



Market Update and Project Summary

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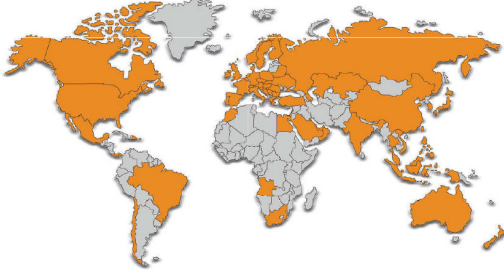

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ASE introduction

Driving profitability across the global automotive industry

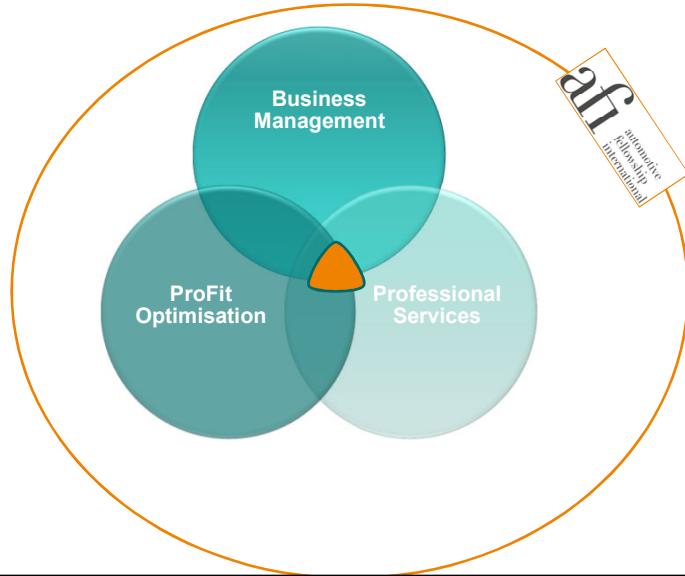
66 International markets	>36 OEM Customers	>17,000 Dealers served
13 Global offices	239 Employees worldwide	5m Dealership performance reports generated
42 yrs. Automotive industry experience	180 BM solutions	100% Automotive



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ASE introduction



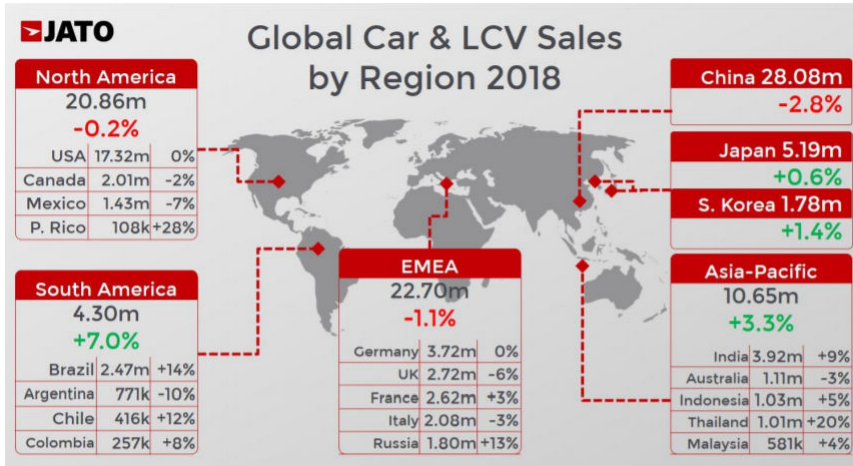
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UK Automotive Forecast



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Global Regional Registrations

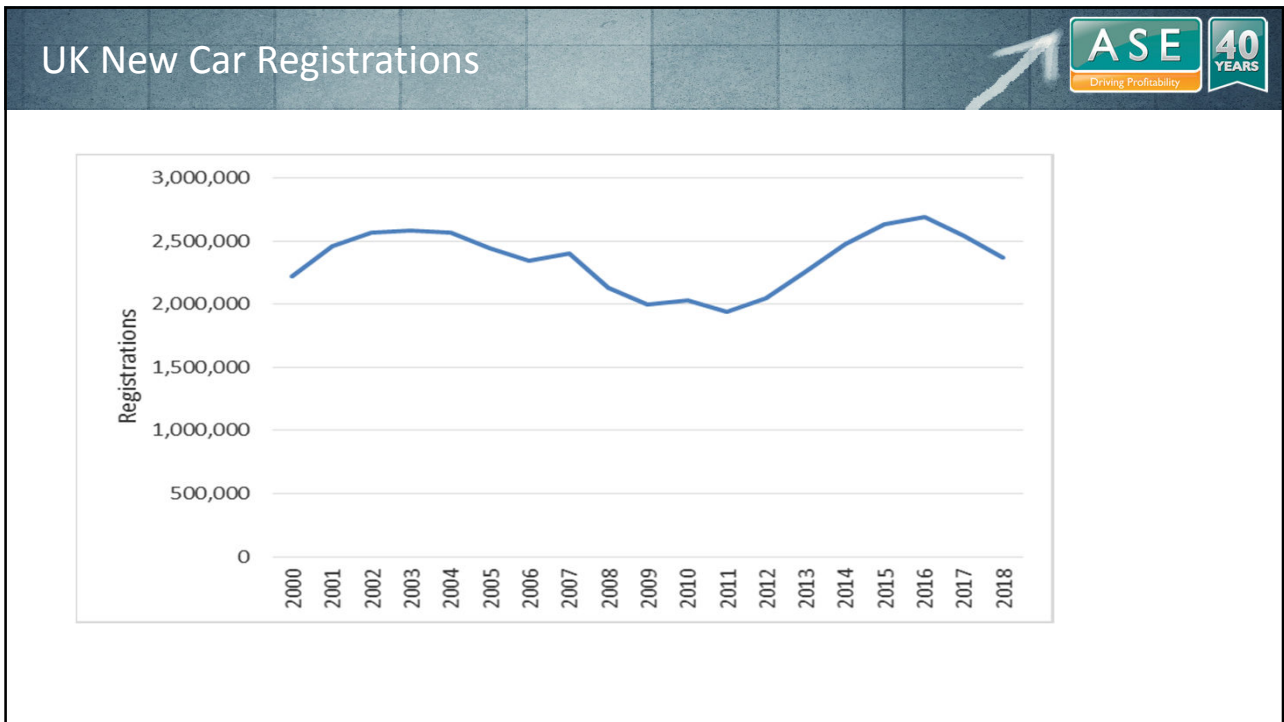


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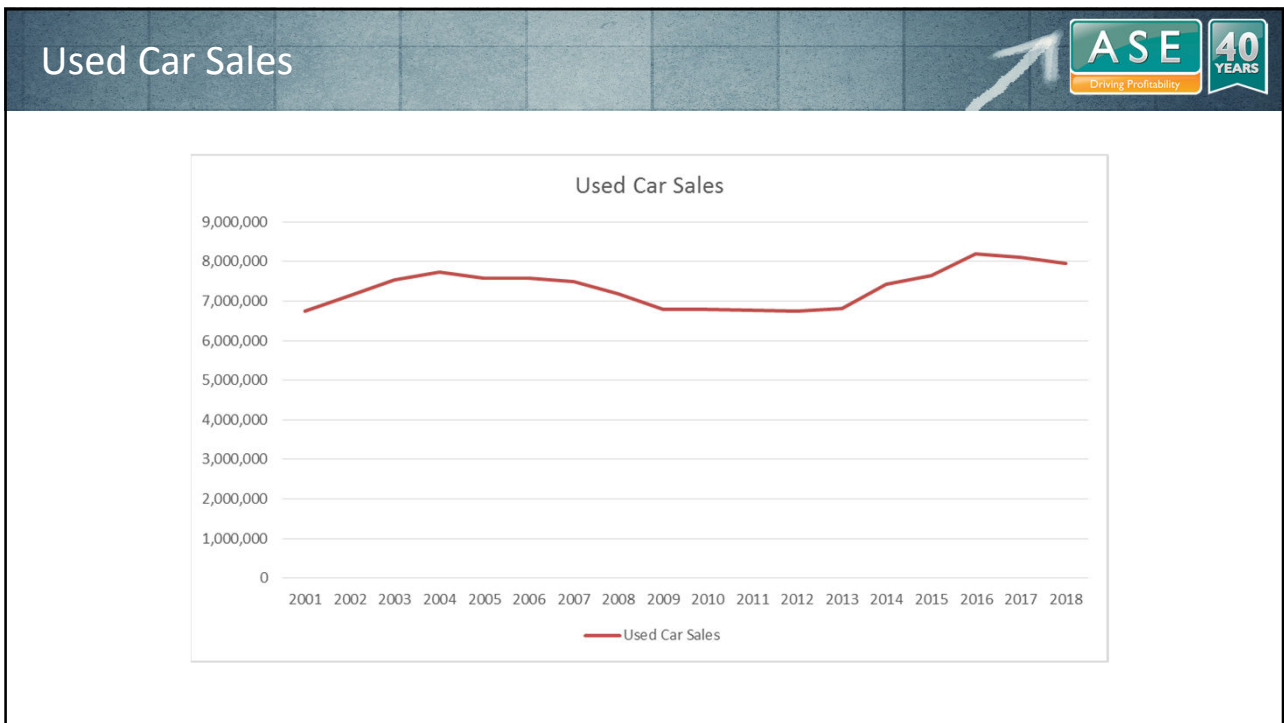
Growth of BEVs



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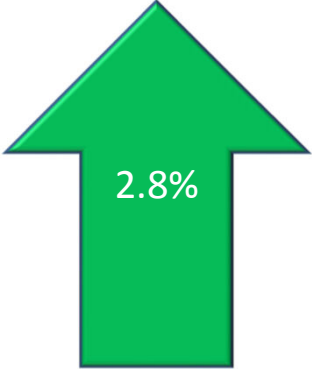


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Used Vehicle Sales statistics

ASE Driving Profitability 40 YEARS

Used Retail Sales



2.8%



Overall used car sales
2.1% down

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Looking forward

ASE Driving Profitability 40 YEARS



2019

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2019 registrations



June

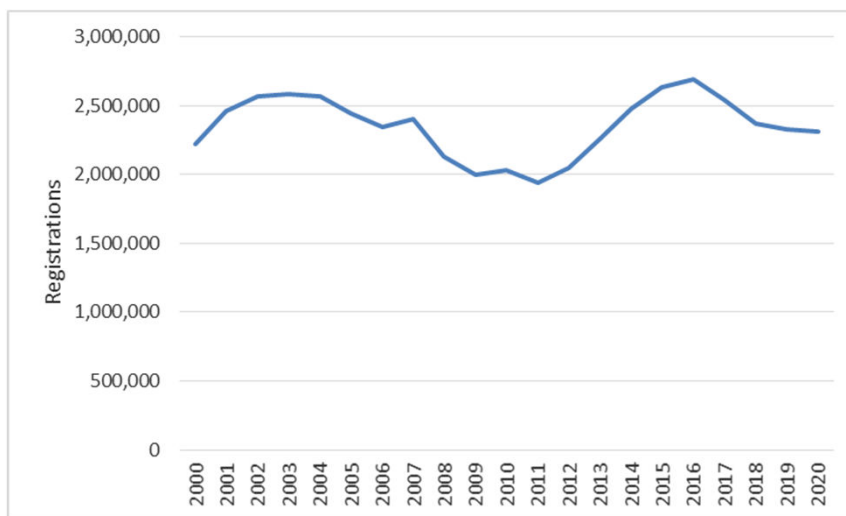
	2019	2018	% change	Mkt share -19	Mkt share -18
Private	90,111	94,621	-4.8%	40.3%	40.3%
Fleet	126,836	130,025	-2.5%	56.8%	55.3%
Business	6,474	10,299	-37.1%	2.9%	4.4%
TOTAL	223,421	234,945	-4.9%		

Year to date

	2019	2018	% change	Mkt share -19	Mkt share -18
Private	568,046	586,986	-3.2%	44.8%	44.7%
Fleet	671,400	677,949	-1.0%	52.9%	51.6%
Business	29,799	49,059	-39.3%	2.3%	3.7%
TOTAL	1,269,245	1,313,994	-3.4%		

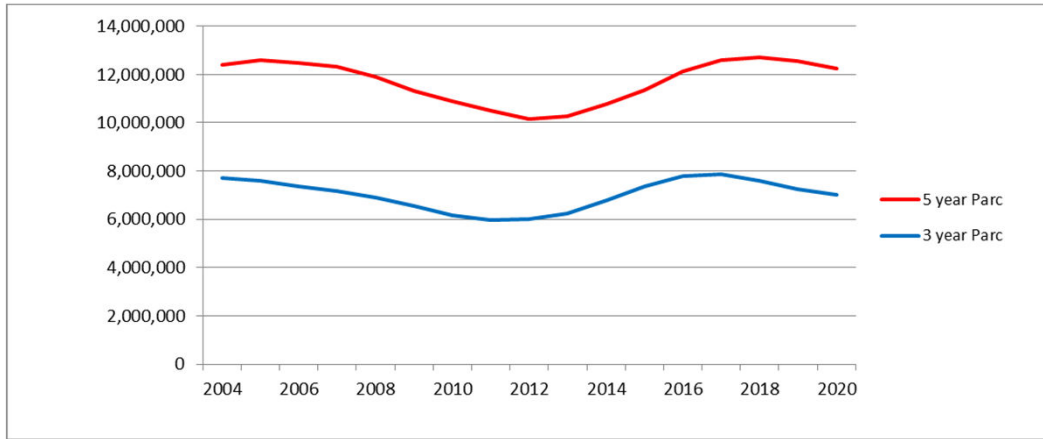
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Predicted registrations



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3 and 5 year parc





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So what is going to change?



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Manufacturer Footprint Evolution





Volkswagen is one of the first OEMs to make their dealership restructuring plans public

- Although direct sales will be possible, they will be focused on the fields of software and on-line services
- Restructuring like this will drive further sector consolidation
- The dealership is still essential to VW's model and the new formats provide flexibility for dealerships to optimise their coverage

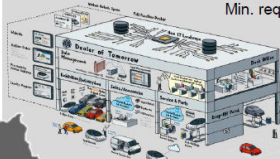
City showrooms

- City showrooms bring VW closer to the customer
- Provides warm introduction to main dealership
- Can be used as education / experience centres for VW's new features and vehicles
- Placed in high footfall areas to enhance brand awareness




Scaled full function dealership

- One full function dealership required and a reduction in other Min. requirements
 - Hosts back office support services for satellite site formats*
 - Largest selection of vehicles which can be rotated between satellite site formats as required*

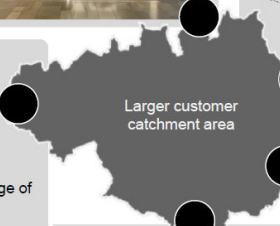


Pop-up stores

- Provides greater exposure to a wide range of potential customers
- Dealers can choose the target audience
- Improves brand awareness



Larger customer catchment area



Servicing factory



- Merging servicing facilities will provide a more efficient service to enhance earnings and increase customer satisfaction


Used car centres

- Dedicated used car sales centres will provide a more traditional dealership experience

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Omnichannel retailing



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2030 risks

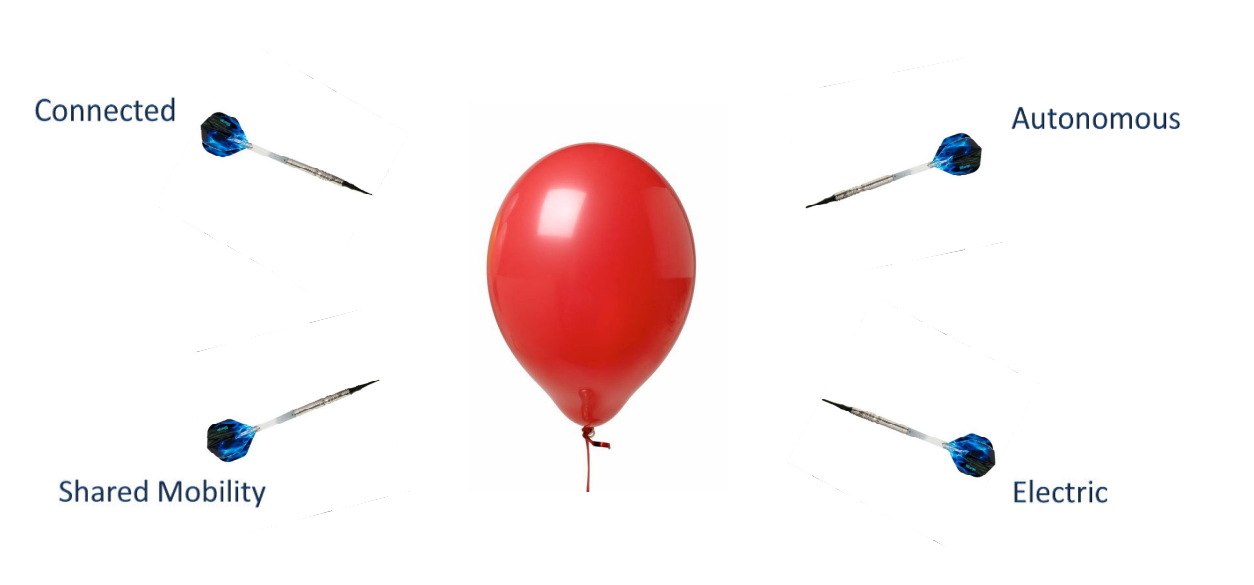
ASE Driving Profitability 40 YEARS

Connected

Autonomous

Shared Mobility

Electric



The diagram features a central red balloon. Four darts with blue fletching and silver shafts are positioned around the balloon, each pointing towards it. The darts are labeled: 'Connected' (top-left), 'Autonomous' (top-right), 'Shared Mobility' (bottom-left), and 'Electric' (bottom-right). The background is a light grey grid. In the top right corner, there is a logo for 'ASE Driving Profitability' and a '40 YEARS' anniversary badge. A white arrow points from the top right towards the center.

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Connected

ASE Driving Profitability 40 YEARS



The image shows the interior of a car from the driver's perspective. The dashboard, steering wheel, and center console are visible. Overlaid on the car's interior are several glowing blue circular icons connected by a network of lines. The icons include: a Wi-Fi symbol, a location pin, a car, a cloud, a smartphone, a battery level indicator, a music note, a person icon, a car with a signal tower, and a car with a Wi-Fi symbol. The background is a blurred road scene, suggesting motion.

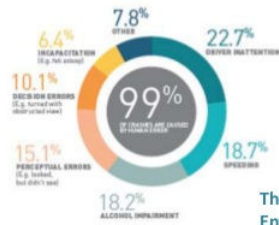
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Connected – what does it mean?



Benefits of Connected cars

They could reduce human error



They could lead to Smarter Cities



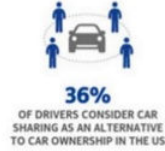
They could lead to stress-free travels



They could lead to a greener Environment



They could reduce congestion



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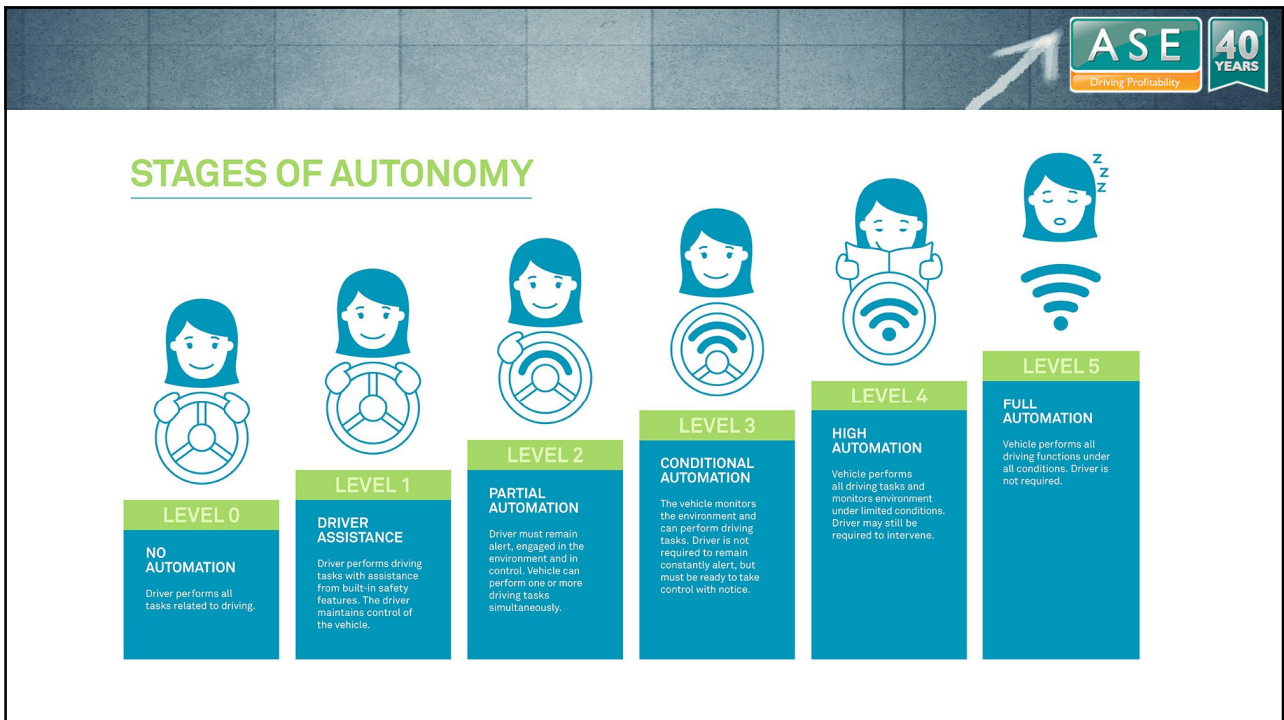
Barriers to Connected



- Regulatory Framework – data privacy
- Monetisation
- Connection between systems



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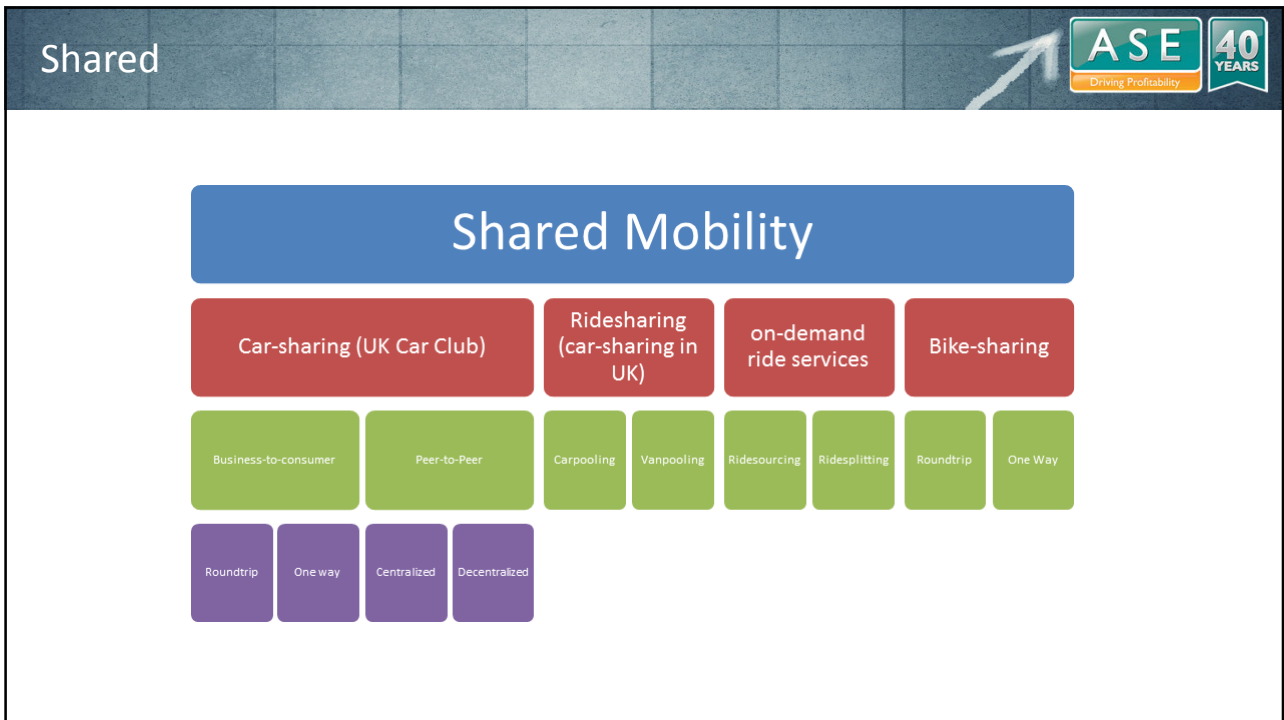
Barriers to Autonomy

- Regulatory Framework
- Price
- Technology
- Public Perception
- OEM co-operation

ASE
Driving Profitability

40 YEARS

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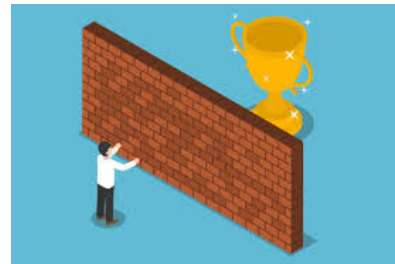


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Barriers to Shared

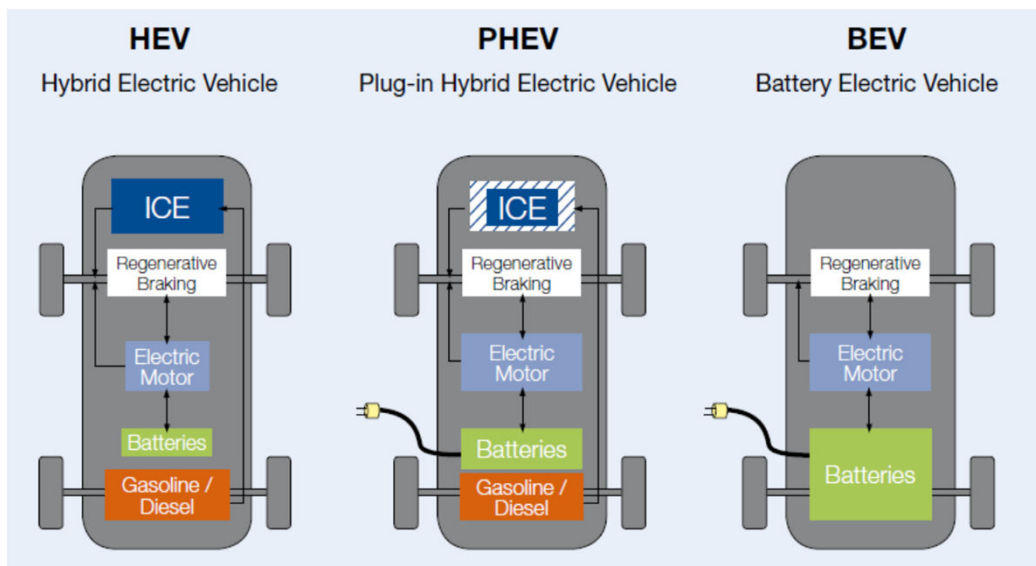


- Profitability (Uber lost \$1.8bn in 2018, Lyft lost £0.9bn)
- Timing
- At the expense of public transport?



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The impact of Electric



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The impact of electric



- If 100% of vehicles were Evs overnight the effect on aftersales would be huge but this isn't the case
- Potential for 40% drop in servicing revenue
- 50% of EV sales by 2035 but split EV/BEV/HEV
- 50% of the vehicle parc by 2040
- 2019 H1 – BEV sub 1% and PHEV down 30%

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Barriers to Electric

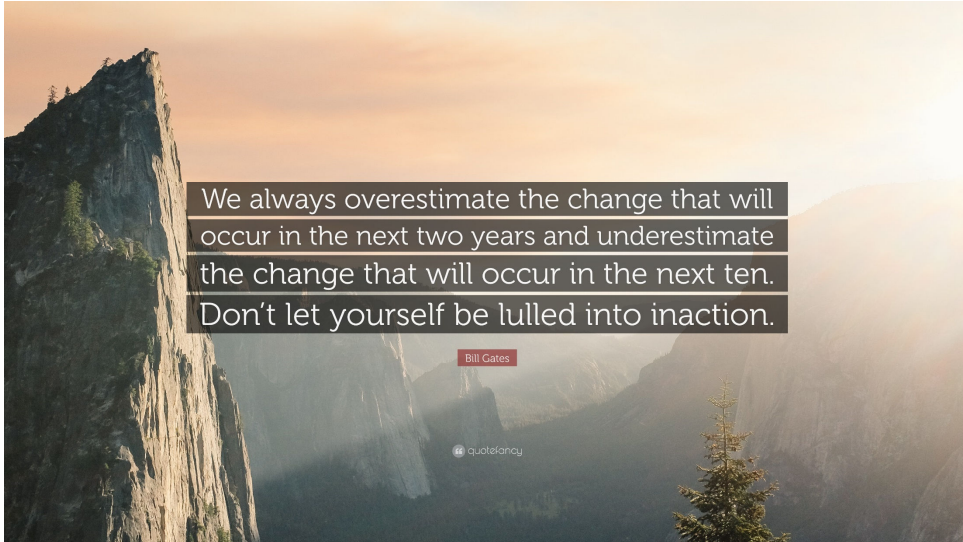


- Infrastructure
- Range
- Price
- Public perception
- Raw materials



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UK Automotive Forecast



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Questions



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