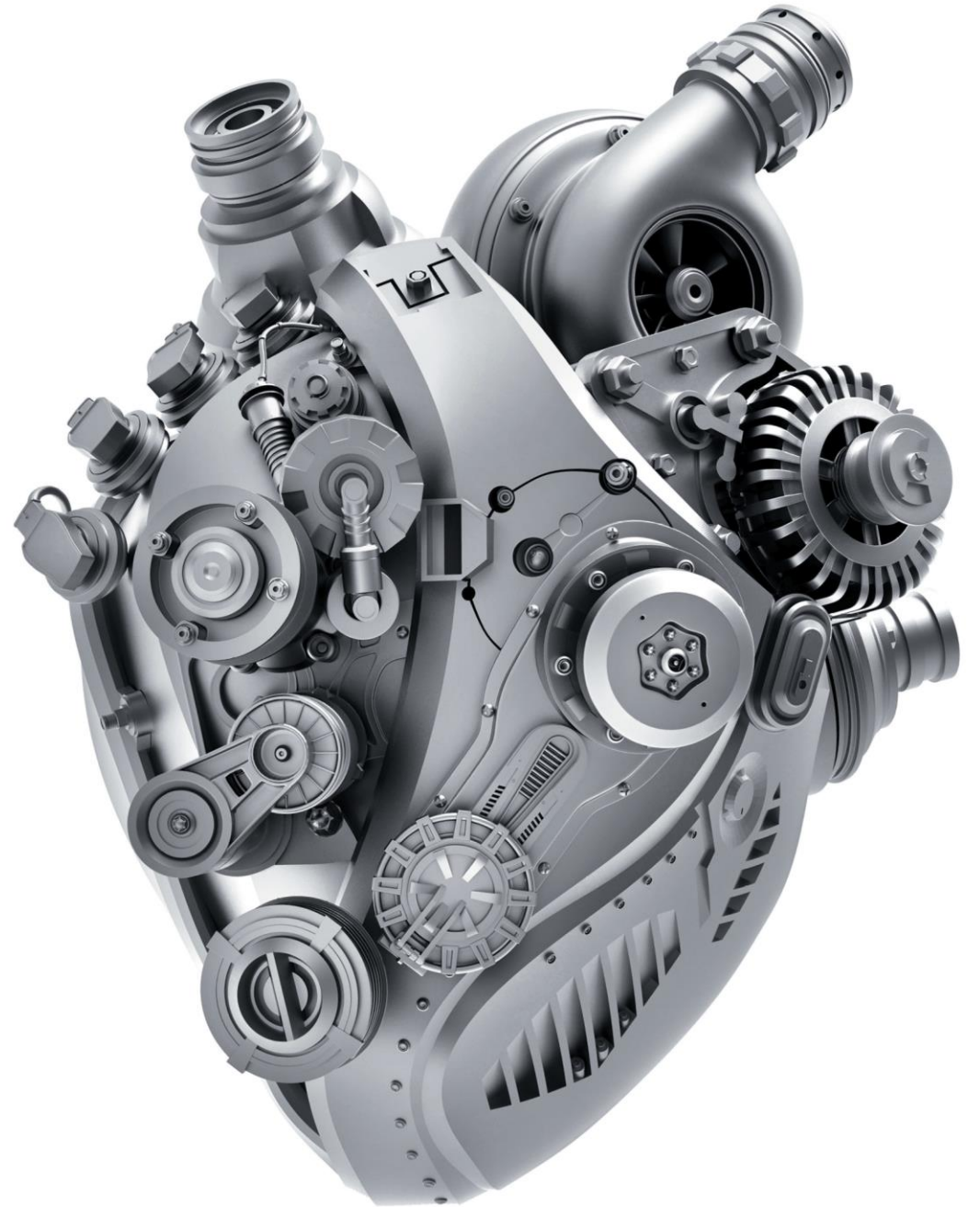


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# 2022 MACQUARIE INVESTOR CONFERENCE





**WE ARE THE  
*UNSEEN* PARTS  
OF *EVERY*  
JOURNEY**

## **WHO IS BAPCOR?**

Bapcor Limited is Asia Pacific's leading provider of vehicle parts, accessories, equipment, service and solutions. From our origins as Burson Auto Parts in 1971, Bapcor has since grown into a vertically integrated business servicing trade, wholesale and retail customers. Bapcor's reach now extends across c.1,100 locations and employs approximately 5,000 team members across Australia, New Zealand and Asia.

# WE ARE ASIA PACIFIC'S LEADING PROVIDER OF VEHICLE PARTS, ACCESSORIES, EQUIPMENT, SERVICE AND SOLUTIONS



**c.\$1.8B**

FY21 REVENUE



**1,100+**

LOCATIONS IN AUSTRALIA, NEW ZEALAND AND THAILAND



**5,000+**

TEAM MEMBERS



Australia's leading trade focused automotive parts distributor



Premium parts and accessories retailer including automotive service centres



Industry leaders in specialist product categories

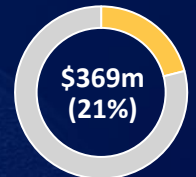


Serves New Zealand's trade, service and specialist wholesale automotive segments



Trusted provider of premium-quality aftermarket parts, accessories and workshop equipment

FY21 REVENUE CONTRIBUTION<sup>1</sup>

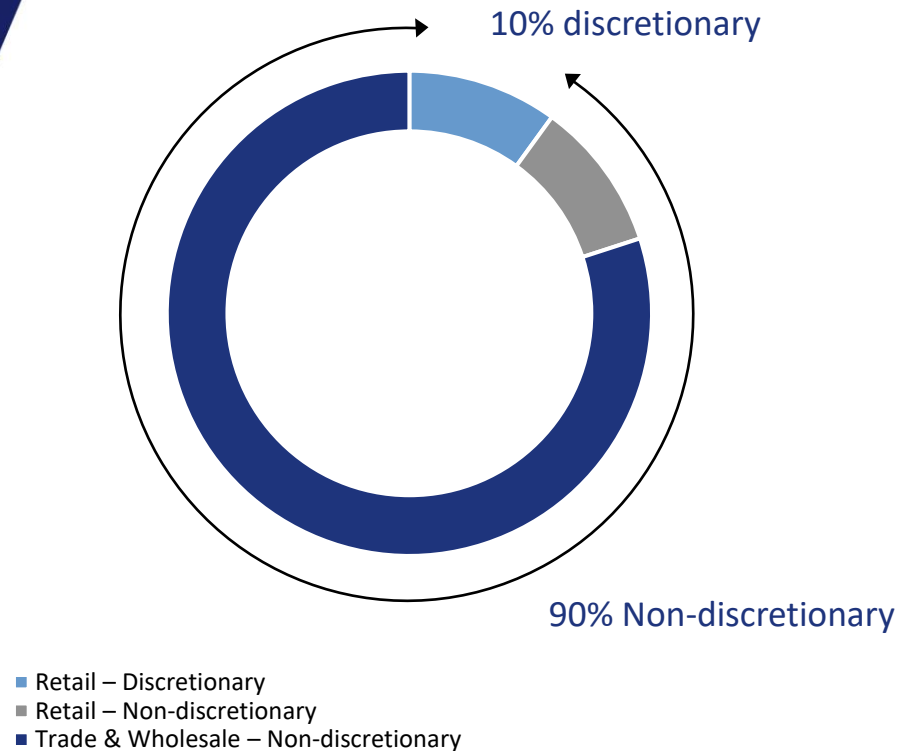


1. Excluding group eliminations

# BAPCOR IS PREDOMINANTLY A DISTRIBUTOR AND WHOLESALE OF NON-DISCRETIONARY VEHICLE PARTS

Bapcor provides a comprehensive range of vehicle parts required to safely keep cars and trucks on Asia Pacific roads with c.90% of revenue attributable to these non-discretionary items

## FY21 BAPCOR REVENUE BREAKDOWN



*Note: Retail non-discretionary considered to be products required to be able to maintain and operate a vehicle safely (batteries, electrical, oils/additives, spare parts).*

- > 90% of the Bapcor's revenue is attributable to parts that must be purchased otherwise a vehicle will not be able to be driven safely
  - c.80% of Bapcor's revenue is generated by trade and wholesale activities
  - A considerable portion of the retail revenue relates to non-discretionary parts or services (an additional c.10%)
- > A maximum of c.10% of Bapcor's revenue might be considered discretionary retail spend
- > This significant amount of revenue linked to non-discretionary spend differentiates Bapcor from many other retailers and distributors which is evident in the resilience of Bapcor's results irrespective of economic conditions

# WE ARE A GROUP OF SPECIALIST BUSINESSES

## TRADE

- > specific focus on supplying automotive trade workshops in Australia, New Zealand and Thailand

## SPECIALIST WHOLESALE

- > product focused, specialist businesses with market leading knowledge, product range and depth in automotive electrical, batteries, suspension, braking, engine management/electronics, diesel, cooling and 4WD as well as commercial vehicles

## RETAIL

- > omni-channel experience through a modernised brick and mortar store network and digital retail offering

## DELIVERING SPECIALIST PRODUCTS AND ADVICE FOR RESPECTIVE CUSTOMER GROUPS

CUSTOMER GROUP

DISTRIBUTOR/  
RESELLER

WORKSHOP

END CONSUMER

BAPCOR ENTITIES SERVING RESPECTIVE CUSTOMER GROUP



# WE ARE RESPONSIBLE AND COMMITTED



## Positively impact our community

- > Engage stakeholders and support the communities in which we operate
- > Every Bapcor location supports at least two local community groups



## Environmental sustainability

- > Aspire to be net carbon neutral
- > Efficiently use resources
- > Optimise our fleet
- > Environmental benefits from the Victorian DC – to be replicated in Queensland
- > Streamlined waste and recycling initiatives
- > Continued contribution to Australia reforestation projects



## Ethical supply chain/procurement

- > Ethical sourcing
- > Forge strong supplier relationships
- > Enhance transparency in our supply chain through use of supplier self-assessment and/or independent audits
- > Continued developments and improvements to our Modern Slavery Framework



## Good governance – supporting and developing our people

- > Uphold our values and code of conduct
- > Enhance the health, safety, training and development of our team members
- > Foster a diverse, engaging and inclusive workplace
- > Focus on four key areas of diversity – gender, age, disability & ethnicity
- > Pay fair share of tax in all jurisdictions

## ESG AND SUSTAINABILITY COMMITMENT WITH ASPIRATIONS TO BE NET CARBON NEUTRAL

# WE DELIVER RESULTS

## REVENUE



**26%**

FY14 TO FY21 CAGR

## EPS

**18%**



FY14 TO FY21 CAGR

## EBITDA



**34%**

FY14 TO FY21 CAGR

## NPAT – PRO-FORMA



**31%**

FY14 TO FY21 CAGR

## DIVIDENDS



**15%**

FY14 TO FY21 CAGR

## SHARE PRICE 30 JUNE



**22%**

FY14 TO FY21 CAGR

	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Revenue (\$'m)	342	375	686	1,014	1,237	1,297	1,463	1,762
EPS (cents)	11.9	13.6	17.9	24.4	31.0	33.4	30.2	38.3
EBITDA (\$'m)	36.0	41.5	77.0	117.4	150.0	164.6	217.1	279.5
Pro-forma NPAT (\$'m)	19.4	23.1	43.6	65.8	86.5	94.3	88.7	130.1
Dividends (cents)	0	8.7	11.0	13.0	15.5	17.0	17.5	20.0
Share price 30 June (\$)	2.12	3.40	5.52	5.49	6.55	5.58	5.90	8.50

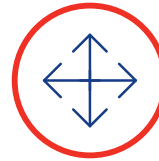
Note:

1. The above table presents the pro-forma results of the Group between FY14 and FY21.

2. FY14 to FY19 EBITDA excludes the impact of AASB16 Leases. At a NPAT level, the impact of AASB16 Leases is negligible.

STRATEGY  
REMAINS LARGELY  
UNCHANGED  
HOWEVER EMPHASIS  
AND PACE OF  
EXECUTION WILL  
CHANGE AGAINST  
THE FOUR PILLARS

#### CORE COMPETENCY



- > Drive expansion of network footprint – physical and online

#### SIGNIFICANT AREAS OF OPPORTUNITY



- > Enhance market offering and supplement market leading brands with targeted Bapcor own brand products



- > Realise benefits and optimise efficiencies of the Bapcor Group



- > Invest in our team members – unleash the power



# RECENT GROUP LEADERSHIP CHANGES – INVESTMENT TO LIFT CRITICAL CAPABILITIES

1

## Appointment of EGM Supply Chain

- > Abdul Jaafar
- > Global experience in supply chain and logistics
- > Responsible for improving end to end supply chain capability
- > Previous roles with Fantastic Furniture and Steinhoff International



**Abdul Jaafar**  
*Executive General Manager – Supply Chain*

2

## Appointment of Chief Technology Officer

- > Morris Lieberman
- > Global experience in technology and transformation
- > Responsible for IT and digital transformation
- > Previously held executive roles with Nufarm, Treasury Wine Estates, Fosters Group and Cadbury Schweppes



**Morris Lieberman**  
*Chief Technology Officer*

# INITIAL CEO PERSPECTIVES

## FOCUS AREAS



### STRATEGY

- > Strategy remains largely unchanged but evolve over time
- > Continue to execute on core competency of network expansion
- > Accelerate private label, realising the efficiencies of the group and unleashing the power of the people

### EFFICIENCY

- > Ensure capturing the value of the Bapcor group and enhance back office integration of the businesses
- > Minimise “bad” cost, invest in and optimise “good” cost
- > Business processes and systems can be improved and optimised

### CULTURE

- > Our people are the core of our business
- > Live the Bapcor values each and every day

# BAPCOR GROUP EFFICIENCIES

Bapcor group efficiencies have not been fully leveraged and significant opportunities exist

*Further detailed work required to determine size of prize and timing of realisation, but will be significant*

## 1 OPERATING MARGIN

## 2 CAPITAL EFFICIENCY

## 3 SIMPLIFICATION

### OPERATING MARGIN

- > Increase profitability through optimisation of:
  - Pricing
  - Procurement
  - Property management
- > Leverage end to end supply chain advantage

### CAPITAL EFFICIENCY

- > Improved labour and inventory utilisation
- > Implement sales and operations planning
- > Additional focus on investor return on capital

### SIMPLIFICATION

- > Invest in technology and IT systems
- > Improve use of digital across business
- > Centres of excellence
- > Organisational design

# BAPCOR – NEW APPROACH

- > ENSURE THE BUSINESS IS ONE THAT IS EASY TO WORK FOR AND ENGAGE WITH

**MAKE  
IT EASIER**



**TEAM MEMBERS**



**CUSTOMERS**



**SUPPLIERS**

# BAPCOR – NEW APPROACH (CONT.)

LEADERSHIP TEAM TO  
ENABLE AND EMPOWER  
5,000 TEAM MEMBERS  
TO EFFICIENTLY SERVE  
THE CUSTOMER AND  
CREATE VALUE



## FY22 TRADING UPDATE/OUTLOOK

- > In Q3FY22, Bapcor performed strongly with strong market demand and without the impact of lockdown and the level of supply chain disruption in the first half of the financial year

	Segment Revenue Q3 FY22 vs Q3 FY21	2 YEAR STACK	Q3 FY22 LFL sales	2 YEAR STACK
Trade/Burson	+5.2%	+24.0%	+2.1%	+15.1%
NZ/BNT	0.5%	7.3%	Flat	4.9%
Retail/Autobarn	(1.6)%	+37.3%	(4.4)%	+26.9%
Retail/Online	+39.7%	+84.5%		
Specialist Wholesale	10.1%	28.4%		
SWG/Auto Electrical	Performing Strongly			
SWG/Truckline (Heavy CVG)	Performing Strongly			
SWG/WANO (Light CVG)	Underperforming			

## FY22 TRADING UPDATE/OUTLOOK (CONT.)

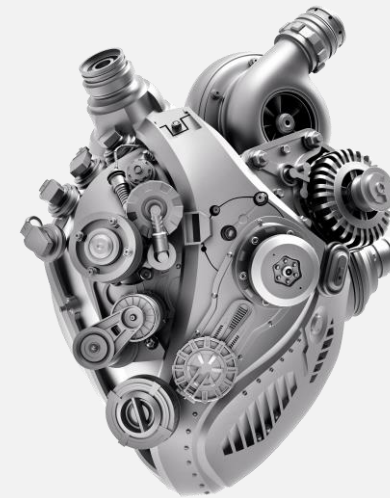
- > FY22 YTD performance through to 31 March has also been strong given the circumstances in the first half

	Segment Revenue FY22 YTD vs FY21 YTD	2 YEAR STACK
Trade	4%	19%
NZ	1%	3%
Retail	-4%	36%
Specialist Wholesale	8%	41%
<b>Bapcor Total</b>	<b>3%</b>	<b>27%</b>

- > Fundamental drivers of the automotive aftermarket remain strong and are expected to continue to do so
- > In FY22, Bapcor continues to aim to deliver pro forma earnings at least at the level of FY21

## CEO CLOSING REMARKS – FUTURE IS EXCITING FOR BAPCOR

- > Bapcor is a very good business
- > Bapcor will be an outstanding business
- > Some foundations will be improved to realise the value opportunity
- > Bapcor will *perform* and *transform* simultaneously







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Asia Pacific's leading provider of vehicle parts, accessories, equipment, service and solutions