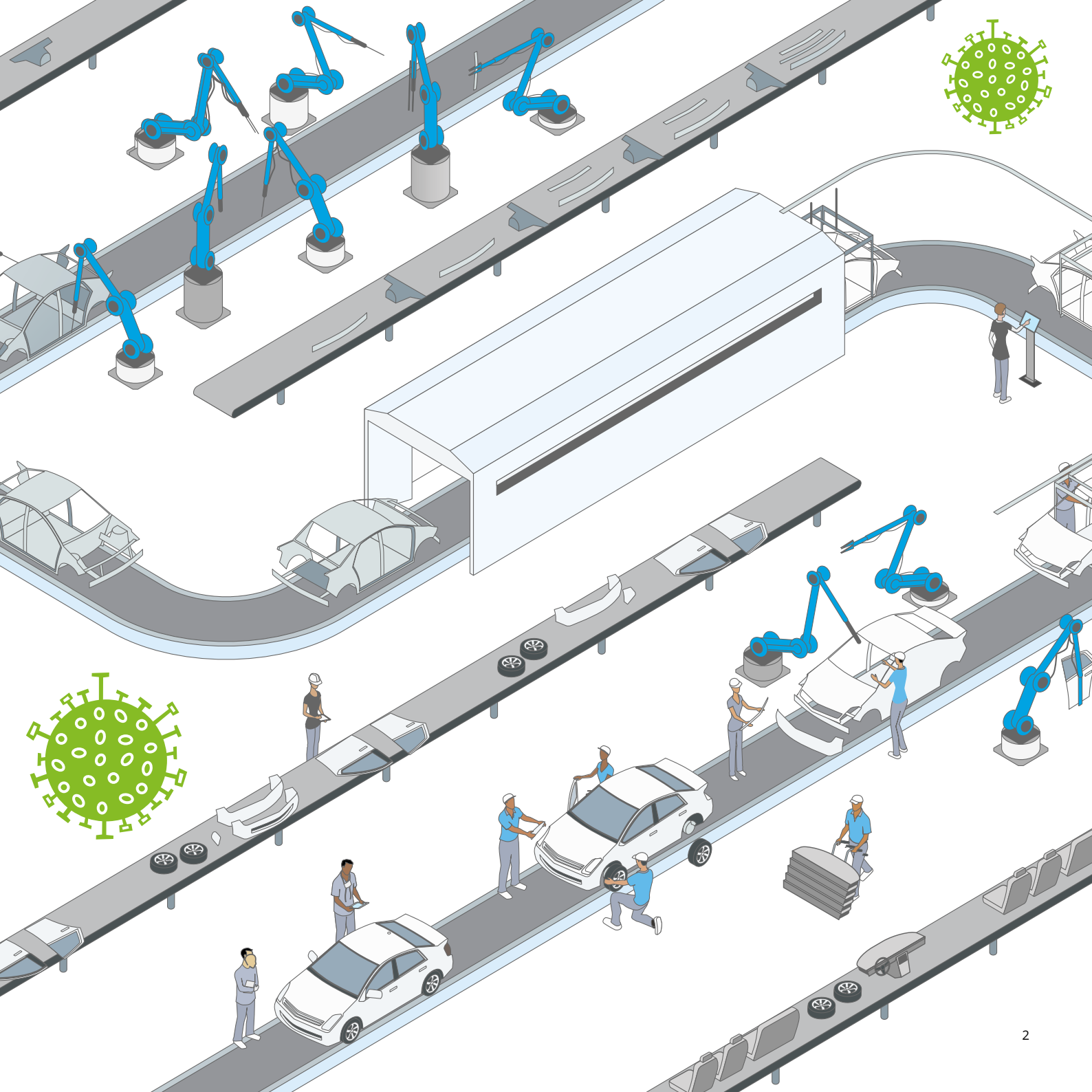


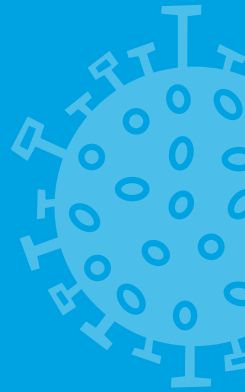
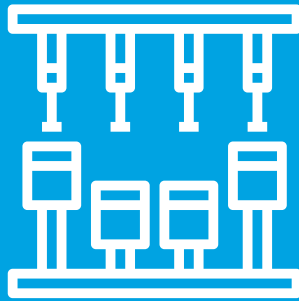


The economic impact
of COVID-19 on the
automotive value chain:
Insights for South Africa

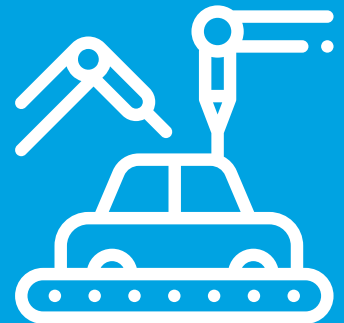
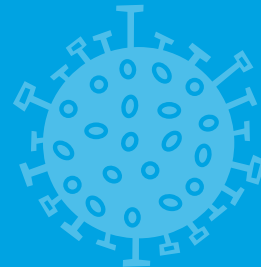
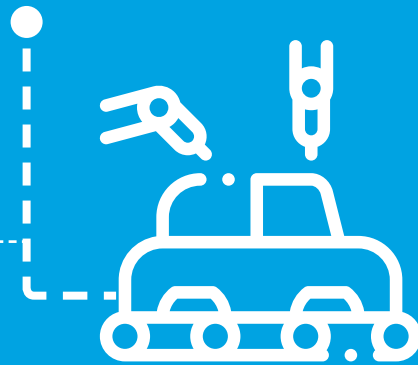


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Introduction and methodology



Introduction

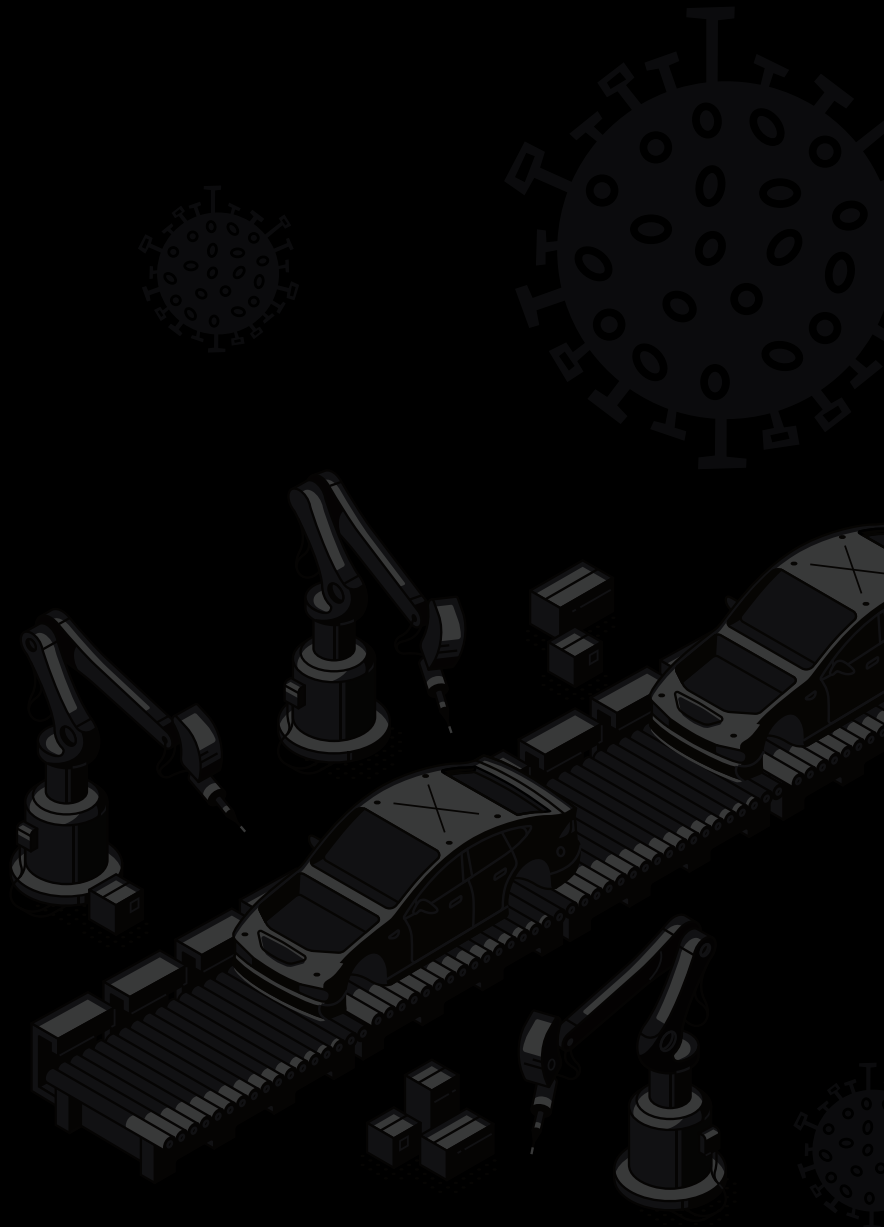
There is indeed rapid and dramatic change taking place in the automotive industry

To counter the economic and commercial uncertainty that we are experiencing, Deloitte has engaged with our clients in the automotive sector to collect real time data from the marketplace in order to provide our clients with valuable insights that are intended to support their business and inform their strategic planning for the future.

We are thankful to the National Association of Automobile Manufacturers of South Africa (NAAMSA), the National Association of Automotive Component and Allied Manufacturers (NAACAM), the National Automobile Dealers' Association (NADA) and the African Association of Automotive Manufacturers (AAAM) and their members for their support and involvement in this survey.

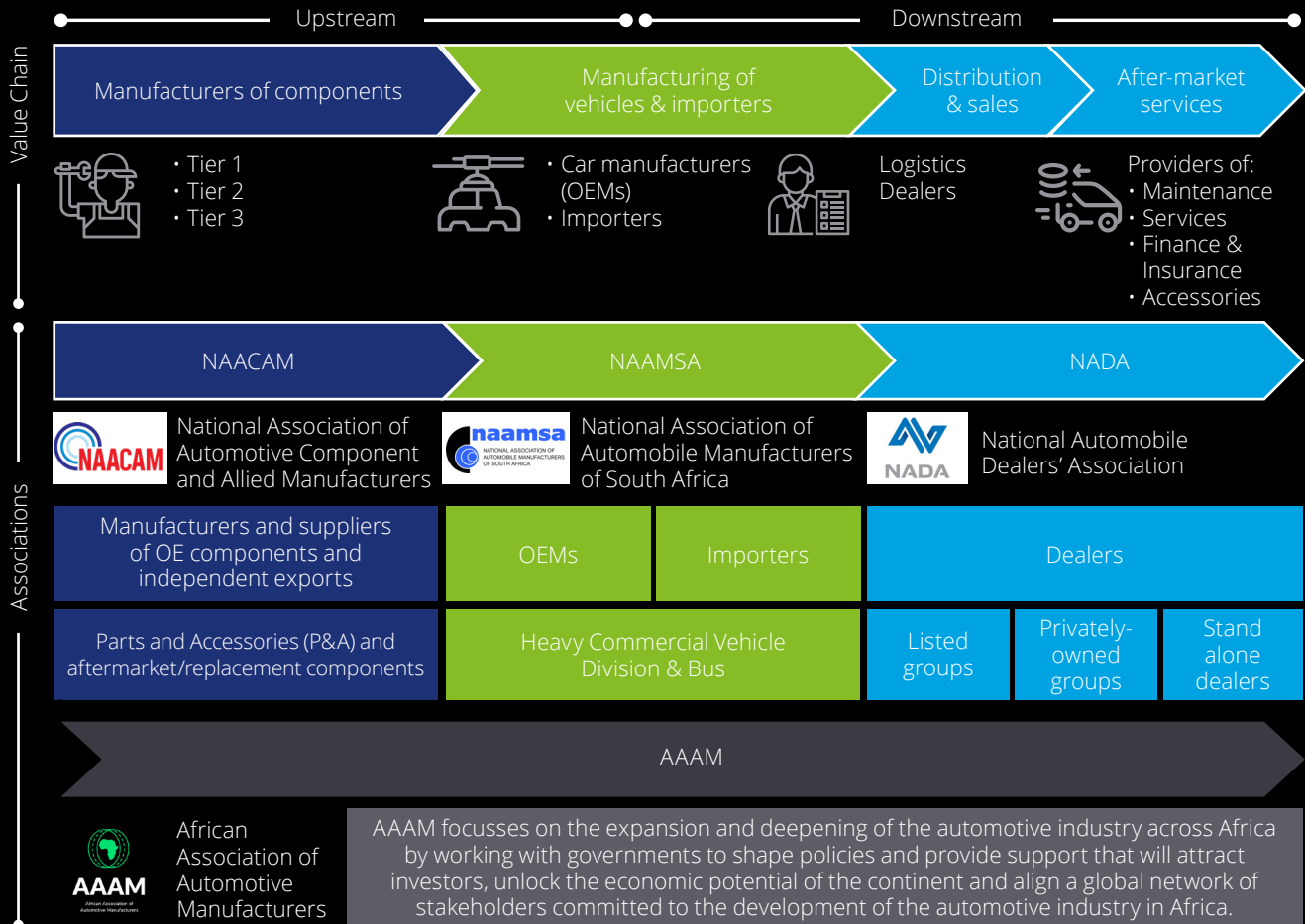
Dr Martyn Davies

Automotive Industry Sector Leader | Africa
Deloitte & Touche



Respondents covered across the automotive sector value chain

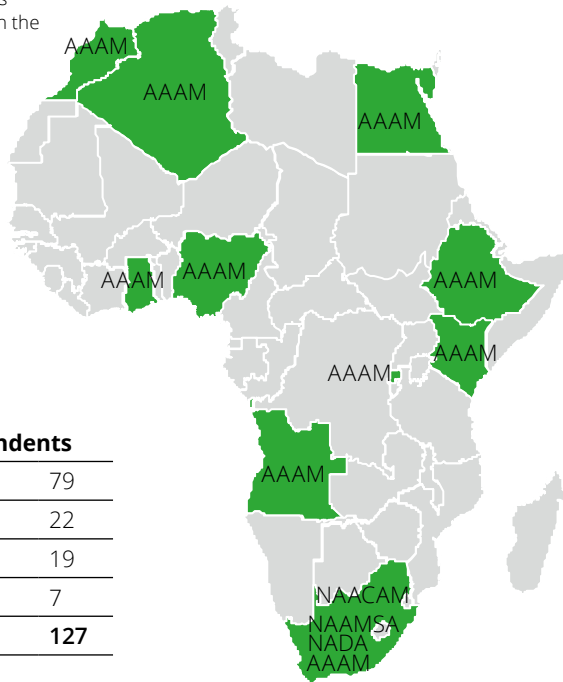
Deloitte has surveyed respondents from different associations across the automotive value chain, aimed at understanding diverse opinions of the impact of COVID-19 on the automotive industry.



The economic impact on the automotive value chain study

included the views of 127 CXOs, Directors, Shareholders, Dealer Principals and Heads of Africa across 4 industry associations

Note: The study was conducted between the 12th-20th May 2020



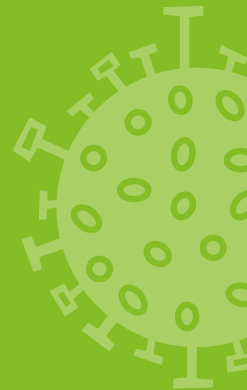
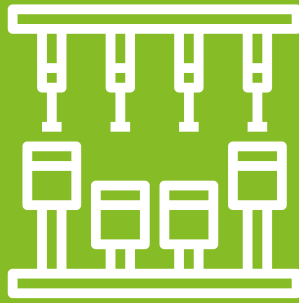
Survey respondents	
NADA	79
NAAMSA	22
NAACAM	19
AAAM	7
Total	127

Number of respondents by industry association and category

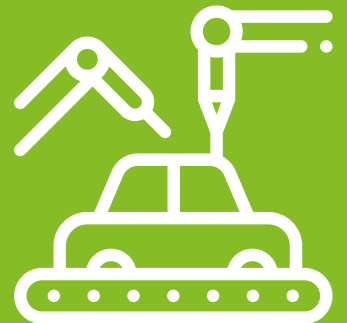
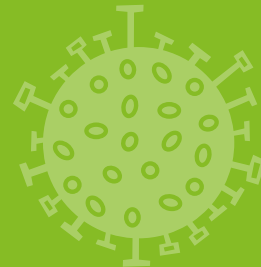
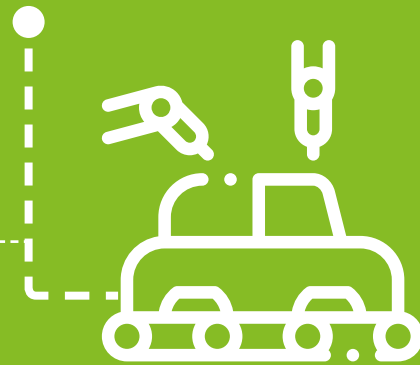
NADA:		
○	Listed groups, privately owned groups and stand-alone dealers	79
NAAMSA:		
●	OEMs	10
●	Importers	9
●	Heavy commercial vehicle division & bus	3
NAACAM:		
●	Manufacturers and suppliers of OE as well as the P&A and aftermarket/replacement components	13
●	Manufacturers and suppliers of OE components to vehicle assembly plants only	6
AAAM:		
●	Africa Division	7

Study methodology

The study was fielded using an online panel methodology where respondents across 4 industry associations were invited to complete the questionnaire via email. It was fielded in South Africa and designed to be nationally representative of the overall population.



Executive summary



In May 2020, **Deloitte surveyed 127 respondents across four industry associations** representing the automotive value chain across Africa to explore opinions regarding a variety of critical issues impacting the automotive sector, amidst the COVID-19 pandemic. The **overall goal** of this study is to provide a view and answer important questions that can **help companies focus, prioritise and better position their business strategies and investments with government, financial institutions and others in the value chain.**

Key insights



Africa not a one 'component' fits all

Clearly defined 'city by city' policies and regulatory frameworks are needed for the African growth agenda, along with the ability for these cities to work together across the value chain. An increased focus on Ghana can be seen due to a willing Government.



South Africa still the primary focus for Automotive companies

From disruptions in the global auto sector to the COVID-19 pandemic that is yet to peak in Africa, the automotive value chain has begun to shift focus intrinsically by increasing its focus on markets outside of South Africa (SA). In SA, it will be important to create visibility on businesses' supply chains in order to make agile decisions and liquidity to counter the effect of an expected further tightening of the market. On an extrinsic level, operating model changes and community engagement remain areas for growth.



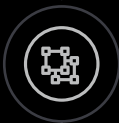
Creating a healthy cashflow and reducing costs

This remains a high-value focus area for all players in the value chain as uncertainties with regards to demand, forex, and supply within global value chains places increased pressure on the African market.



Employee well-being

Creating a safe return to work operational plan that fits into the compliance standard by government has been a focus point, where only less than a quarter of the workforce can work remotely, placing an emphasis on earnings reductions over employment cuts. Digitally upskilling the workforce to be able to work remotely and challenging the status quo to think differently in order to improve execution of jobs.



Transformation

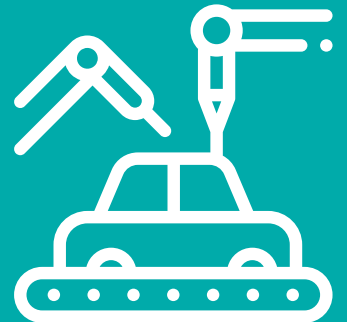
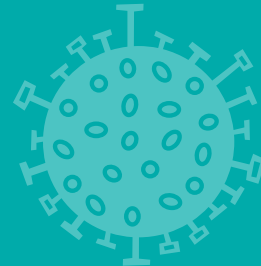
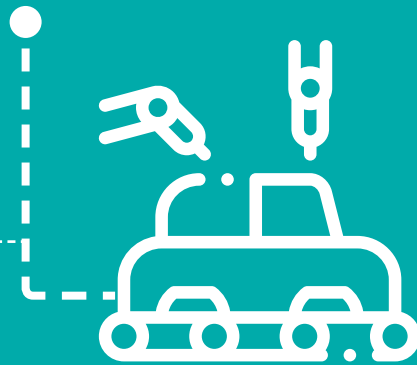
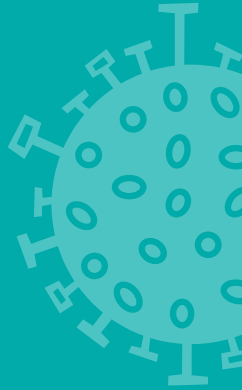
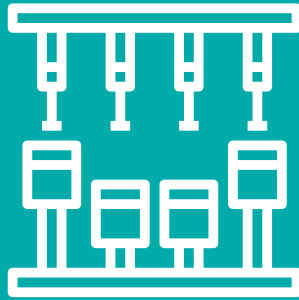
Innovation and digital transformation have expanded the way the Automotive sector in Africa thinks about the way things are done and why these are done in a specific way. For Africans there are local nuances that demand a shift in operating models and innovation strategies for the future. Only 12% of businesses are looking to spend 50% and upward of their investments on strategy and innovation. It thus remains unclear which businesses will still be around in the next 5 - 10 years.



B-BBEE transformation in SA, less of a focus as businesses gear to break even

While B-BBEE transformation was a focus pre-COVID-19, there exists more pressure on businesses to survive and generate cashflow in the immediate term, with 37% of businesses expecting to take 18 months or longer to break-even. Automotive businesses are looking to raise this focus after 18 months and not before.

The economic impact of COVID-19 on the automotive value chain

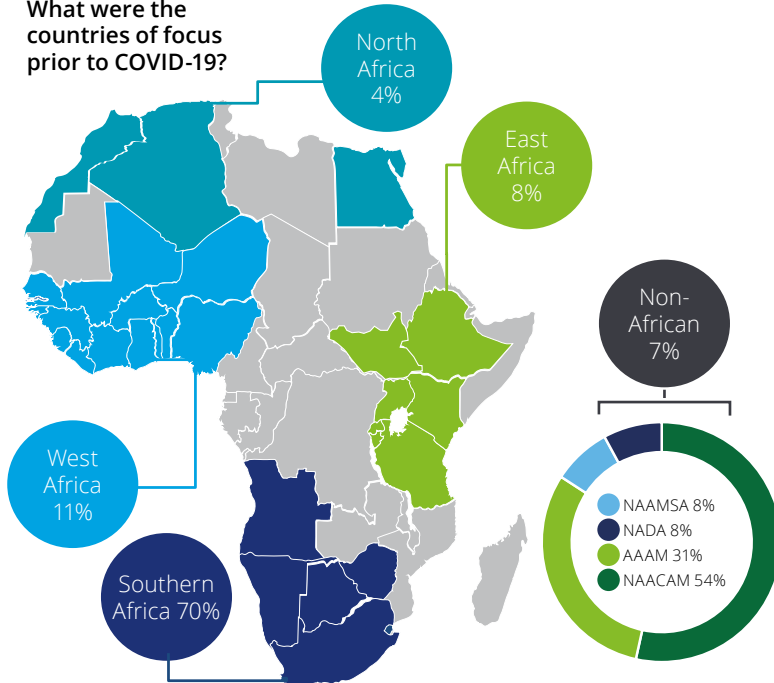


◀ Past

A rear-view mirror look at the automotive value chain pre-COVID-19

The automotive value chain was already under pressure pre-COVID-19 with **66%** of respondents reporting a decline in earnings and **57%** already focusing on new ways of working, a change in operating models and cost-saving initiatives.

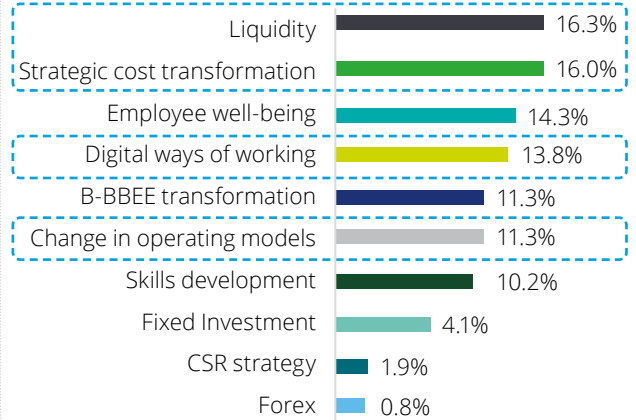
What were the countries of focus prior to COVID-19?



Note: All responses were counted and aggregated to provide a percentage view across the survey respondents.

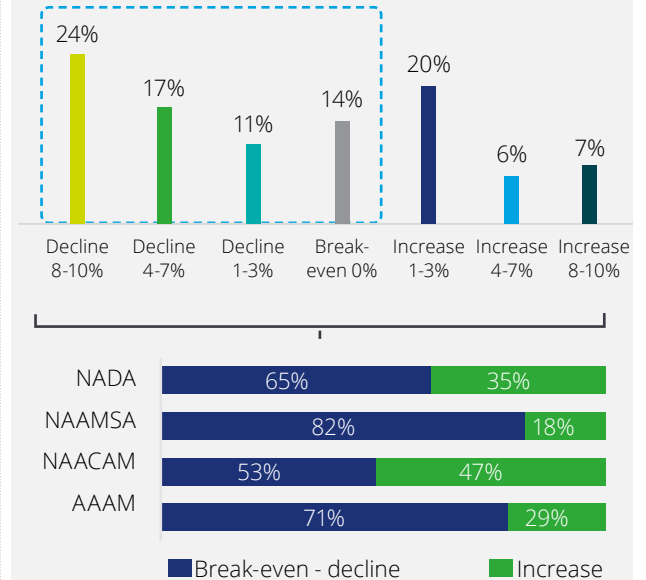
What were your top 3 areas of focus prior to COVID-19?

57%



What was the EBITDA % of your business prior to COVID-19?

66%

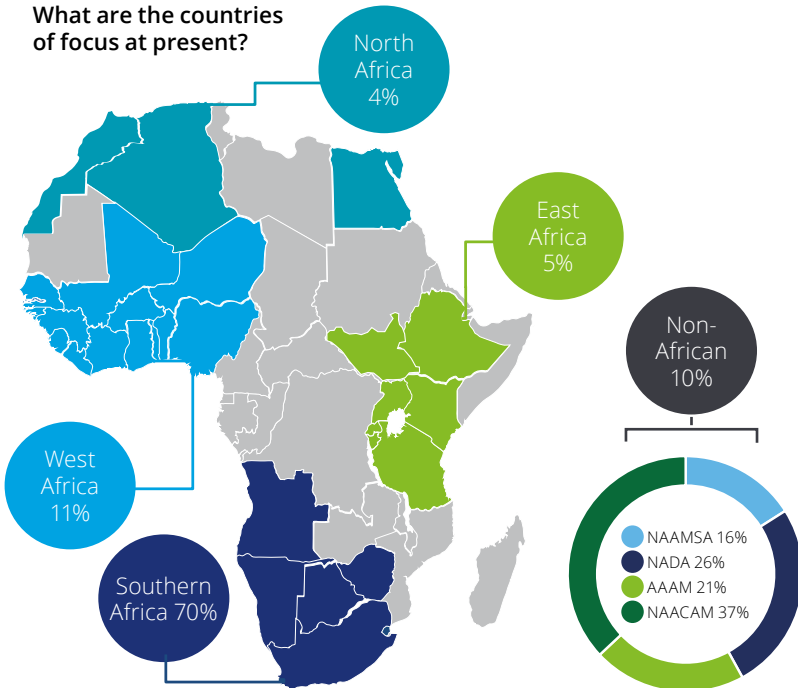


Present

Activating traction control – the current status quo of the automotive value chain

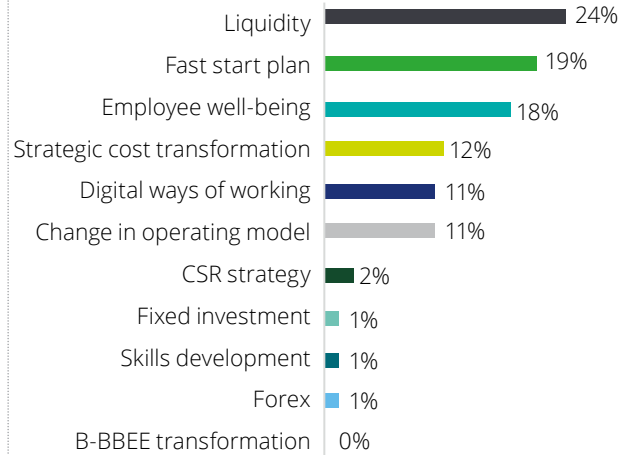
COVID-19 is a perfect storm, with **51%** of respondents estimating budgeted earnings to be halved or more. A shift of focus towards Non-African markets, employee well-being and fast-tracked planning are seen as key response activities.

What are the countries of focus at present?

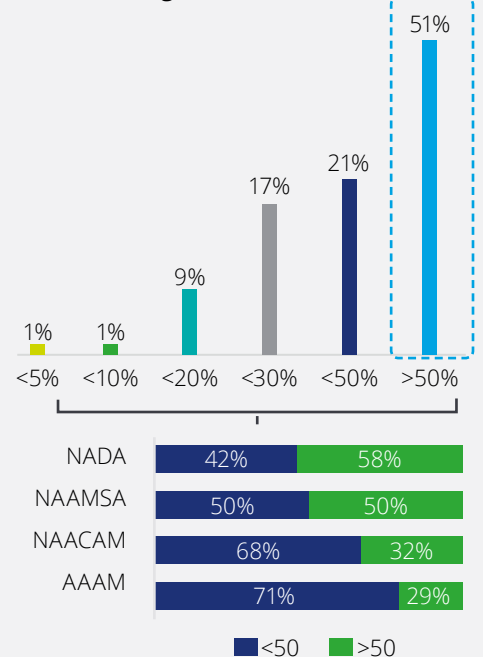


Note: All responses were counted and aggregated to provide a percentage view across the survey respondents.

What are your top 3 areas of focus currently?



What is the estimated financial impact on your current year's earnings (% reduction in budgeted EBITDA %)?

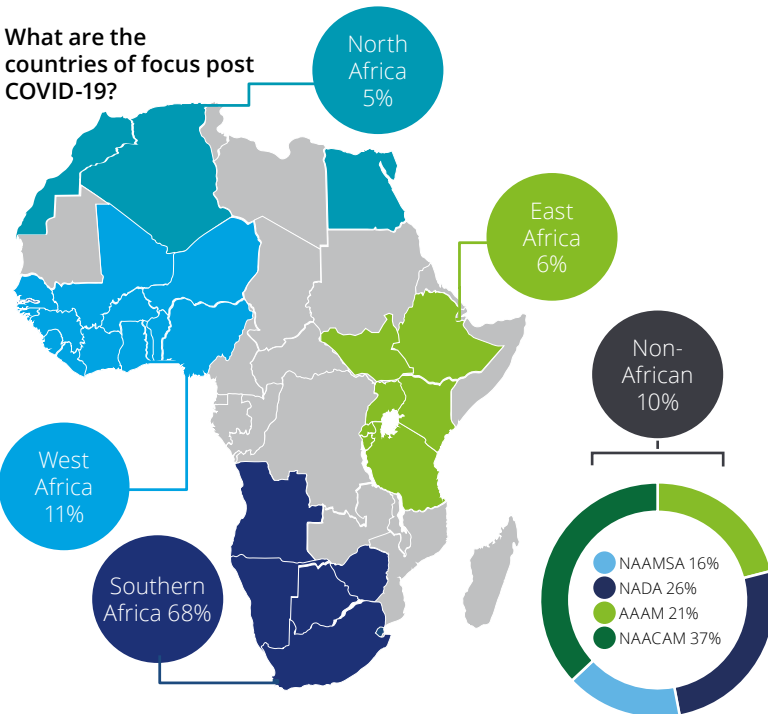


➤ Future

Counter steering – a post-COVID-19 level 1 outlook

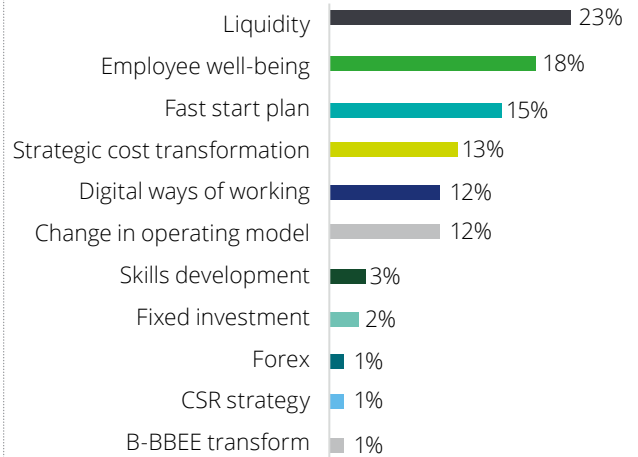
63% of respondents are expecting to reach a “breakeven” point in less than 12 months, with liquidity being a top continued area of focus. A change in operating models and implementing new digital ways of working remains an area for growth.

What are the countries of focus post COVID-19?

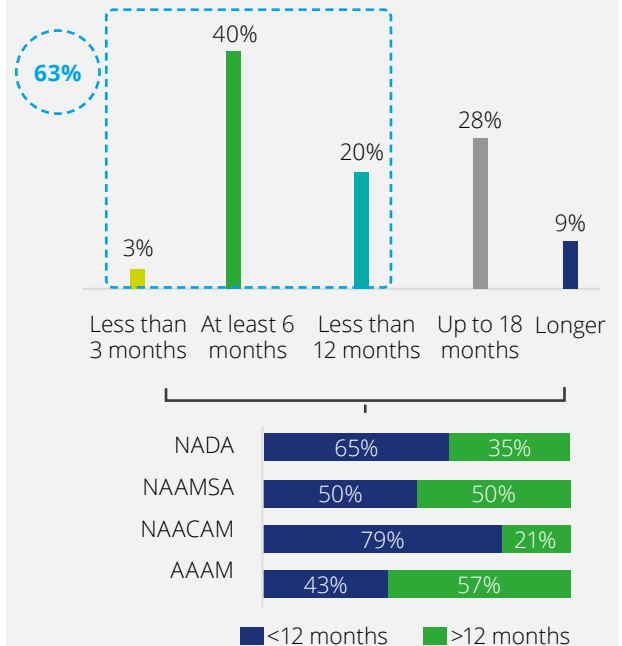


Note: All responses were counted and aggregated to provide a percentage view across the survey respondents.

What are your top 3 areas of focus, post level 1 lockdown?



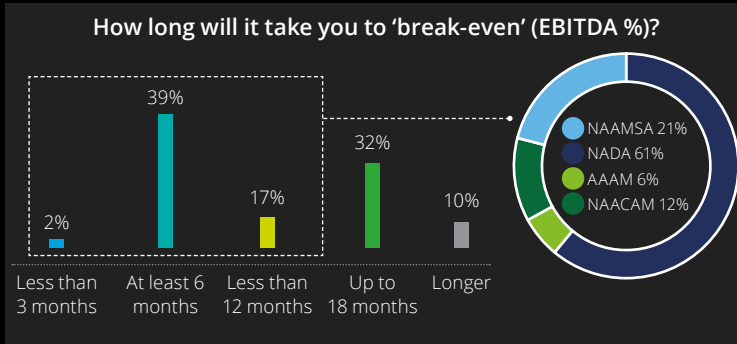
How long will it take you to 'break-even' (EBITDA %)?



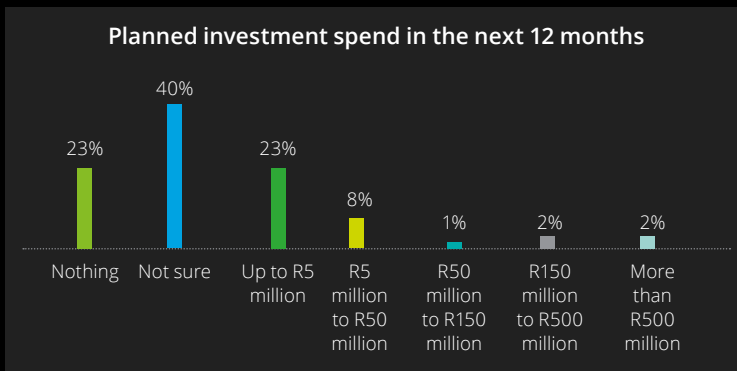
Summary

With almost two-thirds of respondents reporting flat or reduced revenues prior to COVID-19, this has forced a re-configuration of focus areas in the Automotive value chain

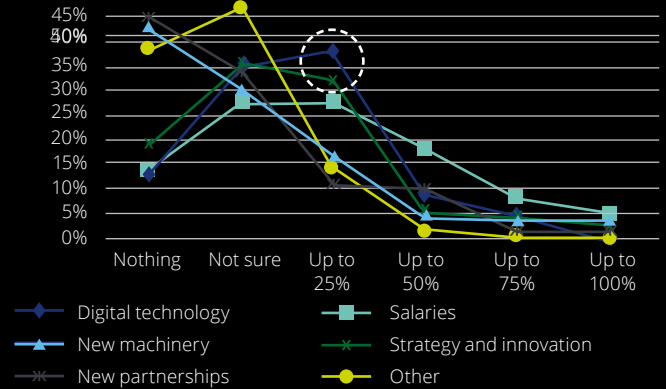
Of the 66% of respondents who reported a decline in EBITDA prior to COVID-19, **58% are expecting to "break-even" in less than 12 months.**



Only 31% of the respondents who attributed a decline prior to COVID-19 are looking to **invest up to R50 million in the next 12 months** – Will this be enough?



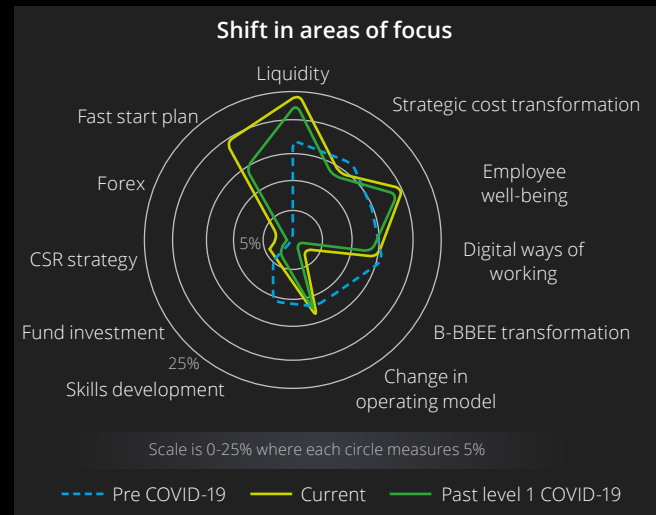
Planned investment spend allocation



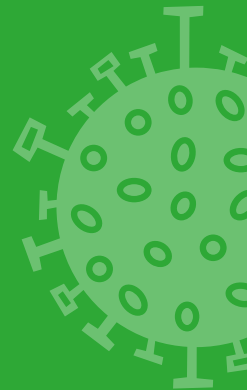
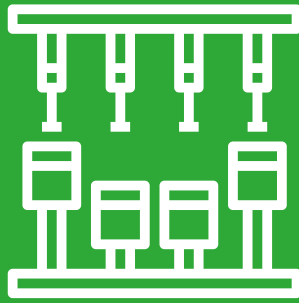
Up to **25%** will select **Digital technology and Business model strategies** in their future investment portfolios.

While the future holds more of the same focus around liquidity management and employee well-being, there is still room for improvement on strategic cost transformation, digital ways of working and the need for changing operating models.

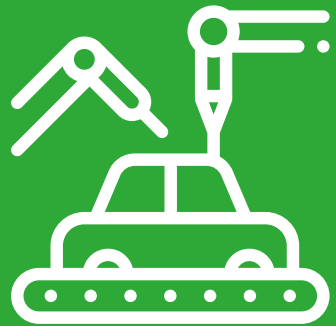
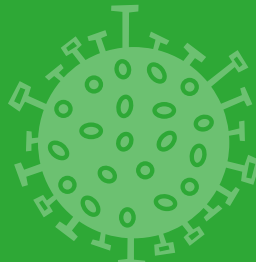
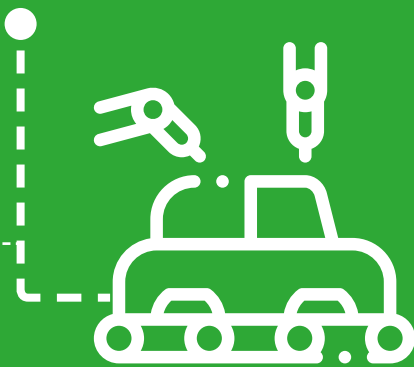
Although CSR strategies are not the primary focus this will later create increased brand sustainability in communities which Automotive companies operate in and where their employees live.



Note: All responses were counted and aggregated to provide a percentage view across the survey respondents. Values may not add up to 100% due to rounding



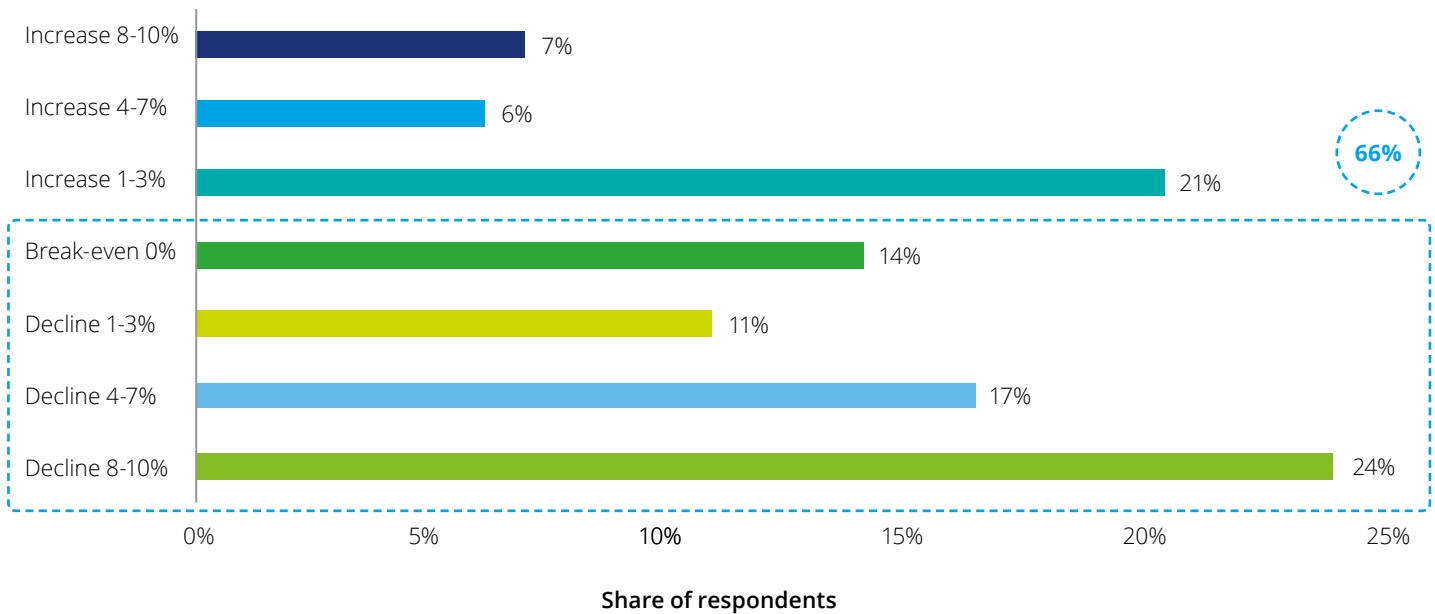
Survey responses



The SA auto industry was already at a tipping point before COVID-19; **24%** of respondents' **EBITDA had declined by 8-10%** prior to COVID-19

Nearly two-thirds of businesses had broken even or had a drop in EBITDA % in the past FY

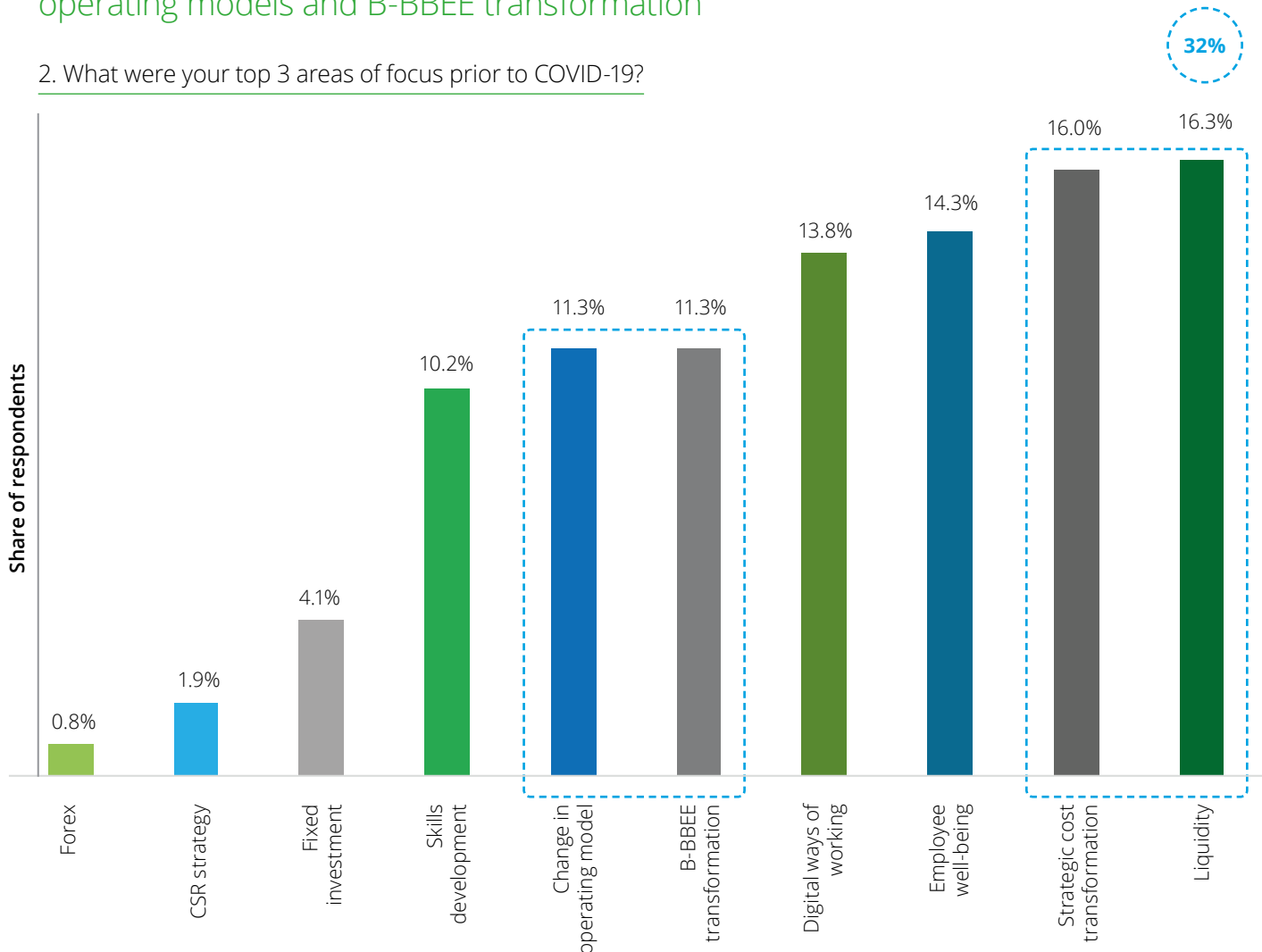
1. What was the EBITDA % of your business prior to COVID-19?



32% of respondents were already focusing on financial reserves and cost reductions

22.6% of respondents had already been focusing on a change in operating models and B-BBEE transformation

2. What were your top 3 areas of focus prior to COVID-19?

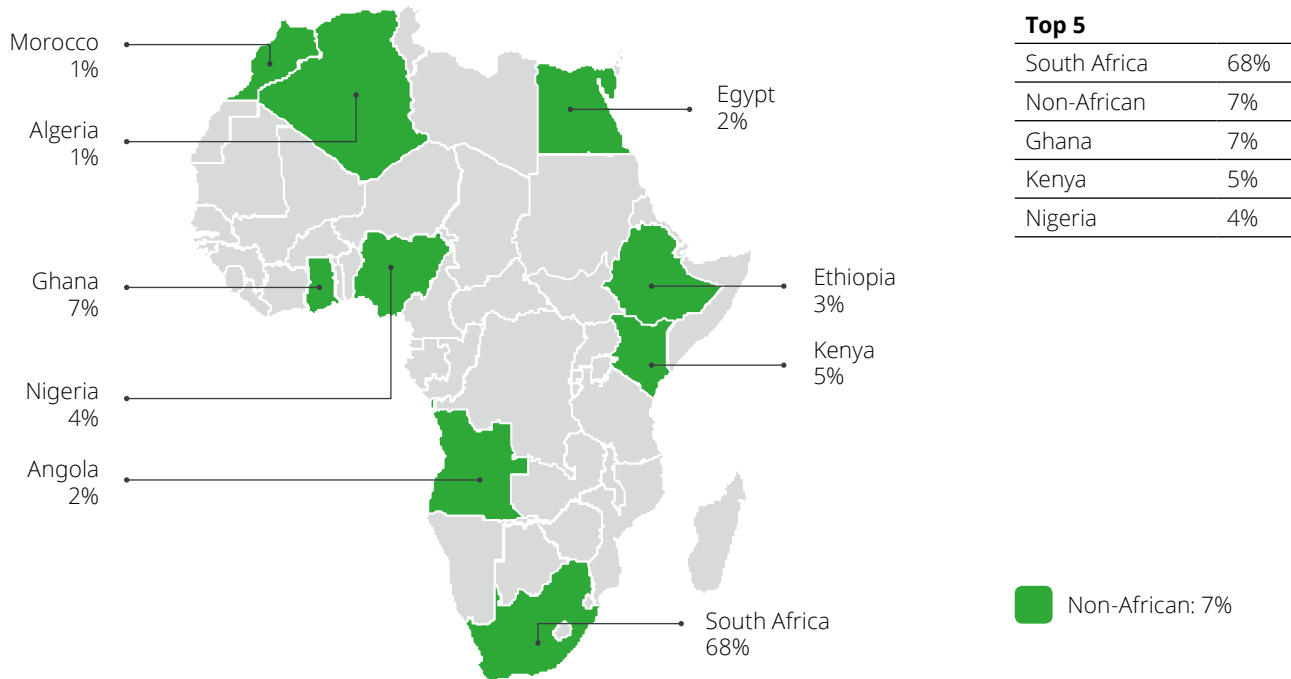


Note: All responses were counted and aggregated to provide a percentage view across the survey respondents. Values may not add up to 100% due to rounding

South Africa (68%) was the primary focus region pre-COVID-19

Non-African (7%) countries closely followed by Ghana (7%) and Nigeria (4%) were also prioritised

3. Countries of focus prior to COVID-19?

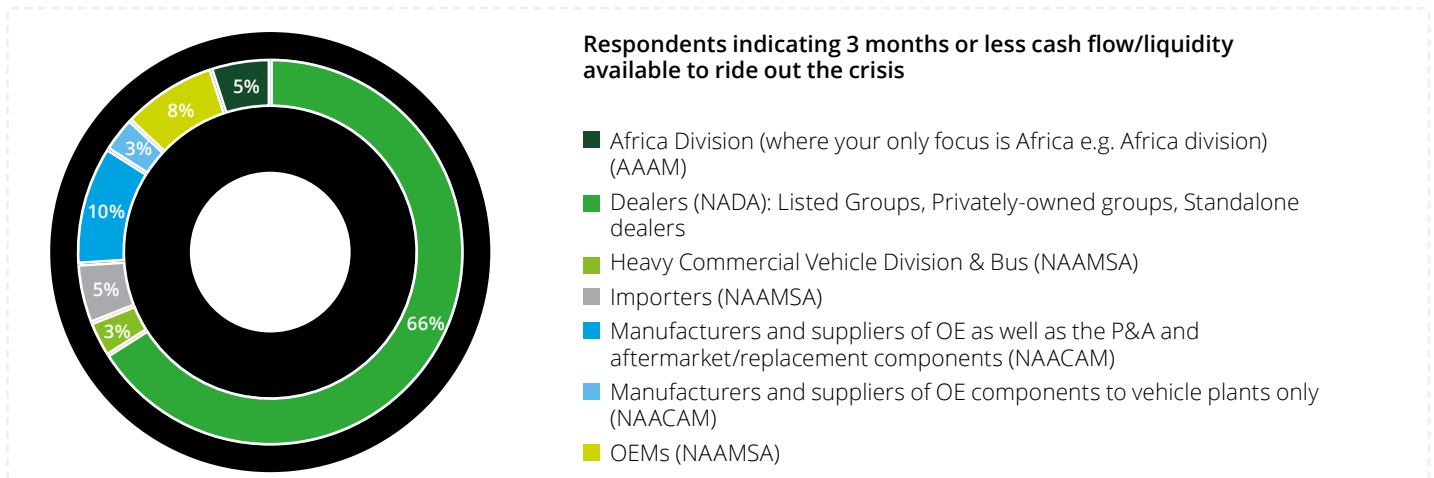
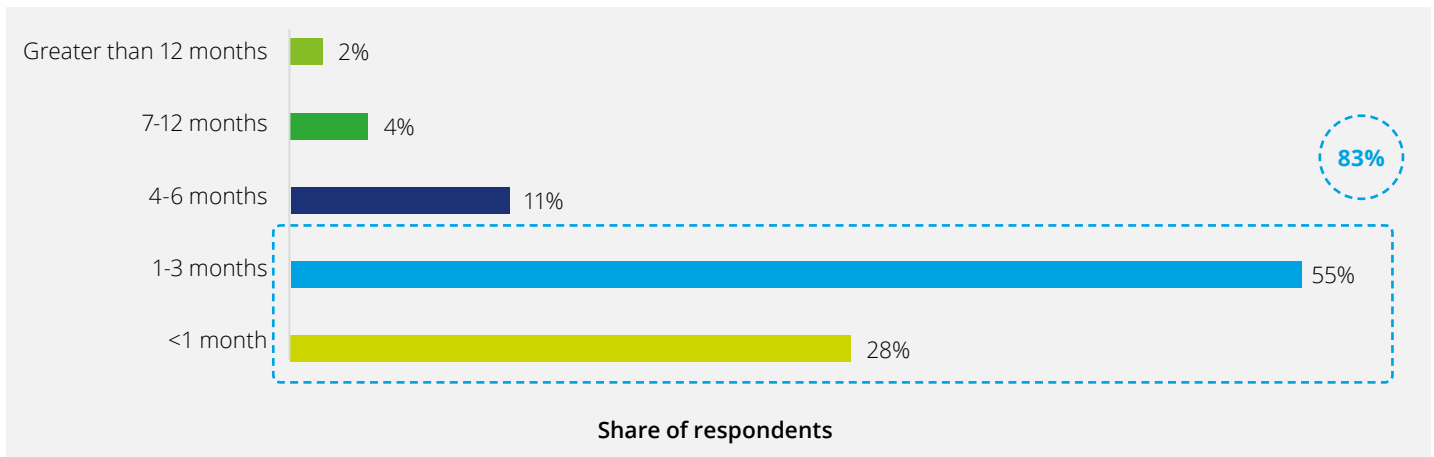


Note: All responses were counted and aggregated to provide a percentage view across the survey respondents. Values may not add up to 100% due to rounding

83% of respondents have 3 months or less of cash flow/liquidity to manage the crisis

Only 6% had enough reserves to last them through the calendar year

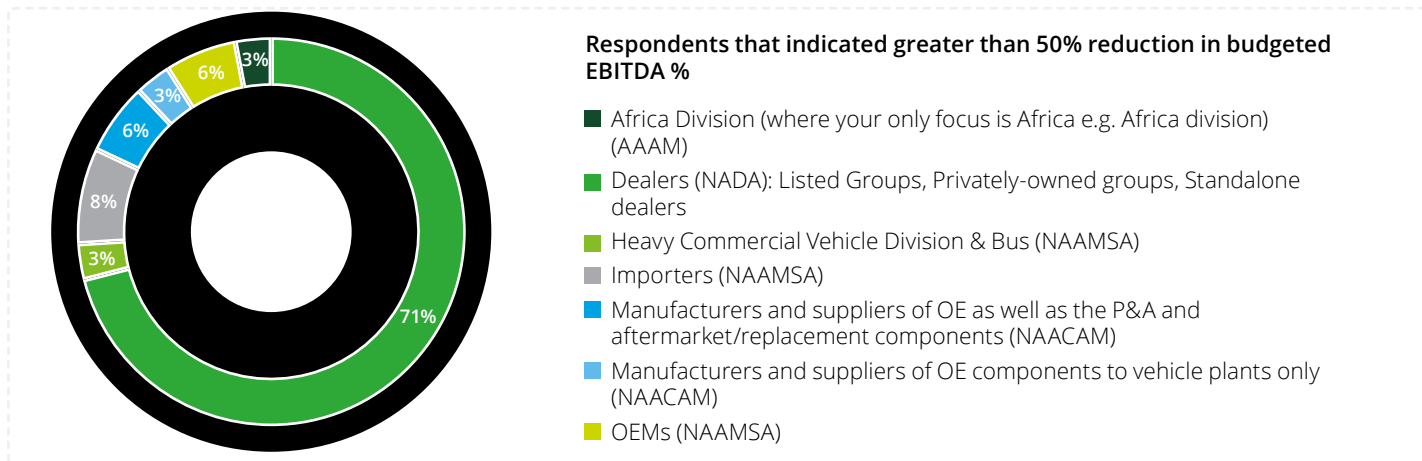
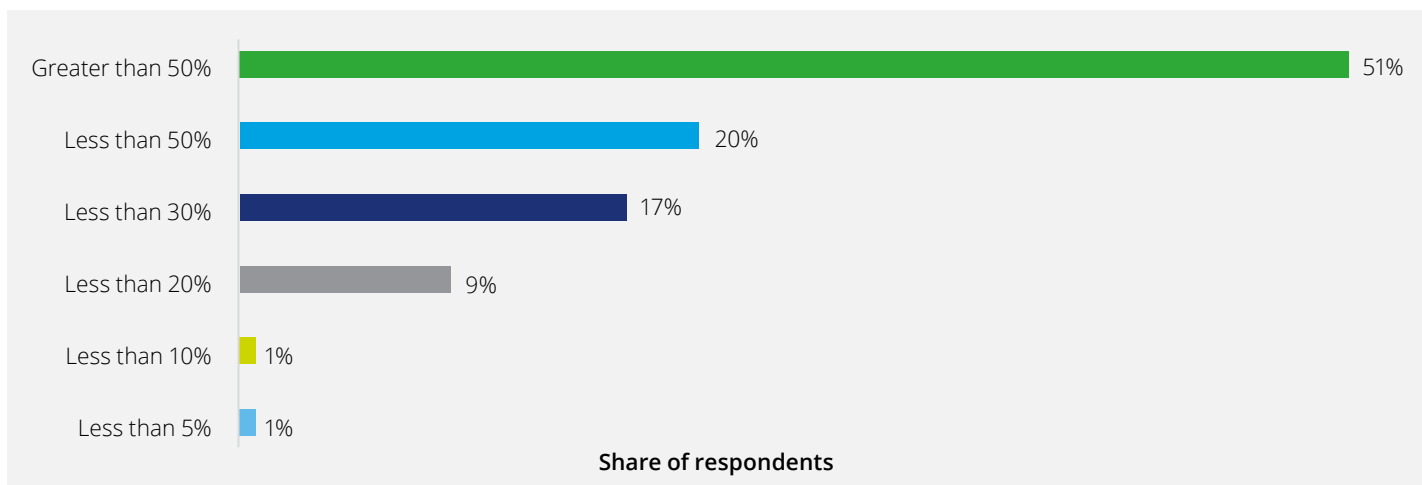
4. How many months cash flow/liquidity do you have available to ride out the crisis (taking the current state of lockdown into account)?



51% of respondents are experiencing **EBITDA** reductions of greater than 50%

Most severely impacted have been our Dealers and Importers

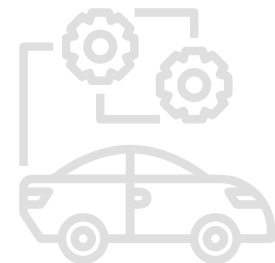
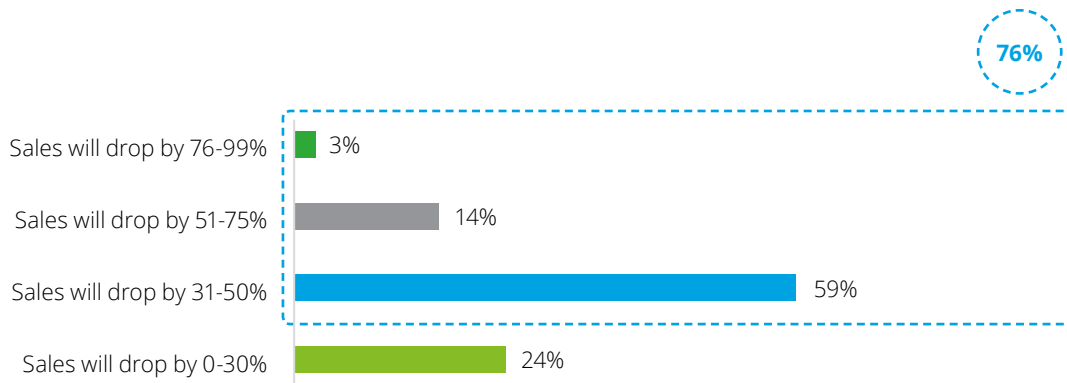
5. What is the estimated financial impact on your current year's earnings (reduction in budgeted EBITDA %)?



59% anticipate **product sales to drop by 31-50% in comparison to 2019**

76% anticipate a drop in demand of 30% or more

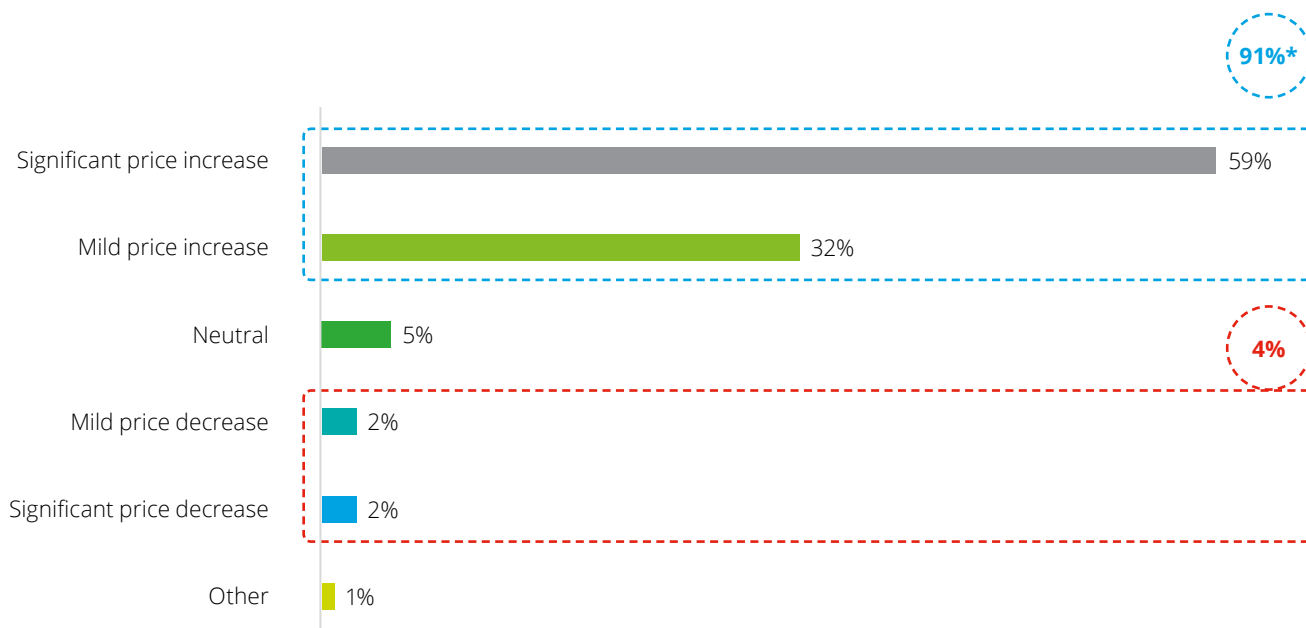
6. How do you anticipate demand for your products to change in 2020 when compared to 2019?



91% of businesses will increase their prices towards the end of 2020

Only 4% of businesses are expecting their prices to decrease in order to meet reduced consumer demand

7. How do you anticipate the price for your products to change in 2020 when compared to 2019?

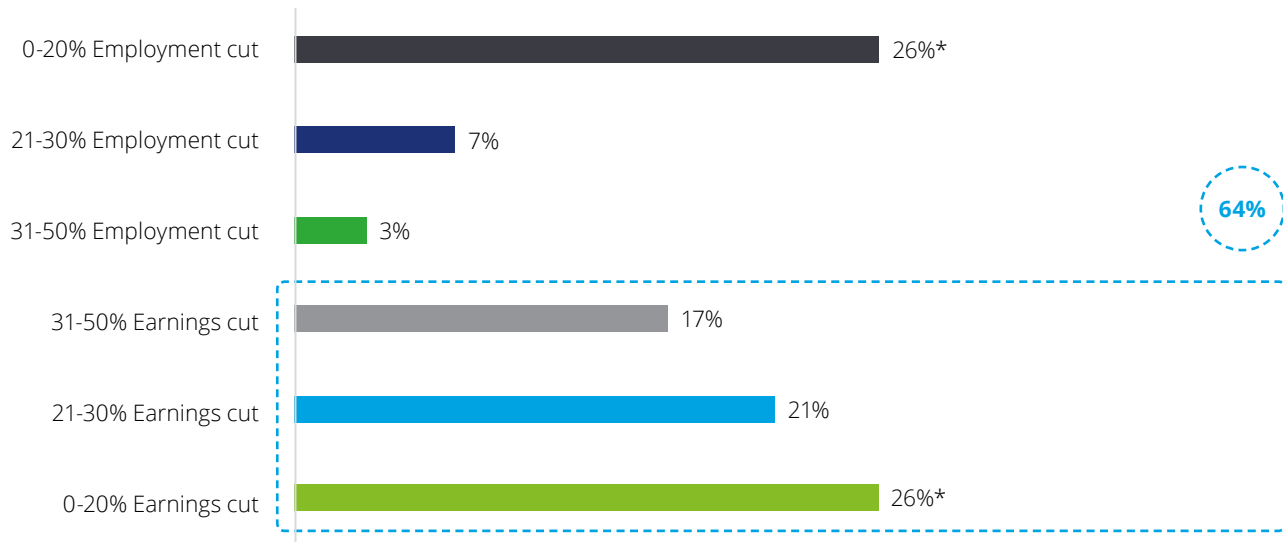


Note: Graph may not add up to 100% due to rounding

A 0-20% earnings or employment cut are the most popular options (52%*)

With businesses being placed in a difficult financial position most respondents (64%), prefer an earnings cut over losing employees

8. What actions are you taking to combat your current position?



70-94% of respondents either agree or strongly agree that digital technologies are significantly impacting the value chain

Enhancing back-office capabilities and incorporating an open talent network through digital technology still has some way to go, with 23% and 29% respectively, who either disagree or don't know

9. To what extent do you agree with the following statements on how digital technologies and ways of working are impacting your organisation today:

	Strongly Agree	Agree	Don't Know	Disagree	Strongly Disagree	
We are fundamentally changing our business, processes and structures	37%	54%	2%	6%	2%	
We are changing how we engage with our customers or clients	41%	53%	0%	5%	2%	
We are enhancing our back office	17%	60%	4%	19%	0%	23%
We are leveraging digital technologies to create meaningful work for all	29%	60%	2%	9%	0%	
We are exploring how to incorporate the open talent network through digital technologies (e.g. ICT sector inclusion)	20%	50%	13%	12%	4%	29%
We are changing the workforce to be more digitally aligned	26%	64%	2%	6%	2%	

Note: Rows may not add up to 100% due to rounding

66-93% of respondents agree or strongly agree that they **support digital transformation strategies**

35% of respondents either don't know or disagree with there being adequate financial and budgetary processes in place to support digital transformation, with 24% requiring more support from the group finance function, and 29% asking for a more active role from the CEO on this

10. To what extent do you agree with the following statements:

	Strongly Agree	Agree	Don't Know	Disagree	Strongly Disagree	
Our financial and budgetary processes adequately support our digital strategy	9%	57%	2%	29%	4%	35%
Our group finance function provides support to develop business cases for our digital strategy	40%	53%	1%	5%	2%	
Our group finance function helps us measure and communicate return on investment from our digital strategy	17%	59%	4%	20%	0%	24%
The CFO has an important role in driving our digital strategy	29%	60%	2%	9%	0%	
Our IT function is equipped to support our digital transformation	26%	64%	2%	6%	2%	
Our CEO is actively taking ownership of and driving the future of work and our digital strategy	20%	51%	13%	12%	4%	29%
The CHRO/HR Manager has an important role in transitioning our workforce	30%	56%	2%	10%	2%	

Note: Rows may not add up to 100% due to rounding

34% of respondents have invested up to R5m in the past 12 months

There is a reduced investment trend from respondents investing above R5m pre-COVID-19 (23%), over the next 12 months (15%) and over the next 13-24 months (14%).

11. How much does your organisation plan to invest over a period of 24 months, in order to gear up for growth, coming out of total lockdown (post Level 1)?

	More than R500 million	R150 million to R500 million	R50 million to R150 million	R5 million to R50 million	Up to R5 million	Nothing	Not sure
Invested in the past 12 months	23% 2%	5%	5%	11%	34%	14%	29%
Plan to invest in the next 12 months	15% 2%	2%	2%	9%	24%	24%	37%
Plan to invest in the next 13-24 months	14% 0%	3%	2%	9%	27%	13%	46%



Note: Rows may not add up to 100% due to rounding

Respondents are willing to invest in **digital technologies, strategy and innovation, and the ability to pay salaries** as the top priorities

New partnerships and machinery (robotics) were the least desirable

12. Given your planned investment over the next 12-24 months, what share of that investment is for:

	Up to 100%	Up to 75%	Up to 50%	Up to 25%	Nothing	Not Sure
Digital technologies/process change (e.g. manufacturing process, analytics, IOT, finance transformation etc.)	0%	4%	7%	40%	17%	32%
To be able to continue to pay our people salaries	3%	7%	19%	28%	16%	27%
New machinery (Assets e.g. robotics)	5%	4%	4%	18%	42%	27%
Strategy and innovation (change in business models and new products/services)	2%	3%	7%	36%	21%	31%
New partnerships (mergers and acquisitions/partnership agreements)	1%	1%	7%	15%	45%	31%
Other investments	0%	0%	1%	16%	42%	41%

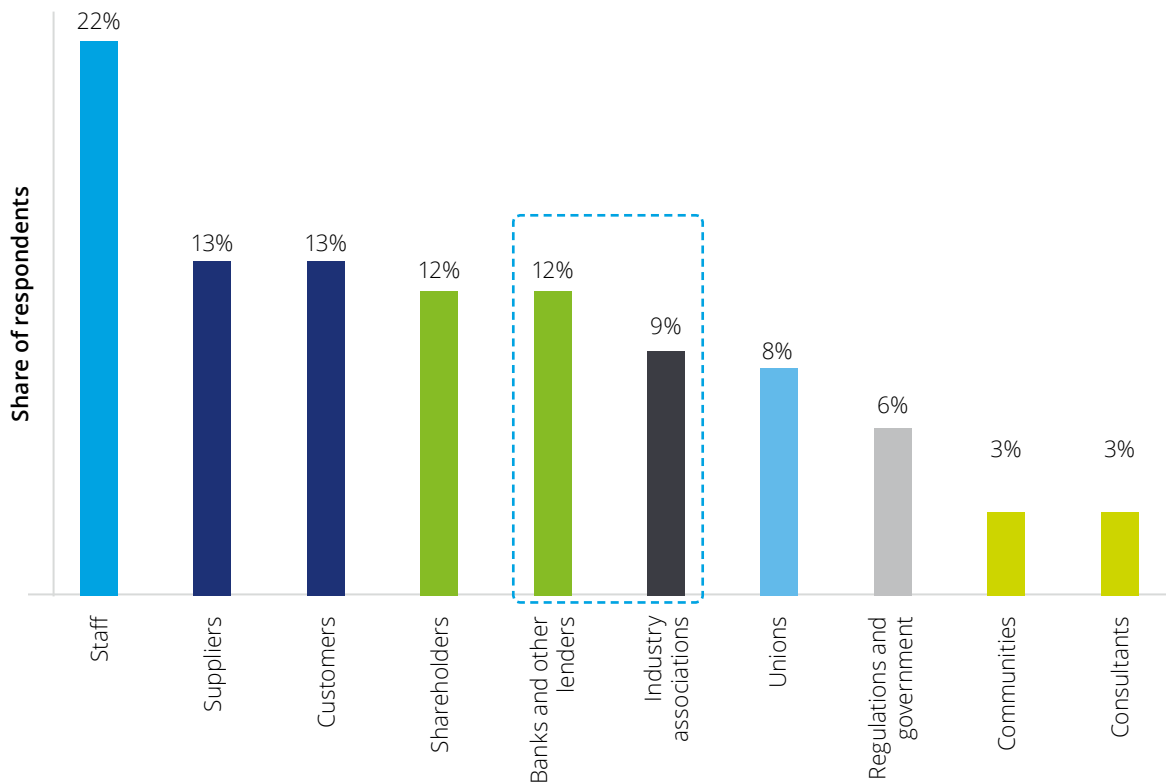
Colour tint from lightest to darkest represents lowest to highest percent respectively

Note: Rows may not add up to 100% due to rounding

Respondents' immediate focus has been staff (22%), suppliers (13%) and customers (13%)

Only 21% have engaged with banks and other lenders as well as industry associations to improve their current liquidity

13. Which of the following stakeholders has your company actively engaged with given the COVID-19 impact?

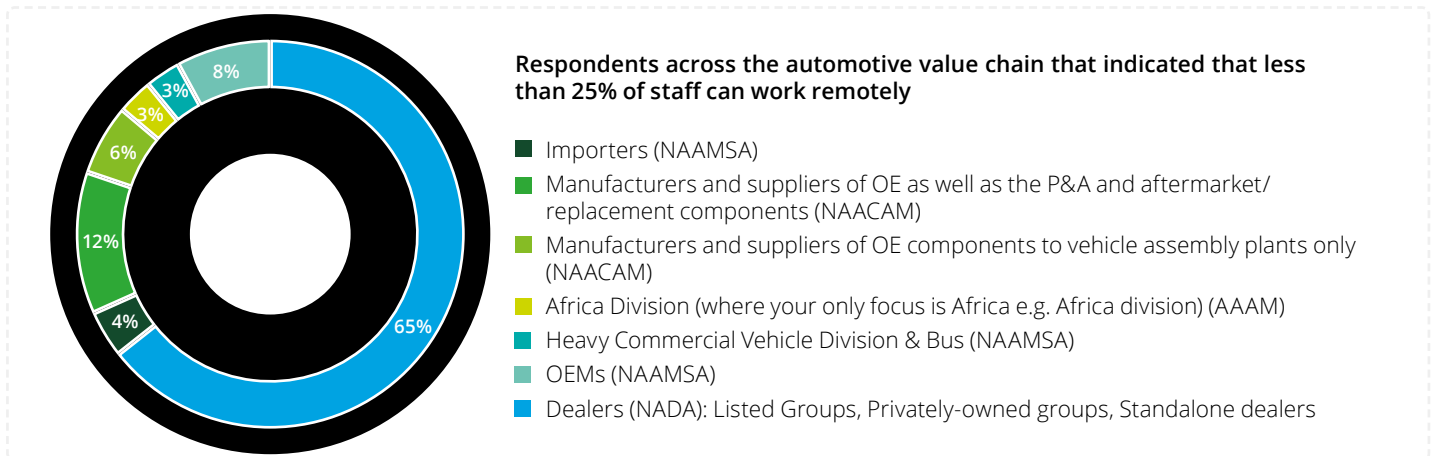
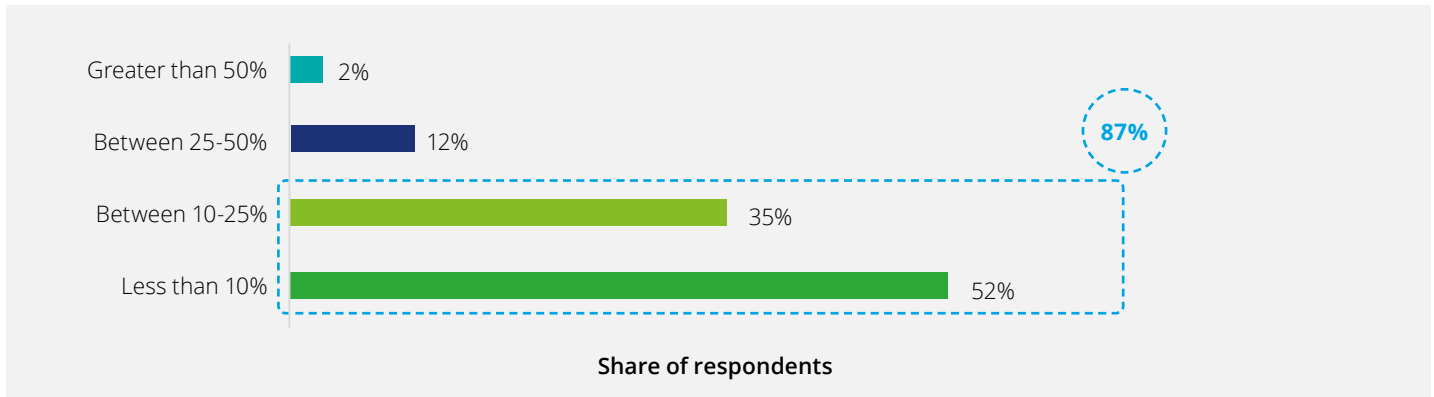


Note: All responses were counted and aggregated to provide a percentage view across the survey respondents. Values may not add up to 100% due to rounding

87% of respondents indicated that **less than a quarter of their staff can work remotely**

Dealers, OE and P&A suppliers as well as OEMs have a high staff compliment that cannot work remotely at present

14. What is the proportion of your company's staff complement that can work remotely?

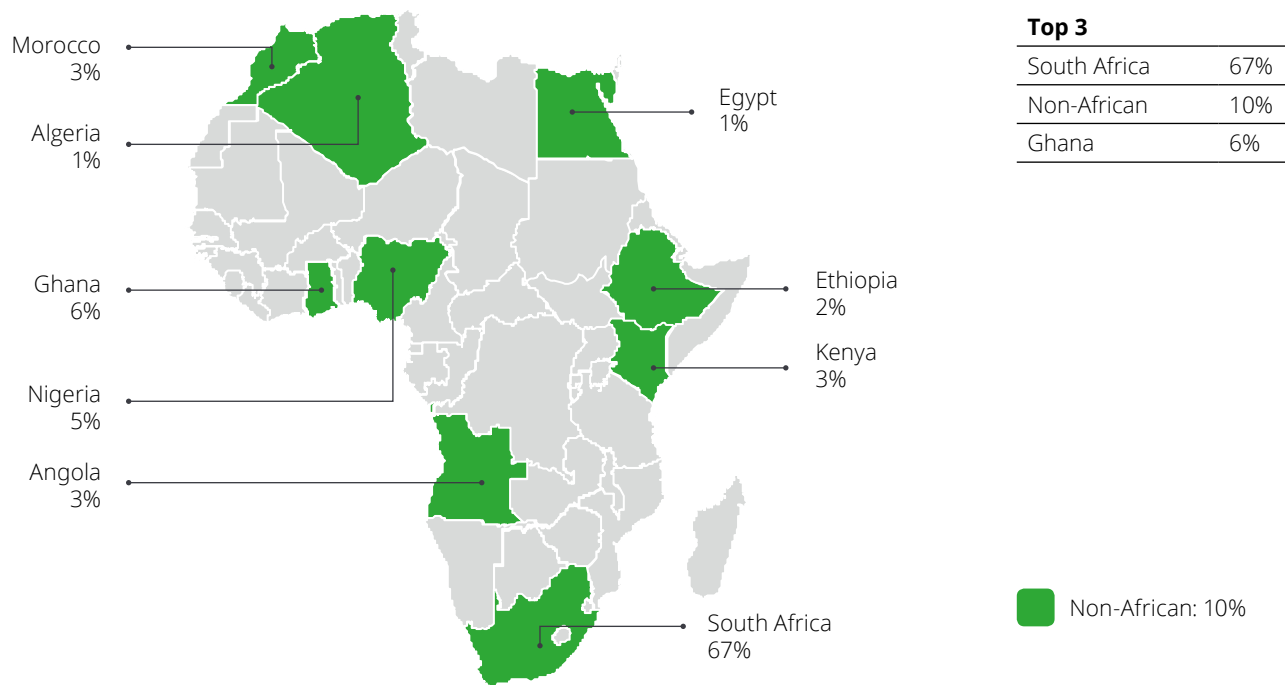


Note: Values may not add up to 100% due to rounding

South Africa remains the major focus currently (67%) followed by Ghana (11%) and non-African (10%) countries

Increased interest has been placed on non-African regions due to expected sales abroad, with a shift to 10% (previously 7%)

16. What are the countries of focus at present?

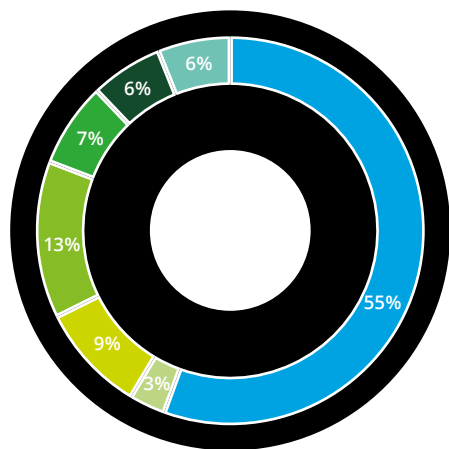
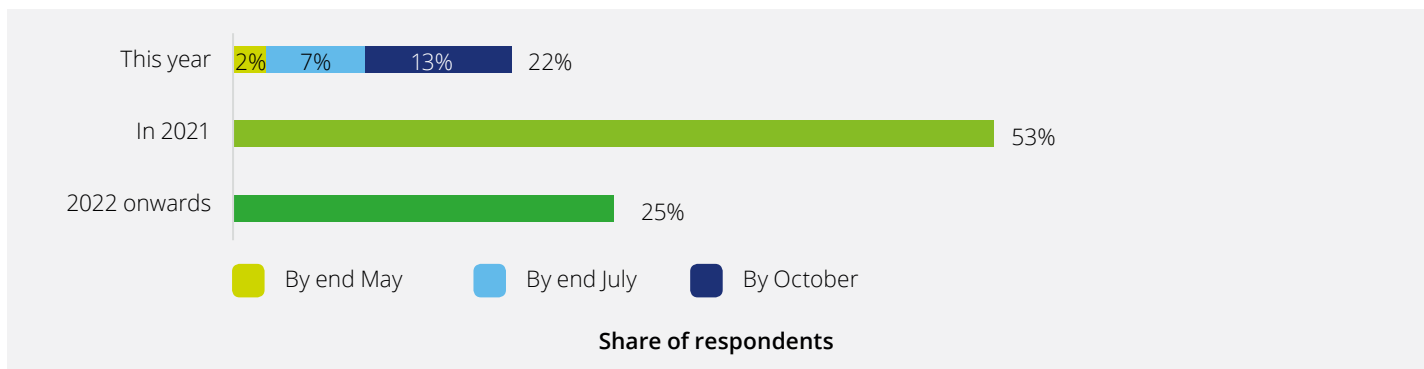


Note: All responses were counted and aggregated to provide a percentage view across the survey respondents. Values may not add up to 100% due to rounding

53% of respondents are hopeful that their business activities will **revert to “normal” in 2021**

22% expect to revert to “normal” by the end of this year, whereas 25% expect to only recover from 2022 onwards

17. When do you expect business to revert to “normal” (post Level 1)?



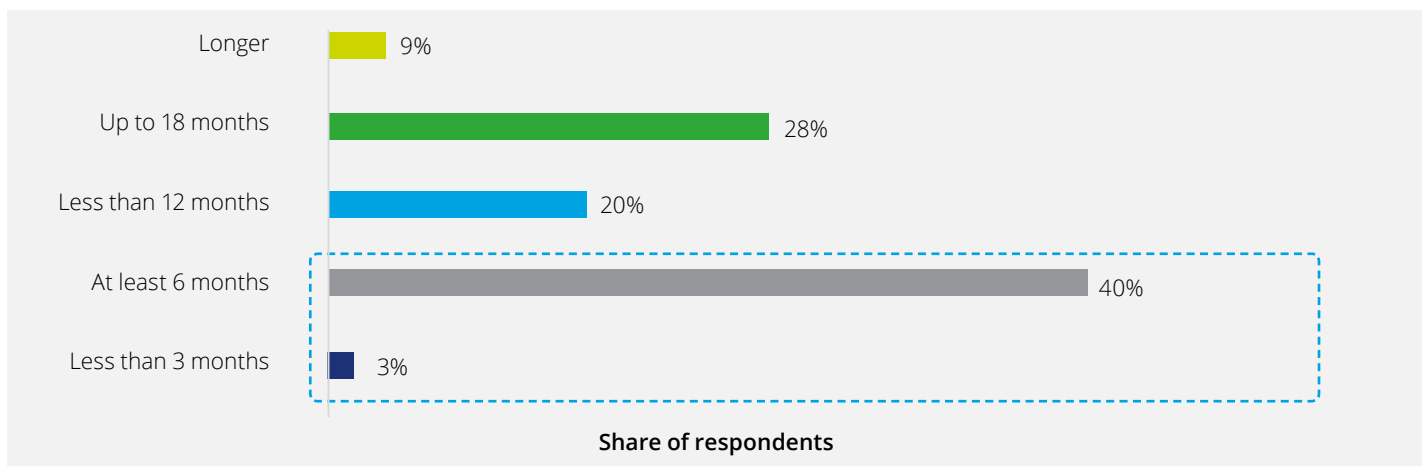
Respondents across the automotive value chain that indicated that business will revert to normal (post Level 1) in 2021

- Africa Division (where your only focus is Africa e.g. Africa division) (AAAM)
- Dealers (NADA): Listed Groups, Privately-owned groups, Standalone dealers
- Heavy Commercial Vehicle Division & Bus (NAAMSA)
- Importers (NAAMSA)
- Manufacturers and suppliers of OE as well as the P&A and aftermarket/replacement components (NAACAM)
- Manufacturers and suppliers of OE components to vehicle plants only (NAACAM)
- OEMs (NAAMSA)

43% of respondents are expecting to breakeven before the end of the calendar year

57% think it will take longer and will need assistance to manage their liquidity

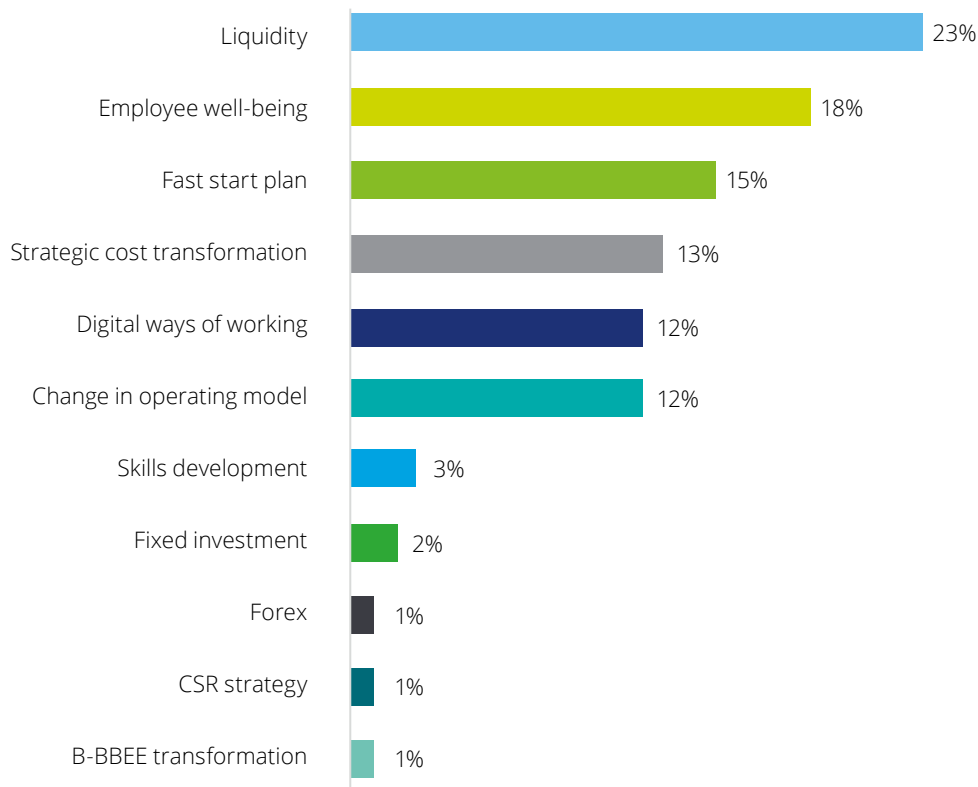
18. How long will it take you to 'break-even' (EBITDA %) ?



A focus on **financial reserves and cost reduction** have remained at 36% post lockdown

Employee well-being and digital ways of working combined shift to the second focus area, making up 30% collectively going forward

19. What are your top 3 areas of focus, post Level 1 lockdown?



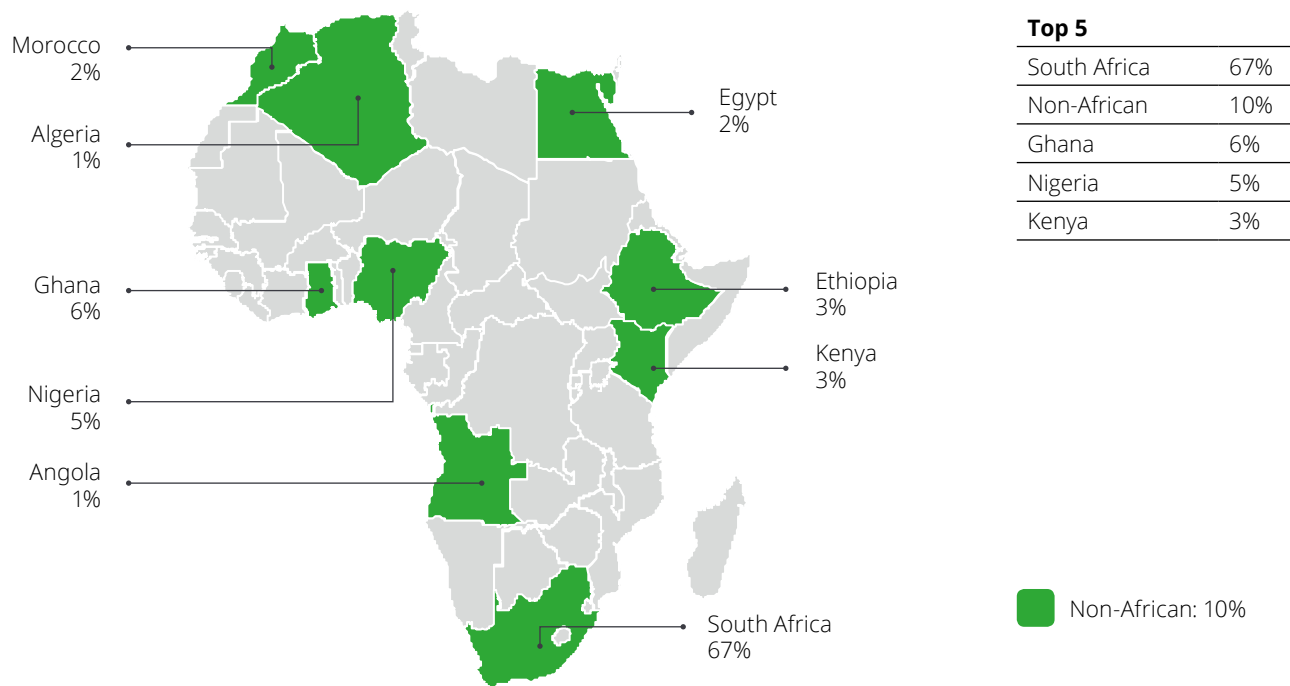
Note: All responses were counted and aggregated to provide a percentage view across the survey respondents. Values may not add up to 100% due to rounding

South Africa remains the major focus

post-COVID-19 Level 1 (67%)

An increase in focus on non-African countries (10%) shifting to the second focus region, closely followed by Ghana and Nigeria in the West

20. What are your countries of focus post COVID-19?

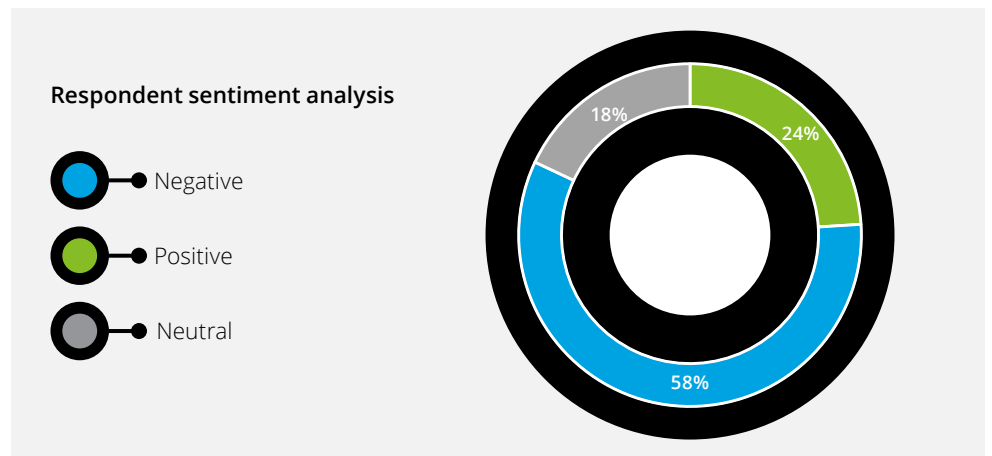
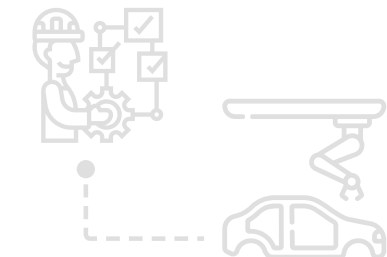
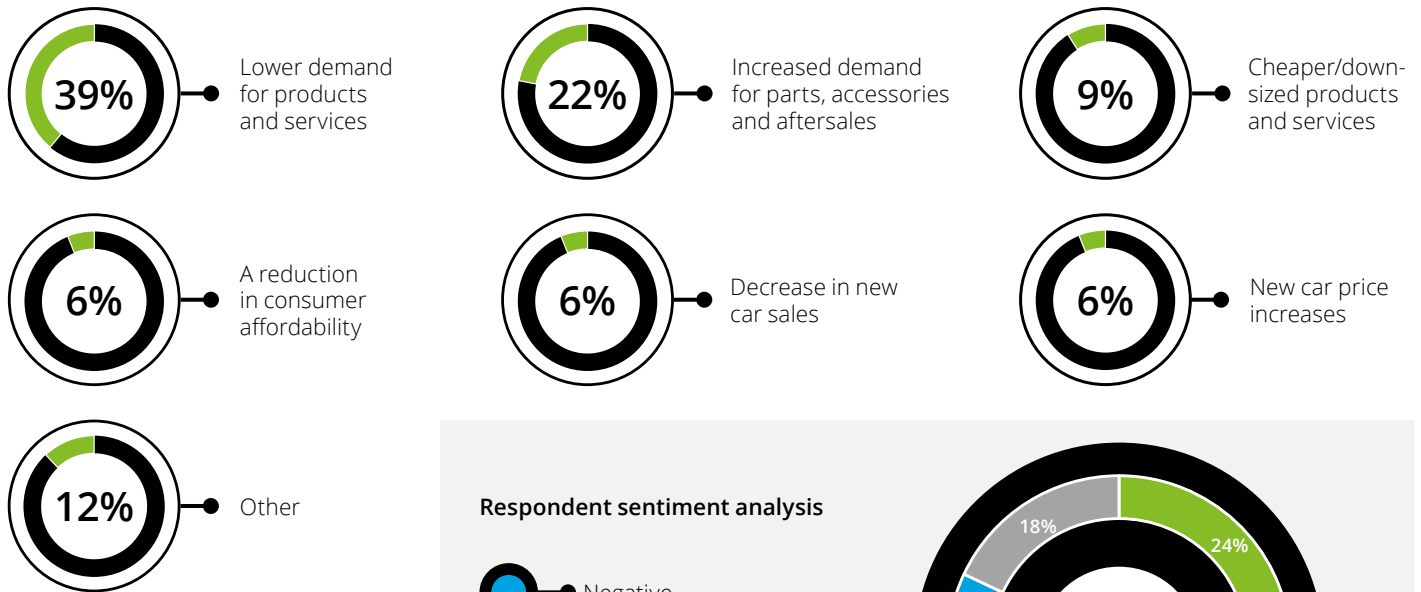


Note: All responses were counted and aggregated to provide a percentage view across the survey respondents. Values may not add up to 100% due to rounding

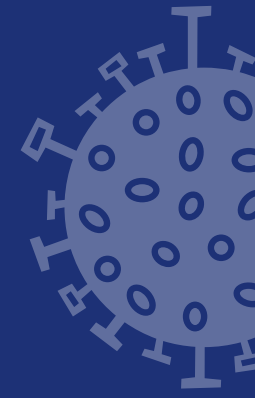
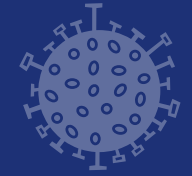
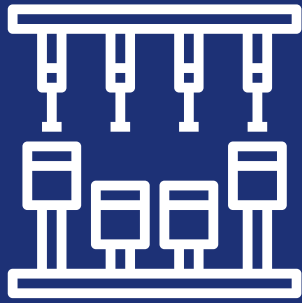
58% of the respondents are expecting a negative outlook for their product/service after Level 1 (COVID-19)

6 core themes have emerged below

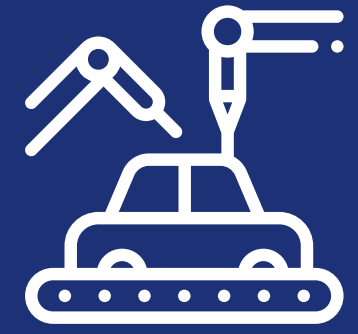
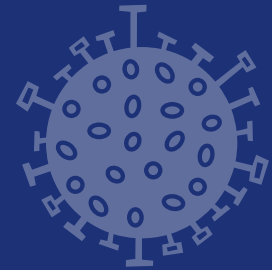
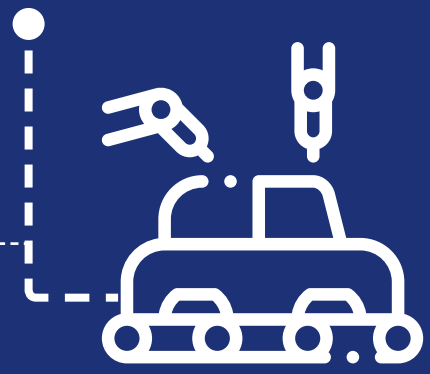
Emerging themes:



Note: The emerging themes were based on the share of respondents that supported each theme

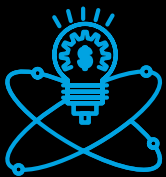


Further insights









Recovery lessons learnt from other countries (1/4)

How companies respond to the COVID-19 lockdown is an important determinant of the automotive sector's future sustainability. These 7 focus areas serve as lessons learnt on the journey to recover and thrive:



Business resumption








The automotive sector is facing shocks at all levels of its value chain. All players, including traditional OEMs, new entrant automakers, dealerships, suppliers and financial services providers are rapidly evaluating the influence of the pandemic and taking action to overcome its challenges hand-in-hand with customers and employees. Increased focus should be placed on:

-  Customer demand, by creating and upgrading customer touch points
-  Employee care, by providing protection and guaranteeing health and career development
-  Cash flow risks, especially in retail channels directly affected by the market
-  Reinforcing upstream and downstream collaboration, and improving supply chain flexibility
-  Considering alternate revenue streams, where scenario planning indicates pressures on existing revenue streams
-  High-level financial risk assessments should be conducted on any critical, sole-source suppliers to identify issues before they become problems.



Cash flow

Revisit capital investment plans. With cash flow forecasts in mind, automotive players should consider what is really necessary for the near term. What capital investments can be postponed until the situation improves? What capital investments should be reconsidered? What capital investments are required to position for the rebound and for creating competitive advantage? Suggested steps include:

-  Take proactive actions to cut or extend payment terms (cash outflows from operating activities)
-  Carry out flexible cooperation for fast, expensive cash collection (cash inflows from operating activities)
-  Reduce cash outflows from investment
-  Make full use of policies to reduce financing costs and generate cash inflow from financing activities
-  Beware of excessive reduction
-  Strengthen channel risk management
-  Strengthen dealers' sustainability by improving channel performance systems.

Recovery lessons learnt from other countries (2/4)

How companies respond to the COVID-19 lockdown is an important determinant of the automotive sector's future sustainability. These 7 focus areas serve as lessons learnt on the journey to recover and thrive:









Human capital

A highly labour intensive sector needs sound risk responses to counteract the effect of COVID-19.

Three major HR challenges currently exist: work stoppages and temporary changes to employment, intensified competition and higher short-term labour costs, and employees requiring to adapt to zero-touch activities and services.




Increased focus should be on strengthening core competencies for steady improvements:

-  Analyse the impact of the pandemic and adjust organisational systems
-  Retain core talent and provide continuous impetus
-  Control talent mobility and avoid personnel crises
-  Adhere to people-centric principles and care for employees
-  Develop corporate culture and fulfil social responsibilities
-  Open up organisational boundaries and leverage partners' strengths.



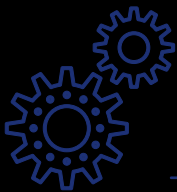
Marketing and sales

The COVID-19 epidemic is a huge test for OEMs, importers and dealers. It will spark fiercer competition in the industry and bring forward a "survival of the fittest" reshuffle. This pandemic also brings development opportunities. New customer journeys that meet vehicle purchase, use and maintenance needs, as well as corresponding digital sales models and processes are needed to provide additional sustainability. This includes:

-  Quickly adjust production, sales plans and marketing models
-  New online strategies and integrated online-offline marketing
-  Swift responses to market change, integration of online and offline channels, and optimisation of the purchase experience.

Recovery lessons learnt from other countries (3/4)

How companies respond to the COVID-19 lockdown is an important determinant of the automotive sector's future sustainability. These 7 focus areas serve as lessons learnt on the journey to recover and thrive:



Supply chain

Ensuring companies understand the financial risks of key trading partners, customers, and suppliers is a critical consideration in times like these. The ability to zoom out and take a look at the whole supply chain and industry is important in improving visibility and coordination between players. This includes:

- Coordinating upstream and downstream enterprises to ensure clear information throughout supply chains
- Giving dealers a bigger say and understanding market needs
- Conducting multi-scenario supply and demand simulations, and adjusting production and marketing plans
- Flexibly adjusting production arrangements, and achieving a controlled work resumption as soon as possible
- Quickly reviewing and identifying supply disruption risks, and launching supply chain backup and contingency plans
- Monitoring long-term supply risks and supporting upstream suppliers
- Cooperating with logistics partners to ensure uninterrupted supply.



Digital marketing

COVID-19 is not a decisive event in automotive companies' digital marketing competition, but a "clarion call" in an ongoing contest. Suggested steps include:

- Integrating digital marketing channels to address specific needs at each stage of the customer journey based on comprehensive, multifaceted planning
- Creating an efficient, unified, multi-channel marketing ecosystem with various online channels, based on overall marketing strategy and high-precision customer portraits
- Comprehensively evaluating the effectiveness of online channels to guide the effective input of marketing resources for the medium and long term, based on the effects of new media channels launched during the pandemic.

Recovery lessons learnt from other countries (4/4)

How companies respond to the COVID-19 lockdown is an important determinant of the automotive sector's future sustainability. These 7 focus areas serve as lessons learnt on the journey to recover and thrive:

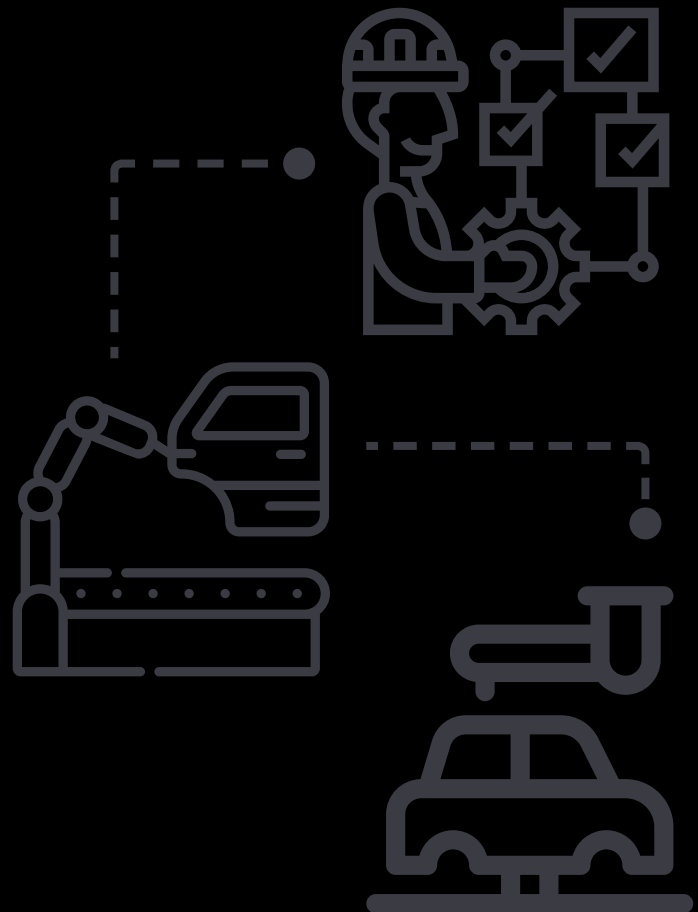


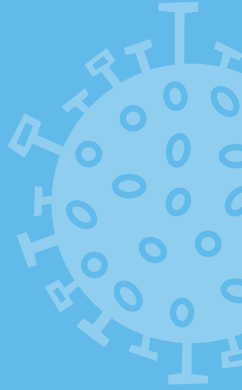
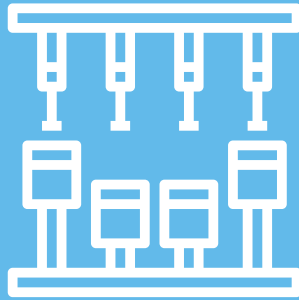
Corporate social responsibility

CSR strategies are a concept used to describe the relationship between corporate growth and social development. Enterprises are responsible for and obliged to promote social welfare in the pursuit of maximum economic benefits, including their responsibilities to employees, customers, partners, shareholders, governments, communities and the environment.

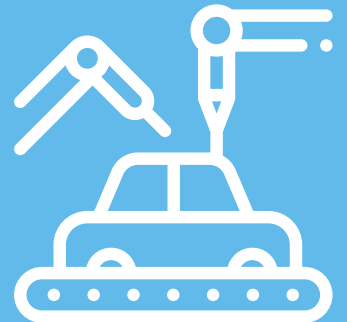
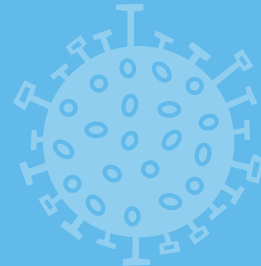
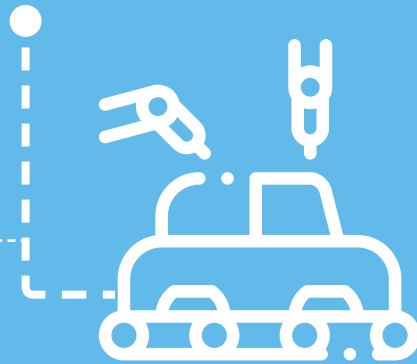
Automotive businesses need to make substantial adjustments to CSR strategies now in readiness for post-COVID-19:

- First, carry out CSR planning based on new corporate strategies
- Second, consider social issues closely related to the main business and with strong appeal to stakeholders
- Third, expand influence and build ecosystem partnerships around CSR
- Fourth, further integrate CSR into sustainable development strategies
- Fifth, pay attention to CSR disclosures and win trust.





Deloitte Africa automotive capabilities



Deloitte Africa automotive capabilities

Automotive centre of expertise

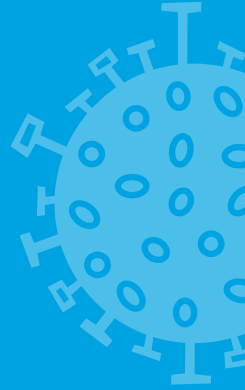
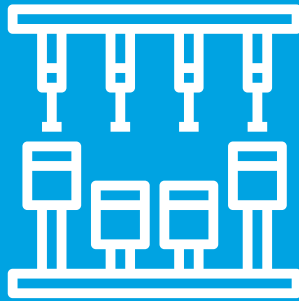


Business Growth & Customer	Operational Excellence	Finance	Digital & Analytics	Technology	People	Captives
<ul style="list-style-type: none"> Market and Product strategy Branding Fleet, Leasing, Remarketing Customer Experience Channel Management (retail, wholesale, digital) After Sales strategy (Service & Parts) Turnaround B-BBEE and ESD Strategy 	<ul style="list-style-type: none"> Product Cost Improvement Lean Management Production Excellence Supply Chain, Logistics & Distribution Sourcing & Procurement Quality 	<ul style="list-style-type: none"> Finance Strategy & Organisation Business Finance (Performance Management, Planning, Reporting) Financial Controlling Operational Finance (Accounting & Closing) M&A Finance Digital Finance Transformations 	<ul style="list-style-type: none"> Digital Marketing Digital Customer Channels Connected Car Mobility Services Autonomous Driving Integrated CX Digital Platform Digital Operating Model incl. Accelerator 	<ul style="list-style-type: none"> IT Strategy IT Architecture Cloud & IT Infrastructure Big Data & Analytics ERP Solutions & Implementation PLM/ PDM Solutions & Implementation AMS Strategy & Solutions 	<ul style="list-style-type: none"> Organisational Design Talent Strategy & Management Learning Solutions HR Transformation Change Management Digital Talent & Enablement 	<ul style="list-style-type: none"> Business model enhancements, e.g. mobility services, fleet, used car, advanced analytics Operating model improvements, e.g. operational excellence, digitisation, IT harmonisation Finance model excellence, e.g. regulatory compliance, residual value management

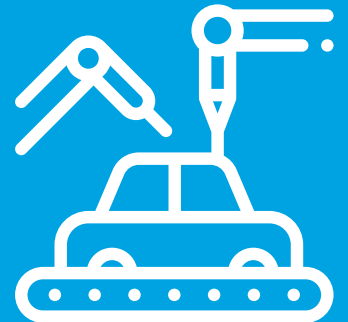
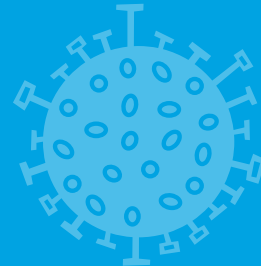
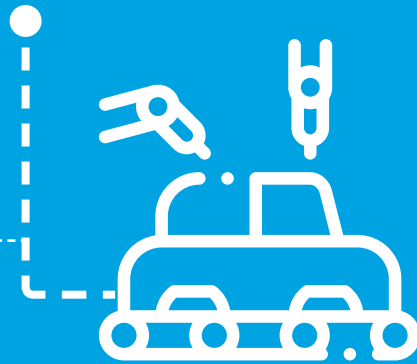
Risk & Regulatory
<ul style="list-style-type: none"> Regulatory Risks and Governance (Vehicle Safety and Recall) Dealer and Sales Channel Services Development & production risk (incl. 3rd party assessment) Supply Chain Risks & Safeguarding of Assets Cyber Risk and Secure Software Development Accounting & Assurance Services

Financial Advisory & M&A
<ul style="list-style-type: none"> Corporate Finance Advisory Buy-side and Sell-side transaction services Valuation & Business Modeling Forensic Carve-out/PMI Services Restructuring Services

Tax Services
<ul style="list-style-type: none"> M&A Tax Services, Tax Structuring and Optimisation Optimisation of IP-Structures, Financing and WHT processes Tax Health Checks, Tax Field Audit Support Internal Control Systems for tax purposes (Corporate Tax directive) Transfer Pricing (e.g. CbCR, TP documentation) Global Mobility/Expatriate Services / PE risk management



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