



**New Zealand Automotive
Investments Limited**

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28 April 2023

Market Update

NZX:NZA

Market update

NZAI agrees terms for new finance facility, appoints new CFO and provides trading update

NZ Automotive Investments Limited (NZAI or the Company) (NZX:NZA) advises that it has agreed terms for a replacement trade finance facility for retail brand, 2 Cheap Cars.

Finance facility

NZAI has agreed terms and is awaiting final documentation, having reached an agreement with a long-term strategic finance partner to provide a trade finance facility. This facility will replace NZAI's current arrangement with ASB and will be in place by mid-May. ASB will extend the current facility to ensure a seamless transition.

FY23 trading update

The Company expects unaudited underlying net profit after tax for the year ended 31 March 2023 to be \$2.0m, against \$1.7m in FY22. Unaudited actual net profit after tax (NPAT) – including one-off restructuring costs of \$1.0m – is expected to be \$1.3m. This compares with FY22 NPAT of \$2.6m which included one-off gains of \$0.8m.

'Our new leadership team has been razor-focused on prudent cost controls, accelerating penetration rates on finance and insurance, and managing price and promotions more effectively whilst tailoring inventory to specific locations. This has seen gross margins improve significantly in the last quarter,' Millward says.

February and March results alone make up approximately 35% of FY23 underlying NPAT, indicating a swift and marked impact.

The Company will provide a detailed trading update when its full results are released at the end of May 2023.

New CFO

The company is pleased to announce the appointment of Angus (Gus) Guerin as Chief Financial Officer from 26 June 2023, replacing Haydn Marks who leaves at the end of June.



Mr Guerin is currently CFO of ArchiPro. Prior to that, Gus enjoyed a long and successful international career with British American Tobacco culminating in his role as Director of Finance NZ. He has strong experience in New Zealand and abroad with blue-chip multinational companies including Fonterra, Wyndham Exchange & Rentals (part of Wyndham Worldwide) and Treasury Wines.

“Gus will be a great addition to the leadership team. He has broad commercial experience, combined with energy, passion and a proven track record in leading finance functions that assist in delivering enhanced bottom- and top-line performance,” Millward says.

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This announcement has been authorised by the NZAI Board Chair, Michael Stiassny.

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About NZ Automotive Investments Limited (NZAI)

NZAI is an integrated automotive group operating throughout New Zealand via two subsidiaries: Automotive Retail and Vehicle Finance. NZAI's mission is to deliver quality cars and financing solutions at the most affordable prices to the average New Zealander. Operating under the “2 Cheap Cars” brand, its Automotive Retail company is one of the largest used vehicle sellers in New Zealand with 13 dealerships across the country. Its Vehicle Finance company operates under the “NZ Motor Finance” brand.
www.nzautomotiveinvestments.co.nz

