

A young girl with long brown hair, wearing a grey hoodie, is shown in profile, looking intently at a futuristic, glowing blue interface. She has her hands raised, as if interacting with the interface. The background is dark with various glowing blue and white elements, suggesting a high-tech or virtual environment. A yellow and green border frames the text on the left side of the image.

How will you position yourself in Africa's growth story?

Automechanika January 2025



The better the question. The better the answer. The better the world works.

The EY logo, consisting of the letters 'EY' in a bold, white, sans-serif font. A yellow diagonal line is positioned above the 'Y'.

Shape the future
with confidence

Agenda

1

- The African Growth Story

2

- AfCFTA: How to Enable African Growth

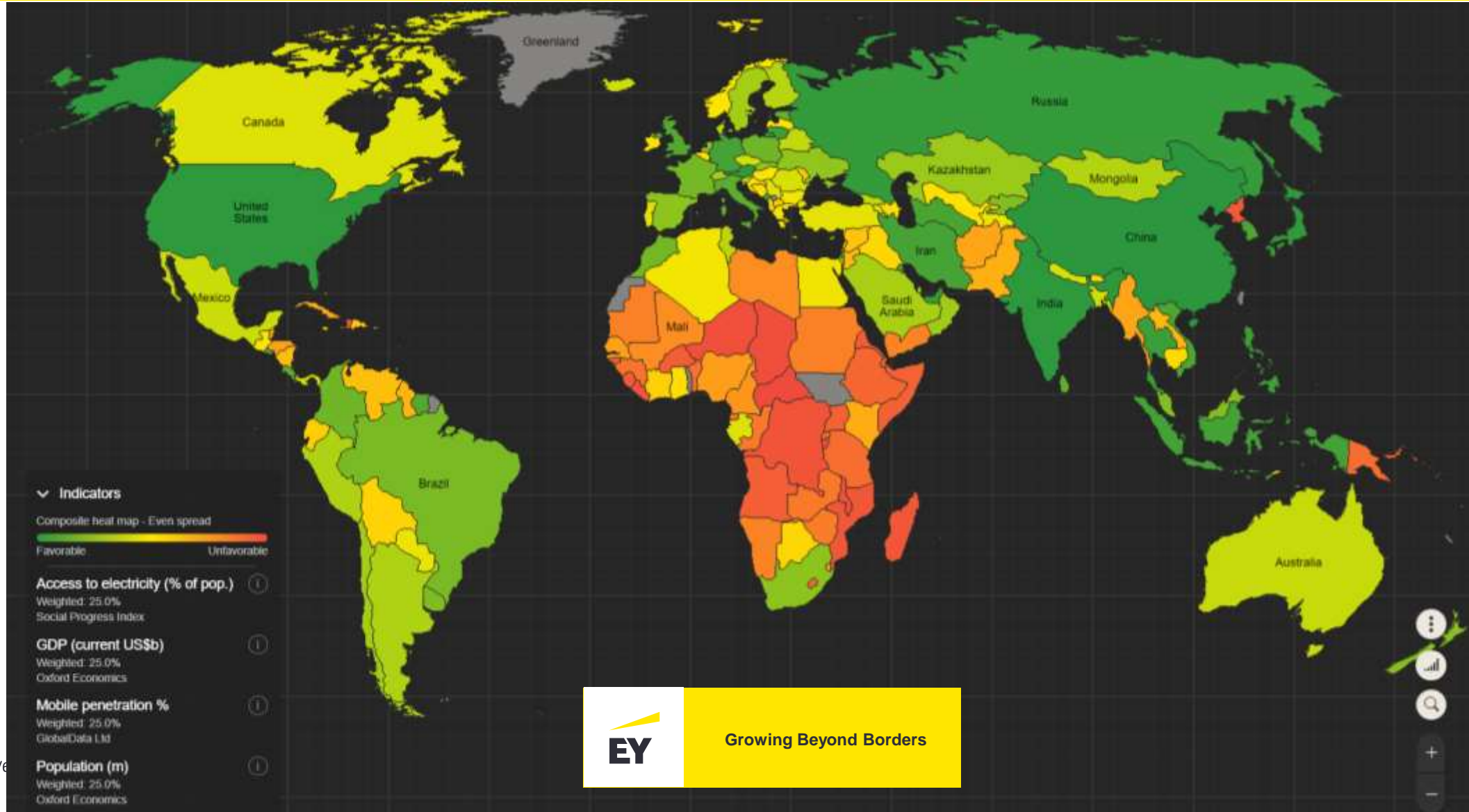
3

- Market Drivers

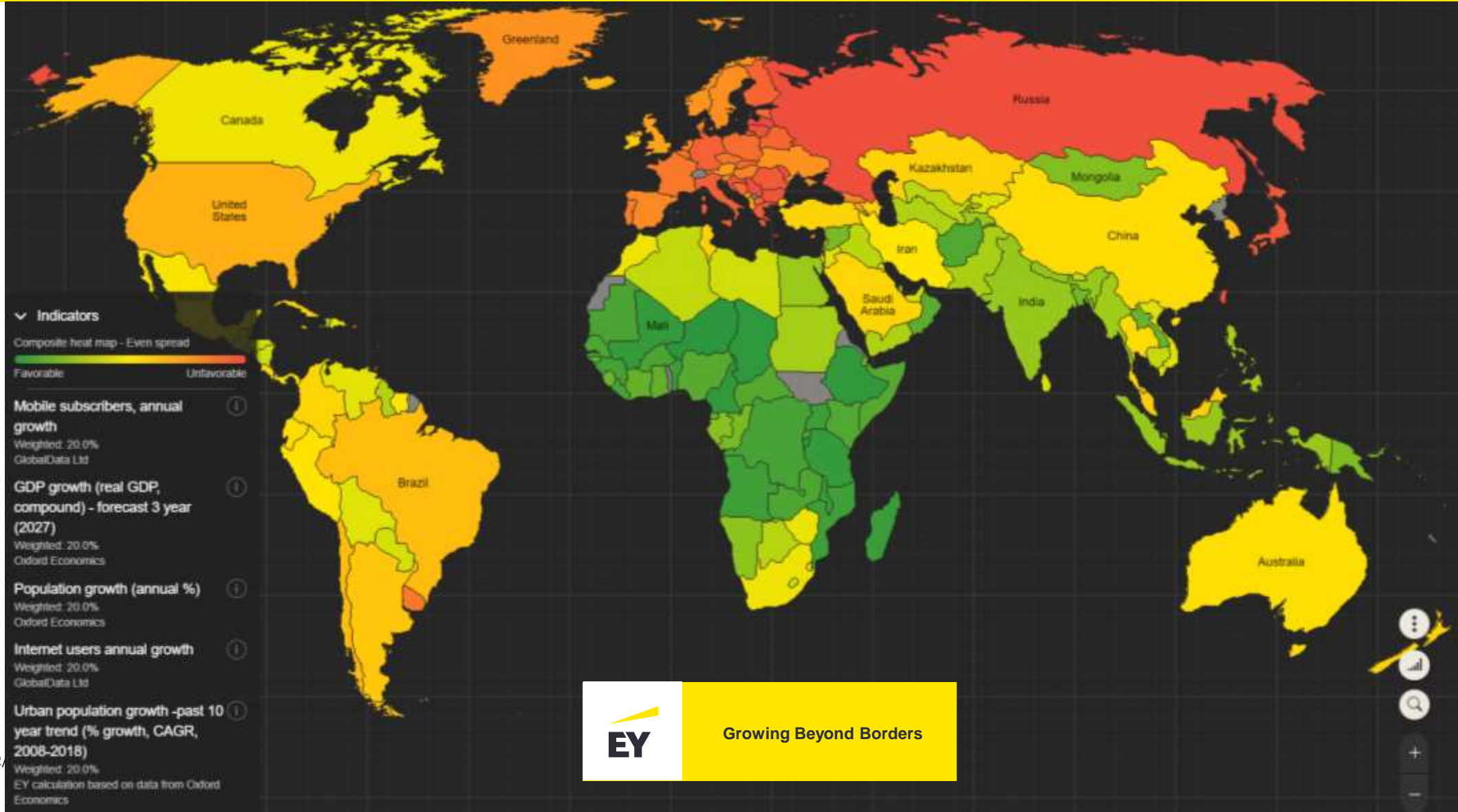
4

- Implications

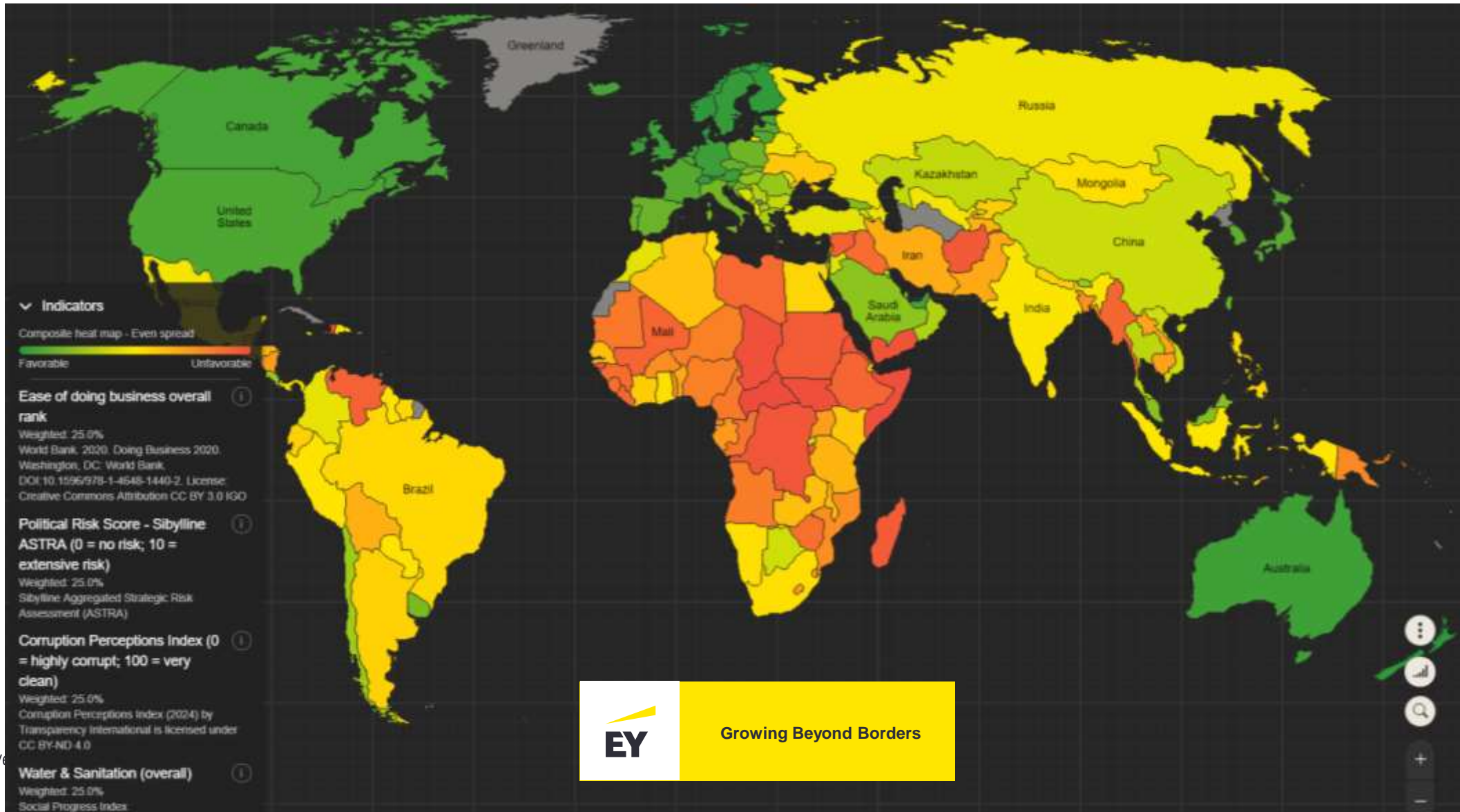
The African growth story: Starting from a low base



The African growth story: The opportunity



The African growth story: Not without challenges



How can AfCFTA clear some of the blockages

- Enhance economic integration.
 - Sustainable and socio-economic development.
 - Increase competitiveness of African economies.
 - Facilitate movement of capital, natural resources.
- Promote industrial development through diversification and regional value chain development.

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Rapid expansion in
beneficiation can boost
the manufacturing
footprint on the
African continent

Duane Newman

EY Tax Sustainability Partner

Market Drivers in the Aftermarket Sector

Drivers...

- 1 Technology evolution:** Rapid adoption of advanced automotive technologies



Electrification



Connected



Autonomous



Shared Mobility



Digitalization

- 2 Customer preferences:** Evolving consumer preferences and adoption of customer-focused approach



Shift towards fleet customers



Focus on customer centricity

- 3 Regulations and sustainability, increased car usage:** Growth in vehicle parc, regulatory pressures and heightened focus on sustainability



Car parc growth and ageing vehicles



Sustainability and Stringent ESG management

Implications for the Aftermarket Sector

Drivers...

- 1 Technology evolution:** Rapid adoption of advanced automotive technologies



- 2 Customer preferences:** Evolving consumer preferences and adoption of customer-focused approach



- 3 Regulations and sustainability, increased car usage:** Growth in vehicle parc, regulatory pressures and heightened focus on sustainability



Key market dynamics...

Shift in roles

- ▶ Explore opportunities across the aftersales value chain
- ▶ Bridge the skills gap

Growth areas

- ▶ Electrification
- ▶ Non-traditional Mobility
- ▶ Omnichannel
- ▶ Product Range

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