



*Investor Day – Brisbane - July 3, 2019*

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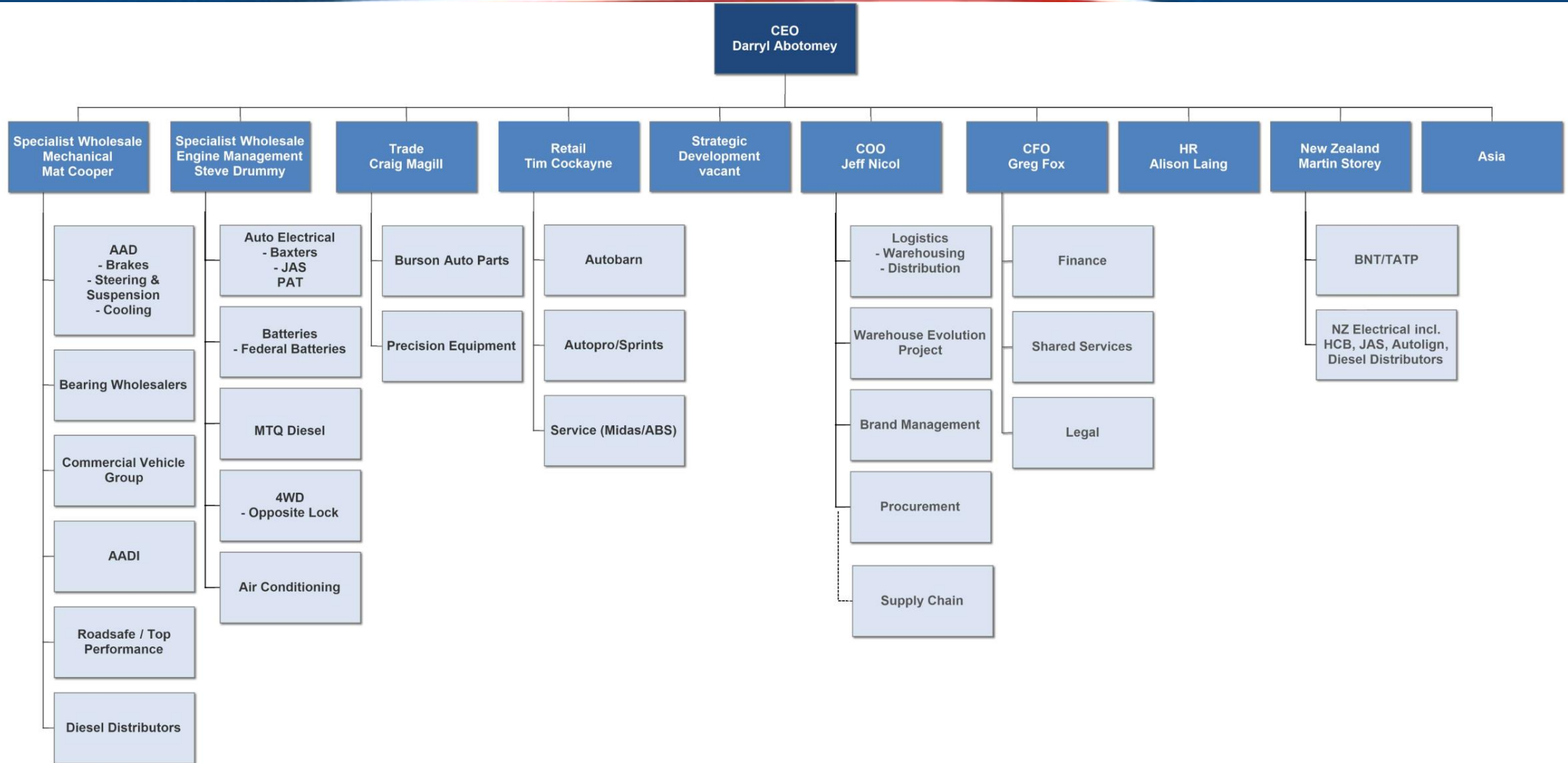
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# Senior Management Team



"Australasia's leading provider of aftermarket parts, accessories, equipment and services"

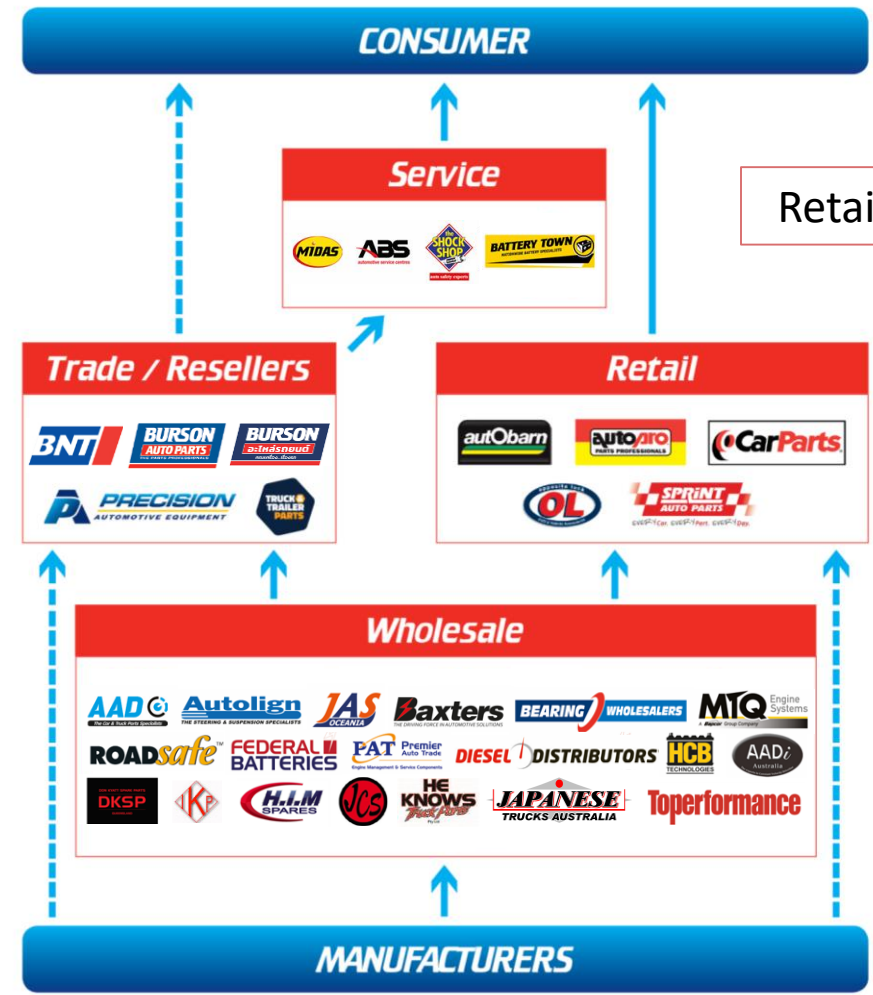
# Aftermarket Supply Chain



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Trade:

- Burson Australia
- New Zealand
- Thailand



Retail

Retail

Specialist Wholesale Group:

- Mechanical
- Engine Management

Bapcor businesses participate

“Australasia’s leading provider of aftermarket parts, accessories, equipment and services”

# Key Automarket Stats 2018



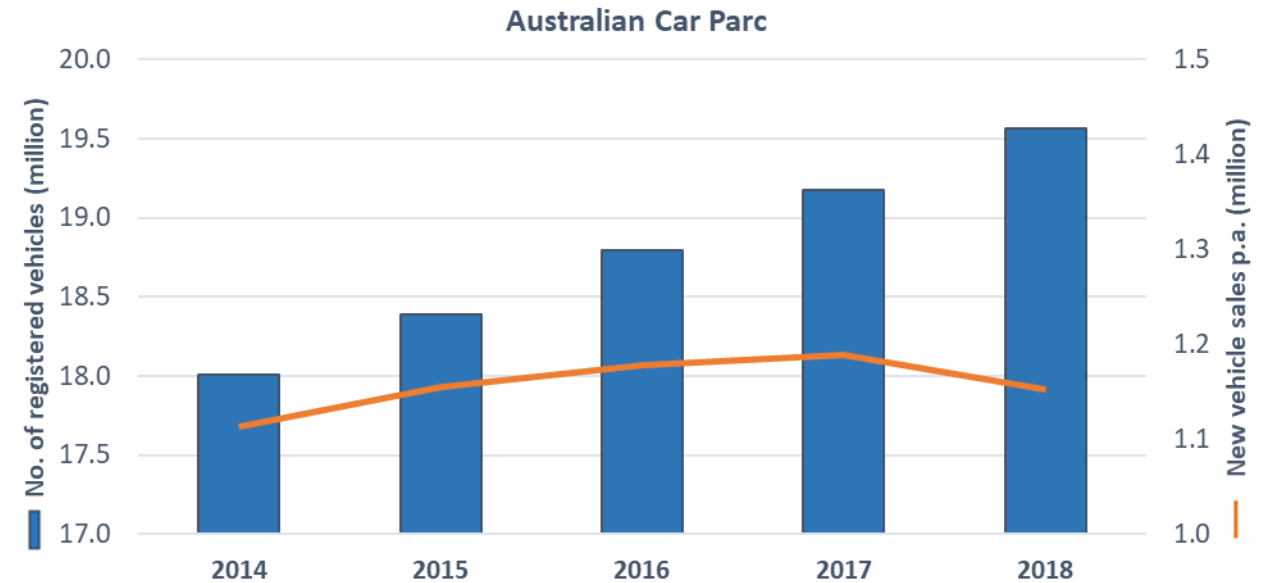
	Global	Australia
# vehicles on the road	1,200,000,000	19,200,000
Average age	11.6 years	10.1 years
# cars sold 2018	84,000,000	870,000
Car Parc growth	??	2.1%
<b># EV's sold 2018</b>	<b>2,100,000</b>	<b>1,352</b>
EV's as of 2018 sales	2.5%	0.2%
Diesel of fleet	35%	23.4%
EV's sold since 2011	5,000,000	6,000
EV's % of car parc	.4%	.03%
Passenger cars of market	74%	75%

\* EV = electrical/hybrid vehicle

# Continued growth of the Australian Car Parc...



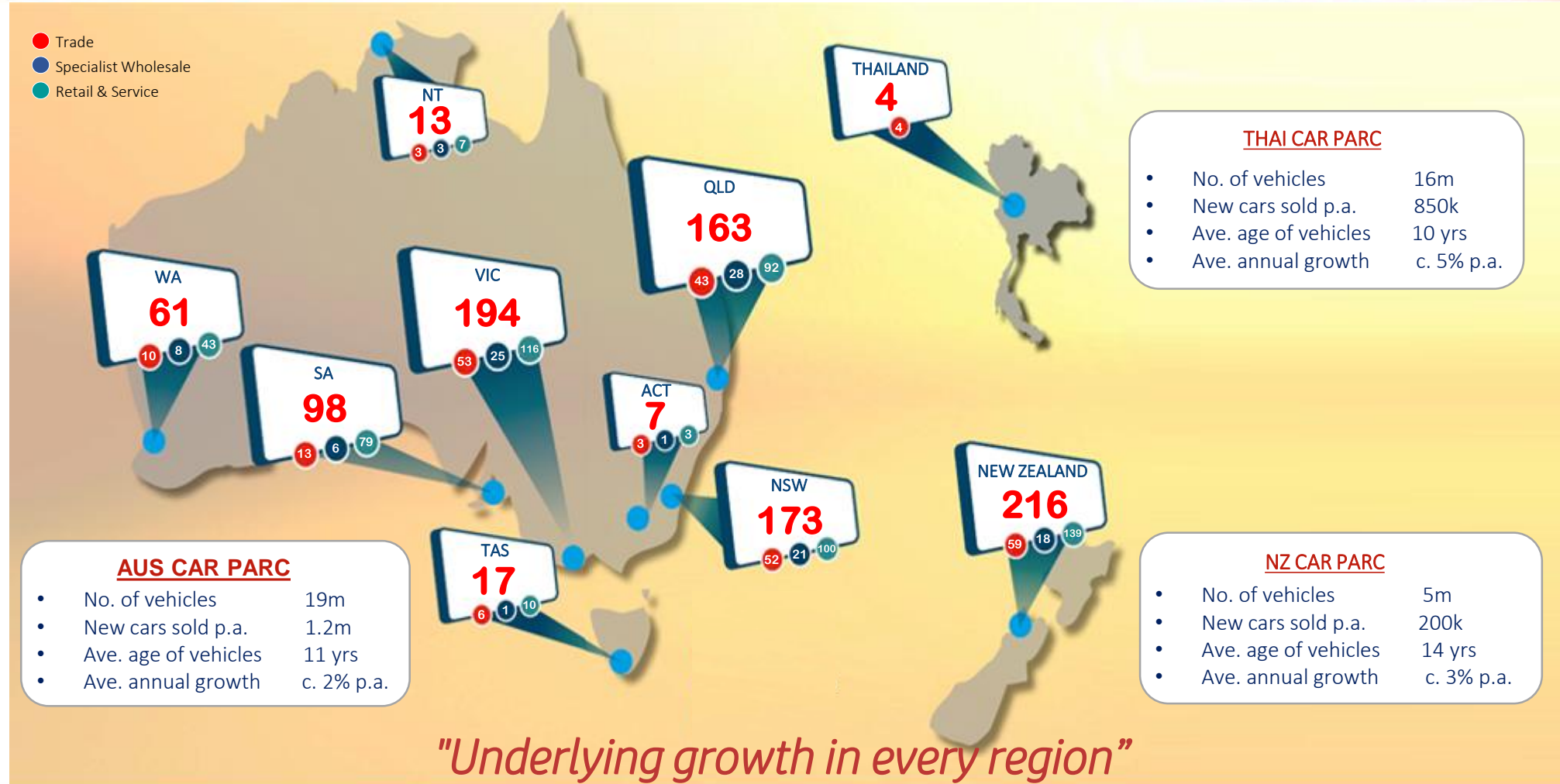
- Estimated **19.2m registered vehicles** at the end of 2018, an increase of 2% on 2017
  - **Average age** of vehicles stable at **10 - 11 years**
- **New vehicle sales** in 2018 were down 3% on 2017 and ending four years of YoY growth
  - 60% of new vehicle sales were in the SUV & Utility categories; 33% in Passenger vehicles
- **Electric vehicle penetration continues to be minimal**, <0.5% of new vehicle sales in 2018 were electric vehicles



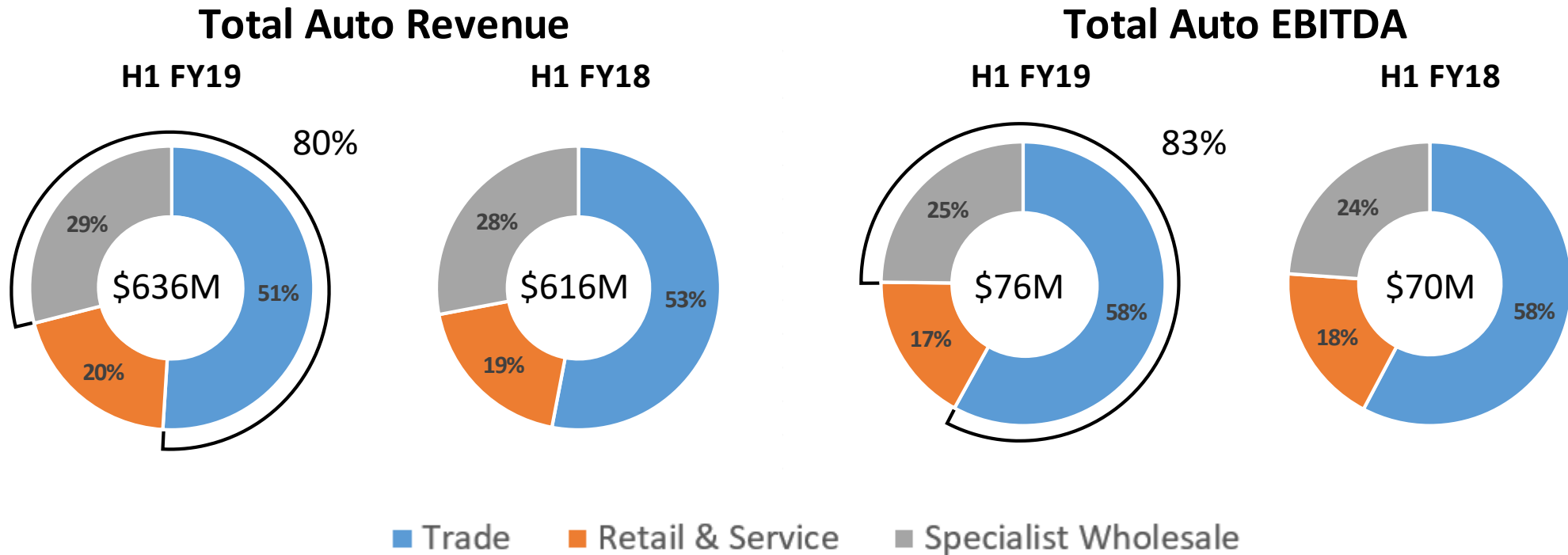
Source: ABS Motor Vehicle Census; FCAI VFACTS;

**No change to industry fundamentals.**

# Over 940 locations across Australia & NZ

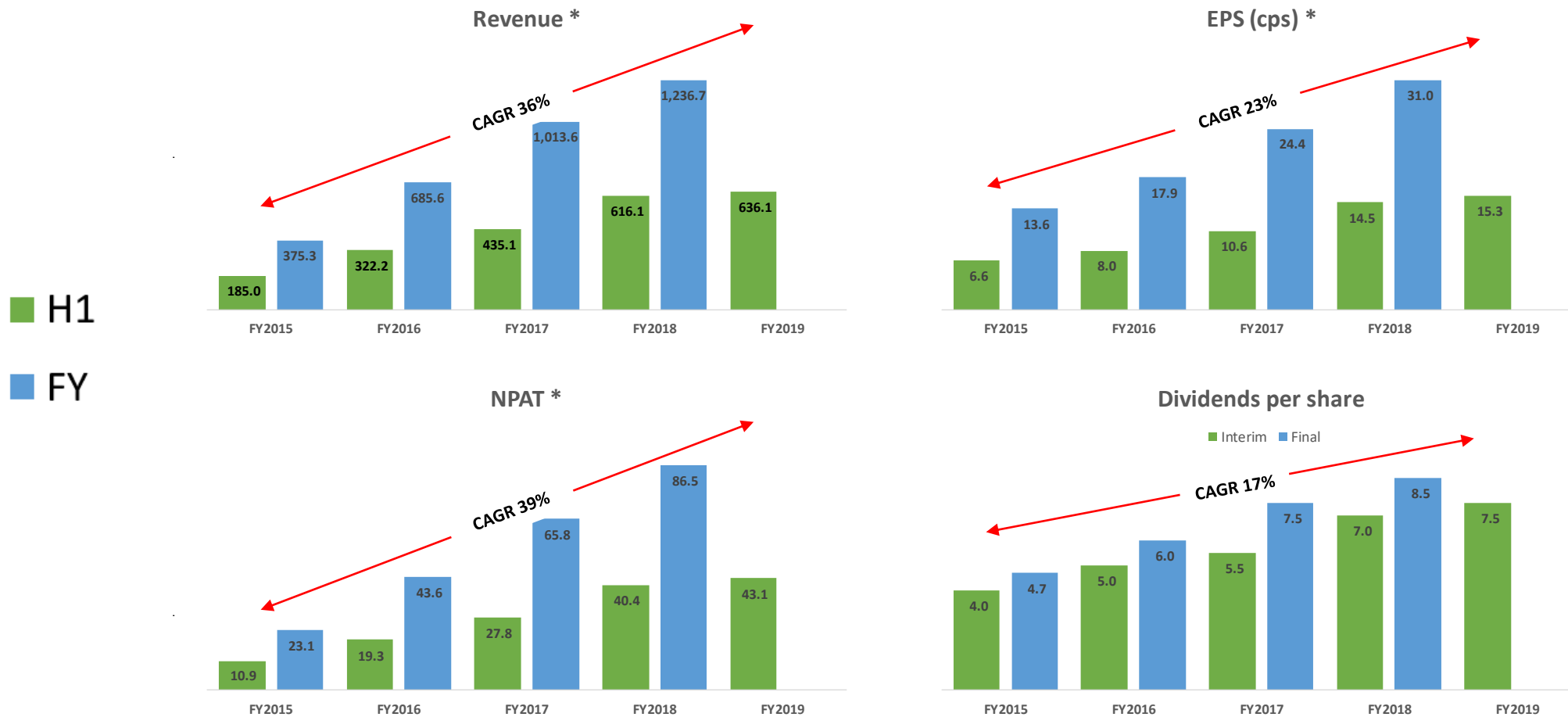


# Business Segment Contribution to Results





# Summary of Key Performance Indicators



\*Based on continuing operations and estimated FY19 results

# ***STRATEGY & Industry Fundamentals***

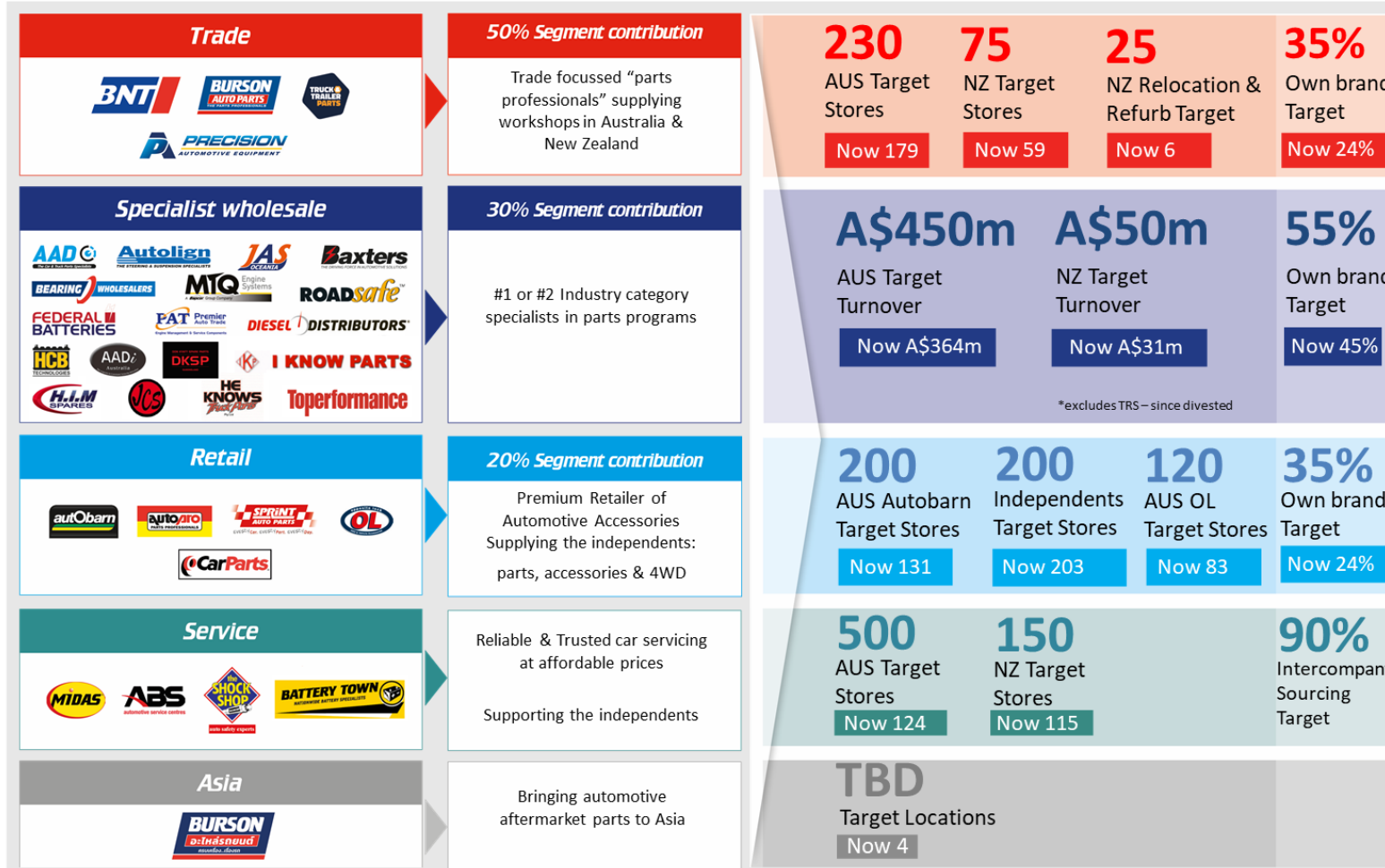


**Bapcor Ltd has partnered with Greenfleet to plant native forests in Australia and capture over 5,250 tonnes of greenhouse gas emissions.**

# Bapcor 5 Year Strategic Targets



**NO  
CHANGE  
TO  
GROWTH  
STRATEGY**



# Growth Strategy

- All current business segments;
  - Grow sales
    - Organic ( circa 2 to 3% pa)
    - Store Footprint Expansion
      - Burson 10-12 stores pa, NZ 5 stores pa
      - Retail up to 10 stores pa
  - Margin
    - Procurement / Buying
    - Pricing Management
    - Own Brand
    - Intercompany
  - Operating Efficiencies – including POS, WMS, warehousing etc
- Strategic Acquisitions / Expansion



# Strategy



- Consistent strategy with specific, clear, measurable targets.
- No changes to direction.
- We know what we do best and stick with it.



# Bapcor Thailand

- Now operating 4 stores in Bangkok district
- A procurement office and 1 additional store planned June / July
- Stores making positive progress in new market dynamics
- Good relationships being established with a significant chains presenting good growth opportunities as we grow more scale
- As with any start-up operation in a new market we are learning and will over time fine tune product ranges and operation methods to optimise outcomes.



Latest Burson store at retail shopping centre - at entrance to Thai Watsadu. A workshop is also on the shopping centre site.

Thank  
you!

TRADE



**Craig Magill - EGM Trade**



# TRADE

## Market Overview



Our core focus is the distribution of auto parts to independent and chain mechanic workshops throughout Australia.

Through an extensive distribution network, we provide over 500,000 unique parts to fit more than 20,000 makes and models for the Australian automotive aftermarket.

Market Size \$2 billion+

Market Share 26%

Trade Competitors:

- Repco / GPC
- Auto 1
- Cooldrive
- Independents
- Alemlube
- Eagle SMF



"Australasia's leading provider of aftermarket parts, accessories, equipment and services"

# TRADE Key Stats



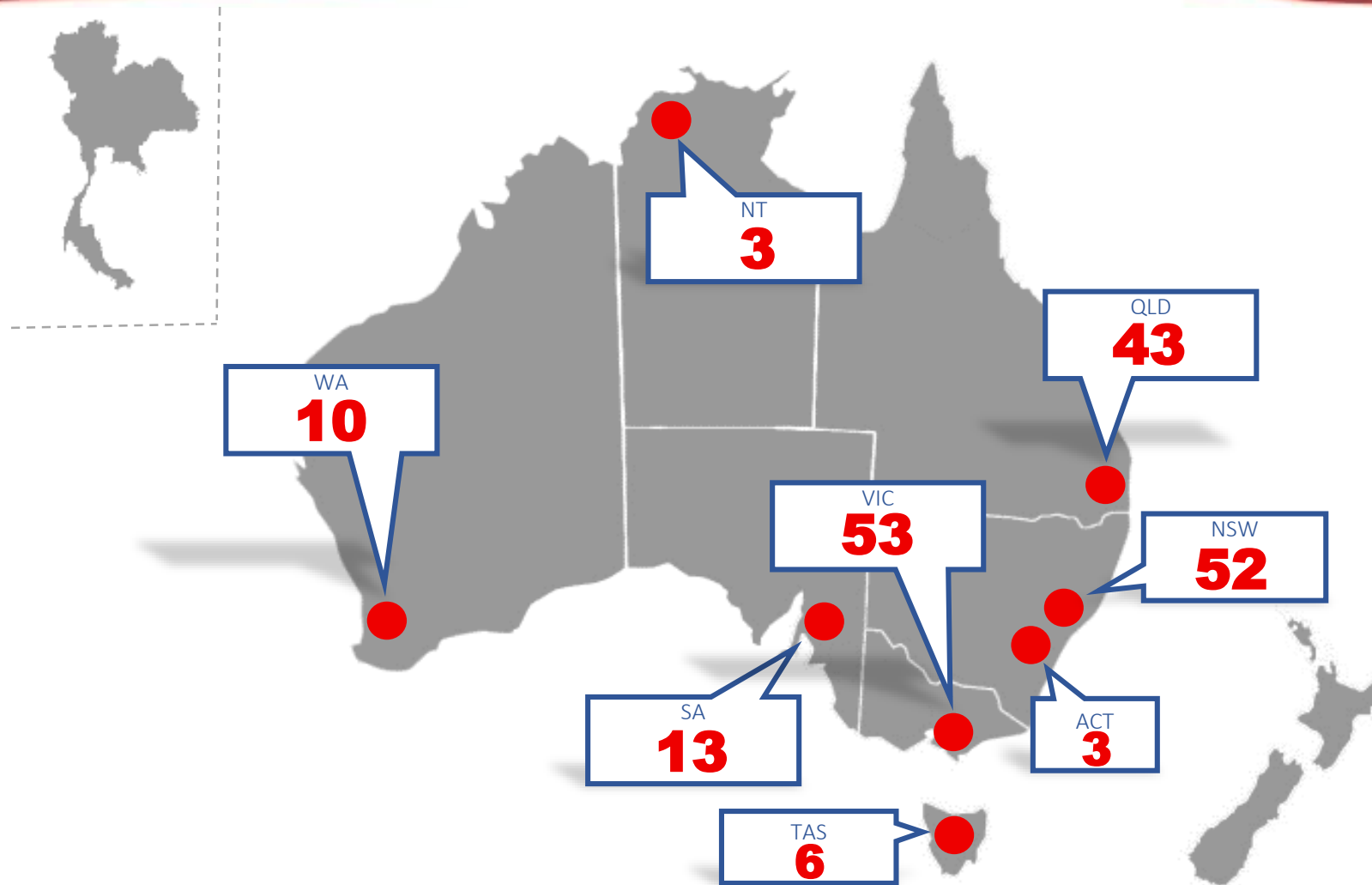
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Annual Sales: \$520M  
EBITDA: \$75M  
# Sites / Locations: 181  
# People: 1,500  
# Active Customers 30,000+  
# Delivery Vehicles 800

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"Australasia's leading provider of aftermarket parts, accessories, equipment and services"

# TRADE Locations



"Australasia's leading provider of aftermarket parts, accessories, equipment and services"

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**230**

**AUS TARGET STORES**

**NOW: 181**

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**35%**

**OWN BRAND TARGET**

**NOW: 24%**

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**OTHER TARGETS**

- Same store sales minimum 3% pa

# TRADE Precision Equipment



- Australia's Leading 'Specialist' Garage Equipment Supplier
- Import, Sales, Service & Installation
- Lifting, Wheel Service, Lubrication, Diagnostic & General Other
- Precision – OEM, Dealership & Key Account Workshops
- Burson – Independent Workshops



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"Australasia's leading provider of aftermarket parts, accessories, equipment and services"

# TRADE

## Key Priorities



- Growth of footprint and sales
- Intercompany collaboration
- Customer targeting
- Range enhancement
- Continued growth in equipment



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TRADE



THANK YOU



NEW ZEALAND

Bapcor



PRECISION  
EQUIPMENT NZ



Autolign  
THE STEERING & SUSPENSION SPECIALISTS



DIESEL DISTRIBUTORS



Martin Storey - EGM Bapcor New Zealand

"Australasia's leading provider of aftermarket parts, accessories, equipment and services"

# NEW ZEALAND Market Overview



We are the leading aftermarket parts and specialist wholesale supply group to the automotive trade across New Zealand.

Our businesses cover the Trade, Specialist Wholesale, and Service automotive aftermarket segments, with services offered across both islands, at more than 200 locations.

## Market Sizes (contestable):

- Aftermarket automotive est \$440m with share at 35%
- Electrical (battery) aftermarket est \$160m with share at 17%
- Heavy Trailer aftermarket est \$350m with share at 4%

## Major Competitors:

- GPC - Repco, Appco, Extreme and ASL
- Partmaster NZ
- SAS Autoparts
- Century Yuasa Batteries
- TWL/Transpecs



# NEW ZEALAND Key Stats



## NZD

Annual Sales: \$175M

EBITDA: \$25M

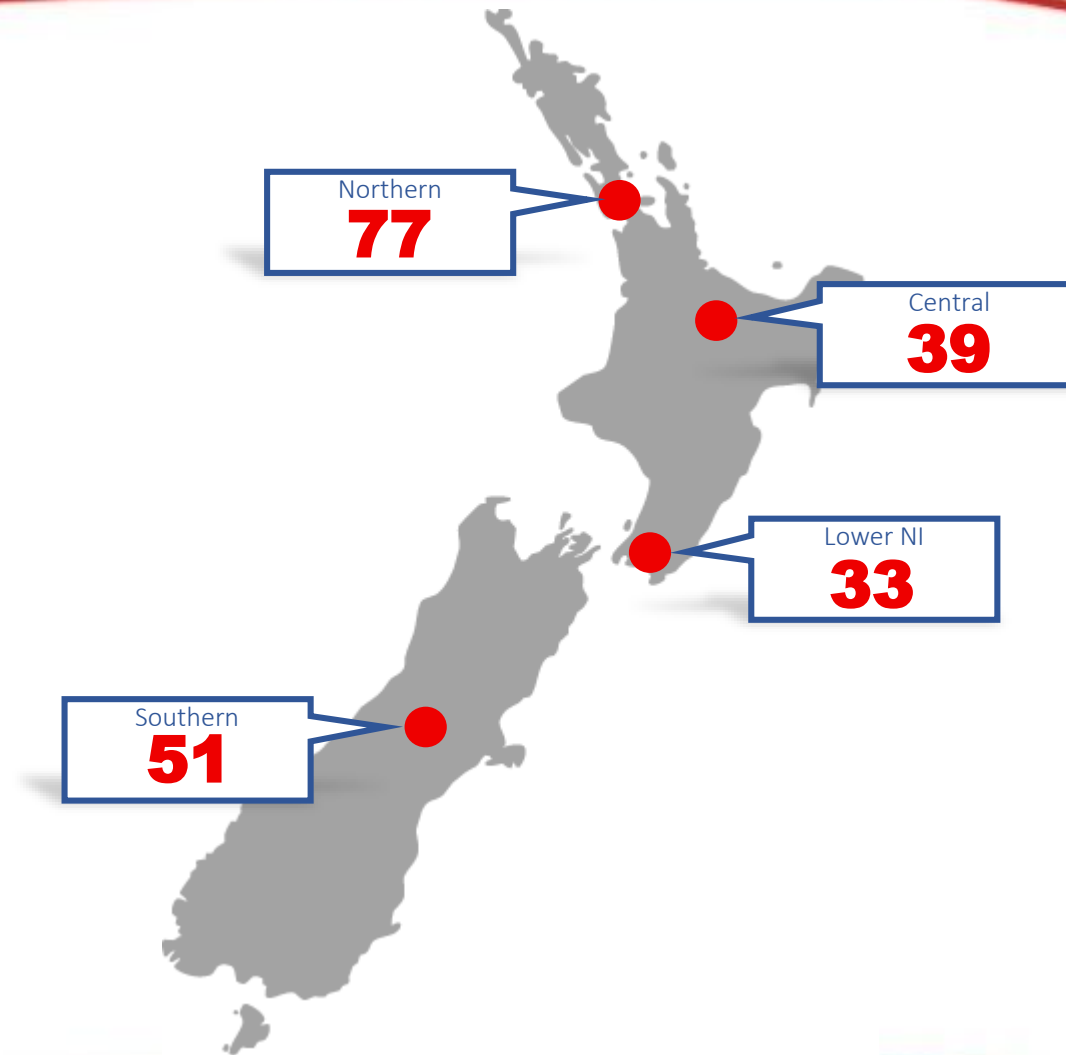
# Sites / Locations: 216

# People: 620

# Active Customers: 10,500

# Delivery Vehicles: 195

# NEW ZEALAND Locations



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**75**

TRADE  
NZ TARGET STORES

NOW: 59

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**25**

TRADE RELOCATION  
& REFURB TARGET

NOW: 6

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**A\$50m**

SPECIALIST WHOLESALE  
NZ TARGET TURNOVER

NOW: A\$31m

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**150**

SERVICE  
NZ STORES TARGET

NOW: 115

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## OTHER TARGETS

- F19 same store sales are +4%
- Own brand target of 35% - currently 27%

# NEW ZEALAND Key Priorities



- Footprint expansion
- Margin and price improvement
- Core and own brand range expanded
- New and adjacent market segments
- Leverage intercompany
- Warehousing consolidations
- People - attract, retain, develop!



NEW ZEALAND

*Bapcor*



*PRECISION*  
EQUIPMENT NZ



**Autolign**  
THE STEERING & SUSPENSION SPECIALISTS



**DIESEL**  **DISTRIBUTORS**



**THANK YOU**

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# SPECIALIST WHOLESALE GROUP (SWG) - ENGINE MANAGEMENT



## Steve Drummy - EGM SWG Engine Management



# SWG – ENGINE MANAGEMENT

## Market Overview



Our Specialist Wholesale Group supplies an extensive range of products through a vertically integrated supply chain within the Bapcor Group and to the broader Automotive Aftermarket.

The Engine Management businesses specialize in thermal cooling, electrical, electric controls, diesel, 4WD and batteries.

Market Size \$ ???

Market Share % ???

### Major Competitors: Varies by business

- Cooldrive / Ashdown Ingram / Napa
- Motosepcs
- Century / Supercharge
- 4WD : ARB, TJM, Ironman



# SWG – ENGINE MANAGEMENT

## Key Stats



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Annual Sales: \$220M

\*EBITDA: \$23M

# Business Units: 6

# Sites / Locations: 145

# People: 488 (Excluding OL sites)

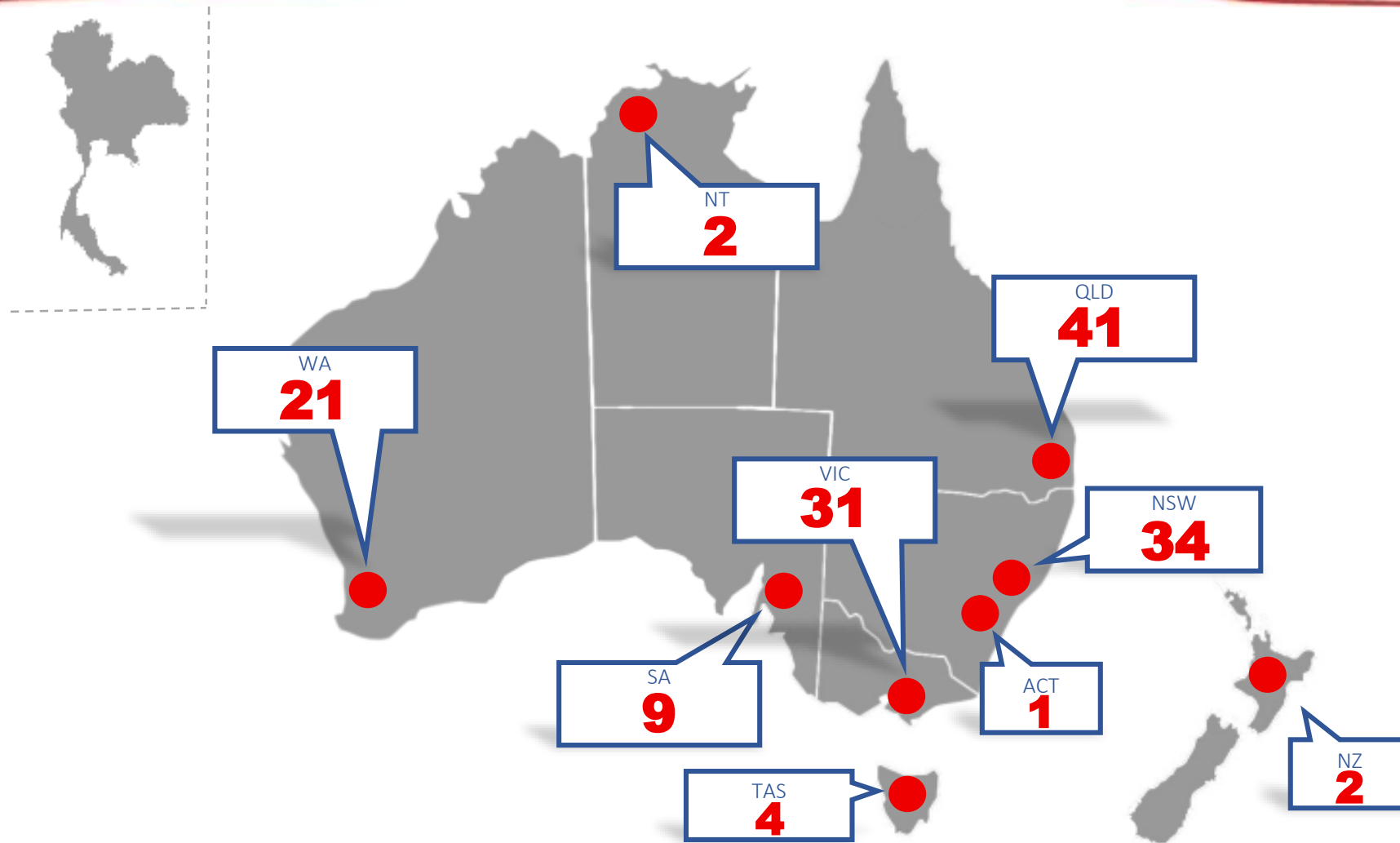
# Active Customers: 27,300

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\* Based on SWG % sales per Dec 18 results

# SWG – ENGINE MANAGEMENT

## Locations



"Australasia's leading provider of aftermarket parts, accessories, equipment and services"

# SWG – ENGINE MANAGEMENT Strategy



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**A\$500m**

**AUS TURNOVER  
TOTAL SWG TARGET**

**NOW: \$412.6m**

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**55%**

**OWN BRAND  
TOTAL SWG TARGET**

**NOW: 45%**

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# SWG – ENGINE MANAGEMENT

## Key Priorities



- “Own Safety”
- Team / People Development
- Increase own brand sales & intercompany sales
- Marketing focus on developing brands
- Footprint Expansion
- Air Conditioning launch
- Industrial & Mining focus
- Systems review



# SPECIALIST WHOLESALE GROUP (SWG) - ENGINE MANAGEMENT



# THANK YOU

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# SPECIALIST WHOLESALER GROUP (SWG) - MECHANICAL



## Mathew Cooper - EGM SWG Mechanical

# SWG – MECHANICAL Market Overview



Our Specialist Wholesale Group supplies an extensive range of products through a vertically integrated supply chain within the Bapcor Group and to the broader Automotive Aftermarket.

The Mechanical businesses specialize in brake systems, bearings, steering and suspension, constant velocity joints, engine parts, water pumps, radiators, commercial truck parts (both light and heavy) and diesel fuel systems.

Market Size \$ ???

Market Share % ???

**Major Competitors: - varies by business**

- Bendix
- GUD (Disc Brakes Australia)
- GPC (Motospecs, Inenco, RDA)
- Multispare



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# SWG – MECHANICAL

## Key Stats



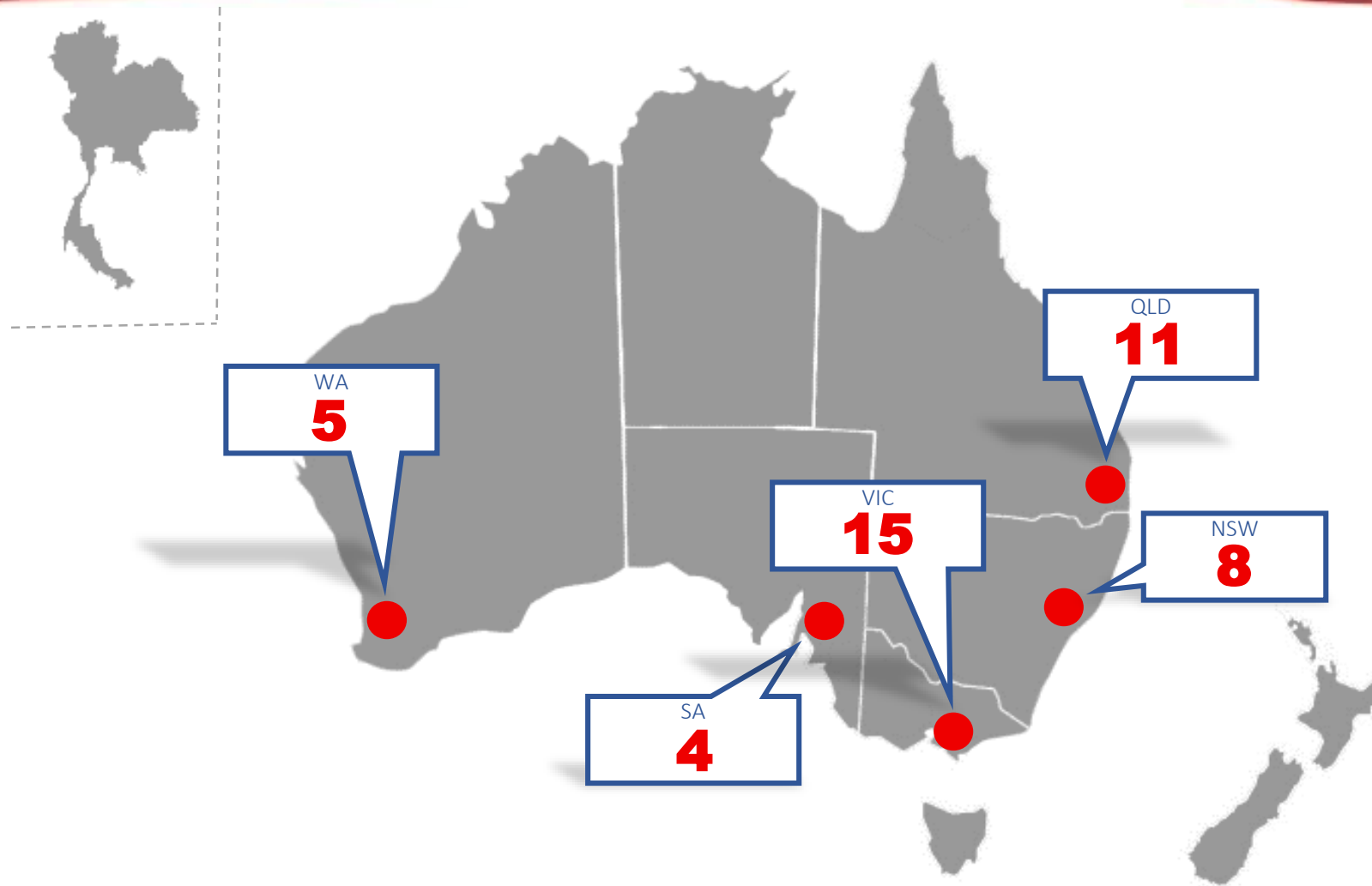
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Annual Sales: \$210M  
\*EBITDA: \$30M  
# Business Units: 7  
# Sites / Locations: 43  
# People: 430  
# Active Customers: 12,600

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\* Based on SWG % sales per Dec 18 results adj for CVPG

# SWG – MECHANICAL Locations



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**A\$500m**

**AUS TURNOVER  
TOTAL SWG TARGET**

**NOW: \$412.6m**

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**55%**

**OWN BRAND  
TOTAL SWG TARGET**

**NOW: 45%**

---

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**40**

**CVG LOCATIONS  
TARGET**

**NOW: 14**

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# SWG – MECHANICAL

## Key Priorities



- Footprint Expansion
- Product development and definition
- Marketing
- Increase own brand sales & intercompany sales
- Customer loyalty – increasing share of wallet
- Distribution efficiency
- Supplier management



# SPECIALIST WHOLESALER GROUP (SWG) - MECHANICAL



# THANK YOU



## Tim Cockayne - EGM Retail

# RETAIL

## Market Overview



We distribute parts and accessories from a wide variety of brands via a network of over 500 company-owned, franchise and satellite stores. Our independents form a major part of the communities in which they operate by providing a unique product and service mix, comprising retail and trade, and a no-frills, low cost offer.

Our service brands have a combined history of over 75 years and are renowned for their customer-oriented high quality service and professionalism.

Retail Market Size \$5b

Market Share 11.5%

### Major Competitors:

- Super Cheap
- Repco/GPC
- Auto 1
- Independents
- Hardware / supermarkets



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# RETAIL

## Key Stats



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Bapcor Sales: \$260M

Total Sales (incl. franchisees): \$575M

EBITDA: \$25M

# Sites / Locations: 370

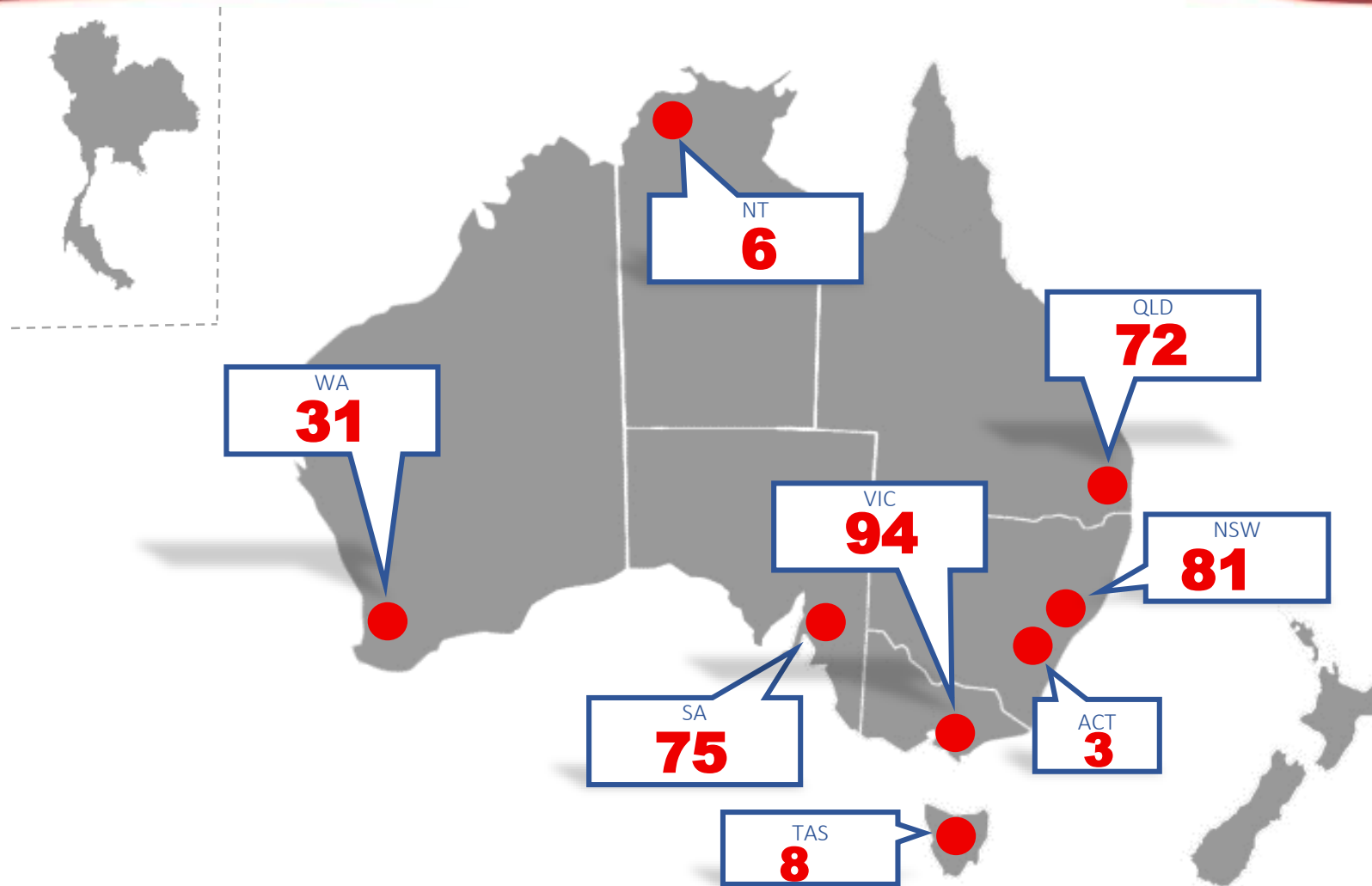
# People: 900

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"Australasia's leading provider of aftermarket parts, accessories, equipment and services"



# RETAIL Locations



"Australasia's leading provider of aftermarket parts, accessories, equipment and services"

**200**

AUS AUTOBARN  
TARGET STORES

NOW: 135

**200**

INDEPENDENT  
TARGET STORES

NOW: 203

**500**

AUS SERVICE  
TARGET STORES

NOW: 124

**35%**

OWN BRAND TARGET

NOW: 24%

**90%**

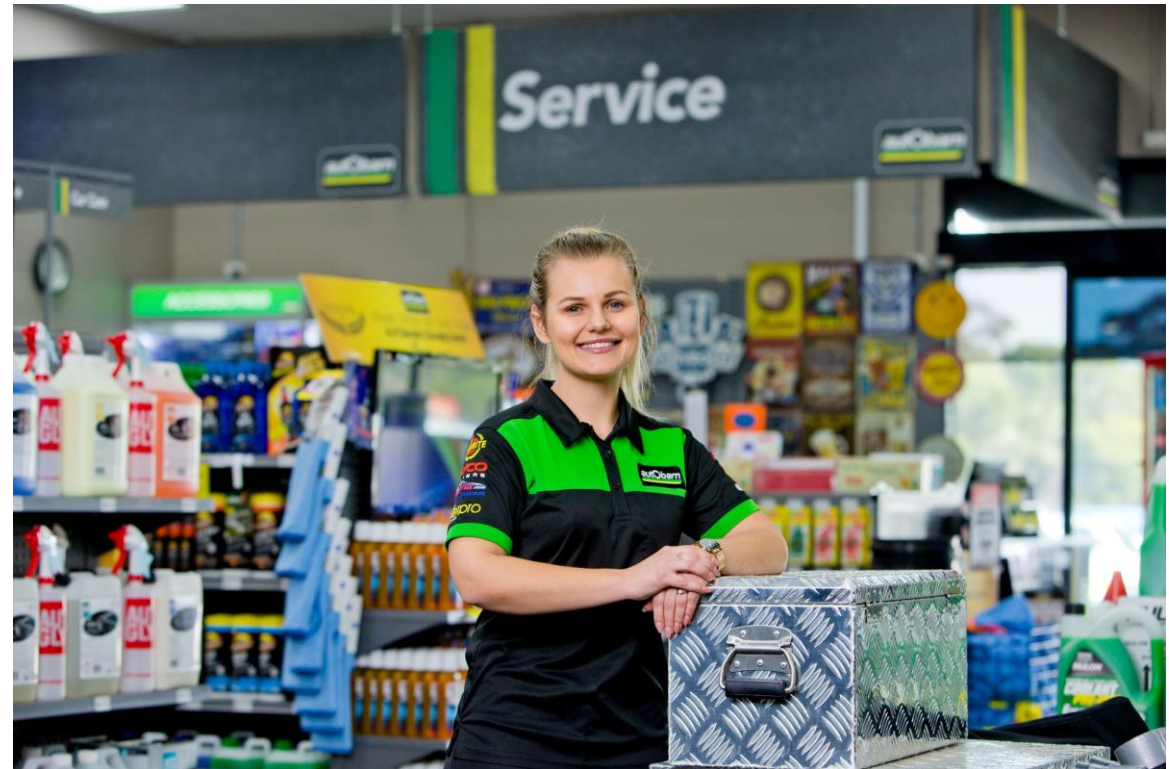
INTERCOMPANY  
SOURCING TARGET

# RETAIL

## Key Priorities



- Autobarn Footprint Expansion
- Marketing & Brand Awareness
- Wholesale Sales Penetration
- Own Brands Development
- Digital / Omni Channel



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RETAIL

*Bapcor*



**THANK YOU**

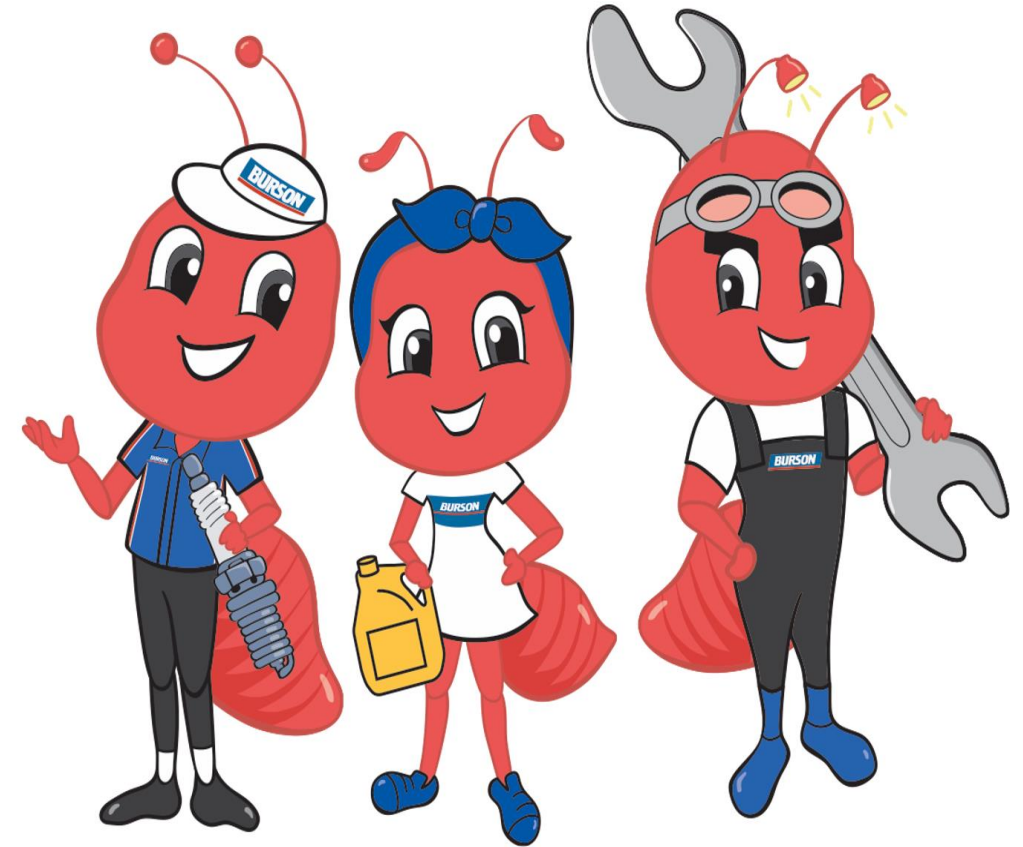
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THAILAND

Bapcor



**Darryl Abotomey**  
**Managing Director & CEO**



"Australasia's leading provider of aftermarket parts, accessories, equipment and services"

# THAILAND Market Overview



Based in Bangkok, Burson Auto Parts Thailand continues the same famous service provided by Burson in Australia, supplying DIY consumers and garage and fleet customers with a wide range of premium-quality OE and aftermarket automotive parts, car accessories, car care products, tools, safety gear and workshop equipment.

Market Size \$???

- 16 million vehicles (AUS 19M)

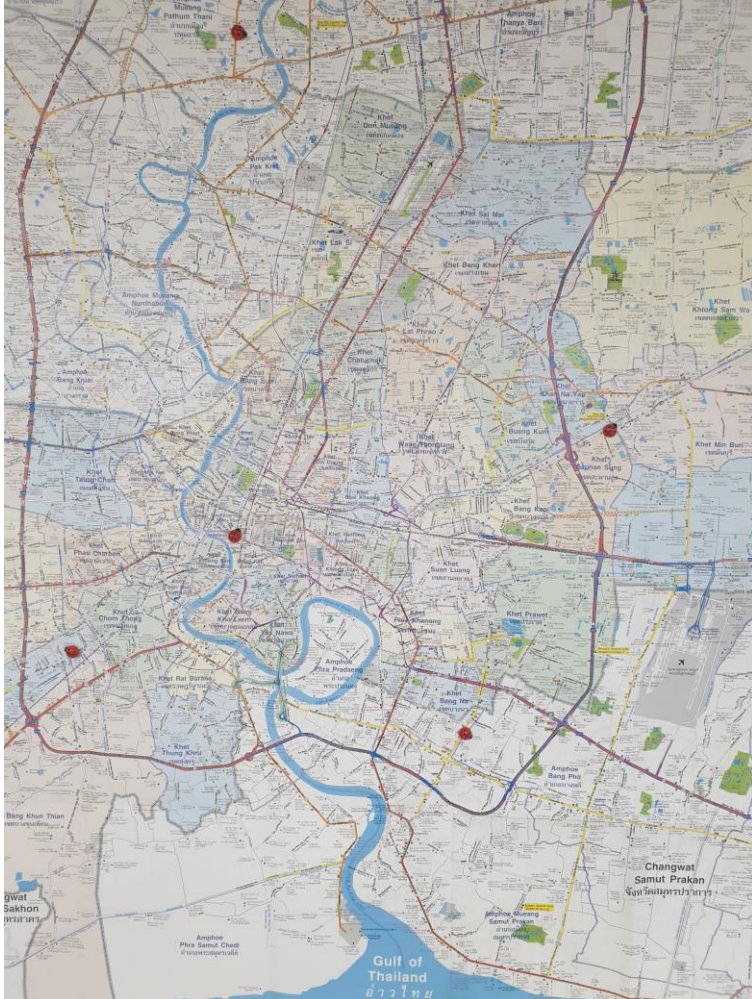
**Major Competitors:**

- Independents



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# THAILAND Locations



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## THAI CAR PARC

- No. of vehicles 16m
  - New cars sold p.a. 850k
  - Ave. age of vehicles 10 yrs
  - Ave. annual growth c. 5% p.a.
-

# THAILAND

## Key Stats



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Annual Sales: NA  
EBITDA: \$0  
# Sites / Locations: 4  
# People: 45

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# THAILAND

## Key Priorities



- Footprint expansion to 6 locations
- Brand awareness – establish business
- Grow sales thru value proposition
  - Range
  - Speed of service
  - Knowledgeable people
- Launch parts catalogue to stores and customers
- People training & development
- Supplier development



THAILAND



**THANK YOU**

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**Darryl Abotomey | Managing Director & CEO**

# WAREHOUSING & DISTRIBUTION

## Overview



Our goal is to be the most efficient supply chain in the automotive aftermarket and our warehousing and logistics functions are evolving to meet the requirements of the Group.

The warehousing evolution program remains a five to seven year implementation. Two major projects have commenced, being a warehouse management system (WMS) and a freight optimisation program.



# WAREHOUSING & DISTRIBUTION

## Key Stats



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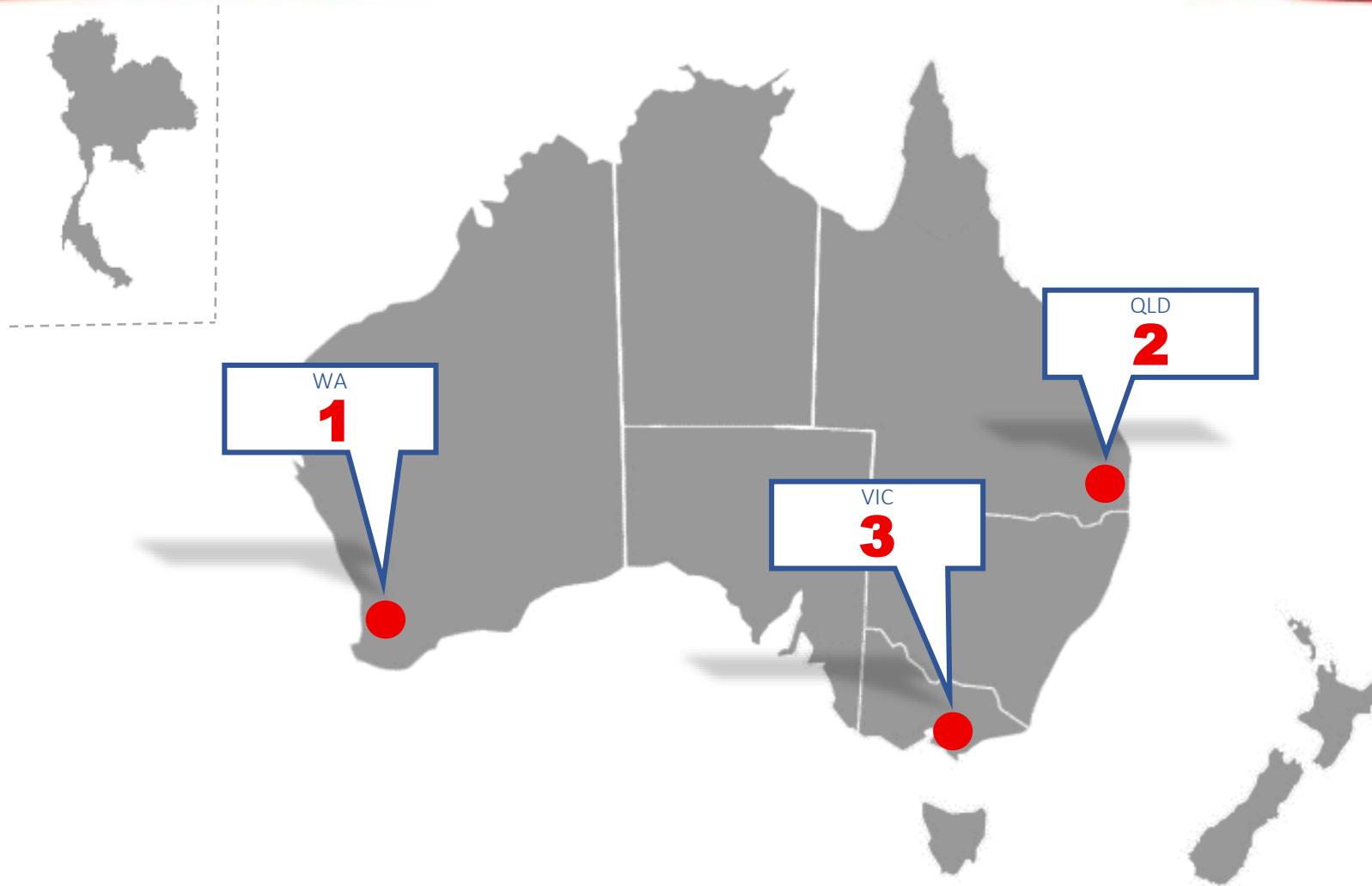
Total Warehousing Cost: \$32M  
Total Distribution Cost: \$35M  
Total Area (m<sup>2</sup>): 100,000+  
# Sites / Locations: 18 (excl SW branches)  
# People: 575

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# WAREHOUSING & DISTRIBUTION

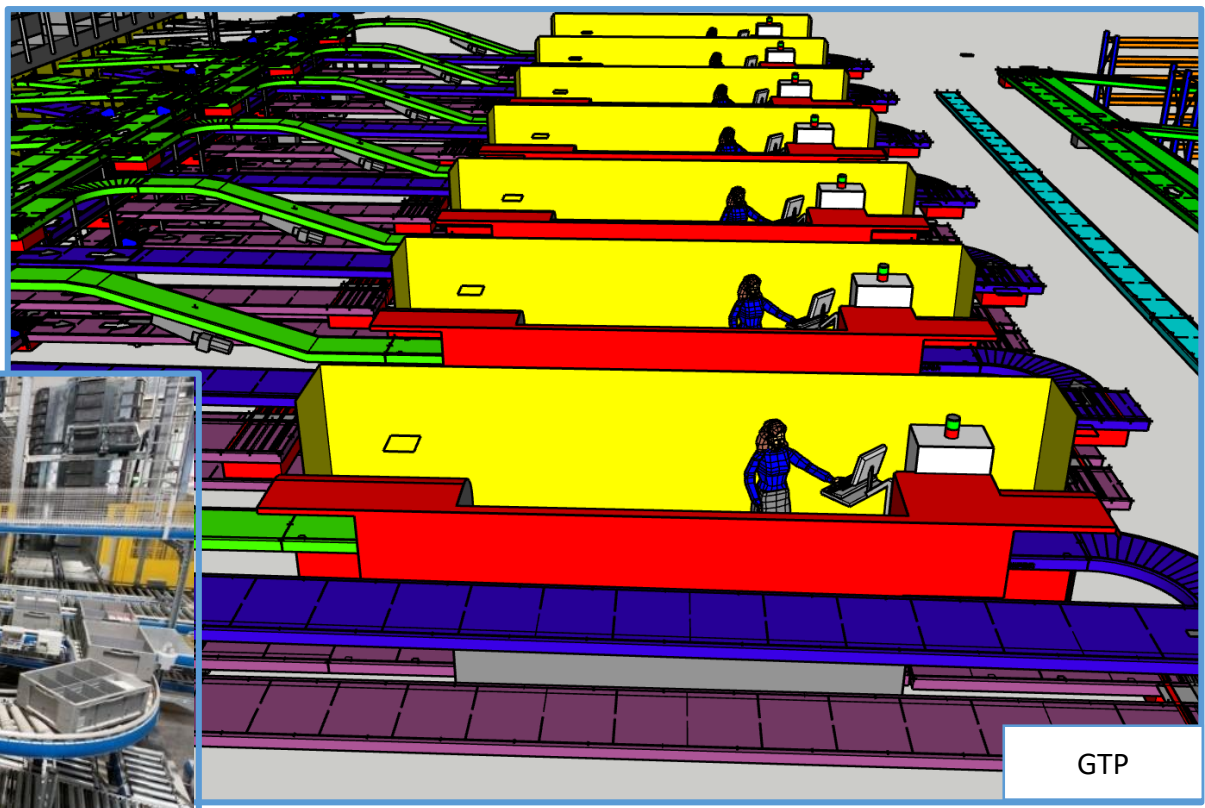
## Major DC Locations



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# WAREHOUSING & DISTRIBUTION

## DC Evolution – Goods To Person



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# WAREHOUSING & DISTRIBUTION

## Key Priorities



- Supply Chain Efficiencies
- Roll-out Warehouse Management System
- DC Evolution







# THANK YOU



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