



## Bapcor 2021 AGM Report

ASX Code	BAP
Meeting Time/Date	1.30pm, Tuesday 19 October 2021
Type of Meeting	Virtual
Monitor	Mike Muntisov assisted by Richele Janjatovic
Pre AGM Meeting?	Yes, with Chair Margie Haseltine and director Mark Powell

## Growth expected to re-emerge after lockdown

### What the Company Does

Bapcor Limited (BAP) is engaged in sales and distribution of vehicle parts, accessories, automotive equipment, service and solutions. Its familiar consumer brands include Burson Auto Parts, AutObarn, and Midas but more than 80% of its revenues come from trade and wholesale customers.

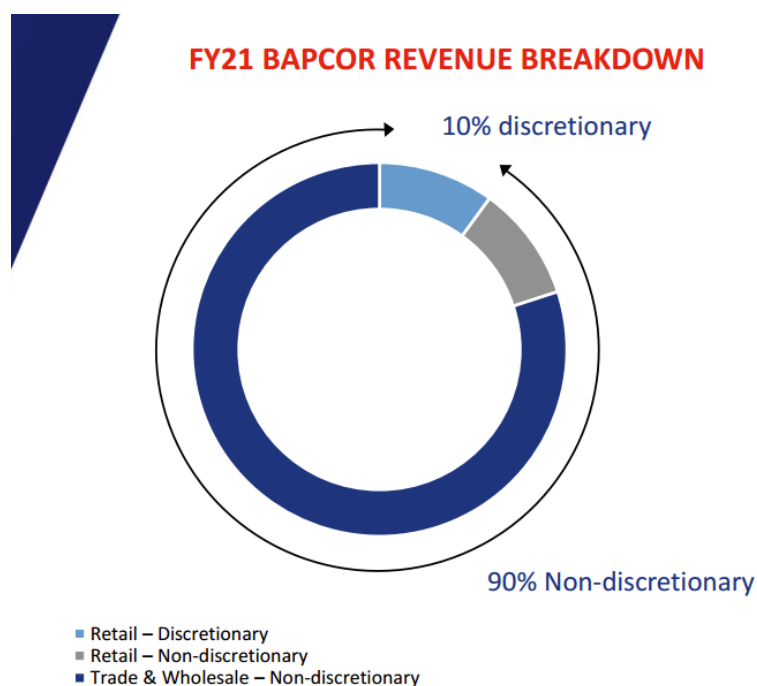
### Debate and Voting at the AGM

In his presentation, the CEO highlighted the strong growth of the company since its listing in 2014.

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

Source: CEO presentation 2021 Bapcor AGM

He also made the point that the majority of Bapcor's revenue is non-discretionary. The goods they sell are needed for vehicles to operate.



*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).*

Source: CEO presentation 2021 Bapcor AGM

Most resolutions passed comfortably. The exceptions being the election of a non-Board-endorsed director candidate, Daniel Wallis, who received a 98% vote against, and also the resolution to amend the constitution to allow virtual meetings. Proxy advisers (and ASA generally) recommended against this, as it would allow the Board to run virtual AGMs without a physical meeting even when circumstances return to normal. As a special resolution it needed 75% support to pass. The resolution achieved only 49%.

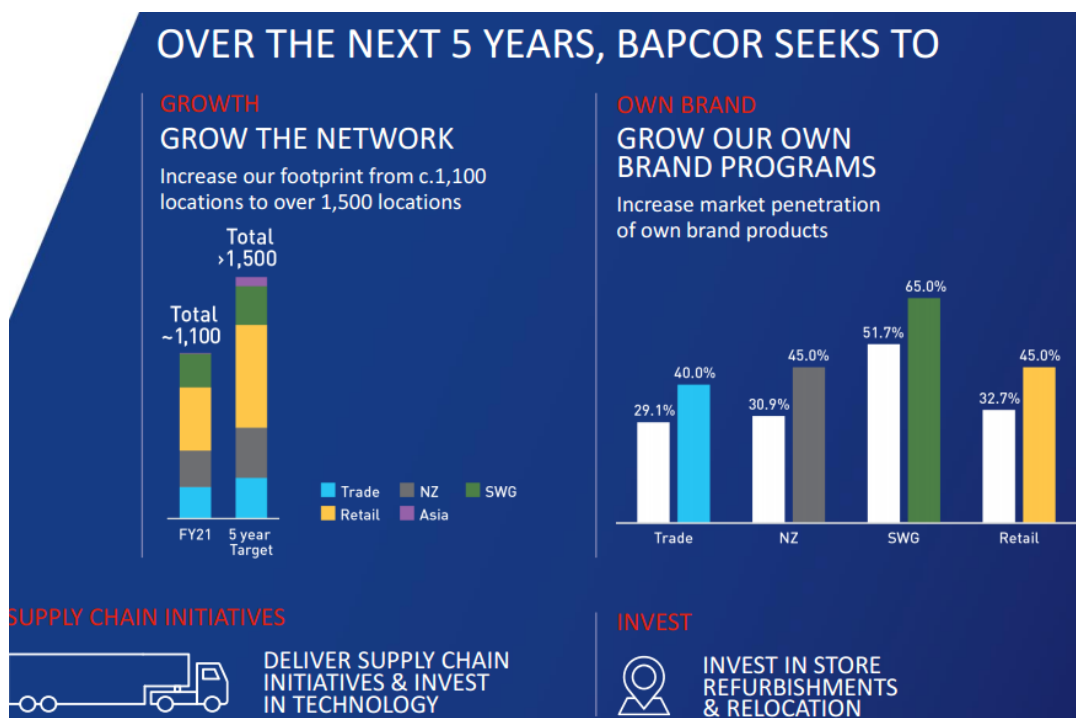
There were many questions from activist Stephen Mayne who not only sent text questions but also called in using Lumi's audio function, which proved to be very disruptive.

Failed director candidate Daniel Wallis had specific questions on whistle-blower policy and wages theft, which seemed to be answered to his satisfaction.

### **Outlook Statements from the Company**

Total revenue in the first quarter of FY22 was flat compared to the corresponding period in FY21, which the CEO suggested was an outstanding result given the extent of lockdowns experienced in the quarter. He expected the 2<sup>nd</sup> half of the year to be strong with bounce back after re-opening, a trend they have seen when previous lock downs have ended. They expect overall FY22 earnings to be at least that of FY21.

Bapcor's growth strategy has four pillars as summarised in this extract from the AGM presentation.



Source: CEO presentation 2021 Bapcor AGM

### Meeting Statistics

Number of Holdings Represented by ASA	50 (last year 53)
Number of Shares represented by ASA	255,000 (last year 271,000)
Value of Shares represented by ASA	\$2 m
Number Attending Meeting	27 shareholders plus 68 visitors (last year 15/35)
Market capitalisation	\$2.5B
Were proxies voted?	Yes, on a poll