

Fleet EVs into the 2nd hand market

November 2023

CARS | SALVAGE | INDUSTRIAL | GOODS

es
ck
e



Brendon Green

General Manager, Motor Vehicles

Pickles Auctions

Australia

Tel: +61 408 254 825

Brendon.Green@Pickles.com.au

LinkedIn QR



pickles.com.au



Pickles

About Pickles



FOUNDED IN 1964
ACQUIRED SEPT 2022
BY APAX PARTNERS



52,000+
MOTOR VEHICLES
SOLD IN FY23



27 LOCATIONS IN AUSTRALIA **5** LOCATIONS IN MALAYSIA



150,000
SALVAGE VEHICLES
SOLD IN FY23



700+ AUCTIONS
CONDUCTED EVERY MONTH



42,000+ TRANSPORT
& CONSTRUCTION
ASSETS SOLD IN FY23



PICKLES

Major Clients / Locations

"delivering value through relationships"

Government



350+ Councils
150+ NFPs

Fleet Managers



Our Locations



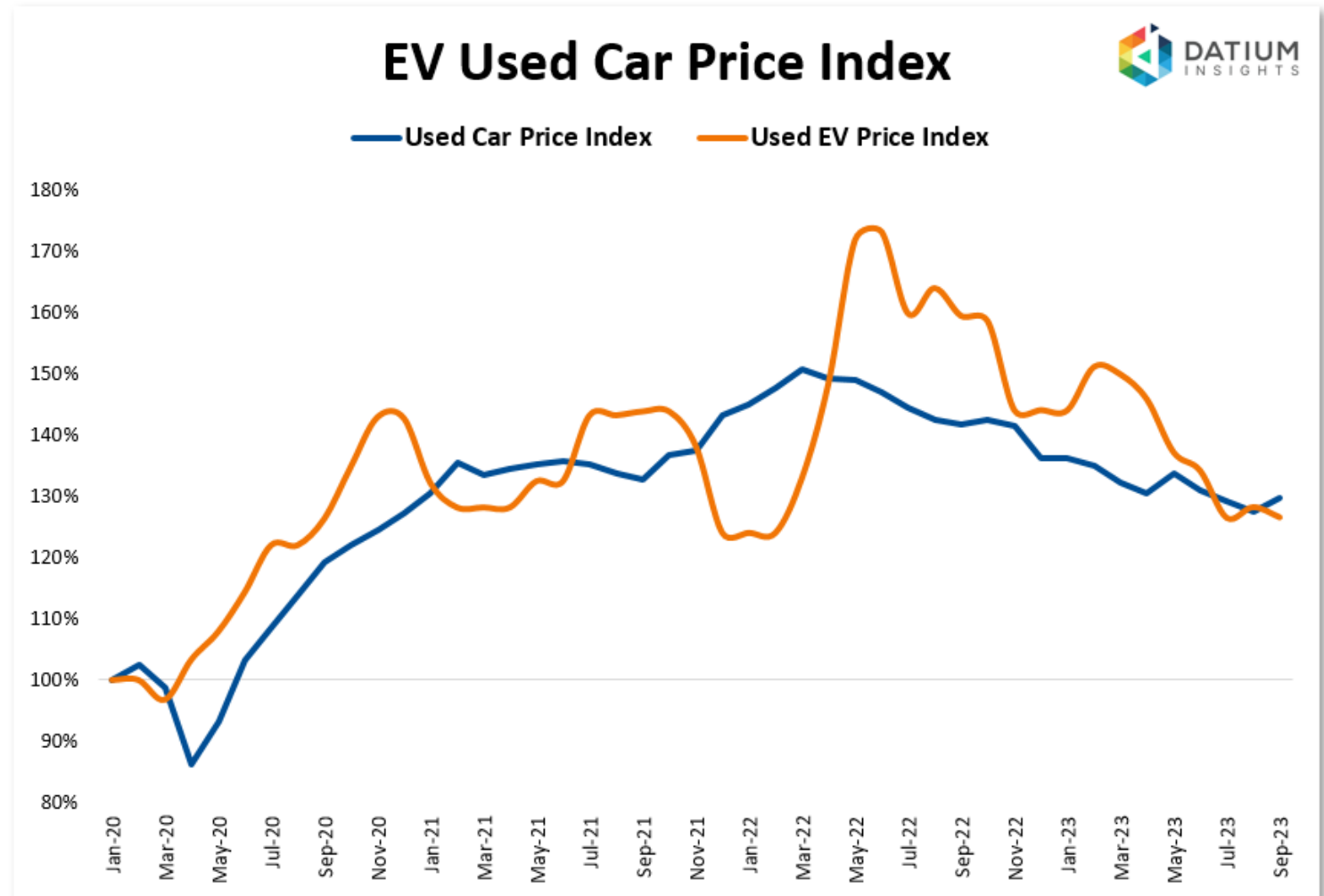
Future Used EV Pipeline

- 50% of Pickles customers are FMO + Government (state, local, federal etc)
- Expecting used EV volumes to triple year on year moving forward
- Assist with Govt distribution and adoption of used EVs
- Pickles are selling a higher proportion of used EVs direct to consumers than ICE buyers...consumer adoption is strong.
- 20M+ website visits per annum
- Establishing dedicated Low Emission sales channels nationally
 - Detailed condition reports
 - Highly competitive
 - Consumers + Trade
 - Dedicated marketing
 - EV buyers very digital savvy
- Battery State of Health certificates

The screenshot shows the Pickles website interface. At the top, there's a navigation bar with 'Pickles' logo and links for 'Buy', 'Sell', 'Services', 'About Pickles', and 'More'. On the right, there are icons for a home, star, search, and 'Sign Up' with 'LOG IN' and 'AUD' options. Below the navigation is a search bar with 'SAVE SEARCH' and 'CLEAR' buttons. The main content area displays four vehicle listings, each with a photo, title, location, price, and a 'VIEW' button. The listings are: 2020 MG ZS EV (Fixed Price, \$33,070), 2021 Hyundai IONIQ (Auction, Proposed), 2021 TESLA Model 3 (Fixed Price, \$52,690), and 2022 Polestar 2 (Auction, Proposed). A sidebar on the left contains filters for Make, State, Fixed Price, Years, Body, Kilometres, Buy Method, Transmission, Colour, Drive Type, and Engine Capacity.

Used EV Prices

- Over the past 3 years, used vehicles prices have experienced significant fluctuations
- ICE peaked at a 50% uplift / EV's peaked at 70%
- Today the average price of a used EV is 30-40% higher....as a result of higher RRP's
- The only option to convert from ICE to EV for many consumers will be via a used EV during this economic climate
- Buyers of used EVs to date are well researched and better informed than traditional ICE buyers
- Used EV price drivers:
 - Lack of supply creates volatility
 - Emerging EV brands at lower price points
 - Regular price adjustments by large EV OEM's
 - Interest rates, inflation etc

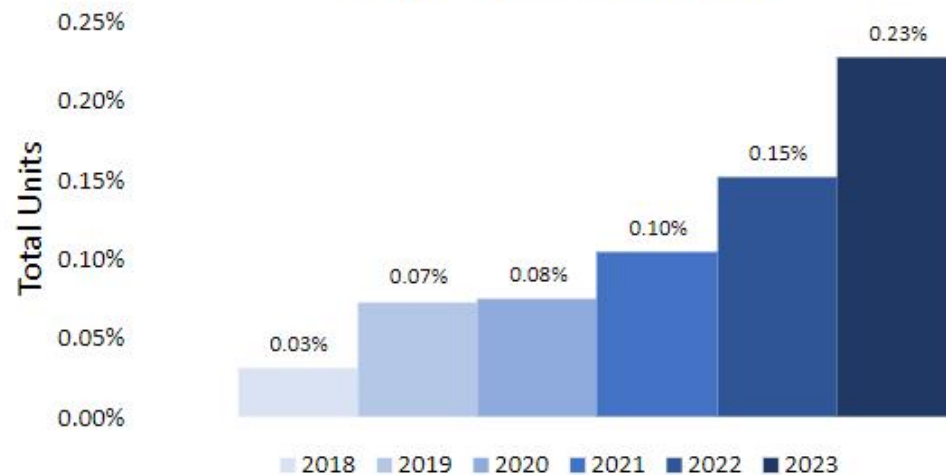


Used EV Market

Used EV Marketplace



Pickles Used EV Sales %

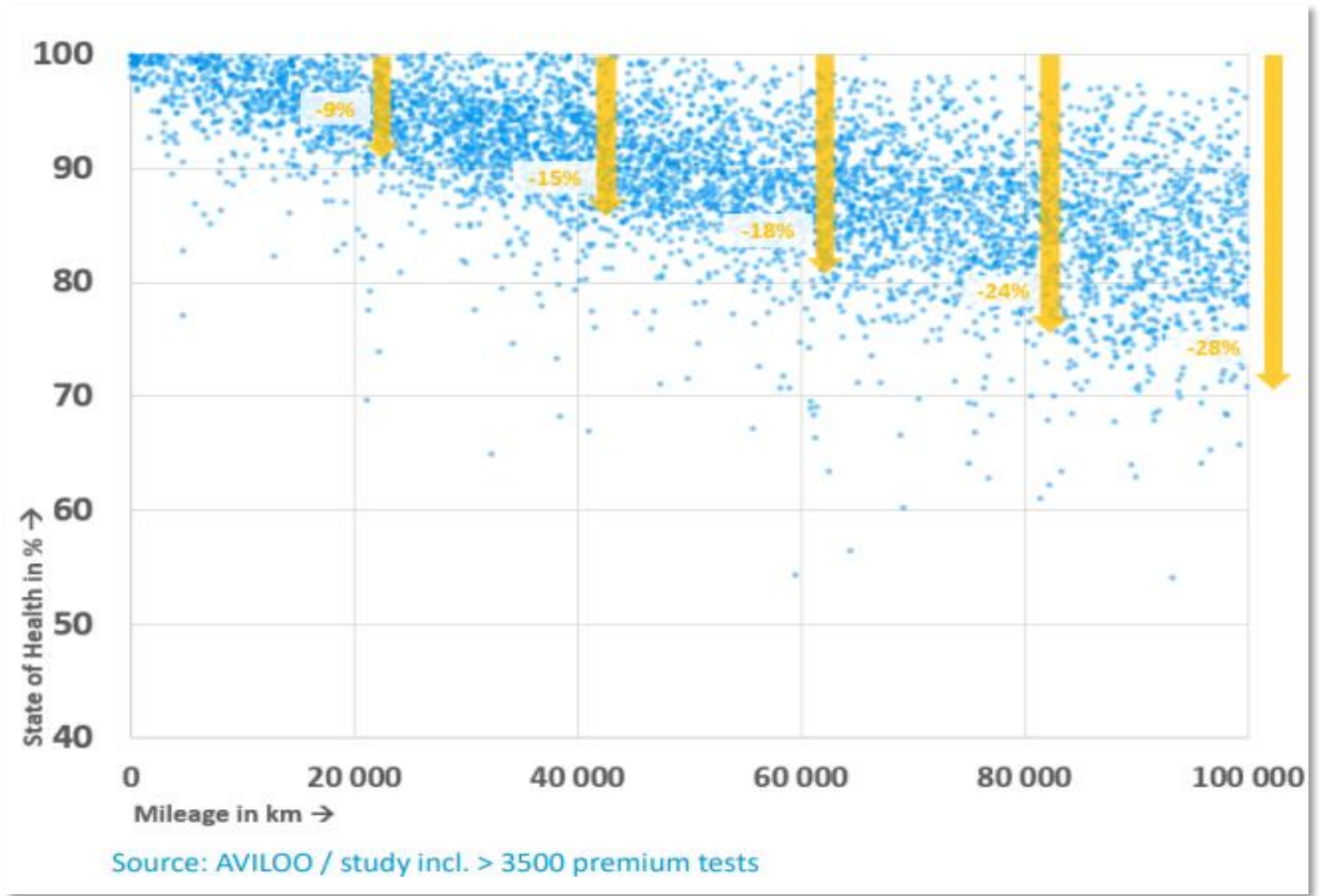


- Used EVs ~ 1% of used motor vehicle market
- Mix of used EVs weighted towards "Generation 1" EVs...
- High percentage sold by consumers on listing sites

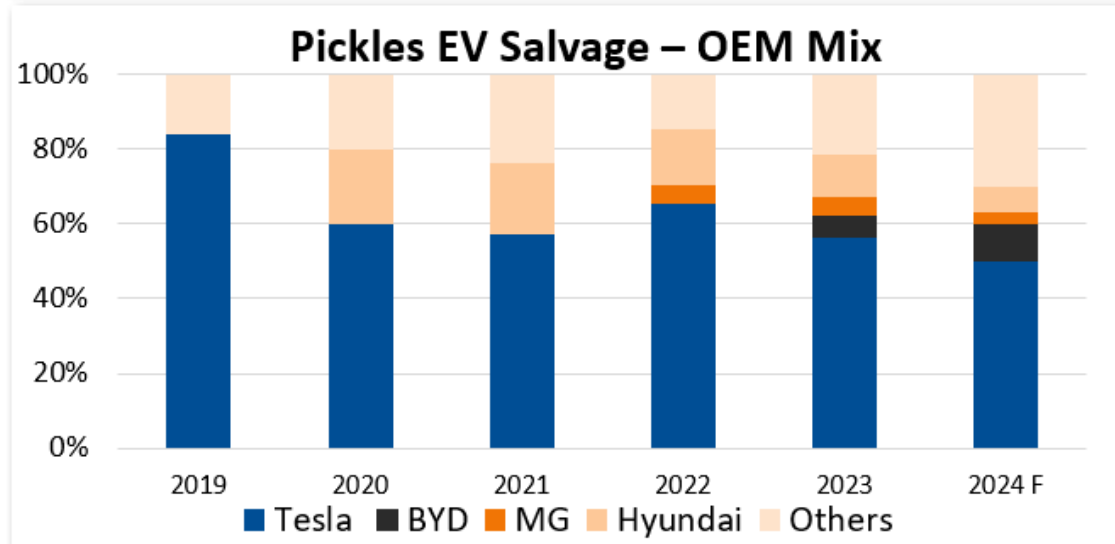
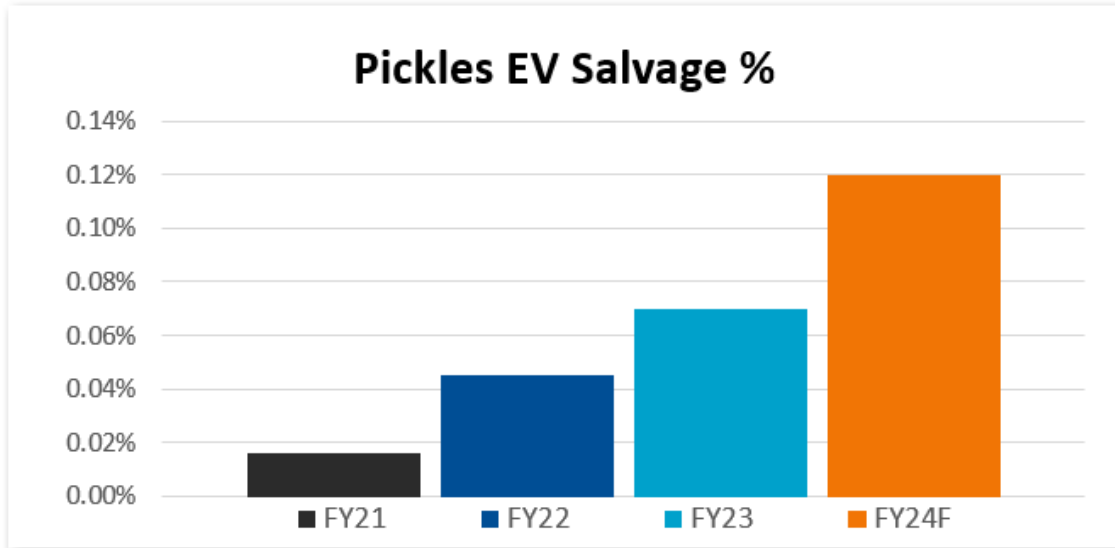
- Pickles seeing significant growth YoY on volume of EVs...from a very low base!
- Forecast used EVs will grow by **X3 YoY**

EV Battery Health & Used Values

- Many buyers will take confidence in 8 year battery warranties
- Buyers want to understand battery health on a used EV. Key information required:
 1. Estimated revised KM range
 2. Battery degradation
 3. How cars were previously charged?
- USA data suggests 'how cars are charged may not effect battery life'
- California is mandating 'battery State of Health to be displayed in new cars sold from 2026'

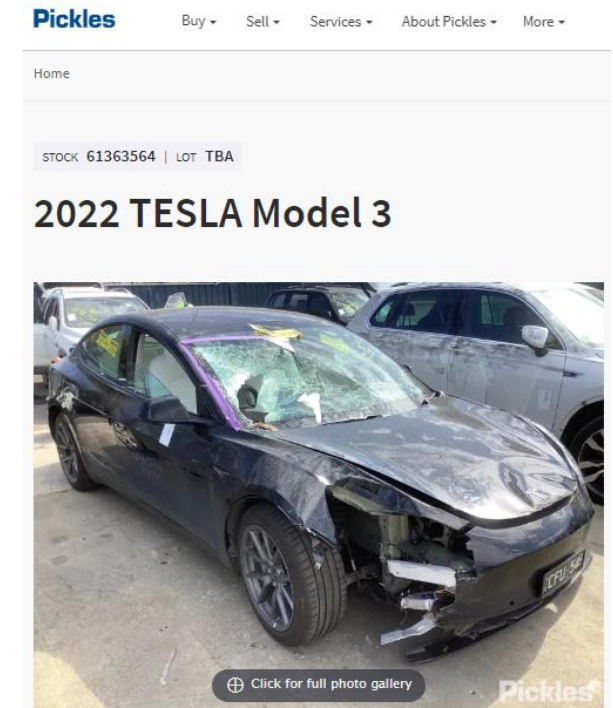


Reuse, Repurpose, Recycle



Observations

- Significant growth in volume as the number of EVs on the road increase
- Currently seeing more Written Off vehicles than end of lease
- The mix of vehicles is changing as OEMs grow
- Buyer types evolving:
 - Battery recyclers
 - Parts dismantlers
 - Dealers
 - Exporters
- EV repair cost v ICE..+30%



ANY
QUESTIONS?



Specialties

Powered by **Pickles**