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28 July 2020

Manager
Company Announcements
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir

Full Year Ended 30 June 2020 – Results Briefing and Webcast

Attached is a copy of the Full Year Results Briefing to analysts and brokers, to be presented by Graeme Whickman, CEO/Managing Director, GUD Holdings Limited (GUD).

Today at 11.00 am, GUD will be hosting a webcast of its FY20 results briefing, for the year ended 30 June 2020. To register and view the webcast, please go to www.gud.com.au/webcasts or click here.

Approved for release by the Board of Directors.

Yours faithfully

Malcolm G Tyler
Company Secretary

Direct: +61 3 9243 3380
Email: malcolmt@gud.com.au

Enc

FY20 Financial Result

GUD HOLDINGS LIMITED

Graeme Whickman
Managing Director

Martin Fraser
Chief Financial Officer

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FY20 Snapshot

GUD HOLDINGS LIMITED

Result underscores relative resilience

- Net revenue up 1% on PCP reflecting lower volumes in Q4 from COVID-19 impacts
  - NZ/EU Davey down significantly and NZ Auto unable to sell during lockdown
  - AUS Auto demand troughed in April & May; JobKeeper triggered in Ryco, BWI & DBA
- Underlying EBIT (pre AASB 16) down 10% on PCP
  - FY20 "known" variables managed in line with FY20 strategy
    - FX step change, domestic cost inflation, rebates, price rises, supplier cost downs and other 'fitness' initiatives
    - margin contraction of "knowns" played out as expected
  - FY20 H2 COVID-19 impacts drove negative operating leverage compounding margin pressure
    - Significantly lower Q4 volumes in Auto
    - Davey H2 sales mix impacted factory load
    - Unhedged FX, incremental operating costs and one-offs
  - Government subsidies and cost conservation provided some offset
- Cash conversion ahead of internal targets
- Final dividend down on PCP (full year payout of 67%) to ensure flexibility and capacity
- Successful $225m debt refinance in January 2020

Focused on execution of core business and growth strategy

- Product road maps progressing and further progress on operational fitness
- New product introductions and innovation contributed to the result
- Proactive measures taken to minimise impacts of COVID-19

$M	Reported FY20	Pre AASB16 FY20	Reported FY19	Pre AASB16 YoY%
Revenue	438.0	438.0	434.1	0.9%
EBIT	74.3	73.6	87.0	-15.4%
NPAT	43.7	46.4	59.6	-22.1%
Non-Operating	(6.5)	(6.5)	(1.9)	245.8%
Underlying EBITDA	95.7	84.5	92.2	-8.4%
Underlying EBIT	80.7	80.1	88.9	-9.9%
Underlying NPAT	48.2	50.9	60.9	-16.3%
Cash Conversion	97.8%	97.5%	77.8%	25.3%
EPS (Basic)	50.4	53.5	68.9	-22.3%
DPS (Final)	12.0	12.0	31.0	-61.3%

** Refer to slide 15 for detailed AASB 16 impacts*

FY20 –Half on Half Results (pre AASB 16)

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Unanticipated volume impacts in H2

- The Group lost volume and revenue momentum in H2 driven by Automotive
- Lower revenue impacted operating leverage in Automotive in H2
- Water impacted through factory load leverage due to sales mix

Unanticipated cost impacts in H2

- Corporate costs
  - H2 one-offs totalling $1.3m will largely not repeat in FY21
  - HoH influenced by incentive reconciliation between the halves of $0.8m
- Incremental COVID costs, unhedged FX and one-offs outlined in subsequent slides

Group

$M	H1	% Change PCP	H2	% Change PCP	HoH% change
Revenue	227.1	3.3%	210.9	-1.6%	-7.1%
Underlying EBIT	44.0	0.1%	36.1	-19.7%	-17.9%
Underlying EBIT margin	*19.4%*		*17.1%*		

Automotive

$M	H1	% Change PCP	H2	% Change PCP	HoH% change
Revenue	173.6	3.6%	157.1	-3.3%	-9.5%
Underlying EBIT	43.1	-2.9%	37.7	-12.4%	-12.5%
Underlying EBIT margin	*24.8%*		*24.0%*		

Water

$M	H1	% Change PCP	H2	% Change PCP	HoH% change
Revenue	53.5	2.5%	53.8	3.7%	0.5%
Underlying EBIT	4.4	6.5%	4.2	-20.6%	-4.5%
Underlying EBIT margin	8.2%		7.8%		

COVID-19 Response Framework and Principles

Initial approach was supply-side focused

- Employee health – offshore and travelling
- Production ramp up, capacity and stability
- Freight and logistics mitigation planning

Demand-side and domestic operations

- People Health
- Operational Health
- Financial Health
- Stakeholder Management

Balance of 'Defence' and 'Offence'

- 20 key Defence and Offence actions
- Strong emphasis on being a 'good partner' to our suppliers, employees and customers

No structural shift observed in the industries we serve

COVID-19 Financial Impacts

GUD HOLDINGS LIMITED

Early engagement with suppliers	• Minimal disruption reinforced strength of supplier relationships • Key challenges of port logistics and cancelled shipping runs were managed well, resulting in minimal backorders
Retained workforce to recover strongly	• Heightened health and safety with no deterioration in safety metrics in H2 • Series of actions implemented to minimise employee financial hardship including no redundancies directly related to COVID-19 • Partial stand down for some businesses under wage subsidies across AUS/NZ/EU – covered by special COVID-19 & annual leave
Working closely with customers	• Worked closely with our customers to ensure no disruption in supply • As a good partner, temporary extension to payment terms for some customers through supplier financing facility • No increase in bad debts
Mixed demand impacts	• All businesses were significantly impacted in April, particularly BWI and Ryco which saw drops in excess of 30% • At a Group level, sales recovered steadily through May and into June • NZ Automotive, NZ Davey and EU Davey sales were minimal during the lockdown periods
Cash conservation initiatives	• Senior and executive management and Board salary reductions of 10-20% when JobKeeper was triggered in April • Minor rent abatements in NZ and discussions with AUS landlords are ongoing • These measures, coupled with cuts to other operating expenses, yielded savings of approximately $1.5m in H2
Incremental Costs	• Incremental cost of split/staggered shifts in warehouses and production sites • Additional IT expenditure to support remote/virtual working and increased health and safety measures • These measures, plus higher freight costs due to shipping disruption, created an incremental cost of approximately $0.5m
Government subsidies	• Wage subsidy programs contributed a combined $2.95m in FY20 – JobKeeper $2.4m, NZ & EU Wage Subsidy $0.55m • Other available subsidies were not material contributors • JobKeeper to contribute a further $2.6m to Automotive in FY21 with no incremental subsidy expected in NZ or the EU
Balance sheet	• Existing debt facilities accommodated FY20 H2 trough and a range of downside scenarios, all within lenders' existing covenants • Secured additional $22.5m in short term debt facilities starting July 2020 to further support organic opportunities and potential disciplined acquisitions

Automotive

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$M	Reported FY20	AASB 16 Impact	Pre AASB16 FY20	Reported FY19	Pre AASB 16 YoY%
Revenue	330.7	0.0	330.7	330.0	0%
Underlying EBITDA	91.0	(7.2)	83.8	89.8	-7%
D&A	(10.0)	7.0	(3.0)	(2.4)	
Underlying EBIT	81.0	(0.2)	80.8	87.4	-8%
Underlying EBIT Margin	*24.5%*		*24.4%*	*26.5%*	

Revenue flat on PCP

- Wesfil achieved strong sales growth as its value proposition saw minimal disturbance due to COVID-19
- Ryco and BWI were impacted by reseller destocking and softer end-user demand in Q4
- DBA, AAG and IMG achieved strong full year growth due to volume and pricing strategies

Circa 2% point decline in underlying (pre AASB 16) EBIT margin

- Approximately two-thirds of the margin contraction due to the net effect of "known" variables, in line with the previously articulated defence strategy
  - Expected price rises and supplier cost reductions were achieved
- Balance of the margin reduction driven by the net impact of incremental COVID-19 costs, unhedged H2 FX, impairments (including brand, inventory & fixed assets), cash conservation and government subsidies
- Loss of sales momentum in Q4 created meaningful negative operating leverage
- JobKeeper/NZ Wage Subsidy contributed $2.7m - further subsidies (AUS/NZ) of $2.6m expected in FY21

Operating fitness and margin management initiatives on track

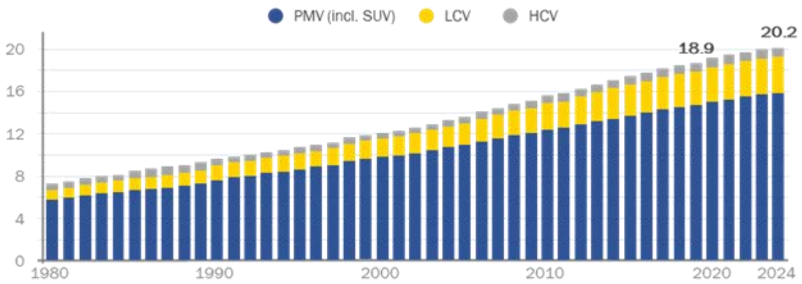
Recent Automotive Trends

Car Parc Growth

- Car parc stands at 18.9 million vehicles in 2019
- Grew by 371,000 units (+2%) over prior year
- Forecast to grow by another 1.3 million units (+7%) over the next 4 years

National Vehicle Parc Forecast by Vehicle Type

Million vehicles; at June of years shown; 2019 to 2024 are forecasts

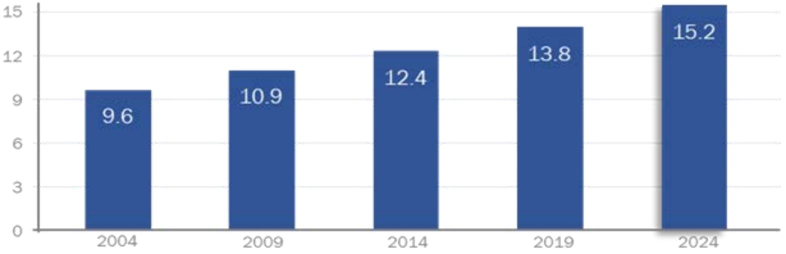


Addressable Car Parc

- Sweet spot for aftermarket is vehicles 5+ years old
- Addressable car parc stands at 13.8 million at the end of 2019
- Forecast to grow from 13.8 million to 15.2 million by 2024 (+1.4m, +10%)

Addressable Car Parc – Vehicles 5+ years old

Millions vehicles; as at June of years shown; 2024 is a forecast



Charts: Australian Automotive Intelligence Report 2019-2024

Car Parc Changes and Aging Complements GUD Portfolio

Ageing Car Parc a positive for the automotive aftermarket

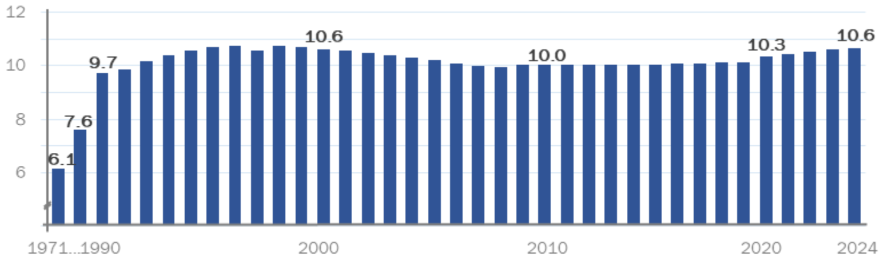
- Average vehicle age stands at 10.3 years old
- Forecast to increase to 10.6 years old over the next 5 years
- New vehicle sales slowing over same period

Car Parc composition

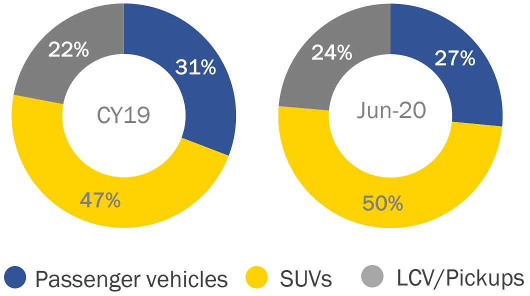
- Strong and consistent growth in SUVs and pickups (PUs) continuing 5-year trend
- Shift in composition is expected to continue
- Anecdotally, Australia lags behind the USA
- USA trend away from passenger vehicles in favour of SUVs and PUs has shown no sign of abating
- Customisation of SUVs and pick-ups is aligned with GUD's product range, particularly
    - brake upgrades (DBA)
    - electrical and lighting (BWI)
    - filtration upgrades (Ryco Filters)

Forecast Average Age of Parc

Vehicles excl motorcycles; end June; 2019 to 2024 are forecasts



Vehicle Sales Composition CY19 vs. CYTD20



Source: Australian Automotive Intelligence Report 2019-2024

Automotive – FY20 Snapshot

Ryco Filters

- Revenue was flat on PCP due to headwinds in H2 FY20
- Internal measures indicate stable market share
- Further progress with new product initiatives, such as vehicle specific combined fuel filter/catch can kits
- Ranked 3rd most innovative company in AFR Innovation Awards (Consumer & Manufacturing goods)

Wesfil

- Strong revenue growth over PCP driving a record sales result
- Growth was across new product categories as well as filtration
- Direct-to-store model less impacted than Ryco and BWI sales via DC's to reseller group
- Value orientated brand proposition relevant in COVID times

IM Group

- Strong revenue growth over PCP – EBIT based vendor earn out fully achieved ($3.25m payable Q1 FY21)
- Improvements driven by organic growth as well as margin management initiatives in Remanufacturing and Repairs. Jobs per day at record levels
- New customer-facing website introduced to substantially reduce client turnaround times for remanufacturing and repair to better support independent mechanics

Automotive – FY20 Snapshot

BWI

- Revenue contracted on PCP driven by a far weaker H2:
  - New Zealand sales evaporated during government imposed six-week lockdown
  - Caravan and Truck OEM assembly segments impacted in H2 by lower assembly activity and demand
  - New car sales contraction continuing to impact sales of dealer-fitted products
  - Continued to apply strong credit terms and risk management at the expense of some sales
- Captured new OEM customers and supported select customer house brand programs
- GPC Supplier of the Year and AAAA Product Innovation of the Year Awards received

AA Gaskets

- Strong revenue growth on PCP
  - Additional spike in demand from "hobbyist" end users in H2
- Turnaround plan delayed by 3 months, scope remains on track
  - Adoption of Ryco IT platforms completed
  - Re-location of principal facilities to Ryco Filters

DBA

- Strong growth on PCP driven by both domestic and export growth with notable demand variability in H2
- Continuing to expand product range including DBA brake pad program
- Important R90 European design certification (ECE) achieved in late FY20

Water

$M	Reported FY20	AASB 16 Impact	Pre AASB16 FY20	Reported FY19	Pre AASB 16 YoY%
Revenue	107.3	0.0	107.3	104.1	3%
Underlying EBITDA	13.0	(3.3)	9.7	10.3	-5%
D&A	(4.3)	3.2	(1.1)	(0.9)	
Underlying EBIT	8.7	(0.1)	8.6	9.4	-8%
Underlying EBIT Margin	*8.1%*		*8.1%*	*9.0%*	

- Underlying EBIT down 7% on PCP and 8% on a pre AASB 16 basis
- H2 revenue impacted by government lock downs in NZ and France
- Lower volumes and sales mix (with subsequent impact on factory load) drove margin compression
- NZ and EU government subsidy programs contributed $0.2m in FY20 - government subsidies are not expected to contribute in FY21
- Net one-off costs in FY20 totalling $6.0m (cash costs of $1.1m) - $1.4m from restructuring initiatives and $2.1m from retirement of Monarch Brand and $2.5m inventory write off, both supporting Product Cycle Plan initiatives
- Product development momentum sustained - spend/investment run rate not reduced
- Modular Water Treatment (MWT) sales applications continue to broaden:
  - Completed key MWT reference installation at Rotorua Hospital
  - Further MWT references in hospitals in AUS underway
- Davey awarded Supplier of the Year from SCP (Davey's largest global customer) for European efforts


dba
DISC BRAKES AUSTRALIA
PPG
Coca-Cola
Snap-on
SUPASHOCK
SHARK
OFFICIAL

FINANCIALS

Financial Summary- Statutory (reported)

$M	FY20	FY19	YoY%
Revenue	438.0	434.1	1%
EBITDA	89.3	90.3	-1%
Depreciation and Amortisation	(15.0)	(3.3)	355%
EBIT	74.3	87.0	-15%
Underlying EBIT	80.7	88.9	-9%
Net Finance Expense	(10.6)	(6.8)	56%
Profit Before Tax	63.6	80.2	-21%
Tax	(20.0)	(20.7)	-3%
Reported NPAT	43.7	59.6	-27%
Underlying NPAT	48.2	60.9	-21%
EPS & Dividend - cents			
Reported EPS	50	69	-27%
Interim Dividend	25	25	0%
Final Dividend	12	31	-61%

** Refer to page 15 for further detail on the AASB 16 impacts*

- Mix and COVID-19 revenue impact on end user & resellers demand
- $11.1m uplift from AASB 16
- $10.5m uplift in depreciation from AASB16
- Excludes one off costs of $6.5m
- Includes AASB 16 FY19 interest expense of $3.4m and earn out cost of $1.1m
- Tax provision writeback of $2.5m in FY19, and $0.5m in FY20
- Includes AASB 16 net impact of $2.7m
- Final franked dividend of 12 cps

Impact of AASB 16 Leases Standard

- Adoption of AASB 16 commenced in FY20 (1 July 2019)
- The Group has initially applied AASB 16 using the modified retrospective approach
- No impact on cash, net debt or banking covenants
- Operating leases moved on to the balance sheet:
  - lease assets (right of use assets)
  - lease liabilities (present value of future lease payments)
- Depreciation of the right of use assets and interest on the lease liabilities are now recognised on the income statement over the lease term

Impact of AASB 16 on FY20 financial statements

$M		FY20
Profit & Loss		
Occupancy costs/rent	-	11.1
EBITDA	+	11.1
Depreciation	+	10.5
EBIT	+	0.7
Underlying EBIT	+	0.6
Finance costs	+	3.3
Net Profit	-	2.8
Tax		-
NPAT	-	2.7
Underlying NPAT	-	2.7
Balance sheet - FY20		
Assets	+	77.2
Liabilities	+	80.0

* Opening balance sheet restatement (at 1/7/2019):
+ Assets $88.9m
+ Liabilities $88.9m

Financial Summary - Pre AASB 16*

$M	FY20	FY19	YoY%
Revenue	438.0	434.1	1%
EBITDA	78.0	90.3	-14%
Depreciation and Amortisation	(4.1)	(3.3)	25%
EBIT	73.6	87.0	-15%
Underlying EBIT	80.1	88.9	-10%
Net Finance Expense	(7.3)	(6.8)	7%
Profit Before Tax	66.4	80.2	-17%
Tax	(20.0)	(20.7)	-3%
Reported NPAT	46.4	59.6	-22%
Underlying NPAT	50.9	60.9	-16%
EPS & Dividend - cents			
Reported EPS	54	69	-22%
Interim Dividend	25	25	0%
Final Dividend	12	31	-61%

Mix and COVID-19 revenue impact on end user & resellers demand

Excludes one off costs of $6.5m

Includes earn out interest cost of $1.1m

Tax provision writeback of $2.5m in FY19 and $0.5m in FY20

Final franked dividend of 12 cps

FY20 - Non-Operating Items

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$M	Automotive	Davey
Davey		
Restructuring costs to improve efficiency and velocity		1.4
Impairment of inventory to accelerate new product introductions		2.5
Impairment of Monarch brand name in favour of a single "Davey brand"		2.1
AAG Gaskets		
Impairment of inventory	0.3	
Restructuring costs	0.2	
Total	**0.5**	**6.0**

Davey accelerates change

- Organisation aligned to accelerate Product Cycle Plan
- Inventory impairment taken to pivot to new products more quickly
- New products will see phase out of Monarch brand

AAG progresses turn-around plan

- Impaired inventory to be phased out, associated with moving to an outsourcing model
- Booked restructuring costs associated with outsourcing model

Working Capital and Free Cash Flow

- Tight inventory management in H2 addressing expected COVID-19 impacts on both supply security and end user demand including:
  - Management of minimum order quantities
  - Reset of safety stock levels
  - Balancing supplier capacity with essential needs
- Uplift from one-off write off in Davey inventory ($2.5m) related to new Product Cycle Plan
- Investment in receivables to support sales growth and renewed long-term major reseller agreements
- Timing of Q4 purchases resulted in a higher than usual level of year end payables
- Capex at expected run rate level for mid-term due to investment in new product tooling and associated plant & equipment

Net Working Capital Balances and Movements

$000	FY20 H1	FY20 H2	FY19 H2	Variance
Period End Balances				
Inventories	108,914	108,180	108,951	(771)
Receivables	112,087	114,479	106,827	7,652
Payables	(60,574)	(65,100)	(57,636)	(7,464)
NWC	160,427	157,559	158,142	(583)

Free Cash Flow (pre AASB 16)

$M	FY20	FY19	% Change
Working capital			
Gross operating cash flow	93.6	71.7	30.5%
Taxes	(28.1)	(27.2)	3.1%
Net operating cash flow	65.5	44.5	47.1%
Net capital expenditure	(6.5)	(6.3)	3.2%
Free cash flow	59.0	38.2	54.4%

Cash Conversion

Cash conversion exceeded internal targets

- Original guidance of 80% was increased as part of cash conservation efforts
- Timing of purchases in Q4 saw an increase in creditors relative to expectations
- Collections performance was unchanged in H2
  - No increase in doubtful debts in H2
  - No liquidity issues apparent in customer base

EBITDA to cash flow conversion (pre AASB 16)

$M	FY20	FY19
Operating cash flow [1]	54.3	44.5
+ Tax paid	28.1	27.2
Gross operating cash flow	**82.4**	**71.7**
Underlying EBITDA	84.5	92.2
Cash flow conversion	**97%**	**78%**

EBITDA to cash flow conversion (post AASB 16)

$M	FY20	FY19 [2]
Operating cash flow [1]	65.5	44.5
+ Tax paid	28.1	27.2
Gross operating cash flow	**93.6**	**71.7**
Underlying EBITDA	95.7	92.2
Cash flow conversion	**98%**	**78%**

1. *Operating cash flow excludes net finance costs*
2. *FY19 has not been restated for AASB 16*

Capital Management

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Successful FY20 refinancing

- Mix of 1, 4 and 8-year maturity arrangements
- Broadens funding base:
  - Westpac and NAB remain dominant
  - Now includes foreign lenders
- Borrowing documentation accommodates further bi-lateral loans from any (or all) of the lenders
- These new debt facilities provide funding certainty, more flexible terms and lower total funding costs to the Group.
- Additional $22.5m of short terms lines (not listed in the adjacent table) secured commencing 2 July 2020 to strengthen GUD's ability to respond to near term opportunities in a timely manner

Dividend

- Fully franked final dividend of 12 cps, reflecting prudent capital management
- DRP reinstated to provide incremental balance sheet flexibility

$M	As at 30 June 2020 Amount	As at 30 June 2020 Maturity	As at 30 June 2019 Amount	As at 30 June 2019 Maturity
Overdraft	5.0	28/01/2024	10.0	1/07/2020
Short-term facilities	25.0	28/01/2021	-	-
Bank borrowings – 4-year facility	150.0	28/01/2024	-	-
Bank borrowings – 5-year facility	-	-	245.0	1/07/2020
Fixed term loan	50.0	23/01/2028	-	-
Total facilities	**230.0**		**255.0**	
Sourced from				
Australian Banks	150.0	65%	255.0	100%
Foreign bank with local offices	30.0	13%		
Foreign based loan financier	50.0	22%		
Total facilities *	**230.0**		**255.0**	

* Total facilities of $252.5m as at 2 July 2020

Robust Financial Position

Balance sheet remains robust

- Net debt increased by $9.4m to $142.2m versus PCP
- Strong balance sheet metrics:
  - Net Debt/Underlying EBITDA of 1.7 times
  - Underlying EBITDA (pre AASB 16) interest cover circa 11.6 times

Gearing Ratios (Pre AASB 16)

$M	FY20	FY19
Current borrowings	-	3.8
Non-current borrowings	172.1	157.8
Cash and cash equivalents	30.0	28.9
Net Debt	**142.2**	**132.7**
Underlying EBITDA*	84.5	92.2
Net Debt/Underlying EBITDA* (x)	**1.7**	**1.4**
Net interest	7.3	6.8
Underlying EBITDA*/Net Interest (x)	**11.6**	**13.6**
Gearing ratio (Net Debt/Net Debt + Equity)	**34.1%**	**32.3%**

** Rolling 12 months*

GROUP OUTLOOK

Looking Forward...and Back

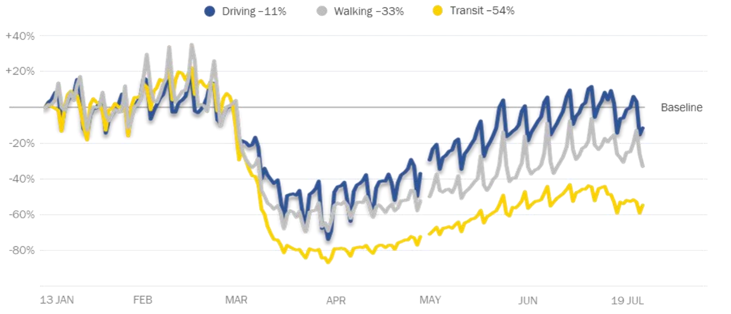
Potential COVID-19 Effects

Tailwind | Headwind

Key market drivers	Potential Effect
Lower GDP	Headwind
Government stimulus	Tailwind
Lower vehicle miles travelled	Headwind
Lower public transport use	Tailwind
Higher domestic tourism	Tailwind
Rise in used car sales	Tailwind
Increase in average parc age	Tailwind
More repair, less replacement	Tailwind
Rise in DIY activities	Tailwind

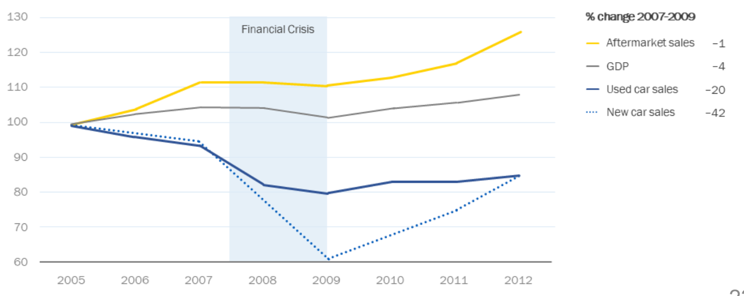
Mobility Trends in Australia

Change in routing requests since 13 January 2020 (Apple Mobility Trends Report)



US Aftermarket Resilience during the Financial Crisis

US historical sales of new cars, used cars and aftermarket parts (McKinsey & Co)



History, and potential COVID impacts, suggest the Auto Aftermarket is relatively resilient - Mobility beginning to return

Trading Update and Outlook

- Recent Automotive aftermarket sales in June and through July showing double digit growth
  - Auto has rebounded more strongly in Australia than NZ
  - Wear parts continue to show resilience reflecting pent up demand
  - Some incremental benefit from increased DIY activity through lockdowns
- We are expecting a moderation in demand in the latter part of the calendar year and are carefully watching government stimulus actions
- In addition, we are closely watching the sales impacts of mobility restrictions in larger states such as Victoria
- While COVID-19 is creating uncertainty, the net effect of the COVID-19 Automotive aftermarket tailwinds and headwinds suggest that GUD is relatively well placed in the short term
- Ongoing COVID-19 related costs are expected in FY21
- The underlying structural support for the Auto aftermarket sector is unchanged and therefore GUD is well positioned for the medium to long term
- Davey AUS sales in July have been strong, with Europe and NZ slower to recover
- Davey continues with the rollout of its strategic vision centred on product innovation and customer intimacy
- Managerial focus remains on:
  - Enhancing the Core through operational fitness actions
  - Driving Growth through strategic plan execution
  - Acquisition opportunities (in Automotive)
  - Maintaining the COVID-19 response framework with equal focus on offence and defense
- Demand environment is too dynamic to provide reliable guidance with evolving government stimulus, social distancing and mobility restrictions
- A further update will be provided at the AGM on 27 October 2020

Q&A

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Appendix

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Business Foundations + Sharpening Strategic Direction

Customer relationships

- Leveraging multi-year deals
- New customers and channels
- Supplier of the Year Awards
- House branding outcomes
- COVID-19 support actions

Supplier Engagement

- Delivered COGs cost down project
- COVID-19 support actions
- Supplier priority through COVID-19
- ESG supplier program launched

People Cycle Planning

- Talent Development program launched
- Diversity & Inclusion program launched
- Improved Employee Engagement survey results
- COVID-19 support actions
- Further strengthening of the executive team

Product Cycle Planning

- New Product launches in all Automotive BU's
- Automotive govt grants of ~$0.5M won
- Ryco top 3 in AFR awards
- Product Cycle Plan approved in Davey
- Product development maintained through COVID-19

Operational Fitness

- AAG integration proof of concept
- NZ warehouse learnings
- Real estate footprint savings
- Domestic freight tender
- Leaner workforce (pre-COVID-19)

CORE: Groupwide initiatives

- Leverage multi-year preferred supplier agreements in select automotive categories
- Quality and logistics councils to leverage scale and skills
- Internal management resources pivoted to address operational fitness opportunities in real estate, logistics, IT, and revenue management
- Increased emphasis on achieving supplier costs
- First shared logistics facility opened in Auckland, built capability which could be applied elsewhere
- AAG integration proof of concept to establish blueprint for the future

GROWTH: Individual business units' strategies

- Individual business unit competitive strategies with appropriate COVID-19 overlays
- Addressing new organic growth pathways with existing customers and a focus on 'low touch' exports
- Strengthened resources dedicated to innovation and product development, under our new Chief Innovation Officer

ACQUISITION: Portfolio and category plans

- Established acquisition criteria and decision thresholds including returns above the cost of capital beyond initial integration
- Appropriate balance of opportunity and caution through post-COVID-19 period
- Internally, developing a pool of potential managers for acquired businesses under the leadership of our new Chief People Officer
- Securing new customers and categories through acquisition
- Strong automotive acquisition & strategy capacity of our dedicated acquisition & strategy leader

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