBT) (1)	Net profit after tax (NPAT)
	Underlying	Underlying	Statutory
$2.07b	$140.5m	$81.9m	$56.4m
FY22 Revenue $1.71b	FY22 EBITDA $130.1m	FY22 PBT $88.2m	FY22 NPAT $56.5m
21%	8%	(7%)	-

32.8 cents
Earnings per share

11.0 cents
FY23 Final dividend per share

22.0 cents
FY23 Total dividend for the year

4.0%
Return on sales (1)
(PBT margin)

4%
Net debt to property value

0.1x
Net Debt to EBITDA

(1) Underlying result excludes financial impact of acquisition related expenses (FY23: $0.8 million; FY22: $2.3 million) and impact of floods (FY23: Nil; FY22: $5.1 million)

FY23 Highlights

Solid result in a dynamic environment

Peter Warren Automotive Holdings

FY23 Highlights

- In a higher cost environment, revenue growth driven in all parts of the business
- Solid financial result of 8% EBITDA[1] growth through proactive and disciplined approach
- Order bank continues to grow and steady unwind is anticipated
- Execution of primary growth pillars including key strategic acquisition
- Strong cash flow generation achieved with 88% cash conversion
- Well positioned for further consolidation

FY24 Outlook

- Anticipate revenue growth in FY24, underpinned by strong order book
- Improvement in vehicle supply in some OEM brands however consistency in supply and mix remain a challenge
- There is potential for limited margin contraction in new vehicles based on improved supply
- Diversity of revenue streams will continue to support growth plans
- Focussed on strong inventory and cost management with a tapering increase in interest costs from elevated interest rates and inventory in FY23
- FY24 result will benefit from recent dealership acquisitions
- Group will continue to act as a consolidator and gain scale with a strong financial position providing considerable capacity to execute

[1] Underlying EBITDA

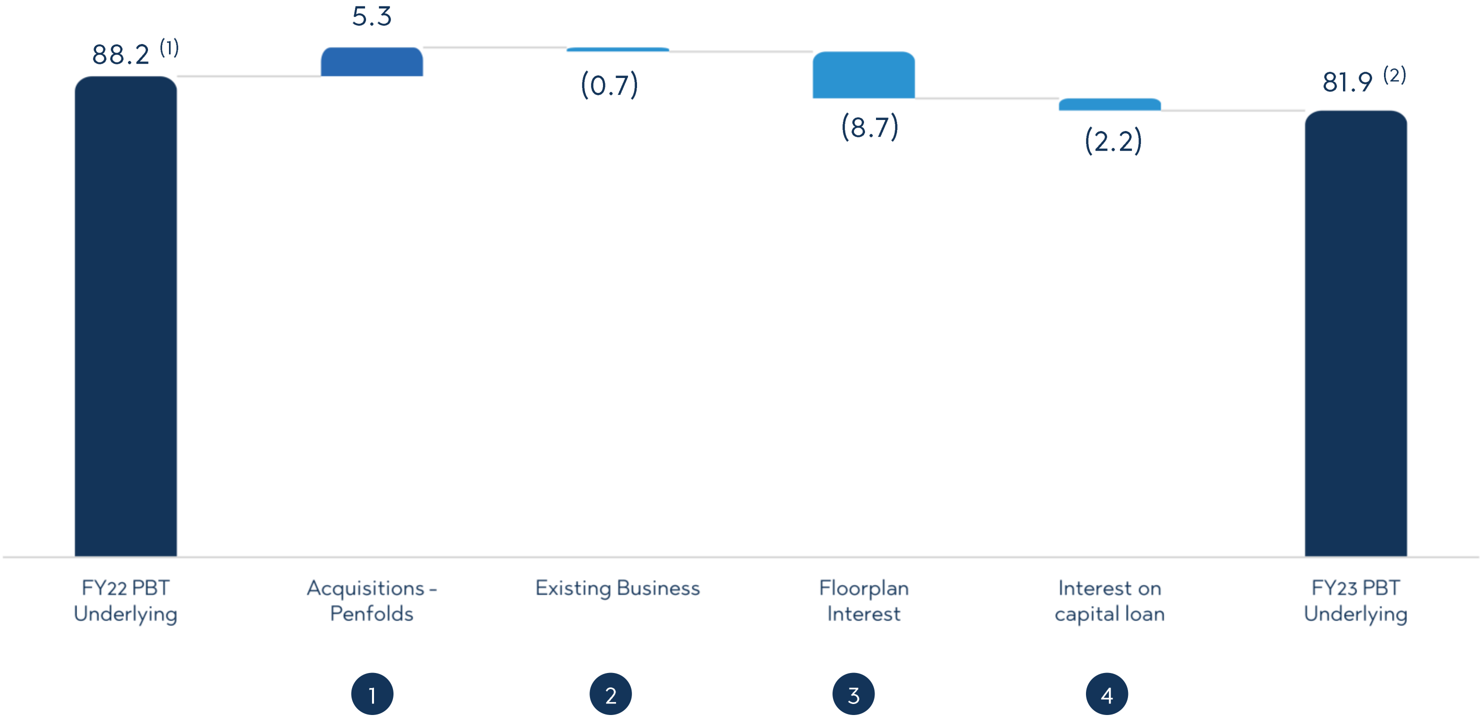
FY23 Results Overview

Mark Weaver
Chief Executive Officer

Solid result reflects proactive and disciplined approach

Driving revenue growth in a higher cost environment

PBT bridge FY22 to FY23



1. Acquisitions reflects incremental contribution from Penfolds (additional 5 months), which is performing ahead of expectations
2. Existing business performance includes increased revenue across all divisions and absorbing the impact of cost inflation
3. Higher floorplan interest an outcome from increased vehicle supply and rising floorplan interest rates
4. Interest on capital loan increased as part of full year impact of funding the FY21 acquisition

(1) FY22 Underlying PBT excludes acquisition related expenses ($2.3m) and flood related expenses ($5.1m)
(2) FY23 Underlying PBT excludes acquisition related expenses ($0.8m)

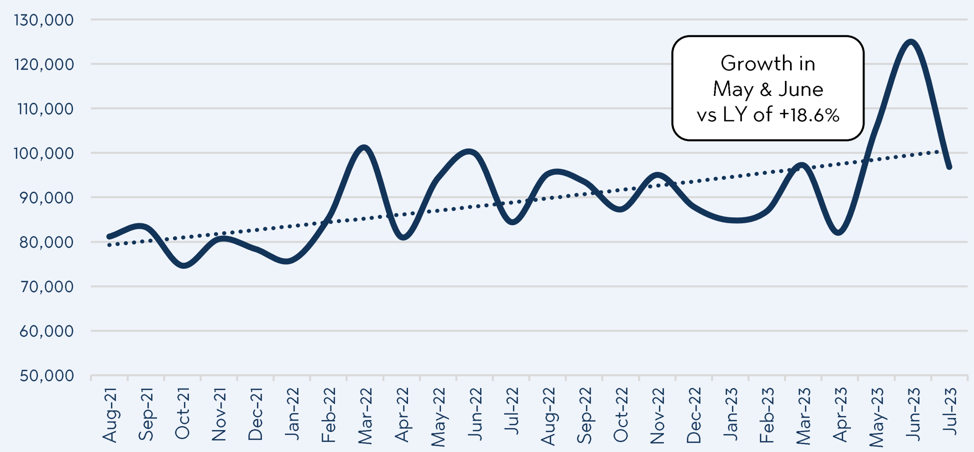
Vehicle Availability is Improving

Supply is improving however significant pent-up demand remains

Vehicle availability is improving

- Improvement in vehicle supply in some OEM brands however consistency, port delays and product mix challenges remain
- Improving new vehicle availability has helped drive sales increase of 21% (12% excluding the Penfolds acquisition uplift)
- New vehicle unit growth of +18%, with increased May / June supply
- Used vehicle unit growth +10%

Monthly new vehicle units sold (VFacts)

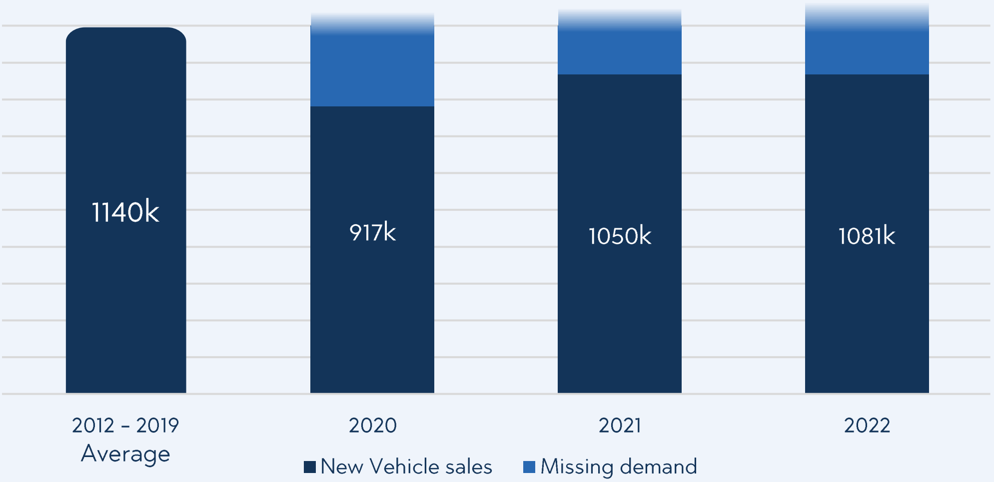


Source: Vfacts

Significant pent-up demand

- New vehicle units sold in recent years have been below the historic average of 1,140,000 p.a.
- Un-sold vehicles is 350,000+
- This ignores the likely impact of historical CAGR on unit volumes
- Average age of the car parc has increased during this period providing vehicle servicing opportunities

Potential pent-up demand



Source: Vfacts, Company analysis

Record order bank and pent-up demand support growth outlook

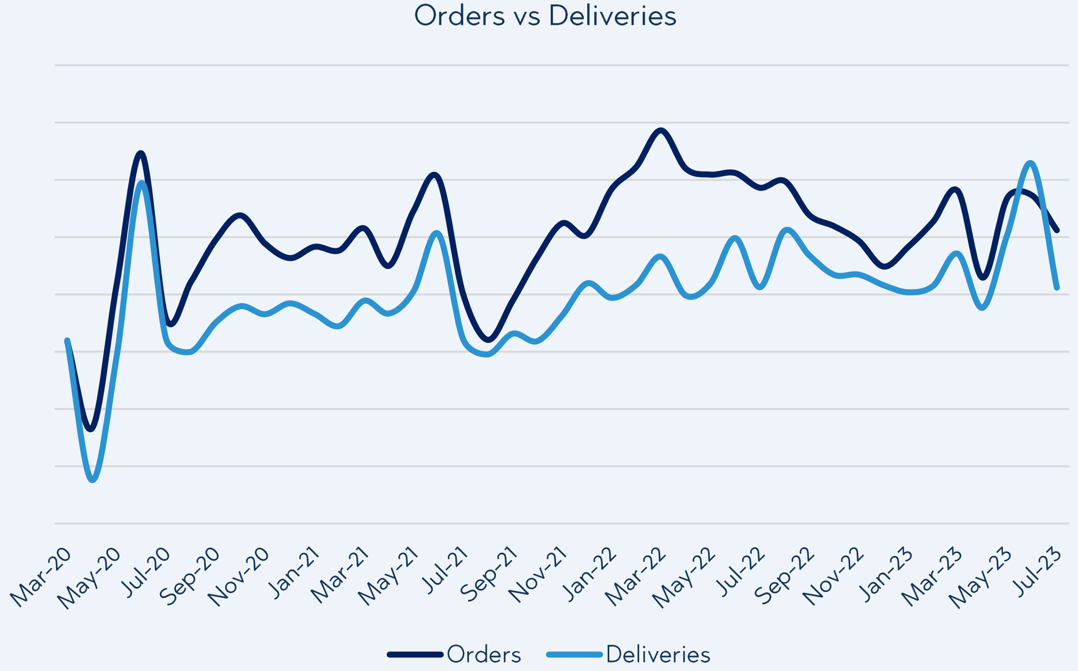
Order bank remains strong with steady unwind anticipated

Order book remains at record levels

- Order bank at June 2023 was up 155% since Dec 2021
- Order bank further boosted +40% by acquisition of Toyota and VW dealerships in July 2023
- Steady unwind of order bank anticipated as volatility in supply is expected to continue

New Vehicle Order Write vs Deliveries

- June 2023 saw deliveries exceed orders for the first time since pre-COVID, the pattern returned however in July 2023
- As we move into FY24, new vehicle demand continues to exceed supply



Diversity of brands and revenue streams is a key growth driver

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	FY23 $m	FY22 $m	Variance %	Variance Excl. Acquisition Uplift [(1)] %		Relative Gross margin
New vehicles	1,380	1,148	20.2%	11.1%	↑	Low
Used Vehicles	283	230	23.0%	13.6%	↑	Low
Parts and Accessories	233	180	29.3%	21.9%	↑	Med
Service	107	87	23.4%	13.5%	↑	High
Finance and Insurance	30	28	7.9%	2.6%	↑	High
Aftermarket	27	23	17.6%	11.6%	↑	Med-High
Other	13	15	n.m.	n.m.	–	N/a
Total Revenue	**2,073**	**1,711**	**21.1%**	**12.3%**		

Opportunities

Used Cars

Parts

Service & Ancillary products

TAURUS MotorFinance

Finance

Highlights

- Double digit growth achieved in the key revenue streams on top of incremental Penfold contribution
- Growth in higher margin areas driven by 'per order' improvements and returns on technology investments:
  - Parts +29.3%
  - Service +23.4%
- Incremental opportunities presented as a result of process changes in key areas
  - Used – increased volumes resulting from improved trade in process
  - Parts – Competitive advantage from increased multi-brand scale offering
  - Service – Technology developments present increased 'per order' outcomes
  - Finance - Diversity and depth achieved via our Taurus investment partnership

(1) Variance excludes the uplift from 12 months of Penfold's trading in FY23 versus 5 months in FY22.

ESG at Peter Warren

Peter Warren Automotive Holdings

Good progress across our Responsible Business Pillars

Environment and Sustainability

- Carbon footprint review completed to establish a baseline to reduce carbon emissions from operations
- Continued investment in our future through EV charging infrastructure and power capacity assessments
- Investment in energy conservation measures underway and expected to increase in FY24 and beyond

People

- GIFT principles at the heart of our value-driven business provide for team and consumer engagement
- Continued focus and enhancement of our safety culture
- Addressing our future workforce needs through development of our apprenticeships, traineeships and strategic training partnerships
- 3rd consecutive year nomination for the 2023 NSW Training Awards– Large Employer of the Year
- Nominated as Finalists for the 2023 Australia Training Awards for Innovation

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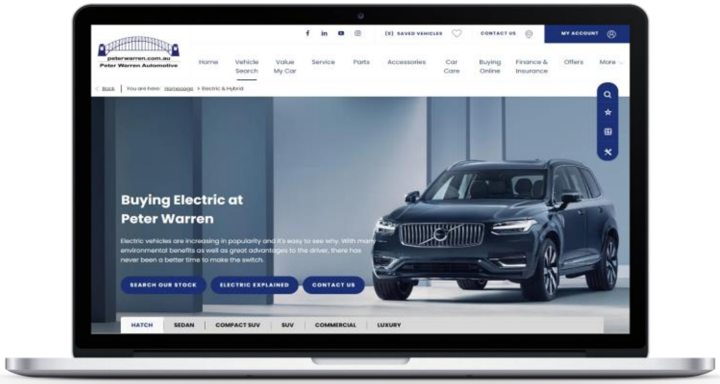
Well positioned for NEV supply changes

Segment diversity drives ~90% New Energy Vehicle model growth

In the 6 months to June 2023, sales of including Battery Electric Vehicles (BEVs) and Plug-in Hybrids (PHEVs) reached 8.0% market share (v. 2.3% in CY2022)

- We are well positioned for the transition to New Energy Vehicles (NEV's) supporting a sustainable future. This includes: advanced charging infrastructure, development of complementary consumer products and adoption of new revenue streams and partnerships.
- Our NEV model line-up is strong and will increase by 90% as OEM's widen their NEV ranges.
  - The early market leaders will naturally be diluted
  - This is an opportunity for Peter Warren to lead the next wave of NEV models with a wide range of consumer offerings across all segments including volume, prestige and luxury



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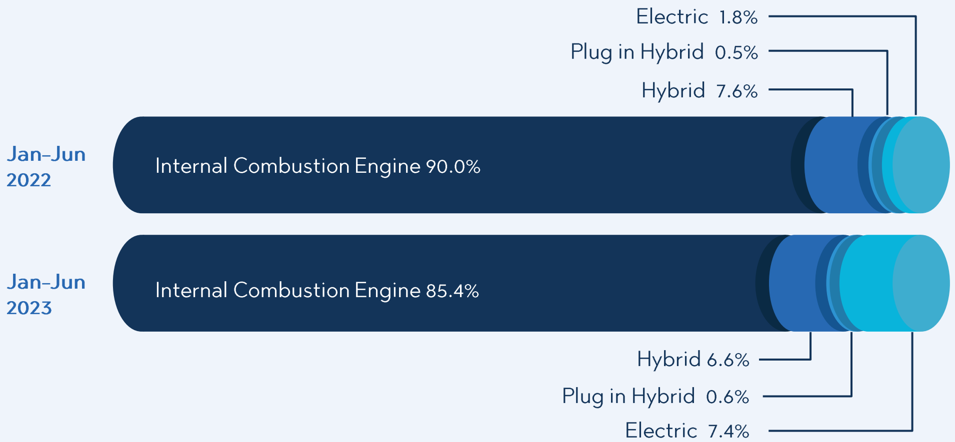
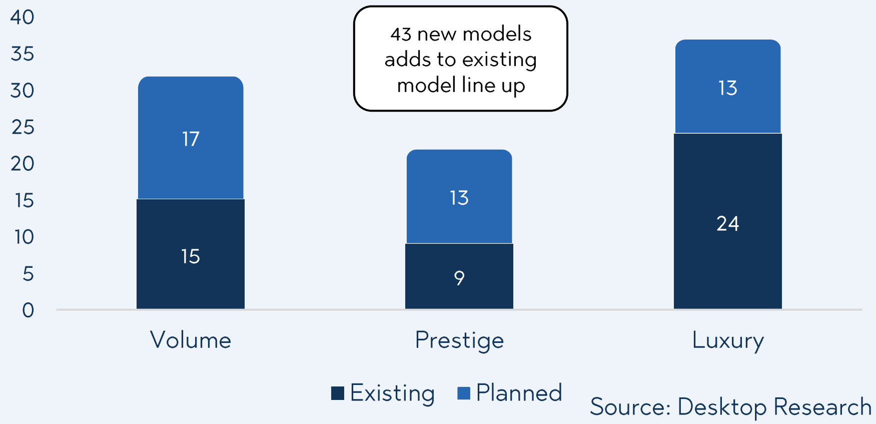
Market Share
by powertrain



Source: Vfacts

PWR existing and planned model line ups (Hybrid, PHEV & BEV)

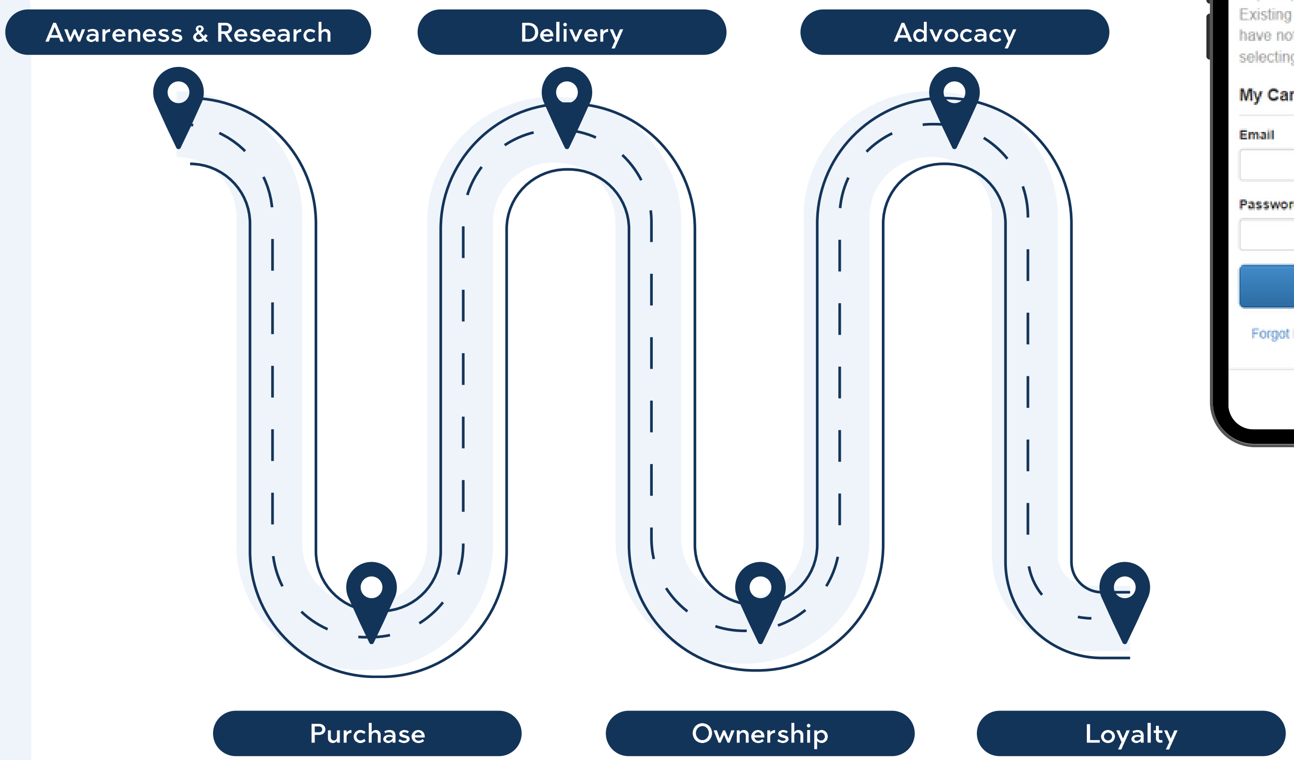


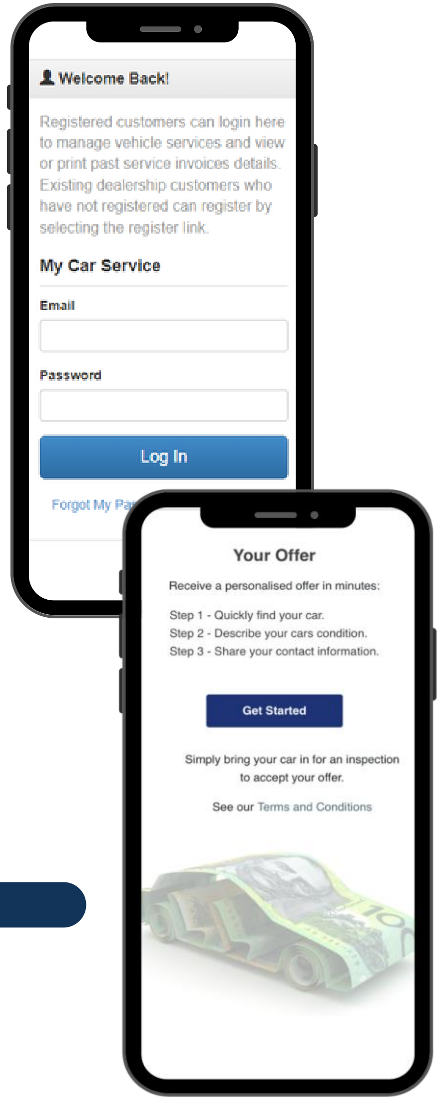
Source: Desktop Research

Evolving our approach to digital

Capturing the online customer journey across the vehicle lifecycle

- Customer journey is progressively more digital
- A consistent 'whole of life' customer experience process is critical, with all channels synthesised and driven by customer choice
- Mining customer data and building personal insights along the path to purchase delivers more opportunities
- We continue to emulate our 'bricks and mortar' customer journey into digital channels allowing consumers to jump seamlessly between stages of consideration, acquisition and ownership
- Entry into a tailored "garage" increases customer lifetime value through loyalty, advocacy and ultimately, repeat purchase
- Digital assets provide us with 24/7 customer connection and cost efficiencies



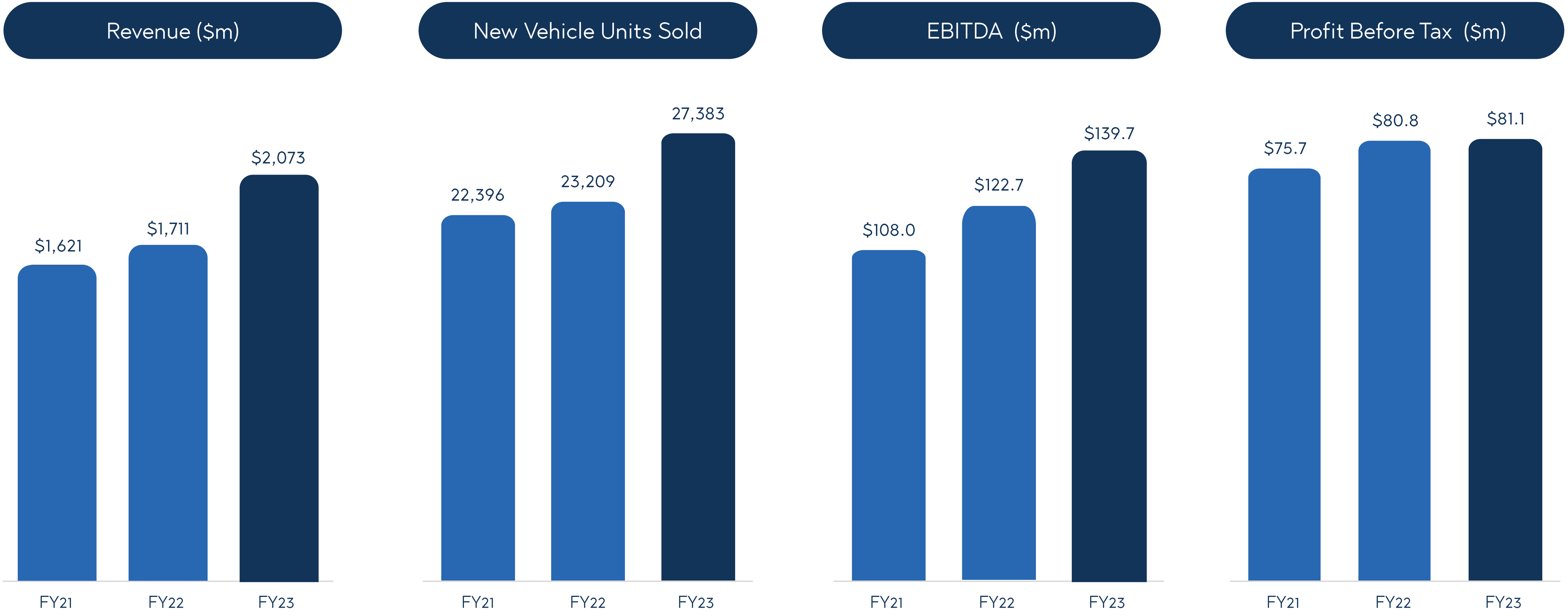


FY23 Financial Summary

Victor Cuthell
Chief Financial Officer

FY23 Financial Results

Solid results across all key metrics



(1) FY21 figures are proforma and FY22 / FY23 figures are statutory.

FY23 Profit and Loss

We drove revenue growth in every part of our business, and this offset cost inflation and achieved +8.0% EBITDA

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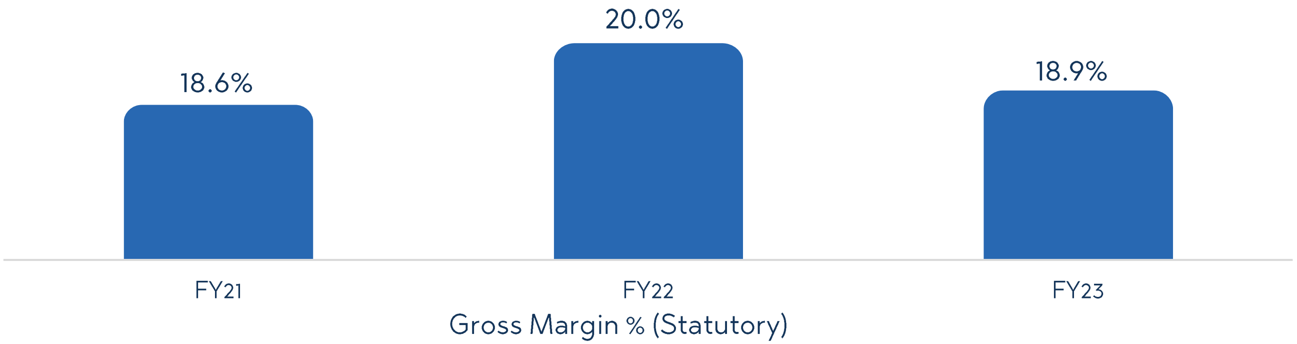
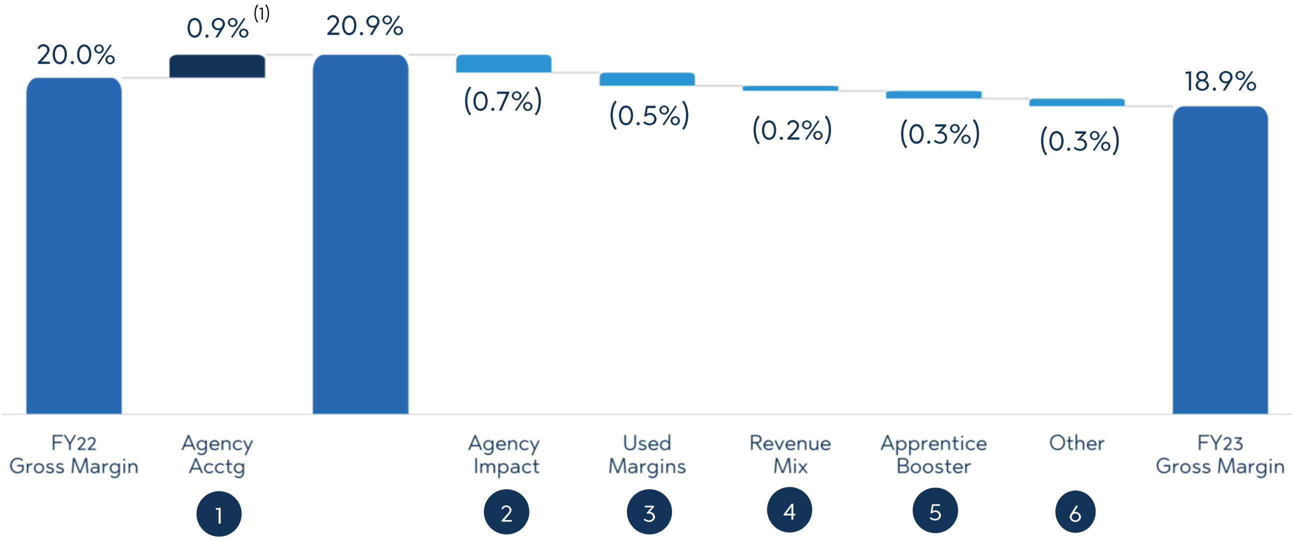
		FY23 $m	FY22 $m	Variance $m	Variance %
1	Revenue	2,073.1	1,711.3	+361.8	+21.1%
2	Gross Profit	392.5	342.5	+50.0	+14.6%
	Gross Profit %	*18.9%*	*20.0%*		
3	Operating expenses - underlying	(252.0)	(212.4)	(39.6)	(18.6%)
	Operating expenses %	*12.2%*	*12.4%*		
4	EBITDA - underlying	140.5	130.1	+10.4	+8.0%
	Flood recovery costs	-	(5.1)	+5.1	
	Acquisition expenses	(0.8)	(2.3)	+1.5	
	EBITDA - statutory	139.7	122.7	+17.0	+13.9%
	Depreciation and Amortisation	(30.8)	(26.4)	(4.4)	(16.8%)
	EBIT – statutory	108.9	96.3	+12.6	13.1%
5	Interest	(27.8)	(15.5)	(12.3)	(79.6%)
	PBT - statutory	81.1	80.8	+0.3	0.3%

1. Revenue increases occurred in every part of our business and were supplemented by an acquisition
2. A solid Gross Profit result was achieved:
   - Gross Margin of 18.9% (FY22: 20.0%)
   - Incorporating post-covid factors and the effect of the Agency model (refer next page)
   - +$50m in Gross Profit v. FY22
3. Our cost control program limited Opex growth in order to maximise the flow-through of revenue and GP to EBITDA
4. Underlying EBITDA grew by $10.4m (+8.0%) as we leveraged our cost base
   - Underlying EBITDA excludes acquisition expenses and FY22 flood costs
5. Interest costs have increased:
   - higher interest rates on floorplan finance
   - increased inventory balance
   - Acquisition effect from capital loan and floorplan in place for a full twelve months
6. In FY24 we anticipate further growth in revenues and a smaller increase in interest costs

Gross Margin result solid at 18.9%

Gross margins reduced from highs achieved during covid-19 trading





- The FY23 gross margin of 18.9% compares with the previous two years at 18.6% and 20.0%
- The Gross Margin movement of -1.1ppts from FY22 to FY23 includes:
  1. +0.9ppts from the accounting for agency model (lower revenue recognition)[1]
  2. -0.7ppts from the commercial effect of the agency model (noting that lower costs are incurred in interest, etc)
  3. -0.5ppts from lower used car margins as inventory was reset to reflect new market conditions
  4. -0.2ppts from the increased mix of revenue coming from new and used vehicle sales
  5. -0.3ppts from the tapering of grant income from the Apprentice Booster program
  6. -0.3ppts in all other areas with minimal YoY change (including in new vehicles)
- A number of these movements are a result of moving to a post covid-19 trading environment

(1) Revenue adjusted for Agency-accounting by removing non-Agency revenue from prior periods

Operating Cost Bridge ($m)

Opex has been leveraged and is -0.8ppts lower as a % of revenue (v. LY)

	FY23	FY22	Var.
Opex % of Revenue	12.2%	12.4%	-0.2 ppts
Opex % of Revenue (Agency-Accounting Adjusted) [1]	12.2%	13.0%	-0.8 ppts

[1] Revenue adjusted for Agency-accounting by removing non-Agency revenue from prior periods

- We managed costs to maximise the flow-through of revenue growth to the bottom line
- After adjusting revenue for agency-model accounting [1], Opex % of revenue is -0.8ppts lower than last year
- Our cost control program includes:
  - Wage and salary increases below inflation
  - Cost recovery (especially in service and parts)
  - Cost and procurement reviews
  - Increased management of treasury and cash
- Cost increases from FY22 to FY23 reflect:
  1. $16.9m more opex from including Penfolds Motor Group for five additional months v. FY22
  2. $6.0m lower overheads being incurred during Covid restrictions in FY22
  3. $5.4m for new hires to service additional volume and revenue growth
  4. $4.4m in cost increases from limited wage rate and salary increases

Continued Strong Cashflow conversion

Operating cash flow conversion was 88.3%

		FY23 Statutory $m	FY22 Statutory $m	Variance %
	EBITDA	**139.7**	**122.7**	**+13.9%**
	Movement in working capital	2.7	(22.6)	
2	Movement in customer deposits	(6.2)	15.6	
	Operating cash flow before floorplan interest	**136.2**	**115.7**	**+17.8%**
3	Floorplan Interest	(12.8)	(4.1)	
	Operating cash flow after floorplan interest	**123.4**	**111.6**	**+10.6%**
1	*Operating cash flow conversion after floorplan interest*	***88.3%***	***90.9%***	
	Capital expenditure	(10.5)	(11.6)	
	Lease payments	(27.9)	(23.4)	
	Net cash flow before financing and taxation	**85.0**	**76.6**	**+11.0%**
4	Dividends paid (2)	(41.3)	(15.5)	
	Tax paid	(35.3)	(27.0)	
	Other financing activities (net of acquisitions) (1)	(9.9)	(24.9)	
	Net movement in cash	**(1.5)**	**9.3**	

(1) Other financing activities include lease payments, interest, repayments, borrowings and acquisitions
(2) No final dividend was paid in-year in FY22 in respect of the FY21 year

KEY ITEMS IN THE FY23 CASH FLOWS

1. Operating cash conversion after floorplan interest was strong at 88.3% and reflects a strong cash-generating business
2. Customer deposits represented a cash outflow ($6.2m) due to a modest decline at FY23 v. FY22
3. Floorplan interest increased due to inventory increases and interest rate increases

DIVIDEND

4. The Directors have declared a final dividend of 11.0 cents per share (fully franked)

FY23 total dividends amount to 22.0 cents per share (67% of NPAT)

Payment arrangements for the final dividend are:

- Record date: 5th Sep 2023
- Payment date: 3rd Oct 2023

Capital Structure Supports Growth Plans

Net Debt to property value provides considerable debt capacity

	Actual 30 Jun 23 $m	Actual 30 Jun 22 $m	Mvmt $m
Cash and cash equivalents	50.6	52.2	(1.6)
Borrowings	(58.9)	(65.9)	7.0
Net Debt	**(8.3)**	**(13.7)**	**5.4**
Lease liabilities	(219.1)	(225.0)	5.9
Floorplan finance	(297.5)	(200.6)	(96.9)
Net debt (including lease liabilities and floor plan finance)	**(524.9)**	**(439.3)**	**(85.6)**

Key Metrics		
Owned property value ($'m)	229	204
Net Debt to property value	4%	7%
EBITDA – statutory	139.7	122.7
EBITDA after floorplan interest – statutory	126.8	118.6
Net Debt / EBITDA after floorplan interest	0.1x	0.1x

- Floorplan finance increased by $96.9m as inventory levels increased
- Property value increased by $25m
- Strong cash and debt position represent significant capacity for future debt:
  - Net Debt / EBITDA 0.1x
  - Net Debt / Property Value 4%
- Our acquisition of Toyota and VW dealerships in July 2023 was funded:
  - Debt $37m
  - Cash $8m

Strategy and Outlook

Mark Weaver
Chief Executive Officer

Three Primary Pillars

Delivered through our workplace culture and core values

Organic Growth

Expansion of current operations in the sale of new and used vehicles and the provision of complementary services including:

- New car bundling
- Retail Life Cycle
- Operational efficiencies
- Car sales growth
- Refining sales mix

Acquisition opportunities

Pursue new acquisition opportunities with a disciplined approach to screening based on strategic rationale, location and value

East coast acquisition strategy

Significant consolidation opportunities exist in a highly fragmented market

Evolve property portfolio

Ownership or long-term leases of key strategic properties

Provide flexibility and expansion potential

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The Peter Warren Growth Journey

Successful execution of our Three Primary Pillars

		FY20	FY21	FY22	FY23
Demonstrated track record of delivering sustainable growth driven by organic and inorganic opportunities	Sales A$m	1,377m	1,621m	1,711m	2,073m 14.6% CAGR
Successful acquisition and integration of new dealerships	Number of franchise operations		70 dealerships (1)		80+ dealerships 2
Evolving our property portfolio			Acquisition of Warwick Farm and Southport properties	Acquisition of land at Southport	Surplus leases exited

(1) At IPO April 2021
(2) Acquired 7 July 2023

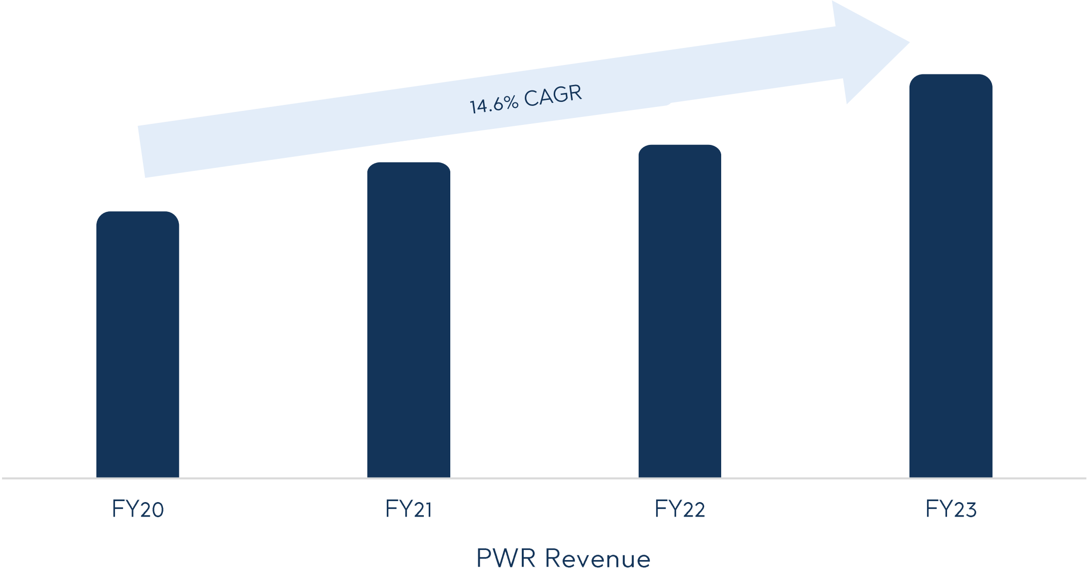
Significant consolidation opportunities exist

Market remains highly fragmented

- The Australian auto industry is becoming more concentrated as the larger dealer groups consolidate to gain efficiencies of scale [(1)]
- The top 11 dealer groups now represent approximately 24.6% of the total number of dealer rooftops [(1)]
- Against this landscape, PWR has:
    - A strong pipeline of potential acquisitions
    - A disciplined approach to M & A activity
    - The capital structure to support growth
    - A solid infrastructure base, readied for expansion
    - Low-cost suppliers, to achieve synergies
    - A track record of successful integration

Australian dealership landscape (by dealer group and rooftops)

No of Rooftops	No of dealers in range	% of Dealers	Total Rooftops of Range	% of Rooftops
50+	5	0.8%	608	18.0%
26-50	6	0.9%	222	6.6%
11-25	49	7.4%	714	21.1%
6-10	102	15.4%	753	22.3%
1-5	501	75.5%	1,084	32.1%
Totals	**663**	**100.0%**	**3,381**	**100.0%**



(1) Source: Pitcher Partners analysis February 2023, as published in Independent Expert Report (ASX: PWR 5 June 2023)

Outlook

Market Conditions

- New vehicle demand continues to exceed supply, with the order book at record levels
- Improvement in vehicle supply has occurred in some OEM brands, however, challenges remain in supply, product mix and port delays
- We recognise the macroeconomic environment and consumer sentiment
- The FY24 result will, relative to FY23 see a tapering increase in interest costs as a result of the higher interest rates and inventory levels experienced in FY23

Trading Outlook

- Whilst we are not immune to the impact of inflation, we are focussed on disciplined inventory and cost management and on driving top line growth across our diversified revenue from service, parts, finance and used cars
- We anticipate improving supply and continued volume growth in FY24, underpinned by our strong order book. There is potential for limited margin contraction based on improved supply
- Our FY24 result will benefit from the recently acquired Toyota and Volkswagen dealerships

Group Well Positioned

- The group will continue to execute its strategy against its three primary pillars:
  - organic growth initiatives
  - evaluation of acquisition opportunities
  - leveraging and evolving its property portfolio
- Our growth plans are supported by strategic initiatives aimed at growing our diverse revenue streams, using technology and customer focus
- The group will continue to act as a consolidator and gain scale advantages
- Our balance sheet and net debt position provides considerable capacity to execute this strategy

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, 22 August 2023.

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.

The financial information should be read in conjunction with the basis of preparation set out in note 2 of the Company’s accounts.

Forward-looking statements

This presentation may contain forward-looking statements which are statements that may be identified by words such as “may”, “will”, “would”, “could”, “expects”, “intends”, “anticipates”, and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions and on a number of best estimate assumptions regarding future events and actions that, at the date of this document, are expected to take place. No person who has made any forward-looking statements in this document has any intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events, or any other factors affect the information contained in this document, other than to the extent required by law. Such forward-looking statements are not guarantees nor a reliable indication of future performance and involve known and unknown risks, uncertainties, assumptions, and other important factors, many of which are beyond the control of the Company.

This presentation also contains references to certain intentions, expectations, and plans of the Company. These intentions, expectations, and plans may or may not be achieved. They are based on certain assumptions which may not be met or on which views may differ.

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Any additional financial information in this presentation which is not included in the Company’s FY 23 Financial Report was not subject to independent audit or review by Deloitte.

Appendices

Balance Sheet

$m	30 June 23 Actual	30 Jun 22 Actual	Variance
Cash and cash equivalents	50.6	52.2	(1.6)
Trade and other receivables	68.9	56.1	12.8
Inventories	361.0	273.4	87.6
Income tax refund due	1.7	0.0	1.7
Property plant & equipment	275.5	247.0	28.5
Other assets	13.3	18.2	(4.9)
Right of use assets	182.6	192.2	(9.6)
Intangibles	241.5	242.3	(0.8)
Deferred tax assets	9.8	20.0	(10.2)
Total assets	**1,204.9**	**1,101.4**	103.5
Trade and other payables	(87.2)	(94.2)	7.0
Employee benefits	(25.7)	(23.4)	(2.3)
Borrowings – floorplan finance	(297.5)	(200.6)	(96.9)
Borrowings	(58.9)	(65.9)	7.0
Contract liabilities	(2.0)	(2.2)	0.2
Lease liabilities	(219.1)	(225.0)	5.9
Income tax payable	0.0	(10.9)	10.9
Other liabilities	(0.2)	(0.2)	(0.0)
Total liabilities	**(690.6)**	**(622.4)**	(68.2)
Net assets	**514.3**	**479.0**	35.3

AASB 16 Reconciliation

Peter Warren Automotive Holdings

$m	FY23 Actual	FY22 Actual
EBITDA (AASB 117)	111.8	99.3
Decrease in operating lease expense	27.9	23.4
EBITDA (AASB 16)	**139.7**	**122.7**
EBIT (AASB 117)	101.5	90.2
Decrease in operating lease expense	27.9	23.4
Increase in depreciation of right of use asset	(20.5)	(17.3)
EBIT (AASB 16)	**108.9**	**96.3**
NPAT (AASB 117)	59.5	59.5
Decrease in operating lease expense	19.6	16.3
Increase in depreciation of right of use asset	(14.4)	(12.1)
Increase in interest expense (net of tax)	(8.3)	(7.2)
NPAT (AASB 16)	**56.4**	**56.5**
PBT (AASB 117)	85.5	85.0
Decrease in operating lease expense	27.9	23.4
Increase in depreciation of right of use asset	(20.5)	(17.3)
Increase in interest expense	(11.8)	(10.3)
PBT (AASB 16)	**81.1**	**80.8**

Adjustments to Statutory Income Statement

June year end (A$m)	Statutory FY23	Statutory FY22	Underlying (1) FY23	Underlying (1) FY22
Revenue	2,073.1	1,711.3	2,073.1	1,711.3
Cost of sales	(1,680.6)	(1,368.8)	(1,680.6)	(1,368.8)
Gross profit	**392.5**	**342.5**	**392.5**	**342.5**
Gross profit margin	*18.9%*	*20.0%*	*18.9%*	*20.0%*
Employee benefits expense	(183.9)	(156.2)	(183.9)	(156.2)
Advertising expenses	(8.8)	(7.6)	(8.8)	(7.6)
Insurance expenses	(8.8)	(7.2)	(8.8)	(7.2)
Vehicle expenses	(8.5)	(6.8)	(8.5)	(6.8)
Other expenses (1)	(42.8)	(42.0)	(42.0)	(34.6)
Operating expenses	**(252.8)**	**(219.8)**	**(252.0)**	**(212.4)**
EBITDA	**139.7**	**122.7**	**140.5**	**130.1**
Depreciation and amortisation expense	(30.8)	(26.4)	(30.8)	(26.4)
EBIT	**108.9**	**96.3**	**109.7**	**103.7**
Floor plan interest	(12.8)	(4.1)	(12.8)	(4.1)
Net finance expense	(15.0)	(11.4)	(15.0)	(11.4)
Profit before tax	**81.1**	**80.8**	**81.9**	**88.2**
Income tax expense	(24.7)	(24.3)	(25.0)	(26.5)
NPAT	**56.4**	**56.5**	**56.9**	**61.7**

(1) Underlying result excludes financial impact of acquisition related expenses (FY23: $0.8 million; FY22: $2.3 million) and impact of floods (FY23: Nil; FY22: $5.1 million)

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
Auto Mall	a location with a large number of dealerships and service facilities, providing consumers with greater choice than a single dealership alternative
Automotive dealership	a business that sells new or used vehicles along with other ancillary products and services, which may include the sale of aftermarket products, provision of servicing, parts sales and collision repair services as well as distribution of finance and insurance products
CAGR	Compound Annual Growth Rate
EBIT	earnings before interest and tax
EBITDA	earnings before interest and tax, depreciation and amortisation
EBITDA **margin**	calculated as EBITDA as a percentage of revenue
Employee costs	presented as all personnel and 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
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 margin per unit sold (GPU)
IFRS	International Financial Reporting Standards
NEV	a new energy vehicle which includes hybrid, electric, hydrogen powered vehicles
NPAT	net profit after tax
OEM	original equipment manufacturer
Operating cash flow conversion	the ratio of operating cash flow after floor plan interest as a percentage of EBITDA
PBT	profit before the impact of tax
PBT **margin**	calculated as profit before tax as a percentage of revenue
PCP	prior corresponding period
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	is 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 case sold by brand and by model

Enquiries

Investor relations contact details:
Alexandra Abeyratne, Citadel-MAGNUS
Phone: +61 438 380 057
Email: aabeyratne@citadelmagnus.com

Company IR website: www.pwah.com.au

Company address: 13 Hume Highway, Warwick Farm, NSW, 2170, Australia