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ASX Announcement

25 January 2022

NTAW RECEIVES STRONG SUPPORT FOR THE SPP OFFER

- **NTAW has successfully completed the SPP offer, raising \$10.9 million.**
- **The SPP follows an Institutional Placement which raised \$9.0 million.**
- **Together, the SPP and Institutional Placement raised \$19.9 million.**
- **The SPP attracted strong interest from shareholders**
- **Applications for \$17.0 million, from 48% of eligible shareholders, were received under the SPP.**
- **NTAW has increased the SPP offer size to \$10.9 million.**
- **NTAW has also applied a scale back policy to SPP allocations.**

National Tyre and Wheel Limited (ASX: NTD) ("**NTAW**") advises that it has successfully completed the Share Purchase Plan offer ("**SPP**") announced to the ASX on 16 December 2021, raising \$10.9 million. A total of approximately 8.08 million new fully paid ordinary shares ("**Shares**") will be issued under the SPP at a price of \$1.35 per Share.

The SPP followed the placement of 6.67 million Shares to institutional and sophisticated shareholders in December 2021 at \$1.35 per Share ("**Institutional Placement**"), being a discount of 3% to the 10-day volume weighted average share price prior to the announcement of the Institutional Placement.

The SPP offer was made to 1,813 eligible shareholders and valid applications were received from 879 shareholders (48% of eligible shareholders) for a total of approximately \$17.0 million.

Peter Ludemann, NTAW Managing Director, said: "The support shown by shareholders for the SPP has been very gratifying. Over the past 18 months, NTAW has completed a series of transformative acquisitions, increasing revenue from \$160 million in FY20 to \$560 million on an annualised basis in FY22. The Group is now the largest independent tyre importer in both Australia and New Zealand.

In addition to managing business improvements, integrations and synergy opportunities arising from these acquisitions, NTAW has set out to lead the tyre and wheel industry in digital transformation. This is a significant IT project beginning with the installation of new ERP systems by Q1 of FY23. That project remains on time and on budget.

The SPP and Institutional Placement have assisted with the purchase of Carter's Tyre Service in New Zealand, which was completed on 7 January 2022. As other substantial and complex strategic initiatives are being undertaken in uncertain times, increasing the SPP offer is a prudent decision that improves our prospects for timely success and our ability to manage existing businesses through any future disruptions.

At the same time, the increased SPP offer addresses the strong interest from existing shareholders to increase their investment in NTAW in a manner that is fair to shareholders who did not participate in the Institutional Placement.”

In light of the strong demand, NTAW also exercised its discretion to scale back applications. All eligible shareholders who applied for Shares in the SPP will be allotted new Shares up to their existing number of Shares held at the Record Date of 15 December 2021 (“**Existing Shareholding**”), subject to the following:

- a maximum of 22,223 Shares (being the statutory maximum of \$30,000) and a minimum of 371 Shares (being a marketable parcel of \$500) will be allotted;
- if an eligible shareholder applied for an amount of NTAW Shares less than their Existing Shareholding, then they will receive the full amount of NTAW Shares for which they applied;
- if an eligible shareholder’s Existing Shareholding was less than a marketable parcel (i.e. \$500), then they will receive 371 Shares (\$500 of Shares to ensure an eligible shareholder’s allocation is not less than a marketable parcel); and
- if the scale back produces a fractional number greater than a marketable parcel, the number of Shares allotted will be rounded up to the nearest whole number of Shares.

The scale back policy will result in approximately 52% of all eligible applications being satisfied in full.

In accordance with the terms of the SPP, the issue price for Shares under the SPP is \$1.35 per Share, the same price as the Institutional Placement, being the lower of \$1.35 and the volume weighted average price of NTAW shares traded in the 5-day period ended 20 January 2022 (the SPP closing date).

The new SPP Shares will be allotted on Friday 28 January 2022 and those Shares are expected to commence trading on the ASX on Monday 31 January 2022. Shares allotted under the SPP will rank equally with existing NTAW shares on issue from the date of issue.

Holding statements will be dispatched to successful applicants and refunds for application money where applications were scaled back will be processed on 31 January 2022.

This announcement was approved, and authorised for release, by NTAW’s Board of Directors.

ENDS

For further information, please contact:

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