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New Contracts and Dealer Network Expansion to Support Revenue Growth

- **Expansion in dealer networks across a number of the ASG's businesses to support revenue growth**
- **New contracts awarded and high value products added across multiple businesses within the group**
- **Synergies in line with prospectus forecast**

Automotive Solutions Group Limited (ASX:4WD, "ASG" or the "Company") is pleased to provide a market update following the expansion of its dealer network and award of new contracts.

The expansion and new contracts will support sales and earnings growth for the current financial year, if not beyond. ASG's prospectus forecast is for FY17 revenue to increase by 7% to \$42.7 million and earnings before interest and tax (EBIT) to increase by 8.3% to \$6.5 million.

Further, the Company has also identified a number of areas where additional cost savings can be realised from the integration of eight businesses as part of ASG's Initial Public Offering (IPO).

A summary of these new contracts, product acquisitions and dealer expansions are outlined below:

Roo Systems

Roo Systems is a Queensland based provider of diesel performance upgrade packages, as well as ECU remapping and electrical and mechanical repairs.

The business has secured a new three-year service contract with a major QLD auto breakdown service provider that generates an annual turnover more than \$1 billion.

Roo Systems has also increased its dealer network by adding eight new dealers since listing. This brings the total number of dealerships to 58, which is well above the target that was outlined in the prospectus.

Roo Systems has a strong competitive edge because its offerings are specifically designed to withstand harsh Australian conditions. All research and development, along with testing of its products and services, are undertaken in Australia.

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AMA Group

Alloy Motor Accessories (AMA), a manufacturer and supplier of Ute tray tool boxes, aluminum roof racks, and roof baskets, was recently granted approved supplier status by three dealer networks and regional councils in Queensland.

The approved supplier status means that AMA is a preferred company provider in the supply and installation of dealer and council products and services.

AMA Group has also added a number of new products, including an innovative trundle draw for vehicle trays. The trundle draw provides an additional and secure storage under the existing tray of a Ute to stabilise the opening and the closing of the draw, making it safer for the end user.

AMA Group products (such as trays, bull bars and tradesman racks) are being sold and marketed through other ASG businesses, which will increase the reach and sales of these high value products.

“The growth that we are seeing across the Company through the expansion of our dealer networks and the cross-selling of products within ASG provides an exciting platform for growth. The addition of 5 new internal dealers within ASG being a great example of integration” said ASG Chief Executive Officer Tanya Mason.

“The year ahead looks particularly bright as the integration of the businesses we recently acquired is moving ahead of schedule – allowing us to focus on building the brands under our umbrella and pursuing new opportunities.”

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About Automotive Solutions Group

ASG offers a comprehensive range of aftermarket products and services to the large and growing four-wheel drive market through its national network of 250 dealers and 11 company facilities. The group is made up of a range of businesses that are leaders in their respective categories and have a strong track record of profitability. ASG is well placed to consolidate the fragmented market and generate industry-leading profit margins from economies of scale and synergies from its integrated business model.

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