amagroupltd.com

AMA GROUP

26 August 2019

Company Announcements
For Immediate Release
ASX Code: AMA

APPENDIX 4E AND FINANCIAL REPORT FOR AMA GROUP LIMITED

In accordance with the Listing Rules of the Australian Securities Exchange ("ASX"), AMA Group Limited encloses for immediate release the following information:

1. Appendix 4E, the Preliminary Final Report for the Year ended 30 June 2019; and
2. The Annual Report for the Year ended 30 June 2019.

If you have a query about any matter covered by this announcement, please contact Mr Steve Becker on steve.becker@amagroupltd.com.

Ends.

World Class
Automotive Solutions

The following information is presented in accordance with Listing Rule 4.3A of the Australian Securities Exchange ("ASX").

1. Details of the reporting period and the previous corresponding period

Current reporting period	- the year ended 30 June 2019
Previous corresponding period	- the year ended 30 June 2018

2. Results for announcement to the market

	Year ended	30 Jun 2019 $'000	30 Jun 2018 $'000	Increase / (Decrease) $'000	%
2.1	Revenues from continuing operations (including joint venture profit share)	616,174	509,756	106,418	20.9
	Earnings before interest, tax depreciation, amortisation and impairment from continuing operations	50,127	43,633	6,494	14.9
	Normalised earnings before interest, tax, depreciation, amortisation and impairment from continuing operations	58,184	52,156	6,028	11.6
2.2	Profit after tax from continuing operations attributable to members	21,715	15,108	6,607	43.7
	Normalised profit after tax from continuing operations attributable to members	28,130	24,073	4,057	16.9
2.3	Net profit for the period attributable to members	21,553	15,105	6,448	42.7
	Normalised net profit for the period attributable to members	27,967	24,069	3,898	16.2

Normalised results are unaudited Non-IFRS measures. Refer to the attached Financial Report for details of these calculations.

2.4	Dividends (distributions)	Amount per security (cents)	Franking amount per security	Conduit foreign income per security
	2019 Final	2.25	100%	Nil

2.5 Record date for determining entitlements to the dividend

13 September 2019

2.6 Commentary on “Results for Announcement to the Market”

A brief explanation of any of the figures in 2.1 to 2.4 above, necessary to enable the figures to be understood, is contained in the attached Annual Report for the Year ended 30 June 2019.

3. A statement of comprehensive income

A statement of comprehensive income together with notes to the statement is contained in the attached Annual Report for the Year ended 30 June 2019.

4. A statement of financial position

A statement of financial position together with notes to the statement is contained in the attached Annual Report for the Year ended 30 June 2019.

5. A statement of cash flows

A statement of cash flows together with notes to the statement is contained in the attached Annual Report for the Year ended 30 June 2019.

6. A statement of changes in equity

A statement of changes in equity, showing movements is contained in the attached Annual Report for the Year ended 30 June 2019.

7. Details of individual and total dividends or distributions and dividend or distribution payments.

Type	Record Date	Payment Date	Amount per Security (cents)	Total Dividend ($)	Franked amount per security	Conduit foreign income per security
2018 Final	14 Sep 2018	13 Nov 2018	2.0	10,595,237	100%	Nil
2019 Interim	15 Mar 2019	15 May 2019	0.5	2,704,263	100%	Nil

8. Details of any dividend distribution reinvestment plans.

Not Applicable.

9. Net Tangible Assets per Security

Year ended	30 Jun 2019 cents	30 Jun 2018 cents	Increase / (Decrease) cents	%
Net tangible assets per security	(14.82)	(6.49)	(8.33)	128.4

10. Details of entities over which control has been gained or lost during the period.

During the period, control was gained over the following entities:

Name of entity	Date control gained	Contribution to profit from ordinary activities 30 Jun 2019 $'000	30 Jun 2018 $'000
Mt Druitt Autobody Repair Group of companies	1 Jul 2018	1,990	-
- Mt Druitt Auto Body Repairs Pty Ltd			
- Accident Repair Management Pty Ltd			
- Accident Repair Management No. 2 Pty Ltd			
- Accident Repair Management No. 3 Pty Ltd			

During the period, control was not lost over any entity.

11. Details of any associates and joint venture entities

There were no associates or joint ventures during the period.

12. Any other significant information needed by an investor

Further significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position is contained in the attached Annual Report for the Year ended 30 June 2019.

13. Foreign Entities, Accounting Standards used in compiling the report

Not Applicable.

14. A commentary on the results for the period

A commentary, including any significant information needed by an investor to make an informed assessment of the entity's activities and results, is contained in the attached Annual Report for the Year ended 30 June 2019.

15. Audit / Review of Accounts upon which this report is based and qualification of audit / review

This Preliminary Final Report is based on the attached Annual Report for the Year ended 30 June 2019 which has been audited by ShineWing Australia. The audit report is attached as part of the Annual Report and is not subject to a modified opinion, emphasis of matter or other matter paragraph.

AMA GROUP LIMITED
ABN 50 113 883 560

Annual Report for the Year Ended 30 June 2019

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This document contains some statements which are by their very nature forward looking or predictive. Such forward looking statements are by necessity at least partly based on assumptions about the results of future operations which are planned by the Company and other factors affecting the industry in which the Company conducts its business and markets generally. Such forward looking statements are not facts but rather represent only expectations, estimates and/or forecasts about the future and thereby need to be read bearing in mind the risks and uncertainties concerning future events generally.

There are no guarantees about the subjects dealt with in forward looking statements. Indeed, actual outcomes may differ substantially from that predicted due to a range of variable factors.

EXECUTIVE CHAIRMAN AND CEO'S ADDRESS

Dear Shareholders,

We are delighted to present you with our results for the 2019 Financial Year.

Twelve months ago, we outlined our long-term plan for AMA Group Limited (ASX: AMA). Our key priorities included consolidating Australia's vehicle panel repair industry, executing further "Greenfield" opportunities, expanding our partnership agreements and identifying and executing strategic acquisitions in the Automotive Components and Accessories divisions. We are pleased to say this plan is on track and delivering success, but there is much more work to do.

We finished the financial year with the strongest set of results in the company's history. AMA's strong growth in 2019 is best reflected by a 21% increase in revenue to more than $616 million, up from $510 million in the previous year. We report an unaudited normalised EBITDA of $58.2 million, up $6 million and 12% on last year's result, and consistent with the market guidance. We delivered 39% growth in reported basic earnings per share from continuing operations, an increase from 2.88 cents to 4.00 cents and are pleased to declare a final dividend of 2.25 cents per share to our shareholders.

The Vehicle Panel Repair division, which accounted for 86% of our business in the past year, completed 21 acquisitions and opened four greenfields, which is an impressive feat. Of those acquisitions, six were within the Heavy Vehicle Repair industry, an attractive new growth market and strategic focus of AMA.

The Automotive Components & Accessories divisions (ACAD) delivered positive results with a significant increase in revenue and a focus on improving the performance of the more recently acquired business units. The ACAD business has embedded the right mix of personnel within their teams and further developed new designs and innovative product ranges to ensure the division is set up for future growth. The team is looking forward to a busy FY2020 with a continued focus on improving the quality of revenue and identifying and executing strategic acquisitions.

AMA will continue to pursue an extensive pipeline of potential acquisitions and Greenfield development sites, as we work towards $1 billion in revenue by FY2021 and $100 million in EBITDA. To achieve this goal we will require both strategic acquisitions and whole-of-business continuous improvement. These priorities include:

1. Realising the full potential of our team;
2. Enhancing our processes and systems – a "one platform" approach; and
3. Strongly aligning our brand with our customers.

AMA recently relocated both the Corporate Head Office and Panel Division Support Centre into new a corporate office at Bundall, QLD, setting AMA up for future growth.

The economic outlook and market conditions remain challenging. However, the Board and the CEO have great confidence that the combination of the defensive nature of our industry, and our proven acquisition strategy, our ability to increase revenues while containing cost, and the quality, high-performing people within our business will ensure your company will deliver strong returns into the future.

Raymond Malone	Andrew Hopkins
Executive Chairman	Group Chief Executive Officer

Your Directors submit the consolidated financial statements of AMA Group Limited ("AMA" or the "Company") and its controlled entities (the "Group") for the year ended 30 June 2019. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

DIRECTORS AND OFFICERS

The names and particulars of the Directors and Company Secretary of the Company in office at any time during or since the end of the period are as follows:

Mr Raymond Malone	Chairman and Executive Director
Mr Andrew Hopkins	Executive Director
Mr Raymond Smith-Roberts	Executive Director
Mr Leath Nicholson	Non-Executive Director
Mr Brian Austin	Non-Executive Director
Mr Simon Moore	Non-Executive Director (Appointed 28 Nov 2018)
Mr Anthony Day	Non-Executive Director (Appointed 28 Nov 2018)
Mr Hugh Robertson	Non-Executive Director (Resigned 3 Aug 2018)
Mrs Terri Bakos	Company Secretary

REVIEW AND RESULTS OF OPERATIONS

Principal Activities

The principal activity of the Group is the operation and development of complementary businesses in the automotive aftercare market. It focuses on the wholesale vehicle aftercare and accessories sector, including vehicle panel repair, vehicle protection products & accessories, automotive electrical & cable accessories, automotive component remanufacturing and workshop & performance products.

Significant changes in state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Key Achievements

The Directors are proud of the team's progress in executing the Board's strategy to expand our business and task advantage of industry consolidation while generating value and positive returns to shareholders.

FY2019 was another milestone year for AMA, which achieved a number of important successes throughout the reporting period including:

- Exceeded $600m in revenue with growth of 21% and on-track to reach $1 billion revenue by FY2021.
- Completed 21 acquisitions, including six (6) business acquisitions in the Heavy Vehicle Repair industry. This sector is an attractive new growth market and a strategic focus of AMA.
- The Vehicle Panel Repair division increased the number of shops it operates to 130 at 30 June 2019.
- The Vehicle Panel Repair division opened four (4) new greenfield sites, all supported by insurer contracts.
- Automotive Components & Accessories Divisions (ACAD) completed a major restructuring program, fully integrating the Automotive Solutions Group acquisition into its existing businesses, and performed to expectation.
- Relocated of the Corporate Head Office and Panel Division Support Centre into new a corporate office in Bundall, QLD, which sets AMA up for future growth.
- Received the second tranche of the market investment incentive instalment in the amount of $30.9m.

Operating Results

Reported earnings before interest, tax, depreciation, amortisation and impairment expense from continuing operations ("EBITDA") has increased from $43.6 million to $50.1 million; a 15% increase. This result, however, has been significantly impacted by several large abnormal items. Adjusting the result for these abnormal items results in an unaudited normalised EBITDA of $58.2 million, an increase of 12% from the prior comparative year of $52.2 million. Importantly, this unaudited normalised EBITDA result is consistent with the Company's latest market guidance being *"normalised EBITDA of approximately $58m"*.

	30 June 2019 $'000	**30 June 2018 $'000**
Reported EBITDA (audited)	50,127	43,633
Employee equity plan expense	1,499	853
Procurement project	967	550
Greenfield start-up costs	1,000	2,500
Site integrations	900	1,400
Business acquisition costs	1,494	1,363
Reorganisation costs	733	294
IT roll out	1,000	650
Litigation and resolution costs	182	-
Site closures and make good	150	150
Other	132	-
Blackstone Due Diligence costs	-	2,871
Gain on acquisition of ASG	-	(2,108)
Normalised EBITDA (unaudited)	**58,184**	**52,156**

The Group's reported net profit before tax from continuing operations ("NPBT") has increased from $24.7 million to $31.4 million, an increase of 27.3%.

Vehicle Panel Repair

The *Vehicle Panel Repair* division increased its revenue by 21.4% and its reported EBITDA by 18.9%. A major contributor to this growth was the full year impact of the acquisitions completed in FY2018 and the part year impact of the current year's acquisitions.

During the year the division integrated 21 acquisitions and opened four (4) greenfields. We also commenced operations into the Heavy Vehicle Repair industry, with acquisitions of six (6) businesses across three states.

A new CEO (appointment date 1 July 2019) was recruited to lead the Panel Division. Steve Bubulj joined our team and brings significant insurance industry knowledge and commercial acumen. Mr Bubulj has a strong bond to the business given his lengthy time in the industry, and he has a strong affinity with AMA's business and growth story.

The division completed the rollout of the new ERP (NetSuite) and GemSafe, a purpose-built Workplace Health & Safety / Occupational Health & Safety governance platform which provides AMA with industry leading labour advantages. The division also commenced the rollout of Torque, a purpose-built environmental governance management platform which provides AMA with an industry leading advantage.

During the year, the division launched a digital, centralised estimating service to insurer and fleet clients which has enhanced the customers experience as well as materialising efficiencies in estimating, triage and allocating motor vehicle repairs throughout AMA's network.

The division continued the development of its apprentice programs, with these efforts recognised with an industry first female finalist in the World Skills Competition in Russia, as well as the division being a finalist in the Champion Employer of the Year award.

Automotive Components & Accessories Divisions

ACAD performed well in another challenging year, with new vehicle sales seeing year-on-year decreased volumes throughout all of FY2019. Management is pleased to report that all four divisions again delivered positive results. Our CSM Service Bodies business, acquired 1 December 2017, continued to deliver excellent results taking advantage of favourable market opportunity in the specialised fleet area, achieving revenues of $14.6m compared to $5.1m for the 7 months to 30 June 2018. We opened a second fitting site in Q4 FY2019 that will result in increased volumes and take advantage of opportunities to grow the CSM business.

In FY2019 the *Vehicle Protection Products & Ute Accessories Division (Manufacturing)* engaged a new production management team whose focus is to continue improving margins in FY2020. We worked closely with our OEM customers to develop protection products for their new vehicle ranges utilising our expert product development team.

The *Automotive Electrical & 4x4 Accessories Division (Distribution)* continued integration of the 4x4 Accessories ranges and further development of new innovative product ranges enabled a modest increase in revenue, despite ongoing cost pressures. The evolution of the AE4A West branch in converting "other" brand products to our own brands contributed to improvement in revenue quality and cashflow. Expansion of the solar range through our national retail chain customers has bolstered future supply to market.

In a challenging year the *Automotive Remanufacturing Division (Re-manufacturing)* achieved a solid performance to deliver a similar result to FY2018. We continue to build on our OEM relationships to help drive future volumes through new model development.

Workshop & Performance Products Division (Workshop) contributed positively to the FY2019 results despite the softening in the sector. Our key focus has been on harnessing our existing customer base and developing increased channels to market. This approach has successfully attracted work from two significant fleet customers and a number of other key commercial clients.

Cash Flow

Underlying cash flow generated from earnings and net cash flows from operating activities has been strong. Below is a table that reconciles between the two results.

	30 June 2019 $'000	30 June 2018 $'000
Reported EBITDA (audited)	50,127	43,633
Discontinued operations	(238)	32
Interest paid	(2,595)	(786)
Non-cash Remuneration	1,499	853
Gain on acquisition of ASG	-	(2,108)
Other non-cash items	(682)	(1,293)
Cash Earnings (Pre-Tax and Deferred Income Amortisation)	48,111	40,331
Income tax paid	(7,794)	(9,423)
Deferred income amortisation	(9,419)	(7,453)
Increase in inventories	(10,881)	-
Other working capital movement	(540)	1,019
Net cash flows used in operating activities	19,477	24,474

Cashflow for the period was in line with expectations. Key points to note:

- The group increased its debt facilities to $150 million (including a $25 million accordion) over the period and drew down $52.8 million to facilitate acquisitions, finalise contractual earnouts and for general corporate purposes. Interest and borrowing costs increased consistent to expectations.
- The group spent $37.5 million on the acquisition of new businesses during the period.
- An equity raising to new sophisticated investors during the period raised $9.5 million. These funds were used to facilitate the set-up of the Group's new Procurement division.

Financial Position

The Current Ratio has decreased from 0.95 times to 0.84 times. This ratio is impacted by the significant non-cash items in other current liabilities; namely the unamortised Deferred Income and the scrip component of Contingent Vendor Consideration. Adjusting this ratio for these items, the Current Ratio adjusted for non-cash items improves from 0.84 times to 0.98 times.

The gearing ratio has slightly increased from 11.46% at June 2018 to 13.28% at June 2019. While the Company's market capitalisation and the amount owing on Contingent Vendor Consideration has increased, the major contributor to this increased gearing ratio has been the increased debt facilities held by the group. Even so, the Directors believe that the Group is conservatively geared and that the Group has sufficient capital resources, including the committed debt facility, which had $44.4 million undrawn at balance date.

This robust financial position will allow the Group to take advantage of the large number of attractive acquisitions and greenfield expansion opportunities currently before it, as well as allow the Group to grow its exciting new procurement division.

Capital Management

In November 2018, AMA paid the FY2018 final dividend of 2.0 cents per share fully franked at 30%.
In May 2019, AMA paid the FY2019 interim dividend of 0.5 cents per share fully franked at 30%.

Upon finalising the final report, the Directors are pleased to announce they have decided to declare a final dividend, fully franked at 30%, of 2.25 cents per share with a record date of 13 September 2019 and a payment date of 13 November 2019.

Basic earnings per share from continuing operations have increased from 2.88 cents to 4.00 cents; an increase of 38.9%.

The closing price for an AMA Share on the ASX has also increased through the year from 104.5 cents at 30 June 2018 to 143.0 cents at 30 June 2019; an increase of 36.8%.

Business Strategies and Future Prospects

In recent years, the strategic direction of the Group has been focused on the growth opportunities presenting themselves to both the Vehicle Panel Repairs and Automotive Components & Accessories Divisions. It was believed that the Group could exploit these opportunities with:

- Market leading brands;
- Strong relationships with customers and suppliers across multiple channels;
- Industry experienced management with a commitment to operating excellence; and
- A robust strong financial position.

It was anticipated that most business segments would have organic growth potential but given the consolidation of the Vehicle Panel Repair industry there would be significant opportunities for strategic and accretive acquisitions in this industry segment. To this end, Management then embarked on execution of its business growth plan.

The Directors believe that the strong financial performance of AMA in the current reporting period reflects the ongoing outcomes of this strategic plan. The investments made have resulted in a significant increase in the scale and scope of the operations. The results are in line with the Directors' expectations, and show a substantial increase in the Group's operating revenue and EBITDA over the past three years.

The Board believe that there are still substantial growth opportunities presenting to the key business divisions. The consolidation of the Vehicle Panel Repair industry continues and Management are actively involved in negotiating the acquisition of existing businesses and the development of new "greenfield" sites, supported by insurer customer contracts. These growth opportunities also exist for the non-panel repair operating divisions. The acquisition of further businesses will provide scale to the operations and consolidate our position as market leaders.

SUBSEQUENT EVENTS

On 3 July 2019, AMA acquired the remaining 40% shares in Woods Auto Shops (Dandenong) Pty Ltd.

On 8 August 2019, a fully refundable deposit of $4 million was returned for an acquisition that did not proceed.

On 26 August 2019, the Directors declared a dividend, fully franked of 2.25 cents per security which is to be paid 13 November 2019.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

AMA will continue to pursue the growth opportunities presenting themselves to both Vehicle Panel Repairs and Automotive Components & Accessories Divisions. AMA believes that its continued application of key management strategies combined with its acquisition strategy will continue to boost future earnings.

MEETING OF DIRECTORS

The number of meetings of the Company's Board of Directors and of each board committee held during the year ended 30 June 2019, and the numbers of meetings attended by each director were:

	Board Meetings		Committee Meetings			
			Audit Committee		Remuneration Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Raymond Malone	15	15	-	-	-	-
Andrew Hopkins	15	12	-	-	-	-
Raymond Smith-Roberts	15	15	-	-	-	-
Leath Nicholson	15	15	2	2	2	2
Brian Austin	15	14	2	2	2	1
Simon Moore	9	9	1	1	2	2
Anthony Day	9	8	-	-	2	2
Hugh Robertson	1	1	-	-	-	-

DETAILS OF DIRECTORS AND OFFICERS

The name and details of the Directors and Officers in office during the financial year and until the date of this report are as follows. Secretaries were in office for the entire period unless otherwise stated.

Raymond Malone	**Chairman and Executive Director**
Appointed to the Board	23 January 2009
Appointed Executive Chairman	19 March 2015
Experience and expertise	With over 30 years work experience in the automotive panel repair industry, Mr Malone has progressed from a spray painter through to business ownership and senior executive positions. He has developed many strong relationships with key customers focusing on excellent customer service. He has developed extensive business skills which he has consistently applied to AMA's development since 2009.
Interest in Shares and Options*	36,315,349 Fully Paid Ordinary Quoted shares and Nil options
Directorships held in other listed entities	Nil
Special responsibilities	Nil

Andrew Hopkins	**Executive Director**
Appointed to the Board	17 December 2015
Experience and expertise	Mr Hopkins founded the Gemini Group in Perth in 2009 and built the Gemini brand into one of the largest privately-owned consolidators offering integrated claims management and repair services to the insurer, corporate and consumer markets. He brings extensive management expertise to the AMA group. With over 35 years of experience in finance, acquisitions, strategy and building insurance relationships, his ability to continually innovate will broaden AMA's relationships with insurance companies both domestically and internationally.
Interest in Shares and Options*	33,561,242 Fully Paid Ordinary Quoted shares and Nil options
Directorships held in other listed entities	Nil
Special responsibilities	Group Chief Executive Officer

Raymond Smith-Roberts	**Executive Director**
Appointed to the Board	28 February 2014
Experience and expertise	Mr Smith-Roberts has over 25 years work experience in the automotive industry. He joined ECB many years ago progressing to general manager and then became managing director when the Company became part of AMA. Over the years he has attained valuable operational knowledge and experience having been the Group Chief Operating Officer from 2009 to 2017. He is well positioned to assist the board in developing strategy for the next phase of the Company's growth and development.
Interest in Shares and Options*	6,171,959 Fully Paid Ordinary Quoted shares and Nil options
Directorships held in other listed entities	Nil
Special responsibilities	Chief Executive Officer - Automotive Components and Accessories Divisions
Leath Nicholson	**Non-Executive Director**
Appointed to the Board	23 December 2015
Experience and expertise	Mr Nicholson holds a Bachelor of Economics (Hons), a Bachelor of Law (Hons) and a Masters of Law (Commercial Law). He co-founded Nicholson Ryan Lawyers. He has a breadth of experience with ASX listed entities and has particular expertise in mergers and acquisitions; IT based transactions, and corporate governance. He also has significant experience in corporate and commercial based dispute resolution.
Interest in Shares and Options*	1,673,395 Fully Paid Ordinary Quoted shares and Nil options
Directorships held in other listed entities	Non-Executive Director of Money3 Corporation Limited Non-Executive Chairman of CCP Technologies Limited
Special responsibilities	Member of the Audit Committee and the Remuneration Committee
Brian Austin	**Non-Executive Director**
Appointed to the Board	23 December 2015
Experience and expertise	With over 30 year's industry experience, Mr Austin has held senior executive positions in the insurance industry. Over that time he has been instrumental in setting the strategy of capital raising and acquisitions. He has been a Director of ASX listed entities, enabling him to develop a global network of key relationships.
Interest in Shares and Options*	112,000 Fully Paid Ordinary Quoted shares and Nil options
Directorships held in other listed entities	Chairman of PSC Insurance Group Limited
Special responsibilities	Member of the Audit Committee and the Remuneration Committee

Simon Moore	**Non-Executive Director**
Appointed to the Board	28 November 2018
Experience and expertise	Mr Moore holds a Bachelor of Law (Hons) and Commerce (Hons) and founded Colinton Capital Partners in 2017. He is an experienced private equity investor with significant public company board experience. He brings to the Board strong corporate finance skills and significant amounts of experience working closely with senior executives assisting them with the development and execution of their business plans. Prior to founding Colinton Capital Partners, he was previously a Managing Director and Global Partner of The Carlyle Group for 12 years.
Interest in Shares and Options*	20,025,000 Fully Paid Ordinary Quoted shares and Nil options
Directorships held in other listed entities	Non-Executive Director of Megaport Limited and Firstwave Cloud Technology Limited Non-Executive Chairman of Palla Pharma Limited
Special responsibilities	Chair of the Audit Committee and member of the Remuneration Committee

Anthony Day	**Non-Executive Director**
Appointed to the Board	28 November 2018
Experience and expertise	With over 35 years in the insurance industry, Mr Day has a broad experience in all areas of the insurance industry. His most recent role was as the Chief Executive Officer of Suncorp Group's Insurance Business. He brings to the Board strong business judgement and an intimate understanding of our key customers, Australasia's auto insurance companies. He has a 20-year track record of producing market-leading results in both growth and profitability, whilst delivering continuous improvement in operations.
Interest in Shares and Options*	100,000 Fully Paid Ordinary Quoted shares and Nil options
Directorships held in other listed entities	Nil
Special responsibilities	Chair of the Remuneration Committee

Hugh Robertson	**Non-Executive Director**
Appointed to the Board	2 June 2015
Resigned from the Board	3 August 2018
Experience and expertise	Mr Robertson has worked in stockbroking for over 30 years with a variety of firms including Wilson HTM, Investor First and more lately Bell Potter. Among his areas of interest is a concentration on small cap industrial stocks and he currently sits on the boards of several such companies.
Interest in Shares and Options*	280,000 Fully Paid Ordinary Quoted shares and Nil options
Directorships held in other listed entities	Non-Executive Director of Centrepoint Alliance Limited and Longtable Group Limited.
Special responsibilities	Member of the Audit Committee and the Remuneration Committee

Terri Bakos	**Company Secretary**
Appointed	2 March 2010
Experience and expertise	Ms Bakos is a Chartered Secretary and holds a Bachelor of Business (Accounting) from RMIT University. She has over 20 years' experience providing accounting and compliance services to listed and unlisted public companies.

* The relevant interest in the shares or options over shares issued by the Company of each Director, and other related body corporate, as notified by the Director to the Australian Securities Exchange in accordance with s 205G(1) of the *Corporations Act 2001*, as at the date of this report.

SHARES UNDER OPTION

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Date options granted	Expiry Date	Issue Price of Shares	Number under Option
26 Nov 2018	25 Apr 2021	1.20	2,000,000

No option holder has any right under the option to participate in any other share issue of the Company or any other entity. The options were granted as remuneration to Key Management Personnel. Details of options granted to Key Management Personnel are disclosed in the audited remuneration report below.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

No shares were issued on the exercise of options in the financial year ended 30 June 2019 or 30 June 2018.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

During the financial year, the Company paid a premium in respect of a contract insuring the directors, the company secretaries, and all executive officers of the Company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the *Corporations Act 2001.*

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability, costs and charges, as such disclosure is prohibited under the terms of the contract. To the extent permitted by law and professional regulations, the Company has agreed to indemnify its auditors, ShineWing Australia, as part of the terms of their engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made by the Company to ShineWing Australia in this respect during or since the financial year ended 30 June 2019.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility, on behalf of the Company, for all or part of those proceedings.

ENVIRONMENTAL REGULATION

Management continues to work with local regulatory authorities to achieve, where practical, best practice environmental management so as to minimise risk to the environment, reduce waste and ensure compliance with regulatory requirements. The Group had no adverse environmental issues during the year.

NON-AUDIT SERVICES

No non-audit services were provided by ShineWing Australia.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration, as required under Section 307C of the *Corporations Act*, in relation to the audit for the year ended 30 June 2019, is provided with this report.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in *Class Order 2016/191*, issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the Directors' report and financial report. Amounts in the Directors' report and the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, unless otherwise indicated.

The remuneration report is set out under the following main headings:

A	Principles used to determine the nature and amount of remuneration
B	Details of remuneration
C	Share-based compensation
D	Service agreements

This remuneration report has been prepared by the Directors of AMA Group Limited to comply with the *Corporations Act 2001* and the Key Management Personnel ("KMP") disclosures required under *AASB 124: Related Party Disclosures*.

A Principles used to determine the nature and amount of remuneration

Key Management Personnel

The following were Key Management Personnel of the entity at any time during the reporting period and unless otherwise indicated were Key Management Personnel for the entire period:

Directors

Mr Raymond Malone	Chairman and Executive Director
Mr Andrew Hopkins	Executive Director
Mr Raymond Smith-Roberts	Executive Director
Mr Leath Nicholson	Non-Executive Director
Mr Brian Austin	Non-Executive Director
Mr Simon Moore	Non-Executive Director (Appointed 28 Nov 2018)
Mr Anthony Day	Non-Executive Director (Appointed 28 Nov 2018)
Mr Hugh Robertson	Non-Executive Director (Resigned 3 Aug 2018)

Executive Management

Steven Becker	Chief Financial Officer (Appointed 4 Feb 2019)
Ashley Killick	Chief Financial Officer (Resigned 30 Oct 2018)

Remuneration policies

The Board is responsible for reviewing the remuneration policies and practices of the Company, including the compensation arrangements of Executive Directors, Non-Executive Directors and Executive Management.

The objective of these policies is to:
- Make AMA Group Limited and its subsidiaries an employer of choice.
- Attract and retain the highest calibre personnel.
- Encourage a culture of reward for effort and contribution.
- Set incentives that reward short- and medium-term performance for the Company as a whole.
- Encourage professional and personal development.

In the case of Executive Management, any recommendation for compensation review will be made by the Chief Executive Officer to the Remuneration Committee.

There is no direct link between remuneration of Key Management Personnel and the share price movement. Remuneration is based on key performance indicators, targets and other benchmarks as determined by the Board or the Chief Executive Officer.

Non-Executive Directors

The Board determines the Non-Executive Directors' remuneration based on independent market data for comparative companies.

The remuneration payable from time to time to Non-Executive Directors shall be in an amount not exceeding in aggregate a maximum sum that is approved by resolution of the Company, currently $400,000 per annum.

Non-Executive Directors' retirement payments are limited to compulsory employer superannuation.

Executive Directors and Executive Management remuneration

The Company's remuneration policy directs that the remuneration packages appropriately reflect the executives' duties and responsibilities and that remuneration levels attract and retain high calibre executives with the skills necessary to successfully manage the Company's operations and achieve its strategic and financial objectives.

The Company also has a policy of rewarding extraordinary contribution to the growth of the Company with the grant of an annual discretionary cash bonus, shares or options under the Company's Employee Equity Plan.

Executives are also entitled to be reimbursed for their reasonable travel, accommodation and other expenses incurred in the execution of their duties.

Remuneration packages for Executives can generally consist of three components:

- Fixed remuneration which is made up of cash salary, salary sacrifice components and superannuation;
- Short term incentives which include the issue of shares or options or a cash bonus; and
- Long term incentives which include issuing options.

Fixed remuneration

Executives who possess a high level of skill and experience are offered a competitive base salary. The performance of each executive will be reviewed annually. Following the review, the Board may in its sole discretion increase the salary based on that executive's performance, productivity and such other matters as it considers relevant.

Superannuation contributions by the Company are limited to the statutory level of 9.50% (2018: 9.50%) of wages and salaries.

Short-term incentives

The remuneration of Executives includes short-term incentive bonuses, payable as cash or equity, as part of their employment conditions based on achieving specific measured objectives. The Board may however approve discretionary bonuses to executives in relation to certain milestones being achieved.

Long-term incentives

The Company has in place an Employee Equity Plan for the benefit of Directors, full-time and part-time staff members employed by the Company. There are options currently on issue under the plan.

The Company is currently in the process of reviewing the structure of this plan and will implement a new long-term incentive plan in FY2020.

Performance based remuneration

Performance based remuneration is issued to reward individual performance in line with Group objectives. Consequently, performance-based remuneration is paid to an individual where the individual's performance clearly contributes to a successful outcome for the Group. This is regularly measured in respect of performance against key performance indicators ("KPI's") and incentive bonuses are paid monthly, quarterly and yearly to reflect this.

KPI's used to measure performance include, but are not limited to:
- Completion of set milestones.
- EBIT target achievements.
- Sales target achievements.

KPI's are set in advance in conjunction with Group targets and in consultation with Executives and employees. The KPI's chosen reflect the Group's goals for the year and endeavour to increase shareholder wealth.

Assessment of KPI's is undertaken by the Board and Executive Management based on management accounts and year end audited financial results.

All Executives and employees are eligible to receive incentives whether through employment contracts or by recommendation of the Chief Executive Officer or Board. Performance based incentive payments are based on a set monetary value or number of shares or options. There is no fixed portion between incentive and base remuneration.

Remuneration policy versus Group Performance

The Group's remuneration policy is based on industry practice. Executive performance-based remuneration issued during the 2019 financial year has been measured against the KPI's set at the start of the year by the Board and/or Executive Management to reflect the Group's objectives for the year. The Board believes that the performance-based remuneration issued to executives during the year reflects the contribution that they have made to the Group's performance over the past 12 months.

Service agreements

The Group has entered into service agreements with Key Management Personnel. Details of these agreements are contained in Part D of this report.

B Details of remuneration

Details of the remuneration of the Directors, the Key Management Personnel of the Group (as defined in *AASB 124: Related Party Disclosures*) are set out in the tables below:

2019	Short-term benefits Salary $	Bonus[1] $	Other[2] $	Long-term benefits[3] $	Post-employment benefits[4] $	Equity settled benefits[5] $	Total $
Non-Executive Directors							
Leath Nicholson	100,000	-	-	-	-	-	100,000
Brian Austin	100,000	-	-	-	-	-	100,000
Simon Moore	58,333	-	-	-	-	-	58,333
Anthony Day	58,333	-	-	-	-	-	58,333
Hugh Robertson	8,333	-	-	-	-	-	8,333
Executive Directors							
Raymond Malone	1,020,210	-	700,000	15,818	20,040	-	1,756,068
Andrew Hopkins	900,000	450,000	100,000	-	-	-	1,450,000
Raymond Smith-Roberts	300,040	575,234	58,250	4,562	25,000	500,000	1,463,086
Executive Management							
Steven Becker	164,250	225,000	-	-	14,206	-	403,456
Ashley Killick	180,000	-	150,000	-	-	-	330,000
	2,889,499	1,250,234	1,008,250	20,380	59,246	500,000	5,727,609

Notes:
1 - Represents short term incentives paid or accrued
2 - Other includes FY2019's amortisation of Mr Malone's sign-on payment received by Mr Malone in a previous year ($500,000), amounts paid in respect of motor vehicle allowances and Mr Killick's termination payment ($150,000)
3 - Represents movement in the provision for long service leave for amounts accrued and not paid
4 - Represents amounts paid for pension and superannuation benefits
5 - Represents the non-cash accounting charge to the Company's operating result relating to FY2018 and FY2019 amortisation of sign-on payment issued in shares to Mr Smith-Roberts - refer to following sections for further details

2018	Short-term benefits Salary $	Bonus[1] $	Other[2] $	Long-term benefits[3] $	Post-employment benefits[4] $	Equity settled benefits[5] $	Total $
Non-Executive Directors							
Leath Nicholson	100,000	-	-	-	-	-	100,000
Brian Austin	100,000	-	-	-	-	-	100,000
Hugh Robertson	100,000	-	-	-	-	-	100,000
Executive Directors							
Raymond Malone[6]	974,577	650,000	500,000	79,328	20,048	-	2,223,953
Andrew Hopkins	900,000	590,000	100,000	-	-	-	1,590,000
Raymond Smith-Roberts	300,040	155,379	-	5,252	25,000	-	485,671
Executive Management							
Ashley Killick	344,435	200,000	-	-	30,820	-	575,255
	2,819,052	1,595,379	600,000	84,580	75,868	-	5,174,879

Notes:
1 - Represents short term incentives paid or accrued
2 - Other includes a sign-on payment received by Mr Malone on commencement of a new employment contract ($500,000) and amounts paid in respect of motor vehicle allowances
3 - Represents movement in the provision for long service leave for amounts accrued and not paid
4 - Represents amounts paid for pension and superannuation benefits
5 - Represents the non-cash accounting charge to the Company's operating result relating to prior year share issues, to compensate for sign on bonuses, and options granted in the current year - refer to following sections for further details
6 - Mr Malone is entitled to an additional bonus of $400,000 that is payable dependent on the achievement of certain specified financial targets and Board approval

In the current financial year, Mr Raymond Smith-Roberts was issued ordinary shares as consideration for committing to an amendment and extension of his employment contract. These shares are conditional on him remaining employed by the group over the term of the revised contract. The agreement with Mr Raymond Smith-Roberts was entered into on 21 September 2017 but was subject to shareholder approval. On 22 November 2018, shareholders approved the shares to be issued. The expense of $500,000 includes $250,000 relating to FY2018's allocation which was deferred due to the requirement for shareholder approval at the 2018 Annual General Meeting.

C Share-based compensation

Equity Holdings

Fully Paid Ordinary Quoted Shares

The number of shares in the Company held during the financial year by each director and other members of Key Management Personnel of the Group, including their related parties, is set out below:

	Opening Balance	Balance on Appointment	Balance on Retirement	Other Changes	Closing Balance
2019					
Raymond Malone	76,451,350	-	-	(40,136,001)[1]	36,315,349
Andrew Hopkins	50,341,667	-	-	(16,780,425)[2]	33,561,242
Raymond Smith-Roberts	5,081,684	-	-	1,090,275[3]	6,171,959
Leath Nicholson	1,673,395	-	-	-	1,673,395
Brian Austin	112,000	-	-	-	112,000
Simon Moore	-	20,025,000	-	-	20,025,000
Anthony Day	-	-	-	100,000[4]	100,000
Hugh Robertson	280,000	-	(280,000)	-	-
Steven Becker	-	-	-	50,000[5]	50,000
Ashley Killick	-	-	-	-	-
	133,940,096	20,025,000	(280,000)	(55,676,151)	98,008,945

Notes:
1 - 36,315,349 shares disposed of through off-market transfer. Further 3,820,651 shares disposed of through off-market transfer subject to family court order.
2 - Shares disposed of through off-market transfer.
3 - Shares acquired per Resolution 7A at 2018 Annual General Meeting.
4 - Shares acquired through open market trade on 17 May 2019.
5 - Shares acquired through open market trade via nominee.

2018	Opening Balance	Balance on Appointment	Balance on Retirement	Other Changes	Closing Balance
Raymond Malone	80,417,619	-	-	(3,966,269)[1]	76,451,350
Andrew Hopkins	35,239,167	-	-	15,102,500[2]	50,341,667
Raymond Smith-Roberts	5,081,684	-	-	-	5,081,684
Leath Nicholson	1,673,395	-	-	-	1,673,395
Brian Austin	112,000	-	-	-	112,000
Hugh Robertson	280,000	-	-	-	280,000
	122,803,865	-	-	11,136,231	133,940,096

Notes:
1 - Shares disposed of through off-market transfer subject to family court order.
2 - Shares acquired through conversion on 22 November 2017 of Fully Paid Ordinary Unquoted Shares.

Fully Paid Ordinary Unquoted Shares

On his appointment as an Executive Director, on 17 December 2015, Mr Andrew Hopkins and his related parties, held an interest in 8,367,500 ordinary unquoted shares in the Company. On 19 August 2016, a related entity of Mr Hopkins acquired a further interest in this class of shares in AMA Group Limited bringing his interest to be 15,102,500 Fully Paid Ordinary Unquoted shares. On 22 November 2017, on achieving the performance targets associated with these securities, these shares were converted to Fully Paid Ordinary Quoted Shares.

Options over Fully Paid Ordinary Quoted Shares

On 14 September 2015, the Board agreed to the issue of unquoted options to Directors as part of their remuneration package. At the General Meeting of AMA shareholders held on 27 November 2015, the shareholders approved the issue of 10,000,000 options to Mr Raymond Malone and 2,000,000 options to Mr Raymond Smith-Roberts. The terms of the options include a nil consideration price with an exercise price of $1.20 each. The options vest 12 months from the date of Shareholder Approval (i.e. 27 November 2016) and expire 3 years from issue date (i.e. 27 November 2018). Each option is convertible into 1 fully paid ordinary share in the Company and upon exercise will be quoted and will rank equally with all other fully paid ordinary shares. Mr Raymond Malone and Mr Raymond Smith-Roberts did not exercise their options and on 27 November 2018, the options lapsed.

On 25 April 2016, Mr Ashley Killick was issued with 2,000,000 options to acquire ordinary shares in the Company. The terms of the options include a nil consideration price with an exercise price of $1.20 each. The options vest 12 months from the date of issue (i.e. 25 April 2017) and expire 3 years from issue date (i.e. 25 April 2019). Each option is convertible into 1 fully paid ordinary share in the Company and upon exercise will be quoted and will rank equally with all other fully paid ordinary shares. The options were cancelled on 30 October 2018.

On 26 November 2018, Mr Ashley Killick was issued with a further 2,000,000 options to acquire ordinary shares in the Company. The terms of the options include a nil consideration price with an exercise price of $1.20 each. The options vest 12 months from the date of issue (i.e. 26 November 2019) and expire 2.4 years from issue date (i.e. 25 April 2021). Each option is convertible into 1 fully paid ordinary share in the Company and upon exercise will be quoted and will rank equally with all other fully paid ordinary shares.

D Service agreements

The Group has entered into service agreements with Key Management Personnel. It is a standard requirement of these contracts that no individual, during the term of their employment agreement, shall perform work for any other person, corporation or business without the prior written consent of the Company. Specific details of the service agreements for Key Management Personnel in place as at 30 June 2019 are:

Name:	**Raymond Malone**
Title:	Executive Chairman
Agreement commenced:	4 July 2010
Agreement extended:	1 July 2012
Term of original agreement:	5 Years
Term of extension:	5 Years
Other terms:	On 28 September 2017, the Company and Mr Malone agreed to continue his employment on an ongoing basis with the following variations: (i) The base remuneration was increased to $950,000 per annum; and (ii) The arrangement may be terminated by either party after giving twelve months written notice. On 28 November 2018, Raymond Malone ceased being the Group Chief Executive Officer.

Name:	**Andrew Hopkins**
Title:	Executive Director and Group Chief Executive Officer
Agreement commenced:	16 December 2015
Term of agreement:	5 Years
Termination period:	None
Termination payment:	None
Other terms:	Mr Hopkins is employed as the Key Person under a consultancy services agreement with an entity that is a related party to him. On 28 September 2017, the Company and the related party agreed to increase the base consultancy fee to $900,000 plus GST per annum plus a motor vehicle allowance of $100,000 per annum.

Name:	**Raymond Smith-Roberts**
Title:	Executive Director and Chief Executive Officer of Automotive Components and Accessories
Agreement commenced:	1 September 2010
Agreement extended:	1 July 2012
Term of extension:	5 Years
Term of original agreement:	No fixed term
Other terms:	On 28 September 2017, the Company and Mr Smith-Roberts agreed to continue his employment on an ongoing basis with the following variations: (i) The remuneration package remained the same subject to the short-term incentive entitlement being subject to adjustment if additional responsibilities were added in the future; and (ii) The arrangement may be terminated by either party after giving twelve months written notice.

Name:	**Leath Nicholson**
Title:	Non-Executive Director
Agreement commenced:	23 December 2015
Term of agreement:	Ongoing
Termination period:	None
Termination payment:	Nil
Other terms:	None

Name:	**Brian Austin**
Title:	Non-Executive Director
Agreement commenced:	23 December 2015
Term of agreement:	Ongoing
Termination period:	None
Termination payment:	Nil
Other terms:	None

Name:	**Simon Moore**
Title:	Non-Executive Director
Agreement commenced:	28 November 2018
Term of agreement:	Ongoing
Termination period:	None
Termination payment:	Nil
Other terms:	None

Name:	**Anthony Day**
Title:	Non-Executive Director
Agreement commenced:	28 November 2018
Term of agreement:	Ongoing
Termination period:	None
Termination payment:	Nil
Other terms:	None

Name:	**Hugh Robertson**
Title:	Non-Executive Director
Agreement commenced:	2 June 2015
Term of agreement:	Resigned 3 August 2018
Termination period:	None
Termination payment:	Nil
Other terms:	None

Name:	**Steven Becker**
Title:	Current Chief Financial Officer
Agreement commenced:	4 February 2019
Term of agreement:	Ongoing
Termination period:	Nil
Termination payment:	Nil
Other terms:	None

Name:	**Ashley Killick**
Title:	Previous Chief Financial Officer
Agreement commenced:	1 July 2018
Term of agreement:	Resigned 30 October 2018
Termination period:	Nil
Termination payment:	Nil
Other terms:	None

Generally, the Company or the individual may terminate employment at any time by giving the other party appropriate contractual notice in writing.

If either the Company or the individual gives notice of termination, the Company may, at its discretion, choose to terminate the individual's employment immediately or at any time during the notice period and pay the individual an amount equal to the salary due for the residual period of notice at the time of termination.

The employment of each individual may be terminated immediately without notice or payment in lieu in the event of any serious or persistent breach of the agreement, any serious misconduct or wilful neglect of duties, in the event of bankruptcy or any arrangement or compensation being made with creditors, on conviction of a criminal offence, permanent incapacity of the individual or a consistent failure to carry out duties in a manner satisfactory to the Company.

End of audited Remuneration Report.

This Directors' Report, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

Andrew Hopkins
Director

26 August 2019

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shinewing.com.au

Auditor's Independence Declaration under Section 307C of the *Corporations Act 2001* to the directors of AMA Group Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been:

(i) No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and

(ii) No contraventions of any applicable code of professional conduct in relation to the audit.

ShineWing Australia

ShineWing Australia
Chartered Accountants

Nick Michael
Partner

Melbourne, 26 August 2019

	Note	30 Jun 2019 $'000	30 Jun 2018 $'000
Revenue from continuing operations	4	616,174	509,756
Raw materials and consumables used		(261,267)	(221,214)
Employment benefits expense		(238,261)	(190,923)
Occupancy expense		(44,089)	(33,963)
Professional services expense		(5,481)	(6,856)
Travel and motor vehicle expense		(4,227)	(3,753)
Advertising and marketing expense		(2,806)	(1,929)
Information technology expense		(2,118)	(1,835)
Communication expense		(1,421)	(1,159)
Insurance expense		(1,163)	(697)
Other expense		(5,214)	(3,794)
Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA)		**50,127**	**43,633**
Depreciation, amortisation and impairment expense		(16,208)	(15,460)
Earnings before interest and tax (EBIT)		**33,919**	**28,173**
Finance costs		(2,595)	(786)
Share of net profit from associates using the equity method		-	(1,744)
Profit from continuing operations before fair value adjustments		**31,324**	**25,643**
Fair value adjustments		117	(951)
Profit before income tax from continuing operations	5	**31,441**	**24,692**
Loss before tax from discontinued operations	31	(232)	(5)
Profit before income tax		**31,209**	**24,687**
Income tax expense	6	(9,460)	(9,318)
Net profit		**21,749**	**15,369**
Profit attributable to			
Members of AMA Group Limited		21,553	15,105
Non-controlling interests	22	196	264
		21,749	**15,369**
Earnings per Share		**Cents**	**Cents**
From continuing operations			
Basic earnings per share	33	4.00	2.88
Diluted earnings per share	33	4.00	2.78
From continuing and discontinuing operations			
Basic earnings per share	33	3.97	2.88
Diluted earnings per share	33	3.97	2.78

The above consolidated income statement is to be read in conjunction with the attached notes.

	Note	30 Jun 2019 $'000	30 Jun 2018 $'000
Net profit		**21,749**	**15,369**
Other Comprehensive Income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(63)	(50)
Other comprehensive income, net of tax		(63)	(50)
Total comprehensive income, net of tax		**21,686**	**15,319**
Total comprehensive income attributable to:			
Members of AMA Group Limited		21,490	15,055
Non-controlling interests	22	196	264
		21,686	**15,319**

The above consolidated statement of comprehensive income is to be read in conjunction with the attached notes.

	Note	30 Jun 2019 $'000	30 Jun 2018 $'000
Current assets			
Cash and cash equivalents	7	12,096	16,214
Trade and other receivables	8	48,124	44,753
Inventories	9	40,978	29,402
Income tax receivable	6	-	188
Other current assets	10	9,294	3,442
Total current assets		110,492	93,999
Non-current assets			
Property, plant and equipment	11	63,340	55,421
Intangible assets	12	263,056	199,769
Deferred tax asset	13	13,210	9,223
Other non-current assets	10	7,253	2,280
Financial assets at amortised cost	14	2,044	2,162
Total non-current assets		348,903	268,855
Total assets		459,395	362,854
Current liabilities			
Trade and other payables	15	66,341	67,220
Income tax payable	6	4,713	-
Provisions	17	23,038	18,955
Other current liabilities	18	37,099	12,789
Total current liabilities		131,191	98,964
Non-current liabilities			
Financial liabilities at amortised cost	16	80,568	52,500
Provisions	17	10,224	6,944
Other non-current liabilities	18	42,289	30,115
Deferred tax liability	19	2,650	3,254
Total non-current liabilities		135,731	92,813
Total liabilities		266,922	191,777
Net assets		192,473	171,077
Equity			
Contributed equity	20	200,263	187,206
Reserves	21	46	3,004
Retained earnings/(deficit)		(8,128)	(19,429)
Total Group interest		192,181	170,781
Non-controlling interest	22	292	296
Total equity		192,473	171,077

The above consolidated statement of financial position is to be read in conjunction with the attached notes.

	Note	Equity $'000	Reserves $'000	Retained Earnings $'000	Total $'000	Non Control Interest $'000	Total $'000
At 1 July 2017		181,691	3,054	(22,122)	162,623	232	162,855
Profit for the period		-	-	15,105	15,105	264	15,369
Other comprehensive income		-	(50)	-	(50)	-	(50)
Total comprehensive income for the period		-	(50)	15,105	15,055	264	15,319
Transactions with owners in their capacity as owners:							
Shares issued, net of costs		5,015	-	-	5,015	-	5,015
Employee equity plan		500	-	-	500	-	500
Dividends recognised	23	-	-	(12,412)	(12,412)	(200)	(12,612)
		5,515	-	(12,412)	(6,897)	(200)	(7,097)
As at 30 June 2018		187,206	3,004	(19,429)	170,781	296	171,077
At 1 July 2018		187,206	3,004	(19,429)	170,781	296	171,077
Profit for the period		-	-	21,553	21,553	196	21,749
Other comprehensive income		-	(63)	-	(63)	-	(63)
Total comprehensive income for the period		-	(63)	21,553	21,490	196	21,686
Transactions with owners in their capacity as owners:							
Shares issued, net of costs		11,807	-	-	11,807	-	11,807
Employee equity plan		1,250	153	-	1,403	-	1,403
Lapsed options		-	(3,048)	3,048	-	-	-
Dividends recognised	23	-	-	(13,300)	(13,300)	(200)	(13,500)
		13,057	(2,895)	(10,252)	(90)	(200)	(290)
As at 30 June 2019		200,263	46	(8,128)	192,181	292	192,473

The above consolidated statement of changes in equity is to be read in conjunction with the attached notes.

	Note	30 Jun 2019 $'000	30 Jun 2018 $'000
Cash flows from operating activities			
Receipts from customers		602,375	496,496
Payments to suppliers and employees		(572,898)	(462,211)
Interest received		389	398
Interest and other costs of finance paid		(2,595)	(786)
Income taxes paid		(7,794)	(9,423)
Net cash flows provided by operating activities	32	19,477	24,474
Cash flows from investing activities			
Proceeds from sale of property plant and equipment		158	398
Proceeds from disposal of business		150	167
Payments for purchases of property plant and equipment		(10,885)	(11,026)
Payments for intangible assets		(4)	(18)
Payments for businesses acquired, net of cash acquired		(37,871)	(36,836)
Loans and other investments		1,095	(2,003)
Net cash flows used in investing activities		(47,357)	(49,318)
Cash flows from financing activities			
Equity raised		9,509	(51)
Proceeds from borrowings	32	52,750	43,000
Repayment of borrowings	32	(24,934)	(3,913)
Dividends paid to AMA shareholders	22	(13,300)	(12,412)
Dividends paid to non-controlling shareholders		(200)	(200)
Net cash flows provided by financing activities		23,825	26,424
Net (decrease) / increase in cash and cash equivalents		(4,055)	1,580
Cash and cash equivalents, at beginning of year		16,214	14,723
Effects of exchange changes on the balances held in foreign currencies		(63)	(89)
Cash and cash equivalents at the end of year	7	12,096	16,214

The above consolidated statement of cash flows is to be read in conjunction with the attached notes.

Index of Notes to the Financial Statements

Note 1 Significant Accounting Policies

1 (a) Basis of preparation

1 (a) (i) Basis of accounting

This general purpose financial report, for the year ended 30 June 2019, has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*, for AMA Group Limited ("AMA" or the "Company") and its controlled entities as a consolidated group (the "Group"). The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements comply with International Financial Reporting Standards (IFRS).

This general-purpose financial report has been prepared on a going concern basis, which assumes that the Group will be able to meet its debts as and when they become due and payable. As at 30 June 2019, the financial report shows current liabilities exceeding current assets by $20.7 million. This is impacted by the significant non-cash items in other current liabilities; namely the unamortised Deferred Income and the scrip component of Contingent Vendor Consideration. Adjusting for these items, this becomes an excess of current liabilities over current assets of $2.4 million.

1 (a) (ii) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all controlled entities in the Group as at 30 June 2019 and the results of all controlled entities for the year then ended. A list of the controlled entities is provided in Note 29 to these financial statements.

The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

1 (a) (iii) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified where applicable by the revaluation of financial assets and liabilities at fair value through profit or loss and certain classes of property, plant and equipment.

Note 1 Significant Accounting Policies (continued)

1 (a) (iv) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When the Group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

1 (a) (v) Rounding amounts

The Company is of a kind referred to *in ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191* and in accordance with that Instrument, amounts in the financial statements have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar.

1 (a) (vi) Critical Accounting Estimates

The preparation of these financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires Management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2 to these financial statements.

1 (b) Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 (b) (i) Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Note 1 Significant Accounting Policies (continued)

1 (b) (i) Foreign currency transactions and balances (continued)

Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise the exchange difference is recognised in the statement of comprehensive income.

1 (b) (ii) Revenue recognition

Impact of adoption of AASB 15 *Revenue from Contracts with Customers*

AASB 15 *Revenue from Contracts with Customers* became effective for periods beginning on or after 1 January 2018. Accordingly, the Group applied AASB 15 for the first time for the year ended 30 June 2019. Changes to the Group's accounting policies arising from these standards are summarised below.

AASB 15 supersedes AASB 111 *Construction Contracts*, AASB 118 *Revenue* and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under AASB 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

(a) Rendering of services

The Group operates a number of vehicle panel repair shops which provide services contracted for by insurance companies. Revenue in respect of these services is recognised as each stage of the vehicle repair process is completed. Under AASB 15, the Group concluded that revenue from these services will continue to be recognised over time, using an output method to measure progress towards complete satisfaction of the service similar to the previous accounting policy, because the customer simultaneously receives and consumes the benefits provided by the Group.

(b) Sale of goods

The group is also a manufacturer and wholesale distributor of alloy vehicle protection equipment, automotive and electrical accessories products. The Group's contracts with customers for the sale of its products generally include one performance obligation. The Group has concluded that revenue from sale of goods should be recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Therefore, the adoption of AASB 15 did not have an impact on the timing of revenue recognition.

As the introduction of this standard did not have any material impact on the Group's financial statements, accordingly there are no retrospective adjustments.

Note 1 Significant Accounting Policies (continued)

1 (b) (ii) Revenue recognition (continued)

New Accounting Standard adopted by the Group from 1 July 2018

Revenue from contracts with customers is recognised so as to depict the transfer of promised services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is recognised in accordance with the following five-step process:

1. Identifying the contract with the customer.
2. Identifying the performance obligations in the contract.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations in the contract.
5. Recognising revenue as and when the performance obligations are satisfied.

Panel Repair Services

Revenue arising from these services relate to performance obligations satisfied over time and as such recognised on progressive basis. Output method is used to recognise revenue from such contracts on the basis of amounts invoiced to the customer for the services rendered during the period. This is because management believes that the amounts invoiced represent the value of output transferred to the customer.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management. Jobs completed and yet to be invoiced are reflected as a receivable until billed. Customers are typically invoiced on a monthly basis and consideration is payable when invoiced.

Sale of goods - wholesale

The group manufactures and sells a range of goods in the wholesale market. Sales are recognised when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the group has objective evidence that all criteria for acceptance have been satisfied.

Some goods are sold with retrospective volume discounts based on aggregate sales over a specified period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Note 1 Significant Accounting Policies (continued)

1 (b) (ii) Revenue recognition (continued)

Sale of goods – retail

The group sells automotive accessory products both online and through retail premises. Revenue from the sale of goods is recognised when a group entity sells a product to the customer. Payment of the transaction price is due immediately when the customer purchases the goods.

Interest revenue

This revenue is recognised using the effective interest method. It includes amortisation of any discount or premium.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established. Grants and subsidies are recognised as income over the period to which they relate.

Contract assets and receivables

The group presents any unconditional rights to consideration separately as a receivable while those rights arising from satisfaction of performance obligations in a contract are presented as contract assets. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. Contract assets are measured at the actual amount of transaction price.

1 (b) (iii) Income tax

The income tax expense/(income) for the year comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities/(assets) are therefore measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense/(income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Note 1 Significant Accounting Policies (continued)

1 (b) (iii) Income tax (continued)

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which Management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax consolidation

AMA Group Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the ‘stand-alone taxpayer’ approach to allocation. Current tax liabilities /(assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The Group notified the Australian Taxation Office that it had formed an income tax consolidated group to apply from 1 September 2006.

1 (b) (iv) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

1 (b) (v) Inventories

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: purchase cost on a first-in/first-out basis
- Finished goods and work in progress: cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure

Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Note 1 Significant Accounting Policies (continued)

1 (b) (vi) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less any accumulated depreciation. The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets.

Depreciation is calculated on either a straight line or diminishing value basis (class or asset must have either a straight line or diminishing value not both) as considered appropriate to write off the net cost or re-valued amount of each item of plant and equipment over its expected useful life to the Group. The expected useful lives are as follows:

Leasehold improvements

The cost of improvements to or on leasehold properties is amortised over the unexpired life of the lease or the estimated useful life of the improvement to the Group, whichever is the shorter.

Plant and equipment

The expected useful life of purchased plant and equipment is two to fifteen years. Where items of plant and equipment have separately identifiable components which are subject to regular replacement, those components are assigned useful lives distinct from the item of plant and equipment to which they now relate.

Furniture and equipment

The expected useful life of furniture and equipment is two to ten years.

Motor vehicles

The expected useful life of motor vehicles is four to eight years.

1 (b) (vii) Leases

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs.

The leased asset is depreciated on a straight-line basis over the term of the lease, or where it is likely that the Group will obtain ownership of the asset, the life of the asset. Leased assets held at the reporting date are being amortised over periods ranging from three to five years.

Other operating lease payments are charged to the statement of comprehensive income in the period in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

Note 1 Significant Accounting Policies (continued)

1 (b) (viii) Intangible assets

Goodwill

Goodwill is carried at cost less accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

- the consideration transferred;
- any non-controlling interest; and
- the acquisition date fair value of any previously held equity interest, over the acquisition date fair value of net identifiable assets acquired.

The value of goodwill recognised on acquisition of each subsidiary in which the Group holds less than a 100% interest will depend on the method adopted in measuring the aforementioned non-controlling interest. The Group can elect to initially measure the non-controlling interest in the acquiree either at fair value (full goodwill method) or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets (proportionate interest method). The Group determines which method to adopt for each acquisition based on the entitlement of non-controlling interest to a proportionate share of the subsidiary net assets.

Under the full goodwill method, the fair values of the non-controlling interests are determined using valuation techniques which make the maximum use of market information where available. Under this method, goodwill attributable to the non-controlling interests is recognised in the consolidated financial statements.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Goodwill is tested for impairment annually and is allocated to the Group's cash generating units or groups of cash generating units, which represent the lowest level at which goodwill is monitored but where such level is not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold.

Changes in the ownership interests in a subsidiary are accounted for as equity transactions and do not affect the carrying values of goodwill.

Research and Development

Expenditure on research activities, undertaken with the prospect of obtaining new or scientific or technical knowledge and understanding, is recognised in the Statement of Comprehensive Income as an expense when it is incurred.

Expenditure on development activities, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial product or use, is capitalised only when technical feasibility studies identify that the product or service will deliver future economic benefits and these benefits can be measured reliably. Expenditure on development activities have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful economic life of the product or service.

Note 1 Significant Accounting Policies (continued)

1 (b) (viii) Intangible assets (continued)

Patents and trademarks

Patents and trademarks are recognised at the cost of acquisition. Patents and trademarks have a finite life and are carried at cost less accumulated amortisation and any impairment losses. Patents and trademarks are amortised over their estimated useful life of 5 years.

Customer contracts

Customer contracts are recognised at the fair value at acquisition. Customer contracts have a finite life and are carried at cost less accumulated amortisation and any impairment losses. Customer contracts are amortised over the lesser of the remainder of the contract or their estimated useful life relevant to each specific contract.

1 (b) (ix) Impairment of non-financial assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

1 (b) (x) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30-45 days of recognition. Other payables not due within a year are measured less cumulative amortisation calculated using the effective interest method.

1 (b) (xi) Onerous leases

Represents contracts entered into in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The excess of the lease obligations over the expected economic benefits is expensed in the period that the contract becomes onerous. The liability represents the present value of the minimum lease payments and is held on the statement of financial position until it is extinguished.

Note 1 Significant Accounting Policies (continued)

1 (b) (xii) Finance costs

Finance costs are recognised as expenses in the period in which they are incurred. Finance costs include interest on:

- Short term and long term borrowings
- Finance leases

1 (b) (xiii) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

1 (b) (xiv) Employee benefits

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be wholly settled within 12 months of the end of the reporting period are recognised in other payables and provisions in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are wholly settled.

Long service leave

The liability for long service leave is recognised in provisions and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date at present value. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant. Fair value is measured by use of an option pricing model. The expected value used in the model is adjusted, based on Management's best estimate, for the effects of non-transferability, exercise restrictions, other risk factors and behavioural considerations.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

For cash-settled share-based payments, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at the end of the reporting period.

Note 1 Significant Accounting Policies (continued)

1 (b) (xv) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

1 (b) (xvi) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the financial year but not distributed at the end of the reporting period.

1 (b) (xvii) Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. the Company). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the Company. At this date, the Company recognises, in the consolidated accounts, and subject to certain limited exceptions, the acquisition date fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of comprehensive income. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Note 1 Significant Accounting Policies (continued)

1 (b) (xvii) Business combinations (continued)

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured each reporting period to fair value through the statement of comprehensive income unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

1 (b) (xviii) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

1 (b) (xix) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included in other receivables or other payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flows.

Note 1 Significant Accounting Policies (continued)

1 (b) (xx) Financial instruments

Impact of adoption of AASB 9 *Financial Instruments*

AASB 9 *Financial Instruments* became effective for periods beginning on or after 1 January 2018. Accordingly, the Group applied AASB 9 for the first time for the year ended 30 June 2019. Changes to the Group's accounting policies arising from these standards are summarised below.

AASB 9 *Financial Instruments* replaces AASB 139's '*Financial Instruments: Recognition and Measurement'* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.

On 1 July 2018 (the date of initial application of AASB 9), the group's management has assessed which business models apply to the financial assets held by the group and has classified its financial instruments into the appropriate AASB 9 categories. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets. The main effects resulting from this reclassification are as follows:

Table 1: Changes in classification and measurement on transition to AASB 9

Financial instrument as at 30 Jun 2018	AASB 139 classification and measurement	AASB 9 classification and measurement	Carrying amount as at 30 Jun 2018 under AASB 139	Carrying amount as at 1 Jul 2019 under AASB 9
Trade and other receivables	Loans and receivables at amortised cost	Financial assets at amortised cost	44,753	44,753
Loans to related parties (Vendor loans)	Loans and receivables at amortised cost	Financial assets at amortised cost	2,162	2,162
Borrowings	Financial liability at amortised cost	Financial liability at amortised cost	(52,832)	(52,500)
Trade and other payables	Financial liability at amortised cost	Financial liability at amortised cost	(67,220)	(67,220)
Contingent consideration liabilities	Fair Value through Profit & Loss	Fair Value through Profit & Loss	(35,493)	(35,493)

The accounting for the Group's financial liabilities remains largely the same as it was under AASB 139. Similar to the requirements of AASB 139, AASB 9 requires contingent consideration liabilities to be treated as financial instruments measured at fair value, with the changes in fair value recognised in the statement of profit or loss.

There is no impact on retained profits from the transition to AASB 9 since there has been no change in the measurement basis of the Group's financial instruments. There is no reconciliation of loss allowance since there was no material change to this account.

The Group's adoption of AASB 9 has not had a material effect on the Group.

Note 1 Significant Accounting Policies (continued)

1 (b) (xx) Financial instruments (continued)

New Accounting Standard adopted by the Group from 1 July 2018

Classification and measurement

The Group initially measures financial assets and liabilities at fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs.

Under AASB 9, debt financial instruments are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').

Financial assets

The classification and measurement of the Group's debt financial assets are, as follows:

Debt instruments at amortised cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the Group's Trade and other receivables, and Loans included under Other non-current financial assets.

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Debt instruments at FVOCI, with gains or losses recycled to profit or loss on derecognition. Financial assets in this category are the Group's quoted debt instruments that meet the SPPI criterion and are held within a business model both to collect cash flows and to sell.

Other financial assets are classified and subsequently measured, as follows:

Note 1 Significant Accounting Policies (continued)

1 (b) (xx) Financial instruments (continued)

Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition. This category only includes equity instruments, which the Group intends to hold for the foreseeable future and which the Group has irrevocably elected to so classify upon initial recognition or transition. The Group classified its unquoted equity instruments as equity instruments at FVOCI. Equity instruments at FVOCI are not subject to an impairment assessment under AASB 9.

Financial assets at FVPL comprise derivative instruments and quoted equity instruments which the Group had not irrevocably elected, at initial recognition or transition, to classify at FVOCI. This category includes debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

Financial liabilities

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30-45 days of recognition. Other payables not due within a year are measured less cumulative amortisation calculated using the effective interest method.

Loans are initially recognised at their fair value plus transaction costs. Interest is accrued over the period it becomes due and unpaid interest is recorded as part of current payables.

Interest free loans are recorded at their fair value. Discounted cash flow models are used to determine the fair values of the loans.

All non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted financial instruments, including recent arm’s length transactions, reference to similar instruments and option pricing models.

Impairment

Impairment of financial assets is recognised based on the lifetime expected credit loss which is determined when the credit risk on a financial asset has increased significantly since initial recognition. In order to determine whether there has been a significant increase in credit risk since initial recognition, the entity compares the risk of default as at the reporting date with risk of default as at initial recognition using reasonable and supportable data, unless the financial asset is determined to have low credit risk at the reporting date.

Note 1 Significant Accounting Policies (continued)

1 (b) (xx) Financial instruments (continued)

Contract Assets and Trade and other receivables

For Contract Assets and Trade and other receivables (both classified as current and non-current), the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

De-recognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

1 (b) (xxi) Non-current assets held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specially exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Statement of Comprehensive Income.

Note 1 Significant Accounting Policies (continued)

1 (c) New accounting standards for application in future periods

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the "AASB") that are relevant to their operations and effective for annual reporting periods beginning on 1 July 2018.

The adoption of all new and revised Standards and Interpretations did not affect the amounts reported for the current or prior periods. In addition, the new and revised Accounting Standards and Interpretations have not had a material impact and not resulted in change to the Group's presentation of or disclosure in these financial statements.

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

AASB 16: Leases (applicable for annual reporting periods commencing on or after 1 January 2019)

AASB 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. AASB 16 will supersede the current lease guidance including AASB 117 Leases and the related interpretations when it becomes effective. AASB 16 distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases (off balance sheet) and finance leases (on balance sheet) are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees (i.e. all on balance sheet) except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others.

The classification of cash flows will also be affected as operating lease payments under AASB 117 are presented as operating cash flows; whereas under the AASB 16 model, the lease payments will be split into a principal and an interest portion which will be presented as financing and operating cash flows respectively. Furthermore, extensive disclosures are required by AASB 16.

The Group's assessment indicates that these arrangements will meet the definition of a lease under AASB 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of AASB 16.

The new requirement to recognise a right-of-use asset and a related lease liability is expected to have a significant impact on the amounts recognised in the Group's consolidated financial statements. The Group will apply the new standard using the simplified approach from its mandatory adoption date of 1 July 2019 and has determined that it will recognise a right of use asset in the range of $237.4 million to $244.7 million and a lease liability in the range of $237.4 million to $244.7 million, with an impact on net assets of $0.

Note 1 Significant Accounting Policies (continued)

1 (c) New accounting standards for application in future periods (continued)

AASB 2017-6 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation (applicable to annual reporting periods beginning on or after 1 January 2019).

This standard amends AASB 9 to clarify that an entity may pay or receive compensation for early termination of a contract irrespective of the event or circumstance that causes the early termination of the contract and includes a case where a party chooses to terminate a contract earlier than the contractual term.

The standard requires different disclosures on transition to these amendments when an entity does not apply these amendments at the same as the date of transition to AASB 9.

This standard is not expected to have a material impact on the financial statements of the Group.

AASB 2017-7 Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures to Australian Accounting Standards (applicable to annual reporting periods beginning on or after 1 January 2019).

This standard amends AASB 128 to clarify that an entity should apply AASB 9 to other long-term interests in an associate that is equity accounted. When applying AASB 9 the entity should ignore adjustments to the carrying amount of the long-term interest due to application of AASB 1128.
This standard is not expected to have a material impact on the financial statements of the Group.

AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015–2017 Cycle (applicable to annual reporting periods beginning on or after 1 January 2019).

The Standard amends:
(a) AASB 3 to clarify that an entity remeasures its previously held interest in a joint operation when it obtains control of the business;
(b) AASB 11 to clarify that an entity does not remeasure its previously held interest in a joint operation when it obtains joint control of the business;
(c) AASB 112 to clarify that an entity accounts for all income tax consequences of dividend payments according to where the entity originally recognised the past transactions or events that generated the distributable profits; and
(d) AASB 123 to clarify that an entity treats any borrowing originally made to develop a qualifying asset as part of general borrowings when the asset is ready for its intended use or sale.

This standard is not expected to have a material impact on the financial statements of the Group as the existing accounting policies of the Group are already aligned with the amendments.

Note 1 Significant Accounting Policies (continued)

1 (c) New accounting standards for application in future periods (continued)

AASB 2018-2: Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement (applicable to annual reporting periods beginning on or after 1 January 2019).

This amendment Standard amends AASB 119 to clarify how an entity accounts for defined benefit plans when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments require an entity to use the assumptions used for the re-measurement of the net defined benefit liability or asset to determine the current service cost and the net interest for the remainder of the reporting period after a plan event occurs. The Standard also clarifies that, when a plan event occurs, an entity recognises the past service cost or a gain or loss on settlement separately from its assessment of the asset ceiling

This standard is not expected to have a material impact on the financial statements of the Group as the existing accounting policies of the Group are already aligned with the amendments.

AASB 2018-6: Amendments to Australian Accounting Standards – Definition of a Business (applicable to annual reporting periods beginning on or after 1 January 2020).

The Standard amends AASB 3 to clarify the definition of a business, assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendments:

(a) clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs;
(b) remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs;
(c) add guidance and illustrative examples to help entities assess whether a substantive process has been acquired;
(d) narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs; and
(e) add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

Earlier application of the standard is permitted.
This standard is prospectively applicable to transactions with acquisition date occurring on or after the beginning of the first annual reporting period commencing on or after 1 January 2020. The directors are not aware of any material contractual arrangements that would result in asset acquisitions occurring on or after 1 July 2020 and that are expected to be impacted by this amendment.

Note 1 Significant Accounting Policies (continued)

1 (c) New accounting standards for application in future periods (continued)

Revised Conceptual Framework and related amendments under AASB 2019-1 (applicable to annual reporting periods beginning on or after 1 January 2020).

Among the many changes brought about by the revised conceptual framework issued by AASB, the following are some of the key changes:

- New definitions for the terms ‘prudence’ and ‘measurement certainty’;
- New description of the scope and objective of financial statements and redefining the term ‘reporting entity’. A reporting entity is an entity that chooses or is required to prepare financial statements and not necessarily a legal entity;
- Altogether new definition for the term ‘assets’, ‘liabilities’ and ‘income and expenses’; More guidance on deciding the ‘unit of account’ and regarding executory contracts;
- New definition for the terms ‘recognition’ and ‘de-recognition’;
- Introduction of two measurement basis viz. historical measurement basis and current value measurement basis such as fair value, value in use, fulfilment value and current cost; and
- Guidance on presentation and disclosure of income and expenses in P/L and OCI (including subsequent recycling to P/L).

This standard is prospectively applicable to the entity for annual reporting periods beginning on or after 1 July 2020. Although the directors expect there may be material impact on account of the new conceptual framework, it is impracticable to determine a reasonable impact on application of the new conceptual framework.

Note 2 Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

When preparing the financial statements, Management undertakes various judgements, estimates and assumptions concerning the recognition and measurement of assets, liabilities, income and expenses. The resulting accounting estimates will, by definition, seldom equate with the related actual results. The following are significant judgements, estimates and assumptions made in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Impairment of Goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Refer to Note 12 for details of key assumptions used to calculate the recoverable amount of goodwill. The Group is yet to finalise the acquisition accounting for certain of its current year acquisitions and will seek to do so over the twelve months post acquisition. The value attributed to Goodwill may therefore change in future periods.

Fair value of Contingent vendor consideration

The carrying value of the Contingent vendor consideration, payable as a result of the acquisition of businesses and entities, incorporate a number of assumptions. In determining this value, Management have applied a discount factor and a probability factor on the earn-out components to determine the fair value. The interest expense and the fair value adjustment have been taken to the Statement of Comprehensive Income.

The fair value of this contingent consideration liability is measured using a discounted cash flow methodology applying the Group's cost of capital. In making this assessment, it has been assumed, that where the arrangement is subject to a cap, the business will meet the pre-specified target and the maximum will be payable. Where the arrangement is not subject to a cap, Management have determined an estimate of the likely outcome, based on the possible average profit outcomes that may be achieved, weighted by the probability of each scenario.

Note 2 Critical Accounting Estimates and Judgements (continued)

Share-based payments plans

The cost of share-based payments plans (including options) is determined on the basis of the fair value of the equity instrument at grant date. Determining the fair value assumes choosing the most suitable valuation model for these equity instruments, by which the characteristics of the grant have a decisive influence. This assumes also the input into the valuation model of some relevant judgments, like the estimated expected life of the option and the volatility of the underlying share.

Provision for Make Good

Provisions for Make Good are measured at the present value of management's best estimate of the expenditure required to remove any leasehold improvements at the end of the respective lease. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Note 3 Segment Information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board and Executive Management in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings since the diversifications of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics with respect to the products sold and/or services provided by the segment.

The Group only operates within one geographical area, Australasia, and has historically been segmented by the products it provides, being:

- Vehicle Panel Repair - Motor vehicle panel repairs.
- Manufacturing - Manufacture of motor vehicle protection products and Ute/Commercial accessories.
- Distribution - Distribution of automotive electrical & 4WD accessories.
- Remanufacturing - Motor vehicle component remanufacturing & repairs.
- Workshop - automotive workshops and performance products.

Unless stated otherwise, all amounts reported with respect to operating segments are determined in accordance with the Group's accounting policies. All inter-segment transactions are eliminated on consolidation for the Group's financial statements.

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

The following items of revenue, expense, assets and liabilities are not allocated to operating segments, as they are not considered part of the core operations of any segment:

- non-recurring items of revenue or expense;
- income tax expense;
- deferred tax assets and liabilities;
- other financial liabilities;
- fixed manufacturing & service costs and other cost of sales adjustments;
- finance costs;
- dividend payments;
- intangible assets; and
- discontinued operations.

Note 3 Segment Information (continued)

Revenue from two customers amounted to $266.2 million (2018: $238.6 million), arising from sales in the Vehicle Panel Repair segment.

	Panel $'000	**Manu-facturing** $'000	**Distribution** $'000	**Remanu-facturing** $'000	**Workshop** $'000	**Total** $'000
Year to 30 June 2019						
Revenue						
External sales	517,268	50,308	17,026	11,454	6,034	602,090
Other income	12,106	1,484	177	253	31	14,051
Total sales & other income	529,374	51,792	17,203	11,707	6,065	616,141
Unallocated revenue						33
Total revenue						**616,174**
Result						
EBITDA	46,623	10,656	587	2,458	232	60,556
Unallocated expenses						(10,429)
Depreciation, amortisation and impairment expense						(16,208)
Finance costs						(2,595)
Fair value adjustments						117
Share of net profit from associates using equity method						-
Profit from continuing operations before income tax						**31,441**
Net assets as at 30 June 2019						
Segment assets	371,279	32,841	11,526	4,772	786	421,204
Unallocated assets						38,191
Total assets						459,395
Segment liabilities	(127,802)	(7,642)	(2,296)	(1,894)	(779)	(140,413)
Unallocated liabilities						(126,509)
Total liabilities						(266,922)
Net Assets						**192,473**

Note 3 Segment Information (continued)

	Panel $'000	Manu-facturing $'000	Distribution $'000	Remanu-facturing $'000	Workshop $'000	Total $'000
Year to 30 June 2018						
Revenue						
External sales	427,078	37,391	17,183	11,599	3,901	497,152
Other income	8,997	957	186	242	44	10,426
Total sales & other income	436,075	38,348	17,369	11,841	3,945	507,578
Unallocated revenue						2,178
Total revenue						**509,756**
Result						
EBITDA	39,202	7,671	1,249	2,446	136	50,704
Unallocated expenses						(7,071)
Depreciation, amortisation and impairment expense						(15,460)
Finance costs						(786)
Fair value adjustments						(951)
Share of net profit from associates using equity method						(1,744)
Profit from continuing operations before income tax						**24,692**
Net assets as at 30 June 2018						
Segment assets	280,401	48,066	12,166	5,316	1,121	347,070
Unallocated assets						15,784
Total assets						362,854
Segment liabilities	(91,272)	(9,285)	(2,383)	(1,768)	(927)	(105,635)
Unallocated liabilities						(86,142)
Total liabilities						(191,777)
Net Assets						**171,077**

Note 4 Revenue

	30 Jun 2019 $'000	30 Jun 2018 $'000
Sales revenue		
Sale of goods	76,149	69,068
Panel Repair services	523,610	427,057
Other services	2,331	1,027
	602,090	497,152
Other revenue		
Interest received	88	93
Amortisation of deferred income	9,419	7,453
Gain on acquisition	-	2,108
Other revenue	4,577	2,950
	14,084	12,604
Total revenue from continuing operations	616,174	509,756
Total revenue from discontinued operations	1,893	1,421

Note 5 Expenses

(a) Profit before income tax includes the following specific expenses:

	30 Jun 2019 $'000	30 Jun 2018 $'000
Rental expense relating to operating leases (minimum lease payments)	28,806	22,678
Defined contribution superannuation expense	17,621	13,990
Executive equity plan expense	1,499	853
Consulting and advisory expense	5,060	6,496
Bad and doubtful debts expense / (recovery)	(46)	(81)
Loss / (profit) on disposal of assets	(15)	(5)
Depreciation and amortisation expense		
- Depreciation of property, plant & equipment	12,258	10,049
- Amortisation of intangible assets	3,950	3,303
Impairment expense - goodwill	-	2,108
Interest and finance charges paid / payable	2,595	786

(b) Fees paid or payable to ShineWing Australia (the Company's Auditors) or its related practices:

Fees paid in respect of audit or review of the financial reports totalled $421,050 (2018: $360,037).

There were no other services provided by ShineWing Australia for the year ended 30 June 2019 or 30 June 2018.

Note 6 Income Tax Expense

	Note	30 Jun 2019 $'000	30 Jun 2018 $'000
Income tax expense:			
Current tax payable/(receivable)		4,713	(188)
Businesses acquired during the year		170	-
Current year tax instalments paid during the year		8,307	9,400
Deferred tax		(3,432)	141
(Over)/Under provision in respect of prior year		(41)	(38)
Other		(257)	3
		9,460	9,318
Deferred tax included in income tax expense comprises:			
Decrease/(increase) in deferred tax assets	13	(2,821)	375
(Decrease)/increase in deferred tax liabilities	19	(611)	(234)
		(3,432)	141
Reconciliation of prima facie tax payable to income tax expense:			
Profit before income tax (expense)/benefit		31,209	24,687
Tax at the Australian tax rate of 30%		9,363	7,406
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:			
Employee equity plan		26	-
Impairment		-	632
Fair value adjustments		(35)	285
Non-deductible professional services fees		147	1,143
Share of net profit of associate accounted for by the equity method		-	523
Other		-	(633)
(Over)/Under provision in respect of prior year		(41)	(38)
Income tax expense		9,460	9,318
Income tax expense attributable to:			
- Members of the Company		9,376	9,204
- Non-controlling interests		84	114
Income tax expense		9,460	9,318
Income tax expense attributable to:			
- Continuing operations		9,530	9,320
- Discontinued operations (refer to Note 31)		(70)	(2)
Income tax expense		9,460	9,318
The applicable weighted average effective tax rates are as follows:		30.3%	37.8%

The Group is part of a tax consolidation group. See the income tax accounting policy in Note 1.

Note 7 Cash and Cash Equivalents

	30 Jun 2019 $'000	30 Jun 2018 $'000
Cash on hand	121	104
Cash at bank	11,975	16,110
	12,096	16,214

Note 8 Trade and Other Receivables

	30 Jun 2019 $'000	30 Jun 2018 $'000
Current		
Trade receivables	29,770	35,434
Loss allowance	(190)	(259)
	29,580	35,175
Other receivables	18,544	9,578
	48,124	44,753

There were no non-current trade or other receivables in either reported year.

Bad and doubtful trade receivables

The Group has recognised a loss allowance of $190,000 (2018: $259,000) in respect of bad and doubtful trade receivables during the year ended 30 June 2019.

Impairment of receivables

The ageing of the loss allowance for trade receivables recognised above is as follows:

	30 Jun 2019 $'000	30 Jun 2018 $'000
3 to 6 months	190	259
Over 6 months	-	-
	190	259

Note 8 Trade and Other Receivables (continued)

Movements in the loss allowance for trade receivables are as follows:

	30 Jun 2019 $'000	30 Jun 2018 $'000
Opening balance	259	269
Business acquisition	-	155
Additional provisions recognised/(released)	(46)	(81)
Receivables written off/(back-in) during the year as uncollectible	(23)	(78)
Discontinuing operations	-	(6)
Closing balance	190	259

Past due but not impaired

The Group has not recognised a loss allowance for the below balances as there has been no significant change in the customer's credit quality and the amounts are still considered recoverable. The balances relate to a number of customers for whom there is no recent history of default.

The ageing of the past due but not impaired receivables is shown below:

	30 Jun 2019 $'000	30 Jun 2018 $'000
1 to 3 months	4,497	5,604
3 to 6 months	1,696	-
Over 6 months	-	-
Closing balance	6,193	5,604

Customers with balances past due but without expected credit loss at 30 June 2019 amount to $6.193 million (2018: $5.604 million). Management do not consider that there is any credit risk on the aggregate balances after reviewing credit agency information and recognising a tacit extension to the recorded credit terms of customers based on recent collection practices. The balances of receivables that remain within initial trade terms (as detailed in table) are considered to be of high credit quality.

Note 9 Inventories

	30 Jun 2019 $'000	30 Jun 2018 $'000
Raw materials and consumables	21,324	11,881
Work in progress	12,215	10,285
Finished goods	7,439	7,236
	40,978	29,402

Note 10 Other Assets

	30 Jun 2019 $'000	30 Jun 2018 $'000
Current		
Deferred Employee Equity Plan	959	758
Acquisition Deposits	4,000	-
Prepayments	4,335	2,684
	9,294	3,442
Non-Current		
Deferred Employee Equity Plan	867	1,264
Prepayments	786	1,016
Deposits	5,600	-
	7,253	2,280

Note 11 Property, Plant and Equipment

	30 Jun 2019 $'000	30 Jun 2018 $'000
Leasehold improvements - at cost	21,111	20,441
Less accumulated amortisation	(7,705)	(5,370)
	13,406	15,071
Plant & equipment - at cost	79,535	61,353
Less accumulated depreciation	(36,657)	(28,725)
	42,878	32,628
Furniture & equipment - at cost	5,565	6,269
Less accumulated depreciation	(2,589)	(2,311)
	2,976	3,958
Motor vehicles - at cost	8,037	6,206
Less accumulated depreciation	(3,957)	(2,442)
	4,080	3,764
	63,340	55,421

Note 11 Property, Plant and Equipment (continued)

Movements in the fair values of Property, Plant & Equipment are set out below:

	Leasehold improvements $'000	Plant & Equipment $'000	Furniture & Fittings $'000	Motor vehicles $'000	Total $'000
Balance at 1 July 2017	11,788	29,345	2,373	2,438	45,944
Additions	3,655	4,033	1,633	1,272	10,593
Business acquisitions	537	8,087	426	471	9,521
Disposals	(34)	(200)	(91)	(121)	(446)
Depreciation expense	(788)	(8,582)	(383)	(296)	(10,049)
Discontinued operations	(87)	(55)	-	-	(142)
Balance at 30 June 2018	15,071	32,628	3,958	3,764	55,421
Balance at 1 July 2018	15,071	32,628	3,958	3,764	55,421
Additions	1,822	8,965	1,147	811	12,745
Business acquisitions	26	7,812	27	130	7,995
Disposals	(92)	(324)	(124)	(23)	(563)
Depreciation expense	(20)	(11,776)	(349)	(113)	(12,258)
Asset reclassification	(3,401)	5,573	(1,683)	(489)	-
Balance at 30 June 2019	13,406	42,878	2,976	4,080	63,340

Note 12 Intangible Assets

	30 Jun 2019 $'000	30 Jun 2018 $'000
Goodwill - at cost	270,015	207,649
Less impairment	(10,652)	(10,652)
	259,363	196,997
Patents & Trademarks	155	650
Less amortisation	(112)	(220)
	43	430
Customer contracts	16,843	11,977
Less amortisation	(13,193)	(9,635)
	3,650	2,342
	263,056	199,769

Note 12 Intangible Assets (continued)

Movements in the carrying amounts of Intangible Assets are set out below:

	Goodwill $'000	Patents & Trademarks $'000	Customer Contracts $'000	Total $,000
Balance at 1 July 2017	153,049	417	5,637	159,103
Additions and adjustment	4	14	-	18
Acquired	46,226	7	-	46,233
Disposed	(174)	-	-	(174)
Impairment expense	(2,108)	-	-	(2,108)
Amortisation expense	-	(8)	(3,295)	(3,303)
Balance at 30 June 2018	196,997	430	2,342	199,769
Balance at 1 July 2018	196,997	430	2,342	199,769
Additions and adjustment	533	-	-	533
Acquired	61,839	5	4,866	66,710
Amortisation expense	-	(392)	(3,558)	(3,950)
FX on translation	(6)	-	-	(6)
Balance at 30 June 2019	259,363	43	3,650	263,056

Goodwill

Goodwill is allocated to cash-generating units ("CGU") which are based on the Group's operating segments:

	30 Jun 2019 $'000	30 Jun 2018 $'000
Vehicle Panel Repair	225,605	162,094
Manufacturing	26,949	28,094
Distribution	5,349	5,349
Remanufacturing	1,460	1,460
	259,363	196,997

The Group is yet to finalise the acquisition accounting for the majority of its current year acquisitions and the value attributed to Goodwill may change in future periods.

The recoverable amount of each cash-generating unit above is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a five-year period with the period extending beyond five years extrapolated using an estimated growth rate. The cash flows are discounted using the weighted average cost of capital (WACC) (Pre-tax Discount rate) of the Company at the beginning of the budget period.

Note 12 Intangible Assets (continued)

The following key assumptions were used in determining the recoverable amount of goodwill:

	Vehicle Panel Repair	Manufacturing	Distribution	Remanufacturing
Pre-tax discount rate %	6.60	7.10	7.90	7.90
Year 1 EBITDA growth rate %	31.7	16.2	34.1	4.60
Terminal growth rate %	2.00	2.00	2.00	2.00

Management has based the value-in-use calculations for the CGUs on budgets and Management's best estimates of future growth rates, and what it believes will occur in future years. The value-in-use models are most sensitive to the following assumptions:
- Discount rate;
- Year 1 EBITDA growth rates; and
- Terminal growth rates.

Discount rates are pre-tax and are adjusted to incorporate risks associated with a particular segment.

Management has based the starting point for the value-in-use calculations on the FY20 budgets for each reporting segment. These budgets use a combination of historical growth rates and Management's best estimates of expected future growth rates. Costs are calculated taking into account historical gross margins and Management's best estimates of expected future gross margins, and average inflation, which is consistent with inflation rates applicable to the locations in which the segments operate.

Management has made the following considerations in respect of the Year 1 EBITDA growth rate:

Segment	Consideration
Vehicle Panel Repair	Management has factored in the highly acquisitive nature of this division and growth plans to further consolidate the industry.
Manufacturing	Management has estimated a modest growth in revenue with continued focus on production efficiencies and manufacturing processes.
Distribution	Management has estimated growth in revenue and an improved margin due to a continued focus on increasing the quality of revenue and incorporating cost saving measures. There is further development of new innovative product ranges, continued evolution of other brand products to our own brands, and expansion of the solar range, which has been introduced to several of our national retail chain customers bolstering future supply to the market. There has also been improved cash conversion within the Distribution segment.
Remanufacturing	Management has estimated conservative growth in revenue with a focus on customer expansion.

Note 12 Intangible Assets (continued)

Impact of possible changes in key assumptions

Distribution Segment

The following table provides quantitative information regarding the key assumptions used in the Distribution CGU and the impact of possible changes in the key assumptions:

Key Assumption	Change in Key Assumption	Impact of Possible Change in Key Assumption
Pre-tax discount rate of 7.90%	Pre-tax discount rate of 8.90%	If the pre-tax discount rate of 7.90% was 1.00% higher, there would be no sign of impairment.
Year 1 EBITDA growth rate of 34.1%	Year 1 EBITDA growth rate of 0.00%	If the Year 1 EBITDA growth rate was 0.00%, there would be an indicator of impairment of $709,000.
Year 1 EBITDA growth rate of 34.1%	Year 1 EBITDA growth rate of 5.00%	If the Year 1 EBITDA growth rate was 5.00%, there would be no sign of impairment.
Terminal growth rate of 2.00%	Terminal growth rate of 1.00%	If the terminal growth rate of 2.00% was 1.00% lower, there would be no sign of impairment.

Note 13 Deferred Tax Asset

	30 Jun 2019 $'000	30 Jun 2018 $'000
The balance comprises temporary differences attributable to:		
Amounts recognised in the statement of comprehensive income:		
Employee benefits	7,929	6,322
Provisions	236	293
Accrued expenses	1,054	689
Inventory	219	361
Doubtful debts	57	77
Other	3,609	866
	13,104	8,608
Amounts recognised in equity:		
Transaction costs on share issue	106	615
	106	615
Deferred tax asset	13,210	9,223
Movement:		
Carrying amount at beginning of year	9,223	7,205
Business acquisitions	1,166	2,448
Business disposal	-	(55)
Credited/(charged) to the statement of comprehensive income	2,821	(375)
Carrying amount at end of year	13,210	9,223

At 30 June 2019, the Group has estimated un-recouped revenue losses of $334,000 (2018: $334,000) and estimated un-recouped capital losses of $3,528,900 (2018: $3,528,900) which can be carried forward indefinitely. None of these losses have been brought to account as a deferred tax asset. The benefit of these losses will only be obtained if:

- The companies derive future assessable income of a nature and an amount sufficient to enable the benefits from the deductions for the losses to be realised.
- The companies continue to comply with the conditions for deductibility imposed by the law.
- No changes in tax legislation adversely affect the companies in realising the benefit from the deductions for the losses.

Note 14 Financial Assets at Amortised Cost

	30 Jun 2019 $'000	30 Jun 2018 $'000
Vendor loans	2,044	2,162
	2,044	2,162

As part of the acquisition of Gemini Accident Repair Centres Pty Ltd in a prior year, the Group acquired loans to certain vendors of that entity. These loans have not been repaid and it is proposed that they will be extinguished against future short-term and long-term incentives. The loans are measured at amortised cost using the effective interest method.

For further details refer to Note 26 Related Party Transactions.

Note 15 Trade and Other Payables

	30 Jun 2019 $'000	30 Jun 2018 $'000
Trade payables	49,680	53,357
Accrued expenses	5,301	6,450
Other payables	11,360	7,413
	66,341	67,220

Note 16 Financial Liabilities at Amortised Cost

	30 Jun 2019 $'000	30 Jun 2018 $'000
Non-current		
Bank loan	80,568	52,500
	80,568	52,500

At year end the Group had unrestricted access to the following lines of credit:

Bank loan facility	125,000	60,000
Unutilised at balance date	44,432	7,500

Note 16 Financial Liabilities at Amortised Cost (continued)

Financing arrangements

On 24 August 2016, the Company entered into a new Facility Agreement with National Australia Bank Limited. The key terms of this agreement are:

- a $40 million facility, with a 36 months tenor, to assist in funding acquisitions and general corporate needs;
- a $6.5 million lease facility to assist with the purchase of capital equipment;
- a $3.0 million bank guarantee facility to assist with securing property rental leases; and
- a $0.4 million letter of credit facility.

On 7 February 2018, the Company's Facility Agreement with the National Australia Bank Limited was amended to:

- a $40 million facility, with a tenure until 31 August 2019, to assist in funding acquisitions and general corporate needs;
- a $20 million facility, with a tenure until 31 January 2021, to assist in funding acquisitions and general corporate needs;
- a $6.5 million lease facility to assist with the purchase of capital equipment;
- a $6.0 million bank guarantee facility to assist with securing property rental leases; and
- a $0.4 million letter of credit facility.

On 17 May 2018, these facilities were further amended to include a $0.15 million credit card facility.

On 29 May 2019, the Company's Facility Agreement with the National Australia Bank Limited was amended to:

- a $95 million facility, with a tenure until 31 January 2021, to assist in funding acquisitions and general corporate needs;
- a $30 million facility, with a tenure until 31 January 2022, to assist in funding acquisitions and general corporate needs;
- a $15.0 million bank guarantee facility to assist with securing property rental leases;
- a $0.45 million letter of credit facility;
- a $0.15 million credit card facility; and
- a $25 million accordion facility, with a tenure until 31 January 2021, to assist in funding acquisitions and general corporate needs, if required.

The Facility is secured by a fixed and floating charge over all of the assets of the Company and its wholly owned subsidiaries and is subject to standard covenants. At year end, the Company was in compliance with these covenants.

Note 17 Provisions

	30 Jun 2019 $'000	30 Jun 2018 $'000
Current		
Annual leave	15,305	13,014
Long service leave	7,092	5,206
Dividends	289	243
Onerous lease	344	492
Other	8	-
	23,038	18,955
Non-current		
Long service leave	4,033	2,854
Make good	6,117	3,974
Onerous lease	74	116
	10,224	6,944

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

	Dividends	Make Good	Onerous Lease	Total
Carrying amount at beginning of year	243	3,974	608	4,825
Arising during the year	46	1,081	-	1,127
Business acquisitions	-	1,132	-	1,132
Utilised	-	-	(40)	(40)
Reversed	-	(70)	(150)	(220)
Carrying amount at end of year	289	6,117	418	6,824

Amounts not expected to be settled within the next 12 months

The current provision for annual leave is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave within the next 12 months.

The current provision for long service leave includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued long service leave or require payment within the next 12 months.

Note 17 Provisions (continued)

The following amounts reflect leave that is classified as a current liability but is not expected to be taken within the next 12 months:

	30 Jun 2019 $'000	30 Jun 2018 $'000
Annual leave obligation expected to be settled after 12 months	6,853	1,269
Long service leave obligation to be settled after 12 months	836	1,096
	7,689	2,365

Note 18 Other Liabilities

	30 Jun 2019 $'000	30 Jun 2018 $'000
Current		
Deferred income	12,500	7,079
Contingent vendor consideration	24,496	5,399
Lease liability	103	311
	37,099	12,789
Non-current		
Deferred income	16,061	-
Contingent vendor consideration	26,199	30,094
Lease liability	29	21
	42,289	30,115

Deferred Income

In a previous financial year, the Group entered into an agreement with a key supplier to purchase product and services from the supplier over an agreed period of time and receives various preferential benefits; one of which is a market investment incentive. To satisfy the requirements of this agreement, the Group must purchase from this supplier in accordance with agreed terms. The incentive is being amortised as this liability reduces.

During the current year, the Group received a second tranche equal to $30.9 million. At 30 June 2019, an amount of $12.5 million (2018: $7.1 million) has been classified as current representing the anticipated reduction in this incentive over the next twelve months.

Lease Liability

The lease liabilities are effectively secured as the rights to the leased assets recognised in the statement of financial position revert to the lessor in the event of default.

Note 18 Other Liabilities (continued)

Contingent vendor consideration

The Company has recorded deferred and contingent consideration to Business Vendors for $53.104 million (2018: $36.804 million) which, as per the relevant business purchase agreement includes amounts for performance based earn-outs to be paid in a mixture of shares and cash. The present value of the liability is $50.695 million (2018: $35.493 million). Refer to Note 24 for further information on how the fair value has been determined for contingent consideration. An analysis of this liability by type of consideration follows:

	30 Jun 2019 $'000	30 Jun 2018 $'000
Current		
Cash Settlement	18,697	5,253
Share Settlement	5,799	146
	24,496	5,399
Non-Current		
Cash Settlement	26,199	24,443
Share Settlement	-	5,651
	26,199	30,094
	50,695	35,493

Movement:		
Carrying amount at beginning of year	35,493	29,624
Arising during the year	33,055	11,510
Fair Value adjustment	-	(423)
Payments	(17,736)	(6,170)
Charge to Profit	(117)	952
Carrying amount at end of year	50,695	35,493

Note 19 Deferred Tax Liability

	30 Jun 2019 $'000	30 Jun 2018 $'000
The balance comprises temporary differences attributable to:		
Amounts recognised in statement of comprehensive income:		
Sundry debtors	3,015	2,551
Customer contracts	(365)	703
Deferred tax liability	2,650	3,254
Movement:		
Carrying amount at beginning of year	3,254	3,509
Business acquisitions	7	-
Business disposal	-	(21)
Credited/(charged) to the statement of comprehensive income	(611)	(234)
Carrying amount at end of year	2,650	3,254

Note 20 Contributed Equity

	30 Jun 2019		30 Jun 2018	
	Number	$'000	Number	$'000
Fully Paid Ordinary shares				
Quoted	539,166,324	192,163	527,440,147	181,106
Unquoted	8,355,901	8,100	6,276,899	6,100
	547,522,225	200,263	533,717,046	187,206

Quoted Fully Paid Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote and, upon a poll, each share is entitled to one vote.

Unquoted Fully Paid Ordinary shares entitle the holder to all the same benefits and responsibilities of holders of Quoted Fully Paid Ordinary shares with exception that they do not entitle the holder to participate in dividends or vote at general meetings of the Company. As such they are not listed for trade on the ASX. They have been issued as part consideration for the acquisition of various entities and are subject to a restriction period. In the event that the business has met its earnings target at the completion of this restriction period, the shares are then eligible to participate in dividends.

Note 20 Contributed Equity (continued)

Movements in ordinary share capital

	30 Jun 2019		30 Jun 2018	
	Number	**$'000**	**Number**	**$'000**
Quoted:				
Opening balance	527,440,147	181,106	488,892,102	161,691
Shares issued				
Institutional placement	10,000,000	9,510		
Employee share issues	1,332,993	1,250	500,158	500
Vendor share issues	393,184	297	13,047,887	3,915
Convert from Unquoted shares	-	-	25,000,000	15,000
Closing balance	539,166,324	192,163	527,440,147	181,106
Unquoted:				
Opening balance	6,276,899	6,100	30,100,428	20,000
Shares issued				
Vendor share issue	2,079,002	2,000	1,176,471	1,100
Convert to Quoted shares	-	-	(25,000,000)	(15,000)
Closing balance	8,355,901	8,100	6,276,899	6,100
	547,522,225	200,263	533,717,046	187,206

Note 21 Reserves

	30 Jun 2019 $'000	30 Jun 2018 $'000
Equity Based Remuneration Reserve	153	3,048
Foreign Exchange Translation Reserve	(107)	(44)
	46	3,004

Equity Based Remuneration Reserve

The Equity Based Remuneration Reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

Foreign Exchange Translation Reserve

The Foreign Exchange Translation Reserve is used to recognise foreign currency translation differences arising on the translation of financial statements of the Group's foreign entities into $AUD.

Note 22 Non-Controlling Interests

On 1 July 2015, the Group acquired 60.0% of the issued capital of Woods Auto Shops (Dandenong) Pty Ltd; the operator of the Trackright businesses. The owners of the other 40.0% of issued capital are the management of the Trackright business. Set out below is summarised financial information for this entity.

	30 Jun 2019 $'000	30 Jun 2018 $'000
Summarised balance sheet		
Current assets	1,015	1,237
Current liabilities	(1,907)	(1,004)
Current net assets	(892)	233
Non-current assets	2,897	2,192
Non-current liabilities	(1,275)	(1,686)
Non-current net assets	1,622	506
Net assets	730	739
Accumulated Non-Controlling Interest	292	296
Summarised statement of comprehensive income		
Revenue	6,546	6,783
Profit for the period	491	659
Other comprehensive income	-	-
Total comprehensive income	491	659
Profit allocated to Non-Controlling Interest	196	264
Dividends paid to Non-Controlling Interest	200	200
Summarised cash flows		
Cash flows from operating activities	1,677	1,368
Cash flows from investing activities	(134)	(88)
Cash flows from financing activities	(1,314)	(1,398)
Net increase/(decrease) in cash and cash equivalents	229	(118)
Movement:		
Opening Balance	296	232
Share of result for the period	196	264
Dividends paid	(200)	(200)
Closing Balance	292	296

Note 23 Dividends

	30 Jun 2019 $'000	30 Jun 2018 $'000
Dividends paid or declared during the period ended were:		
Final dividend of 2.0 cents per share, fully franked, paid 30 Oct 2017	-	9,786
Interim dividend of 0.5 cents per share, fully franked, paid 15 Jun 2018	-	2,626
Final dividend of 2.0 cents per share, fully franked, paid 13 Nov 2018	10,595	-
Interim dividend of 0.5 cents per share, fully franked, paid 15 May 2019	2,705	-
	13,300	12,412
Franking credits available for subsequent financial years based on tax rate of 30%	30,704	18,960

The aforementioned amounts represent the balance of the franking account as at the end of the reporting period, adjusted for:

- franking credits that will arise from the payment of the amount of the provision for income tax
- franking credits that will arise from the payment of dividends recognised as a liability at the reporting date
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

Note 24 Financial Instruments

Financial risk management

The Group's activities expose it to a variety of financial risks. These include market risk (including foreign currency risk, price risk and interest rate risk), credit risk, and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate risk and ageing analysis for credit risk.

Risk management is carried out by Executive Management under policies approved by the Board. Executive Management identifies, evaluates and mitigates financial risks within the Group's operating units.

Market risk

Foreign currency risk

The Group continues to make purchases in foreign currencies and is therefore exposed to foreign currency risk through foreign exchange rate fluctuations.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are set out below:

Note 24 Financial Instruments (continued)

	Assets		Liabilities	
Consolidated	**30 Jun 2019 $'000**	**30 Jun 2018 $'000**	**30 Jun 2019 $'000**	**30 Jun 2018 $'000**
US Dollar	140	48	655	316
NZ Dollar	820	344	101	183
SA Rand	14	-	81	30
	974	392	837	529

The Group had financial assets denominated in US Dollars of AUD $140,000 as at 30 June 2019 (2018: AUD $48,000). Based on this exposure, had the Australian Dollar weakened/strengthened by 10% against the US Dollar with all other variables held constant, the Group's result for the year and equity would have been $16,000 higher/lower (2018: A$5,000).

The Group had financial assets denominated in NZ Dollars of AUD $820,000 as at 30 June 2019 (2018: AUD $344,000). Based on this exposure, had the Australian Dollar weakened/strengthened by 10% against the NZ Dollar with all other variables held constant, the Group's result for the year and equity would have been $91,000 higher/lower (2018: A$38,000).

The Group had financial assets denominated in South African Rand of AUD $14,000 as at 30 June 2019 (2018: Nil). Based on this exposure, had the Australian Dollar weakened/strengthened by 10% against the South African Rand with all other variables held constant, the Group's result for the year and equity would have been $2,000 higher/lower (2018: Nil).

The Group had financial liabilities denominated in US Dollars of AUD $655,000 as at 30 June 2019 (2018: AUD $316,000). Based on this exposure, had the Australian Dollar weakened/strengthened by 10% against the US Dollar with all other variables held constant, the Group's result for the year and equity would have been $73,000 higher/lower (2018: A$35,000).

The Group had financial liabilities denominated in NZ Dollars of AUD $101,000 as at 30 June 2019 (2018: AUD $183,000). Based on this exposure, had the Australian Dollar weakened/strengthened by 10% against the NZ Dollar with all other variables held constant, the Group's result for the year and equity would have been $11,000 higher/lower (2018: $20,000).

The Group had financial liabilities denominated in South African Rand of AUD $81,000 as at 30 June 2019 (2018: AUD $30,000). Based on this exposure, had the Australian Dollar weakened/strengthened by 10% against the South African Rand with all other variables held constant, the Group's result for the year and equity would have been $9,000 higher/lower (2018: $3,000).

There were no assets or liabilities denominated in any other foreign currencies, other than US Dollars, NZ Dollars or South African Rand as at 30 June 2019 or as at 30 June 2018.

The foreign exchange loss for the year ended 30 June 2019 was $39,000 (2018: $29,000 loss).

The Group does not employ foreign currency hedges and has no official foreign currency policy. If the transactional value, net asset position and overall exposure were to increase it is likely that a policy will be adopted to mitigate risk.

Note 24 Financial Instruments (continued)

Price risk

The Group and the Company are not exposed to any significant price risk.

Interest rate risk

The Group and the Company's main interest rate risk arises from short and long-term borrowings. All borrowings are issued at variable rates and this exposes the Group and the Company to interest rate risk. The Group and the Company attempt to mitigate this interest rate risk exposure by maintaining an adequate interest cover ratio and gearing ratio that ensures financing costs are not significant costs. At the end of the financial year, the Group had bank loans outstanding of $80.6 million (2018: $52.5 million).

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	30 Jun 2019 $'000	30 Jun 2018 $'000
Increase of 50 bps	(284)	(147)
Decrease of 50 bps	284	147

Credit risk

Credit risk is managed on a Group basis. Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit and obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk, excluding the value of any collateral or other security, at the end of the reporting period to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and the Notes to the Financial Statements.

As at 30 June 2019 the Group had no significant concentration of credit risk.

Liquidity risk

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

The Group has a process of monitoring overall cash balances on a strategic long term basis and at an operational level on a weekly basis. This is to ensure ongoing liquidity, prompt decision making and allow proactive communication with its funders.

The Group's current focus is to ensure it meets debt covenants, reduces debt, reduces costs and focuses on its current operations in the automotive aftercare market.

Note 24 Financial Instruments (continued)

Financial liability and financial asset maturity analysis

The tables below analyse the Group's financial assets and liabilities into relevant maturity groupings based on the remaining period between the reporting date and the contractual maturity date. Cash flows realised from financial assets reflect management's expectations as to the timing of their realisation. Actual timing may differ from that disclosed. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Weighted average interest rate %	Within 1 year $'000	1 to 5 years $'000	Over 5 years $'000	Total $'000
2019					
Financial assets cash flows realisable					
Cash and cash equivalents (Note 7)		12,096	-	-	12,096
Trade and other receivables (Note 8)		48,124	-	-	48,124
Other assets (Note 10)		4,000	5,600	-	9,600
Financial assets at amortised cost (Note 14)		-	2,044	-	2,044
Total anticipated inflow on financial instruments		64,220	7,644	-	71,864
Financial liabilities due for payment					
Trade and other payables (Note 15)		66,341	-	-	66,341
Financial liabilities at amortised cost (Note 16)	4.58%	-	80,568	-	80,568
Deferred cash consideration (Note 18)		18,697	26,199	-	44,896
Lease liabilities (Note 18)	5.76%	103	29	-	132
Total expected outflows		85,141	106,796	-	191,937
Net inflow / (outflow) on financial instruments		(20,921)	(99,152)	-	(120,073)
2018					
Financial assets cash flows realisable					
Cash and cash equivalents (Note 7)		16,214	-	-	16,214
Trade and other receivables (Note 8)		44,753	-	-	44,753
Financial assets at amortised cost (Note 14)		118	2,044	-	2,162
Total anticipated inflow on financial instruments		61,085	2,044	-	63,129
Financial liabilities due for payment					
Trade and other payables (Note 15)		67,220	-	-	67,220
Financial liabilities at amortised cost (Note 16)	2.26%	-	52,500	-	52,500
Deferred cash consideration (Note 18)		5,475	31,329	-	36,804
Lease liabilities (Note 18)	5.76%	317	24	-	341
Total expected outflows		73,012	83,853	-	156,865
Net inflow / (outflow) on financial instruments		(11,927)	(81,809)	-	(93,736)

Note 24 Financial Instruments (continued)

Fair value of financial instruments

The carrying value of financial instruments as shown in the Statement of Financial Position reflects their fair value. These financial instruments have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset / liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset / liability that are not based on observable market data (unobservable inputs) (Level 3).

The fair value of the financial instruments included in Level 3 of the hierarchy has been determined using valuation techniques incorporating observable direct and indirect market data relevant to the Company and an estimation of the probability on paying the full amount.

During the financial year, the Group has acquired various entities and businesses. In undertaking these acquisitions, the Group has incurred a contingent consideration liability consisting of an obligation to provide shares in the Company and / or make an additional cash payment to the vendor if the average profits of the acquisition for the earn-out period exceed a pre-specified target level.

The following table provides quantitative information regarding the significant unobservable inputs, the ranges of those inputs and the relationships of unobservable inputs to the fair value measurement of the Contingent Vendor Consideration:

Significant Unobservable Inputs Used	Unobservable Inputs Used	Estimated Sensitivity of Fair Value Measurement to Changes in Unobservable Inputs
If Correct Panel Group failed to meet its earning target	EBITDA in excess of $3.2 million per annum	If EBITDA was $500,000 higher / lower, the fair value of the total deferred consideration would increase / decrease by $500,000 / $1,562,500
The Correct Panel Group Discount rate	Discount rate of 3.55%	If the discount rate was 0.1% (10 bps) lower, the fair value of the total deferred consideration would increase by $7,000
If Wales Truck Repairs & Wales Bus Repairs failed to meet its earning target	EBITDA in excess of $5.0 million per annum	If EBITDA was $500,000 higher / lower, the fair value of the total deferred consideration would increase / decrease by $3,000,000 / $3,000,000
The Wales Truck Repairs & Wales Bus Repairs Discount rate	Discount rate of 3.55%	If the discount rate was 0.1% (10 bps) lower, the fair value of the total deferred consideration would increase by $39,000

Note 24 Financial Instruments (continued)

Fair value of financial instruments (continued)

Significant Unobservable Inputs Used	Unobservable Inputs Used	Estimated Sensitivity of Fair Value Measurement to Changes in Unobservable Inputs
If Geelong Consolidated Repairs failed to meet its earning target	EBITDA in excess of $2.0 million per annum	If EBITDA was $500,000 higher / lower, the fair value of the total deferred consideration would increase / decrease by $2,000,000 / $2,000,000
The Geelong Consolidated Repairs Discount rate	Discount rate of 2.60%	If the discount rate was 0.1% (10 bps) lower, the fair value of the total deferred consideration would increase by $4,000
If Wells Harvey failed to meet its earning target	EBITDA in excess of $3.0 million per annum	If EBITDA was $500,000 higher / lower, the fair value of the total deferred consideration would increase / decrease by $750,000 / $1,250,000
The Wells Harvey Discount rate	Discount rate of 2.63%	If the discount rate was 0.1% (10 bps) lower, the fair value of the total deferred consideration would increase by $7,000
If Simply Smashing failed to meet its earning target	EBIT in excess of $2.5 million per annum	If EBIT was $500,000 higher / lower, the fair value of the total deferred consideration would increase / decrease by $1,000,000 / $2,000,000
The Simply Smashing Discount rate	Discount rate of 2.63%	If the discount rate was 0.1% (10 bps) lower, the fair value of the total deferred consideration would increase by $10,000

Note 24 Financial Instruments (continued)

Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital. The Group's capital includes ordinary share capital, debt facilities, vendor loans and lease liabilities supported by financial assets. There are no externally imposed capital requirements. The Group may issue new shares or sell assets to either reduce debt or to invest in income producing assets. This is decided on the basis of maximising shareholder returns over the long term.

	Note	30 Jun 2019 $'000	30 Jun 2018 $'000
Debt			
Financial liabilities at amortised cost	16	80,568	52,500
Lease Liabilities	18	132	332
Contingent vendor consideration	18	50,695	35,493
Cash & cash equivalents	7	(12,096)	(16,214)
Net debt		119,299	72,111
Fully Paid Ordinary Shares			
Quoted (at market price)		771,008	551,175
Unquoted (at issue price)		8,100	6,100
		779,108	557,275
Total capital		898,407	629,386
Gearing ratio		13.28%	11.46%

Fully Paid Ordinary Shares Quoted value has been calculated using the closing share prices as at 30 June each year.

Note 25 Share-Based Payments

On 14 September 2015, the Company agreed to the new AMA Group Limited Employee Equity Plan (the "Employee Equity Plan"). It was subsequently approved by shareholders at the annual general meeting held on 27 November 2015. It replaces the old Employee Share Option Plan which was last approved by Shareholders at the 2013 AGM. The Employee Equity Plan was adopted by the Board to ensure it meets the July 2015 changes to Australian Taxation laws regarding deferred taxation on employee options and performance rights and to adopt the requirements of ASIC Class Order 14/1000.

The Employee Equity Plan is for the benefit of all staff members employed by the Group, including Directors and Executive Management. Under the Employee Equity Plan an eligible participant is invited to accept a right to receive a share or option.

Note 25 Share-Based Payments (continued)

Shares

During the year ended 30 June 2019, the Company issued fully paid ordinary shares to employees in consideration of these employees agreeing to enter into long term contracts with the Company and accepting significant post-employment restraint provisions. These 1,332,993 shares were issued for non-cash consideration at an average deemed price of $0.9377 per share.

Options

During the year ended 30 June 2016, 18,875,000 options were issued. Each option vested after 12 months, and was exercisable at $1.20 each over the subsequent 24 months and then convertible into 1 Fully Paid Ordinary Quoted Share in the Company. As detailed in the Remuneration Report, 14,000,000 of these options had been issued to Key Management Personnel. All of these options lapsed during the current financial year unexercised.

During the current financial year, 2,000,000 options were issued to a Key Management Personnel on termination of their employment. Each option was issued for nil consideration and is exercisable for $1.20 each. The options vest 12 months from issue and expire on 25 April 2021. Each option is convertible into 1 fully paid ordinary quote share in the Company. As the options had not vested at the end of the financial year, they remain unexercised.

The fair value of the options granted to the employee have been valued using the black-scholes pricing methodology using the following assumptions:

Fair Value	$0.076
Exercise Price	$1.20
Share Price	$0.90
Expected Life of the Option	2.4 years
Expected Volatility	25%
Expected Dividend Yield	2.47%
Risk Free Rate	2.02%

Note 26 Related Party Transactions

The Company and its Controlled Entities

The ultimate holding entity is AMA Group Limited.

Investments in Controlled Entities are set out in Note 29.

Terms and conditions

All transactions were made at arm's length, or on terms that are less favourable to the related party, except for loans to subsidiaries which are non-interest bearing.

Key Management Personnel

Further disclosures relating to Key Management Personnel are set out in the audited Remuneration Report.

Note 26 Related Party Transactions (continued)

Compensation

The aggregate compensation made to Directors and other members of Key Management Personnel of the Group is set out below:

	30 Jun 2019 $	30 Jun 2018 $
Short-term benefits	4,139,733	4,414,431
Other benefits	1,008,250	600,000
Long-term benefits	20,380	84,580
Post-employment benefits	59,246	75,868
Equity settled benefits	500,000	-
Total	5,727,609	5,174,879

Payments for other expenses and Trade Payables to related parties

The Group utilises Nicholson Ryan Lawyers for legal and advisory services. Mr Leath Nicholson is associated with this firm. The Group has incurred expenses and made payments for services rendered by Nicholson Ryan Lawyers totalling $940,528 (2018: $1,438,770).

The Group uses PSC Insurance Brokers (Aust) Pty Ltd as its General Insurance Broker. Mr Brian Austin is associated with this firm. The Group has incurred expenses for services rendered by PSC Insurance Brokers (Aust) Pty Ltd totalling $103,000 (2018: $35,000). Of the $103,000 disclosed, $68,000 remains payable at the end of the reporting period.

The Group has incurred expenses and made payments during the year to the following related entities of Mr Raymond Malone.

	30 Jun 2019 $'000	30 Jun 2018 $'000
Silvan Bond Pty Ltd – Property rental fees	178	171
Malone Superannuation Fund – Property rental fees	59	57
	237	288

Of the $59,000 disclosed above, $45,000 remains payable at the end of the reporting period.

Note 26 Related Party Transactions (continued)

Payments for other expenses and Trade Payables to related parties (continued)

The Group has incurred expenses and made payments during the year to the following related entities of Mr Andrew Hopkins.

	30 Jun 2019 $'000	30 Jun 2018 $'000
AV Ventures Pty Ltd – Property rental fees and outgoings	188	201
A&R Property Developments Pty Ltd – Property rental fees and outgoings	442	421
A&R Development Holdings Pty Ltd – Property rental fees and outgoings	329	283
A&R Development Holdings Pty Ltd – Property rental fees and outgoings	168	76
A&R Development Holdings Pty Ltd – Property rental fees and outgoings	313	141
	1,440	1,122

During the year, the Group transacted with Unity Claims Support, a claims management business which handles and allocates insurance claims from a number of major insurers into accident repair facilities around Australia. Unity Claims Support is the business name for A and R Insurance Management Pty Ltd, a related entity of Mr Andrew Hopkins.

The Group has incurred expenses and made payments during the year to the following related entities of Mr Andrew Hopkins.

	30 Jun 2019 $'000	30 Jun 2018 $'000
A and R Insurance Management Pty Ltd – Allocations and assessing	287	-
A and R Insurance Management Pty Ltd – Loan cars and related charges	191	-
	478	-

Of the $478,000 disclosed above, $3,000 remains payable at the end of the reporting period.

The Group has incurred expenses and made payments during the year to the following related entities of Mr Raymond Smith-Roberts.

	30 Jun 2019 $'000	30 Jun 2018 $'000
SRFE Pty Ltd – Property rental fees and outgoings	299	266
SRFE Pty Ltd – Property rental fees and outgoings	19	6
SRFE Pty Ltd – Recruitment and training services	22	6
	340	272

Trade Receivables to related parties

There are no trade receivables from related parties at the end of the reporting period.

Note 26 Related Party Transactions (continued)

Loans to/from related parties

As part of the acquisition of Gemini Accident Repair Centres Pty Ltd in a prior year, the Group acquired loans to certain vendors of that entity. These loans have not been repaid and it is proposed that they will be extinguished against future short-term and long-term incentives. The loans accrue interest at a rate of 5.37% per annum. As at 30 June 2019, there are loans to entities associated with Mr Andrew Hopkins totalling $1,270,884 (2017: $1,270,884).

There are no other loans with related parties outstanding at the end of the reporting period.

Other payments to related parties

During the year, the Group paid out the deferred consideration in respect of the Gemini Accident Repair Centres Pty Ltd acquisition. Mr Andrew Hopkins was one of the vendors and received $10,337,019.

Note 27 Contingent Liabilities

Unsecured guarantees, indemnities and undertakings have been given by the Company in the normal course of business in respect of financial trade arrangements entered into by its subsidiaries and a Deed of Cross Guarantee (Note 35) was entered into with its continuing subsidiaries during the financial year ended 30 June 2019. It is not practicable to ascertain or estimate the maximum amount for which the Company may become liable in respect thereof. At 30 June 2019 no subsidiary was in default in respect of any arrangement guaranteed by the Company and all amounts owed have been brought to account as liabilities in the financial statements.

	30 Jun 2019 $'000	30 Jun 2018 $'000
Bank guarantees	6,150	3,834

Note 28 Commitments for Expenditure

	Note	30 Jun 2019 $'000	30 Jun 2018 $'000
Capital commitments - property, plant & equipment			
Committed at the end of the reporting period but not recognised as liabilities, payable:			
Within one year		30	1,201
One to five years		-	-
After more than five years		-	-
		30	1,201
Lease commitments - operating			
Committed at the end of the reporting period but not recognised as liabilities, payable:			
Within one year		25,342	21,696
One to five years		51,939	38,403
After more than five years		4,730	6,682
		82,011	66,781

Property leases periods 1 to 5 years (shown as operating leases) are non-cancellable with rent payable monthly in advance. Contingent rental provisions within lease agreements generally require minimum lease payments be increased by CPI or a percentage factor. Certain agreements have option arrangements to renew the lease for an additional term and an option to purchase the premises at the market price at time of option exercise.

During the previous financial years, the Group acquired businesses that had non-cancellable leases for property that were deemed by Management to be onerous contracts. In these instances a provision was raised to reflect the least net cost of exiting from the contract; which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. This provision will unwind over the remaining period of the lease terms.

Note 29 Investments in Controlled Entities

Name of entity	Country of incorporation	Class of shares	Equity holding % 2019	Equity holding % 2018
A.C.N. 107 954 610 Pty Ltd [*] [a]	Australia	Ordinary	100	100
Service Body Manufacturing Australia Pty Ltd [b]	Australia	Ordinary	100	100
A.C.N. 124 414 455 Pty Ltd [*]	Australia	Ordinary	100	100
AMA Procurement Pty Ltd [c]	Australia	Ordinary	100	100
A.C.N. 624 896 000 Pty Ltd [d]	Australia	Ordinary	100	100
AECAA Pty Ltd [e]	Australia	Ordinary	100	100
Custom Alloy Pty Ltd [*]	Australia	Ordinary	100	100
ECB Pty Ltd	Australia	Ordinary	100	100
FluidDrive Holdings Pty Ltd	Australia	Ordinary	100	100
Mr Gloss Holdings Pty Ltd	Australia	Ordinary	100	100
Phil Munday's Panel Works Pty Ltd	Australia	Ordinary	100	100
Repair Management Australia Pty Ltd	Australia	Ordinary	100	100
Repair Management Australia Bayswater Pty Ltd	Australia	Ordinary	100	100
Repair Management Australia Dandenong Pty Ltd	Australia	Ordinary	100	100
BMB Collision Repairs Pty Ltd	Australia	Ordinary	100	100
Shipstone Holdings Pty Ltd	Australia	Ordinary	100	100
Woods Auto Shops (Dandenong) Pty Ltd	Australia	Ordinary	60	60
AMA Group Solutions Pty Ltd [f]	Australia	Ordinary	100	100
Repair Management New Zealand Limited	New Zealand	Ordinary	100	100
Ripoll Pty Ltd [*]	Australia	Ordinary	100	100
Woods Auto Shops (Holdings) Pty Ltd	Australia	Ordinary	100	100
Rapid Accident Management Services Pty Ltd [*]	Australia	Ordinary	100	100
Woods Auto Shops (Cheltenham) Pty Ltd [*]	Australia	Ordinary	100	100
Micra Accident Repair Centre Pty Ltd	Australia	Ordinary	100	100
Direct One Accident Repair Centre Pty Ltd	Australia	Ordinary	100	100
Smash Repair Canberra Pty Ltd	Australia	Ordinary	100	100
Geelong Consolidated Repairs Pty Ltd	Australia	Ordinary	100	100
Accident Management Australia Pty Ltd	Australia	Ordinary	100	100
Gemini Accident Repair Centres NZ Limited [*]	New Zealand	Ordinary	100	100
Carmax New Zealand Limited [*]	New Zealand	Ordinary	100	100
Automotive Solutions Group Pty Ltd [g] [h]	Australia	Ordinary	100	100
Fleet Alliance Pty Ltd [g]	Australia	Ordinary	100	100
ACAD Limited [i]	Australia	Ordinary	100	100
Alloy Motor Accessories Australia Pty Ltd [j]	Australia	Ordinary	100	100
A.C.N.624 895 772 Pty Ltd [k]	Australia	Ordinary	100	100
Deering Autronics Australia Pty Ltd [l]	Australia	Ordinary	100	100
Roo Systems Australia Pty Ltd [m]	Australia	Ordinary	100	100
Uneek 4x4 Australia Pty Ltd [l]	Australia	Ordinary	100	100
Carmax Australia Pty Ltd	Australia	Ordinary	100	100
Mt Druitt Autobody Repairs Pty Ltd [n]	Australia	Ordinary	100	-
Accident Repair Management Pty Ltd [n]	Australia	Ordinary	100	-
Accident Repair Management No. 2 Pty Ltd [n]	Australia	Ordinary	100	-
Accident Repair Management No. 3 Pty Ltd [n]	Australia	Ordinary	100	-

Note 29 Investments in Controlled Entities (continued)

Note:
(*) Dormant
(a) Previously known as Alanco Australia Pty Ltd
(b) Previously known as ACN 122 879 814 Pty Ltd. Name changed 27 October 2017
(c) Previously known as ACN 624 628 986 Pty Ltd. Registered on 23 February 2018. Name changed 25 April 2019
(d) Registered on 9 March 2018
(e) Previously known as KT Cable Accessories Pty Ltd
(f) Previously known as Gemini Accident Repair Centres Pty Ltd
(g) Acquired 100% on 18 January 2018
(h) Changed to a Pty Ltd Company 13 April 2018
(i) Registered on 26 February 2018
(j) Registered on 1 March 2018
(k) Previously known as ASG 4x4 Australia Pty Ltd. Registered on 9 March 2018. Name changed 14 December 2018
(l) Registered on 9 March 2018
(m) Registered on 1 March 2018
(n) Acquired on 1 July 2018

Note 30 Business Combinations

During the financial year, the Group acquired the operating assets and shares of various businesses. These acquisitions are expected to increase the Group's market share, product offering and reduce costs through economies of scale. Details of these acquisitions are as follows:

- Mt Druitt Autobody Repair Group of companies on 1 July 2018:
  - Two sites at Mt Druitt, New South Wales;
  - Penrith, New South Wales; and
  - Wetherill Park, New South Wales;
- Simply Smashing Repairs Group of businesses on 12 October 2018;
  - Two sites at North Sydney, New South Wales;
- Bellarine Smash Repairs in Bellarine, Victoria on 1 November 2018;
- Parins Panel Works in Leederville, Western Australia on 14 December 2018;
- Northern Smash Repairs in Western Junction, Tasmania on 8 February 2019;
- Correct Panel Group of businesses on 1 April 2019:
  - North Melbourne, Victoria;
  - Murrumbeena, Victoria;
  - Melbourne, Victoria; and
  - Toorak, Victoria;
- Re-Car Australia Group of businesses on 1 April 2019:
  - Brisbane, Queensland;
  - Clayton, Queensland; and
  - Townsville, Queensland;
- Wales Truck and Bus Repairs Group of businesses on 1 May 2019:
  - Two sites at Smithfield, New South Wales;
- Inkerman Panels in St Kilda, Victoria on 1 May 2019;
- KSR Autobody in Kingswood, New South Wales on 21 June 2019; and
- Norm Flynn Smash Repairs in Busselton, Western Australia on 28 June 2019.

From the date of acquisition to 30 June 2019, these acquisitions generated revenue of $44.0 million and profit after tax of $7.4 million. The Group expects that if the above businesses were acquired on 1 July 2018, the acquisitions would have generated revenue of $140.0 million and profit after tax of $11.9 million.

Note 30 Business Combinations (continued)

Details of these acquisitions are as follows:

	Mt Druitt Group $'000	Simply Smashing Group $'000	Correct Panel Group $'000	Re-Car Group $'000	Wales Group $'000	Other $'000	Total $'000
Cash and cash equivalents	270	-	-	-	-	-	270
Trade and other receivables	1,930	2	-	-	-	120	2,052
Inventories	-	-	-	194	-	2	196
Other current assets	171	-	279	568	214	141	1,373
Plant and equipment	1,267	672	950	750	1,200	1,552	6,391
Deferred tax assets	122	74	174	314	344	289	1,317
Other non-current assets	221	-	-	-	-	-	221
Trade payables and accruals	(3,079)	-	-	-	-	-	(3,079)
Provisions	(366)	(247)	(580)	(1,046)	(1,146)	(963)	(4,348)
Borrowings	(60)	-	-	-	-	-	(60)
Other current liabilities	(727)	-	-	-	-	-	(727)
Net tangible assets acquired	(251)	501	823	780	612	1,141	3,606
Goodwill	6,301	9,379	9,060	2,578	28,970	7,827	64,115
Contracts	4,866	-	-	-	-	-	4,866
Total consideration	10,916	9,880	9,883	3,358	29,582	8,968	72,587
Representing:							
Cash paid or payable	5,916	4,680	4,883	1,858	14,582	5,613	37,532
Shares issued	2,000	-	-	-	-	-	2,000
Gross Deferred consideration	3,000	5,200	5,000	1,500	15,000	3,355	33,055
	10,916	9,880	9,883	3,358	29,582	8,968	72,587
Acquisition costs	113	27	82	60	105	103	490

The accounting for the Mt Druitt Group has been finalised during the reporting period. In respect of the other acquisitions, the Group is yet to finalise the valuation of certain assets (namely property, plant & equipment) and liabilities (namely Contingent vendor consideration). As such, the accounting for these acquisitions are incomplete and the value attributed to Contingent vendor consideration, Plant & equipment and Goodwill may change in future periods.

The group finalised three acquisitions in the current year in respect of acquisitions completed in FY2018. Changes to the acquisition accounting were:

- Net increase to Tangible Assets acquired of $1,023,144;
- Net decrease to Goodwill of $817,236; and
- An increase in Contingent consideration of $805,254.

Note 31 Discontinued Operations

Following the acquisition of Automotive Solutions Group Limited ("ASG"), AMA management undertook a strategic review of ASG's operations and decided to discontinue certain activities. On the 14 December 2018, the Company disposed of the business assets of ACN: 624 895 772 Pty Ltd (formerly ASG 4x4 Australia Pty Ltd). Financial information relating to all discontinued operations for the reporting period is set out below.

	30 June 2019 $'000	30 June 2018 $'000
Operating result		
Revenue	1,893	708
Expenses	(2,125)	(785)
Profit / (loss) before income tax	(232)	(77)
Income tax (expense) / benefit	70	28
Profit / (loss) after income tax of discontinued operations	(162)	(49)
Cash Flow		
Net cash inflow / (outflow) from ordinary activities	471	(4,056)
Net cash inflow / (outflow) from investing activities	150	767
Net cash inflow / (outflow) from financing activities	(1,036)	3,701
Net cash inflow / (outflow)	(415)	412

Note 32 Reconciliation of Cash Flows

(a) Operating Cash Flows	30 Jun 2019 $'000	30 Jun 2018 $'000
Profit after income tax	21,553	15,105
Non-controlling interest	196	264
Income tax expense	9,460	9,319
Fair value adjustments	(117)	951
Share of equity accounted investment's result	-	1,744
Depreciation and amortisation expense	16,208	13,390
Impairment expense	-	2,108
Gain on acquisition	-	(2,108)
Non cash remuneration	1,499	853
Deferred income amortisation	(9,419)	(7,453)
Onerous leases	47	(570)
Income tax paid	(7,794)	(9,423)
Other	(741)	(724)
(Increases)/decreases in accounts receivable	(1,250)	(6,003)
(Increases)/decreases in inventories	(10,881)	(5,253)
(Increases)/decreases in prepayments	162	370
(Increases)/decreases in other assets	(4,797)	910
Increases/(decreases) in accounts payable	(3,705)	8,674
Increases/(decreases) in current provisions	(20)	4,024
Increases/(decreases) in non-current provisions	(474)	(1,704)
Increases/(decreases) in other current liabilities	28,118	-
Increases/(decreases) in other non-current liabilities	(18,705)	-
Increases/(decreases) in deferred tax assets / liabilities	137	-
Net operating cash flows	19,477	24,474

(b) Financing cash flows

	Lease Liabilities $'000	Long-term Borrowings $'000	Total Liabilities from Financing Activities $'000
Balance at 1 July 2017	697	13,000	13,697
Cash inflows	-	43,000	43,000
Cash outflows	(413)	(3,500)	(3,913)
Non-cash additions during the year	48	-	48
Balance at 30 June 2018	332	52,500	52,832
Balance at 1 July 2018	332	52,500	52,832
Cash inflows	-	52,750	52,750
Cash outflows	(252)	(24,682)	(24,934)
Non-cash additions during the year	52	-	52
Balance at 30 June 2019	132	80,568	80,700

Note 33 Earnings per Share

	30 Jun 2019 $'000	30 Jun 2018 $'000
Profit after income tax attributable to members of AMA Group Ltd		
- From continuing operations	21,715	15,108
- From discontinued operations	(162)	(3)
	21,553	15,105

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	542,431,383	524,637,728
Adjustments for calculation of diluted earnings per share	-	18,875,000
	542,431,383	543,512,728

	30 Jun 2019 Cents	30 Jun 2018 Cents
Continuing operations:		
- Basic earnings per share	4.00	2.88
- Diluted earnings per share	4.00	2.78
Discontinued operations:		
- Basic earnings per share	(0.03)	-
- Diluted earnings per share	(0.03)	-
Continuing and discontinued operations:		
- Basic earnings per share	3.97	2.88
- Diluted earnings per share	3.97	2.78

Note 34 Parent Information

The following information has been extracted from the books and records of the Company and has been prepared in accordance with accounting standards.

	30 Jun 2019 $'000	30 Jun 2018 $'000
Assets		
Current assets	9,867	3,080
Total assets	189,868	169,254
Liabilities		
Current liabilities	26,571	11,866
Total liabilities	182,527	141,015
Net assets/(liabilities)	7,341	28,239
Equity		
Contributed equity	200,263	187,206
Reserves	153	3,048
Accumulated losses	(193,075)	(162,015)
Total equity	7,341	28,239
Profit/(loss) for the year	(20,808)	(12,291)
Total comprehensive income /(loss)	(20,808)	(12,291)

Guarantees and contingent liabilities

Refer to Note 27 for details of guarantees and contingent liabilities.

Contractual commitments

Refer to Note 28 for details of contractual commitments.

Note 35 Deed of Cross Guarantee Disclosures

The consolidated financial statements of the Group incorporate the assets, liabilities and results of the controlled entities detailed in Note 29 prepared in accordance with the accounting policy described in Note 1. Pursuant to *ASIC Corporations (Wholly-owned Companies) Instrument 2017/785*, relief has been granted from the Corporations Act 2001 requirements for the preparation, audit and lodgement of financial reports for the controlled entities detailed below.

Name of entity	Country of incorporation	Equity holding % 2019	Equity holding % 2018
A.C.N. 107 954 610 Pty Ltd	Australia	100	100
Service Body Manufacturing Australia Pty Ltd	Australia	100	100
A.C.N. 124 414 455 Pty Ltd	Australia	100	100
AMA Procurement Pty Ltd	Australia	100	100
A.C.N. 624 896 000 Pty Ltd	Australia	100	100
AECAA Pty Ltd	Australia	100	100
Custom Alloy Pty Ltd	Australia	100	100
ECB Pty Ltd	Australia	100	100
FluidDrive Holdings Pty Ltd	Australia	100	100
Mr Gloss Holdings Pty Ltd	Australia	100	100
Phil Munday's Panel Works Pty Ltd	Australia	100	100
Repair Management Australia Pty Ltd	Australia	100	100
Repair Management Australia Bayswater Pty Ltd	Australia	100	100
Repair Management Australia Dandenong Pty Ltd	Australia	100	100
BMB Collision Repairs Pty Ltd	Australia	100	100
Shipstone Holdings Pty Ltd	Australia	100	100
AMA Group Solutions Pty Ltd	Australia	100	100
Ripoll Pty Ltd	Australia	100	100
Woods Auto Shops (Holdings) Pty Ltd	Australia	100	100
Rapid Accident Management Services Pty Ltd	Australia	100	100
Woods Auto Shops (Cheltenham) Pty Ltd	Australia	100	100
Micra Accident Repair Centre Pty Ltd	Australia	100	100
Direct One Accident Repair Centre Pty Ltd	Australia	100	100
Smash Repair Canberra Pty Ltd	Australia	100	100
Geelong Consolidated Repairs Pty Ltd	Australia	100	100
Accident Management Australia Pty Ltd	Australia	100	100
Automotive Solutions Group Pty Ltd	Australia	100	100
Fleet Alliance Pty Ltd	Australia	100	100
ACAD Limited	Australia	100	100
Alloy Motor Accessories Australia Pty Ltd	Australia	100	100
A.C.N.624 895 772 Pty Ltd	Australia	100	100
Deering Autronics Australia Pty Ltd	Australia	100	100
Roo Systems Australia Pty Ltd	Australia	100	100
Uneek 4x4 Australia Pty Ltd	Australia	100	100
Carmax Australia Pty Ltd	Australia	100	100
Mt Druitt Autobody Repairs Pty Ltd	Australia	100	-
Accident Repair Management Pty Ltd	Australia	100	-
Accident Repair Management No. 2 Pty Ltd	Australia	100	-
Accident Repair Management No. 3 Pty Ltd	Australia	100	-

Note 35 Deed of Cross Guarantee Disclosures (continued)

As a condition of the Instrument, the above entities entered into a Deed of Cross Guarantee. The effect of the deed is that AMA Group Limited has guaranteed to pay any deficiency in the event of winding up of a controlled entity detailed above or if they do not meet their obligations under the terms of overdrafts, loans, leases or other liabilities subject to guarantee. The controlled entities detailed above have also given a similar guarantee in the event that AMA Group Limited is wound up or if it does not meet its obligations under the terms of overdrafts, loans, leases, or other liabilities subject to the guarantee.

The Trustee to this deed of cross guarantee is Ripoll Pty Ltd; which is a member of the consolidated group. The Alternate Trustee to this deed of cross guarantee is Woods Auto Shops (Cheltenham) Pty Ltd; which is also a member of the consolidated group. The continuing entities and only the continuing entities are included in the deed of cross guarantee.

If the Deed of Cross Guarantee and the subsequent closed group disclosures were contained in the accounts of AMA Group Limited, then an assessment would need to be made as to the fair value of the Deed of Cross Guarantee (as a financial guarantee to the Company) and the details of the valuation and significant assumptions, estimate and judgements used within that valuation would need to be disclosed. Please refer to the disclosure surrounding financial guarantees in the financial statements of AMA Group Limited (see Note 27 for further information on financial guarantees).

Note 35 Deed of Cross Guarantee Disclosures (continued)

The Statement of Comprehensive Income of the entities that are members of the Closed Group is below:

Income Statement for the year ended	**30 Jun 2019 $'000**	**30 Jun 2018 $'000**
Revenue from continuing operations	**607,914**	**500,721**
Raw materials and consumables used	(258,016)	(216,826)
Employment benefits expense	(235,414)	(187,953)
Occupancy expense	(43,477)	(33,388)
Travel and motor vehicle expense	(4,172)	(3,677)
Professional services expense	(5,530)	(6,727)
Advertising and marketing expense	(2,809)	(1,926)
Insurance expense	(1,157)	(691)
Research and development expense	(288)	(295)
Information technology expense	(2,077)	(1,794)
Communication expense	(1,397)	(1,132)
Other expense	(4,679)	(3,418)
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**48,898**	**42,894**
Depreciation and amortisation expense	(15,982)	(13,256)
Impairment expense	-	(2,108)
Earnings before interest and tax (EBIT)	**32,916**	**27,530**
Finance costs	(2,595)	(786)
Share of Net Profit from Associates using the Equity Method	-	(1,744)
Profit from continuing operations before fair value adjustments	**30,321**	**25,000**
Fair value adjustments	117	(951)
Profit (loss) before income tax from continuing operations	**30,438**	**24,049**
Profit (loss) before tax from discontinued operations	-	(5)
Profit (loss) before income tax	**30,438**	**24,044**
Income tax benefit / (expense)	(9,231)	(8,932)
Net profit (loss)	**21,207**	**15,112**

Note 35 Deed of Cross Guarantee Disclosures (continued)

The Consolidated Statement of Financial Position of the entities that are members of the Closed Group is as shown below:

Statement of Financial Position as at	**30 Jun 2019 $'000**	**30 Jun 2018 $'000**
Current assets		
Cash and cash equivalents	11,236	15,853
Trade and other receivables	47,177	43,656
Inventories	40,798	29,187
Income tax receivable	-	129
Other current assets	9,270	3,459
Total current assets	108,481	92,284
Non-current assets		
Property, plant and equipment	61,764	54,631
Intangible assets	262,290	198,998
Deferred tax asset	13,190	9,205
Investment in controlled entities	750	750
Receivables from related entities	994	916
Financial assets at amortised cost	2,044	2,162
Other non-current assets	7,253	2,280
Total non-current assets	348,285	268,942
Total assets	456,766	361,226
Current liabilities		
Trade and other payables	64,443	66,083
Income tax payable	4,466	-
Provisions	22,970	18,914
Other current liabilities	37,099	12,789
Total current liabilities	128,978	97,786
Non-current liabilities		
Financial liabilities at amortised cost	80,568	52,500
Provisions	10,224	6,943
Other non-current liabilities	42,288	30,115
Deferred tax liability	2,634	3,225
Total non-current liabilities	135,714	92,783
Total liabilities	264,692	190,569
Net assets	192,074	170,657
Equity		
Contributed equity	200,263	187,206
Reserves	153	3,048
Accumulated losses	(8,342)	(19,597)
Total equity	192,074	170,657

Note 36 Events Occurring after the Reporting Period

On 3 July 2019, AMA acquired the remaining 40% shares in Woods Auto Shops (Dandenong) Pty Ltd.

On 8 August 2019, a fully refundable deposit of $4 million was received for an acquisition that did not proceed.

On 26 August 2019, the Directors declared a dividend, fully franked of 2.25 cents per security which is to be paid 13 November 2019.

No other matters or circumstances have arisen since 30 June 2019 that have significantly affected, or may significantly affect the Group's operations in future financial years, the results of those operations in future financial years, or the Group's state of affairs in future financial years.

In the Directors' opinion:

a. the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including:

   i. complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

   ii. giving a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and

b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

c. at the date of this declaration, there are reasonable grounds to believe that the members of the closed group identified in Note 35 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in Note 35.

Note 1 confirms that the financial statements also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer and the Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Directors made pursuant to section 303(5) of the *Corporations Act 2001*.

On behalf of the Directors

Andrew Hopkins
Director

26 August 2019

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Accountants and Advisors
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AMA GROUP LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of AMA Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of Goodwill	
Area of Focus **Refer also to Note 1 (Accounting Policy), Note 12 Intangible Assets (Financial Disclosures)** In the prior years the group expanded its activities through acquisition of businesses. As a result the group's net assets include a significant amount of goodwill.	**How our audit addressed the area of focus** Our procedures included: • A detailed analysis of the key changes to the group to determine the appropriateness of the five segments and CGUs. • A detailed evaluation of the group's budgeting procedures upon which the forecasts are based and testing the principles and integrity of the discounted future cash flow models.

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Impairment of Goodwill

Certain of the new and established businesses are (i) early in their life and/or trading cycles (ii) trading cycle's inconsistent (iii) value of businesses questionable, and, as such, there is a risk that they may not trade in line with initial expectations and forecasts, resulting in the carrying amount of goodwill exceeding the recoverable amount and therefore requiring impairment.

The Directors have determined in the current year that they have five CGUs and these operate in five segments.

The recoverable amount of the cash generating units (CGU) have been calculated based on value-in-use models. These recoverable amounts use discounted cash flow forecasts in which Directors make judgements about certain key inputs. For example, but not limited to revenue, growth rates and inflation rates are estimated.

Overall, due to the high level of judgement involved, and the significant carrying amounts involved, we have determined that the recoverable amount is a key judgemental area that our audit concentrated on.

- Testing the accuracy of the calculation derived from each forecast model and assessing key inputs to the calculations such as revenue growth, discount rates and working capital assumptions. This is carried out with reference to the Board approved forecasts, data external to the group and using our own assessments.
- Engaging our own valuation specialists when considering the appropriateness of the discount rates and long term growth rates.
- Reviewing historical accuracy of original forecasts made by comparing them with actual results.

We also considered the adequacy of the Group disclosures in relation to the impairment testing.

Contingent Vendor Consideration

Area of focus

Refer also to Note 1 (Accounting Policy), Note 18 Other Liabilities and Note 24 Financial Instruments (Financial Disclosures)

The Group has continued to acquire new businesses during the current financial period.

Most of the major business purchase agreements contain earn out clauses for the payment of further consideration should certain targets be met.

Determining the future payout liability is complex given earn out considerations relate to purchases of businesses over a number of financial periods. The directors estimate of the likely quantum of consideration which will ultimately be paid includes an assessment of:

- The relevant performance metrics of the relevant business; and
- Future expected performance in the ern out periods.

Overall, due to high level of judgement involved, and the significant carrying amounts involved, we have determined that the recoverable amount is a key judgmental area that our audit concentrated on.

How our audit addressed the area of focus

Our procedures included:

- Review of the purchase agreements;
- Referring to conditions precedent from previous financial period agreements that have earn outs in the current financial period and beyond;
- Assessing the estimates by the directors at year end to identify whether they appeared reasonable based on actual performance to date, of the businesses acquired;
- Challenging the assumptions used and the basis on which the forecasts have been prepared by the directors; and
- Testing the net present value calculation.

We also considered the adequacy of the Group's disclosures in relation to the contingent vendor considerations.

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Business Combinations	
Area of focus **Refer also to Note 1 (Accounting Policy), Note 30 Business Combinations (Financial Disclosures)** The Group acquired several businesses which were considered significant purchases for the Group in the current period. Accounting for these transactions is complex and required significant judgements and estimates by the directors: • To determine the date of acquisition; • To determine the fair value of assets and liabilities acquired; • To determine the fair value of deferred vendor consideration; and • To allocate the purchase consideration to goodwill.	**How our audit addressed the area of focus** Our procedures included: • Reviewing the sales agreements to understand the key terms and conditions of the acquisitions; • Assessing the goodwill recognised as a result of the business combinations (Refer separate KAM above); • Reviewing the unaudited completion accounts used as the directors determination of fair values of assets and liabilities purchased at acquisition date; and • Testing the appropriateness of the deferred consideration (Refer separate KAM above). We assessed the adequacy of the Group's disclosures in respect of the business combinations.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.
- communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them, all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 13 to 21 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of AMA Group Limited for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

ShineWing Australia

ShineWing Australia
Chartered Accountants

Nick Michael
Partner

Melbourne, 26 August 2019

The Board of Directors (Board) of AMA Group Limited (Company) is responsible for the corporate governance of the group. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

Commensurate with the spirit of the ASX Corporate Governance Principles and Recommendations (3rd Edition) (principles or recommendations), the Company has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for the corporate governance practices, taking into account factors such as the size of the Company and the Board, resources available and activities of the Company. Where the Company's corporate governance practices depart from the recommendations, the board has offered full disclosure of the nature and reason for the departure.

All Charters and Policies are available from the Company or on its website at www.amagroupltd.com.

Principle 1: Lay solid foundations for management and oversight.

Role of the Board and Executive Management

The Board's role is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of executive management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of executive management in carrying out these delegated duties. The Board's responsibilities are detailed in its Board Charter.

Board Appointments

The Company undertakes comprehensive reference checks prior to appointing a director or putting that person forward as a candidate to ensure that person is competent, experienced, and would not be impaired in any way from undertaking the duties of director. The Company provides relevant information to shareholders for their consideration about the attributes of candidates together with whether the Board supports the appointment or re-election.

The terms of the appointment of a non-executive director, executive directors and senior executives are agreed upon and set out in writing at the time of appointment.

The Company Secretary

The Company Secretary is accountable directly to the Board, through the chairman, on all matters to do with the proper functioning of the Board, including agendas, Board papers and minutes, advising the Board and its committees (as applicable) on governance matters, monitoring that the Board and committee policies and procedures are followed, communication with regulatory bodies and the ASX and statutory and other filings.

Diversity

The Company is committed to increasing diversity amongst its employees, not just gender diversity. Our workforce is employed based on the right person for the right job regardless of their gender, age, nationality, race, religious beliefs, cultural background, sexuality or physical ability.

Executive and board positions are filled by the best candidates available without discrimination. The Company is committed to increasing gender diversity within these positions when appropriate appointments become available. It is also committed to identifying suitable persons within the organisation and where appropriate opportunities exist, advance diversity and to support promotion of talented employees into management positions.

The Company has not set any gender specific diversity objectives as it believes that all categories of diversity are equally as important within its organisation.

The following table demonstrates the Company's gender diversity amongst employees and contractors as at 30 June 2019.

	Board	Executive Team	Employees
Women (Qty.) 2018	0	1	308
Women (Qty.) 2019	0	2	370

Encourage Enhanced Performance

The performance of the Board, individual directors and executive officers of the Company is monitored and evaluated by the Board. The Board is responsible for conducting evaluations on a regular basis in line with these policy guidelines.

An evaluation of the performance of the board was conducted during the year. The evaluation has provided the board with valuable feedback for future development.

During the year, all directors have full access to all Company records and receive financial and operational reports at each Board meeting.

Independent Advice

Directors collectively or individually have the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities. All advice obtained is made available to the full Board.

Principle 2: Structure the Board to add value.

Structure and Composition of the Board

The Board has been formed so that it has an effective mix of personnel who are committed to discharging their responsibilities and duties and being of value to the Company.

The names of the directors, their independence, qualifications and experience are stated on in the directors' report along with the term of office held by each.

The Board believes that the interests of all shareholders are best served by:

- Directors having the appropriate skills and experience;
- A number of the directors being independent as defined in the ASX Corporate Governance Guidelines; and
- Some major shareholders being represented on the Board.

Where any director has a material personal interest in a matter, the director will not be permitted to be present during discussion or to vote on the matter. The enforcement of this requirement is in accordance with the *Corporations Act 2001* and aims to ensure that the interests of shareholders, as a whole, are pursued and that their interest or the director's independence is not jeopardised.

At 30 June 2019 the Board consisted of seven directors - four of the directors being non-executive: Leath Nicholson, Brian Austin, Simon Moore and Anthony Day. Taking in consideration the ASX's Principles, the board has determined that all of the non-executive directors are considered independent. The Company makes the following comments:

Mr Nicholson: The Company currently has a commercial relationship with a law firm for which Mr Nicholson is a partner. The legal fees paid to this company for legal due diligence associated with some recent panel division acquisitions are on an arms-length commercial basis and not considered material from a financial perspective in light of the Company's overall expenditure for the period (refer Note 26). The Company believes that Mr Nicholson's participation in the legal services provided by his firm are not material and he exercises independent judgement in his position with the board. Mr Nicholson was not present or able to vote when the Board discussed or voted on the contracts/fees paid to the associated company. Taking into consideration the above, the Company considers Mr Nicholson to be independent.

Mr Austin: The Company currently has a commercial relationship with an insurance broking company for which Mr Austin is the Chairman. The fees paid to this company for brokerage services are on an arms-length commercial basis and not considered material from a financial perspective in light of the Company's overall expenditure for the period (refer Note 26). Mr Austin has no involvement in the provision of the insurance brokerage services provided by his associated company. The Company believes that Mr Austin exercises independent judgement in his position with the board. Mr Austin was not present or able to vote when the Board discussed or voted on the contracts/fees paid to the associated company. Taking the above into consideration, the Company considers Mr Austin to be independent.

Mr Moore: The Company currently has a relationship with a corporate advisory services firm in which Mr Moore is a senior partner. The firm have provided due diligence services for potential material acquisitions for the Company. To date, no fees have been paid to this firm. Any fees payable to this company in the future for advisory services will be on an arm's length commercial basis. Mr Moore's participation in the provision of the advisory services is not a significant proportion of his time. The Company believes that Mr Moore exercises independent judgement in his position with the board. Mr Moore has a relevant interest in 20 million ordinary shares in the Company. Taking the above into consideration, the Company considers Mr Moore to be independent.

Mr Day: Until October 2017, Mr Day was the CEO of Suncorp Insurance. The Company currently has a material contractual relationship with Suncorp Insurance. The Company believes that Mr Day exercises independent judgement in his position with the board and his prior relationship with a material customer is a benefit to the Company. Mr Day is not able to vote when the Board discusses or votes on any contractual relationship with the insurer. Taking the above into consideration, the Company considers Mr Day to be independent.

The Board is currently chaired by executive director Raymond Malone. Mr Malone stepped down from the position as Group CEO in November 2018. The Board has delegated certain responsibilities from the Chairman to non-executive directors, including Deputy Chair Simon Moore (non-executive director) to minimise any conflict that may arise from the Chairman holding an executive position.

The Company currently has no Nomination Committee as it believes that due to the size of the Board and the Company and the nature of the Company's current activities, this function is best served by the full Board. The Board is responsible for considering board succession issues and reviewing Board composition to assist in ensuring the Board has the appropriate balance of skills, knowledge, experience and independence to enable it to discharge its duties and responsibilities effectively.

Members of the board have a broad range of industry, financial and other skills, knowledge and experience to effectively guide the business. Directors with a range of qualifications, expertise and experience are appointed to enable the Board to effectively discharge its duties and to add value to its deliberations. The following skills matrix identified the skills, knowledge, experience and capabilities of the Board that enable it to meet the current and future challenges of the Group.

- Industry Knowledge
- Acquisition & Divestment
- Public Company & Investor Relations
- Financial Acumen & Risk Management
- Legal & Compliance
- Strategic Planning
- People Management

Induction of New Directors and Ongoing Development

Any new directors will be issued with a formal Letter of Appointment that sets out the key terms and conditions of their appointment, including director's duties, rights and responsibilities, the time commitment envisaged, and the Board's expectations regarding involvement with any committee work.

A new director induction program is in place and directors are encouraged to engage in professional development activities to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

Principle 3: Act ethically and responsibly

Ethical and Responsible Decision-Making

As part of its commitment to recognising the legitimate interests of stakeholders, the Company has adopted a Code of Conduct to guide compliance with legal and other obligations to legitimate stakeholders.

The Company has a share trading policy that regulates the dealings by directors, officers and employees, in shares, options and other securities issued by the Company. The policy has been formulated to ensure that directors, officers, employees and consultants who work on a regular basis for the Company are aware of the legal restrictions on trading in Company securities while in possession of unpublished price-sensitive information.

As a good corporate citizen, the Company encourages compliance with and commitment to appropriate corporate practices that are fair and ethical, via its Code of Conduct.

Principle 4: Safeguard integrity in corporate reporting.

Audit Committee

The Company currently has a duly constituted Audit Committee currently consisting of three non-executive Directors. All directors are considered independent in accordance with the ASX Principles. The current members of the committee, as at the date of this report, and their qualifications are detailed in the directors' profiles in the Directors' Report.

The committee holds a minimum of two meetings a year. Attendance to these meetings by the members of the Audit Committee is detailed in the Directors' Report.

The Company's external auditor attends each annual general meeting and is available to answer any questions with regard to the conduct of the audit and their report.

Chief Executive Officer and Chief Financial Officer Declarations

The Chief Executive Officer and Chief Financial Officer have provided the Board with a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Principle 5: Making timely and balanced disclosure.

The Company has procedures in place to ensure that the Company's Continuous Disclosure obligations under ASX Listing Rules and Corporations Act are met and that the market is properly informed of matters which may have a material impact on the price at which securities are traded.

The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. In accordance with ASX Listing Rules, the Company immediately notifies the ASX of information concerning the Company:

1. That a reasonable person would or may expect to have a material effect on the price or value of the Company's securities; and
2. That would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

Principle 6: Respect the rights of shareholders.

The Company is committed to providing current and relevant information to its shareholders.

The Company respects the rights of its shareholders, and to facilitate the effective exercise of the rights, the Company is committed to:

1. Communicating effectively with shareholders through ongoing releases to the market via ASX information and general meetings of the Company;
2. Giving shareholders ready access to balanced and understandable information about the Company and corporate proposals;
3. Making it easy for shareholders to participate in general meetings of the Company; and
4. Requesting the external Auditor to attend the Annual General Meeting and be available to answer shareholder's questions about the conduct of the audit, and the preparation and content of the Auditor's Report.

Any shareholder wishing to make inquiries of the Company is advised to contact the registered office. All public announcements made by the Company can be obtained from the ASX's website www.asx.com.au.

Shareholders may elect to, and are encouraged to, receive communications from the Company and its securities registry electronically.

The Company maintains information in relation to its corporate governance documents, Directors and senior executives, Board and committee charters and Annual Reports on the Company's website.

Principle 7: Recognise and managing risk.

The Board is committed to the identification, assessment and management of risk throughout the Company's business activities.

The Audit Committee operates pursuant to a charter which provides for risk oversight and management within the Company. This is periodically reviewed and updated. Executive management reports risks identified to the committee on a periodic basis.

The Company's Risk Management Policy recognises that risk management is an essential element of good corporate governance and fundamental in achieving its strategic and operational objectives. Risk management improves decision making, defines opportunities and mitigates material events that may impact security holder value.

The Board reviews the entity's risk management framework regularly to satisfy itself that it continues to be sound. A review of the Company's risk management framework was conducted during the year.

Executive management reports risks identified to the Board through regular operations reports, and via direct and timely communication to the Board where and when applicable. During the reporting period, executive management has reported to the Board as to the effectiveness of the Company's management of its material business risks. The Company does not have an internal audit function.

The Company faces risks inherent to its business, including economic risks, which may materially impact the Company's ability to create or preserve value for security holders over the short, medium or long term. The Company has in place policies and procedures, including a risk management framework (as described in the Company's Risk Management Policy), which is developed and updated to help manage these risks. The Board does not consider that the Company currently has any material exposure to environmental or social sustainability risks.

The Chief Executive Officer and the Chief Financial Officer have given a statement to the Board that the integrity of the financial statements is founded on a sound system of risk management and internal compliance and controls based on the Company's Risk Management policies.

Principle 8: Remunerate fairly and responsibly

The Remuneration Committee currently consists of four non-executive directors. All of the directors are considered independent in accordance with the ASX Principles.

Profiles of the members and details of meetings of the Remuneration Committee are outlined in the Director's Report. The Committee's responsibilities are detailed in the Remuneration Committee Charter.

The Company is committed to remunerating its senior executives in a manner that is market-competitive and consistent with "Best Practice" as well as supporting the interests of shareholders. Senior executives may receive a remuneration package based on fixed and variable components, determined by their position and experience. Shares and/or options may also be granted based on an individual's performance, with those granted to Directors subject to shareholder approval.

Non-executive Directors are paid their fees out of the maximum aggregate amount approved by shareholders for the remuneration of non-executive Directors. Non-executive Directors do not receive performance-based bonuses and do not participate in equity schemes of the Company without prior shareholder approval.

Current remuneration is disclosed in the Remuneration Report and in Note 26: Related Party Transactions.

Key Management Personnel or closely related parties of Key Management Personnel are prohibited from entering into hedge arrangements that would have the effect of limiting the risk exposure relating to their remuneration.

In accordance with the Company's share trading policy, participants in any equity-based incentive scheme are prohibited from entering into any transaction that would have the effect of hedging or otherwise transferring the risk of any fluctuation in the value of any unvested entitlement in the Company's securities to any other person.

In accordance with the ASX Listing Rules the following information, as at 21 August 2019, is provided:

Substantial holders

The Company hold current substantial holder notifications in accordance with section 671B of the *Corporations Act 2001* for the following:

Cedarfield Holdings Pty Ltd ATF The Cedarfield Trust	33,561,242	6.22%
Greencape Capital Pty Ltd	26,812,575	4.97%
AustralianSuper Pty Ltd	61,914,812	11.49%

Number of holders of equity securities

539,166,324 Fully Paid Ordinary Quoted shares are held by 1,974 individual holders.

8,355,901 Fully Paid Ordinary Unquoted shares are held by 3 individual holders; with all holders having in excess of 100,000 units.

2,000,000 unquoted options over Fully Paid Ordinary Quoted shares exercisable at $1.20 each before 25 April 2021 held by 1 holder; with the holder having in excess of 100,000 units.

Voting rights

The voting rights attached to Fully Paid Ordinary shares are set out below:

Fully Paid Ordinary Quoted shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Fully Paid Ordinary Unquoted shares

No voting rights

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:	Holders	Ordinary Shares
1 to 1,000	336	150,059
1,001 to 5,000	507	1,526,922
5,001 to 10,000	331	2,622,257
10,001 to 100,000	640	21,989,975
100,001 and over	160	512,877,111
Total	1,974	539,166,324
Holding less than a marketable parcel	129	2,509

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

Shareholder:	Number Held	% of Total Shares Held
HSBC Custody Nominees (Australia) Limited	117,498,290	21.79
J P Morgan Nominees Australia Pty Limited	113,504,452	21.05
National Nominees Limited	45,197,169	8.38
Mr Gloss Pty Limited	36,315,349	6.74
Cedarfield Holdings Pty Ltd <The Cedarfield A/C>	33,561,242	6.22
Citicorp Nominees Pty Limited	24,910,615	4.62
UBS Nominees Pty Ltd	20,765,181	3.85
Sargon Ct Pty Ltd <Colinton Cp Fund I A>	12,000,000	2.23
Sandman 1 Nominees Pty Ltd	8,000,001	1.48
Missy Nominees Pty Ltd <Frank Crispo Family A/C>	5,035,830	0.93
Sherley Investments Pty Ltd <Walsh Family A/C>	4,420,834	0.82
Mr Richard John Calver	4,342,500	0.81
Yerrus Holdings Pty Ltd <Surrey Panels Pension A/C>	4,000,000	0.74
Sandhurst Trustees Ltd <Endeavor Asset Mgmt Mda A/C>	3,617,381	0.67
Aust Executor Trustees Ltd <Gffd>	3,191,220	0.59
SRFE Pty Ltd <SRFE Family A/C>	3,000,000	0.56
BNP Paribas Nominees Pty Ltd <Agency Lending Drp A/C>	2,930,529	0.54
Mr Lachlan Alexander Mcgillivray	2,916,624	0.54
Magnacon Pty Ltd <P&J Bubeck Family A/C>	2,866,667	0.53
Citicorp Nominees Pty Limited <Colonial First State Inv A/C>	2,388,160	0.44
	450,462,044	83.55

Unquoted equity shareholders

The names of security holders who hold 20% or more of the unquoted equity share class are as follows:

Autoco Pty Ltd <Autoco Group AMA Unit Trust>	5,100,428	61.0%
Stipe Popovic & Biserka Popovic <The S&B Popovic Family Trust>	2,079,002	24.9%

Securities subject to escrow

Class of Security	Number	Date Escrow period ends
Fully Paid Ordinary Quoted	21,247,037	27 Nov 2019
Fully Paid Ordinary Quoted	26,000,000	*
Fully Paid Ordinary Quoted	242,718	31 Dec 2019
Fully Paid Ordinary Quoted	163,836	3 Jan 2020
Fully Paid Ordinary Quoted	31,562,386	27 Nov 2020
Fully Paid Ordinary Quoted	545,137	30 Jun 2021
Fully Paid Ordinary Quoted	413,950	20 Jul 2021
Fully Paid Ordinary Unquoted	1,176,471	18 Mar 2019
Fully Paid Ordinary Unquoted	5,100,428	30 Sep 2020
Fully Paid Ordinary Unquoted	2,079,002	30 Sep 2021

* Subject to non-date escrow terms.

Shareholder enquiries

Shareholders with enquiries about their shareholdings should contact the share registry:

Computershare Investor Services Pty Ltd
Yarra Falls, 452 Johnston Street,
Abbotsford, Victoria 3067
Phone: +61 3 9415 4000
Fax: +61 3 9473 2500
Email: essential.registry@computershare.com.au

Change of address, change of name, consolidation of shareholdings

Shareholders should contact the Share Registry to obtain details of the procedure required for any of these changes.

Annual report

Shareholders do not automatically receive a hard copy of the Company's Annual Report unless they notify the Share Registry in writing. An electronic copy of the Annual Report can be viewed on the Company's website www.amagroupltd.com

Tax file numbers

It is important that Australian resident shareholders, including children and corporate entities, have their tax file number, ABN or exemption details noted by the Share Registry.

CHESS (Clearing House Electronic Sub-register System)

Shareholders wishing to move to uncertified holdings under the Australian Stock Exchange CHESS system should contact their stockbroker.

Uncertified share register

Shareholding statements are issued at the end of each month that there is a transaction that alters the balance of an individual/company’s holding.

Directors
Mr Raymond Malone (Chairman and Executive Director)
Mr Andrew Hopkins (Executive Director)
Mr Raymond Smith-Roberts (Executive Director)
Mr Leath Nicholson (Non-Executive Director)
Mr Brian Austin (Non-Executive Director)
Mr Simon Moore (Non-Executive Director) (Appointed 28 Nov 2018)
Mr Anthony Day (Non-Executive Director) (Appointed 28 Nov 2018)
Mr Hugh Robertson (Non-Executive Director) (Resigned 3 Aug 2018)

Executive Management
Mr Andrew Hopkins (Group Chief Executive Officer)
Mr Raymond Smith-Roberts (Chief Executive Officer - Automotive Components & Accessories Divisions)
Mr Steven Becker (Chief Financial Officer) (Appointed 4 Feb 2019)
Mr Ashley Killick (Chief Financial Officer) (Resigned 30 Oct 2018)
Mrs Terri Bakos (Company Secretary)

Registered Office
Level 4, 130 Bundall Road, BUNDALL, QUEENSLAND, 4217, AUSTRALIA
Email: info@amagroupltd.com
Telephone: +61 5628 3272

Principal Place of Business
Level 4, 130 Bundall Road, BUNDALL, QUEENSLAND, 4217, AUSTRALIA
Telephone: +61 5628 3272
Web: www.amagroupltd.com

Share Registry
Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street, ABBOTSFORD, VICTORIA, 3067, AUSTRALIA
GPO Box 2975, MELBOURNE VICTORIA 3001 AUSTRALIA
Telephone: +61 3 9415 4000
Telephone: 1300 787 272 (Within Australia)

Auditor
ShineWing Australia
Level 10, 530 Collins Street, MELBOURNE VICTORIA 3000 AUSTRALIA

Solicitors
Nicholson Ryan Lawyers
Level 7, 420 Collins Street, MELBOURNE VICTORIA 3000 AUSTRALIA

Bankers
National Australia Bank Limited

Stock Exchange Listing
AMA Group Limited shares are listed on the Australian Securities Exchange, code AMA.