



## **Bapcor Limited**

(ASX: BAP)

### **ASX Release**

01 November 2019

#### **Bapcor Announces Agreements to Acquire Truckline and Diesel Drive**

Bapcor Ltd is pleased to announce that it has signed agreements to purchase both Truckline and Diesel Drive.

Truckline is a Heavy commercial truck spare parts business with 22 branches across Australia. The trade network is supported by distribution warehouses in Perth, Western Australia and Brisbane, Queensland. The group has 150 team members and revenues of approximately \$100M. This further extends Bapcor's participation in the heavy commercial sector where Bapcor currently has a modest wholesale presence through its specialty wholesale division.

Diesel Drive is a business that specialises in the sale of Japanese commercial truck spare parts. Operating from a single location in Sydney, New South Wales it has 14 team members and revenues of approximately \$13M. This addition further enhances Bapcor's existing footprint of Japanese commercial truck spare parts, having added 15 locations over the past 12 months.

The combined purchase price of approximately \$48M, will be funded through existing debt facilities. In the first full year of operation, (being FY2021), the businesses are expected to achieve a return on investment of at least 15% and enhance positively earnings per share. These acquisitions are expected to complete by December, subject to the satisfaction of certain conditions

The acquisition of these businesses is consistent with Bapcor's strategic direction. The continued expansion in our Japanese commercial truck group progresses towards the target of 40 outlets. The entry into Heavy commercial truck further complements the group. Bapcor is now uniquely positioned to provide parts for all forms of road transport.

Darryl Abotomey, Bapcor's Chief Executive Officer and Managing Director said "We are excited to welcome these commercial truck parts teams to Bapcor. These acquisitions in commercial truck parts further strengthens Bapcor's position as a specialist provider of automotive aftermarket parts, accessories, automotive equipment and services. The group is uniquely positioned to provide aftermarket parts to all forms of road transport. Australia continues to be dependent upon the logistical services provided by both the heavy and light commercial truck sectors. We see considerable opportunities for Bapcor with further expansion opportunities."

#### **Ends**

For further information, please contact:

**Darryl Abotomey**

Managing Director and CEO

+61 419 838 059

+61 3 9914 5555

**Gregory Fox**

Chief Financial Officer and Company Secretary

+61 417 562 891

+61 3 9914 5555