BAPCOR LIMITED (BAP.ASX)

FY23 RESULTS PRESENTATION

16 August 2023

Acknowledgement of country

Bapcor would like to acknowledge the Traditional Custodians of country throughout Australia. We pay our respect to elders past and present.

We recognise the continued connection of all First Nations people with country across Australia, in particular, and on all the land where Bapcor operates.

Agenda

PERFORM

1	FY23 Group Highlights
2	Segment Results
3	FY23 Financial Summary

TRANSFORM

4	Better Than Before
5	Summary & Outlook
6	Questions & Answers

We are Asia Pacific's leading provider of vehicle parts, accessories, equipment, service and solutions

>$2.0B
FY23 REVENUE

c. 1,000
LOCATIONS IN AUSTRALIA, NEW ZEALAND AND THAILAND

5,500+
TEAM MEMBERS

Bapcor TRADE

Australia's leading trade focused automotive parts and equipment distributor. Emerging Burson footprint in Thailand.

Bapcor SPECIALIST WHOLESALE

Industry leaders in the Truck market and specialist product categories

Bapcor RETAIL

Premium parts and accessories retailer including automotive service centres

Bapcor NEW ZEALAND

Services New Zealand's trade, service and specialist wholesale automotive segments

A market leading group of vertically integrated, specialist businesses operating in a resilient industry

Our journey so far...

1971 — **Burson founded** by Garry Johnson and Ron Burgoine in Victoria, Australia

2014 — **Burson Group Limited** Lists on the ASX

2015

Acquisition of
- Metcash Automotive Holdings
- Opposite Lock

2016 — **Burson Group becomes Bapcor Limited**

Acquisition of
- Roadsafe Automotive Products
- Bearing Wholesalers
- Precision Equipment
- Baxters Auto Electrical
- MTQ Engine Systems
- Sprint

2017

Acquisition of
- Tricor Engineering
- Hellaby

2018

Acquisition of
- Commercial Truck Parts Group
- AADi Australia

2019 — **Expansion of Bapcor into Asia**

Acquisition of
- Toperformance Products
- JTA
- Brookers
- Brakeforce
- AFI South
- Diesel Drive

2020

Acquisition of
- Truckline
- RTS

2021 — **Burson 50th anniversary**

Purchase of stake
- Tye Soon, Singapore

Acquisition of
- Truck & Auto Parts
- Wrights Truck & Trailer

2022

Acquisition of
- Blacktown Auto Spares
- Gibbs
- Absolute Spares

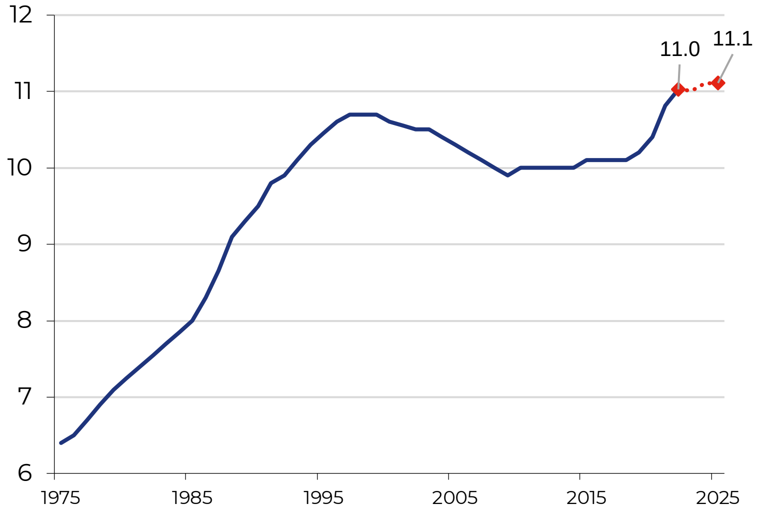
2023 — **Better than Before**

Acquisition of
- E-Max
- MJF Truck and Trailer Parts

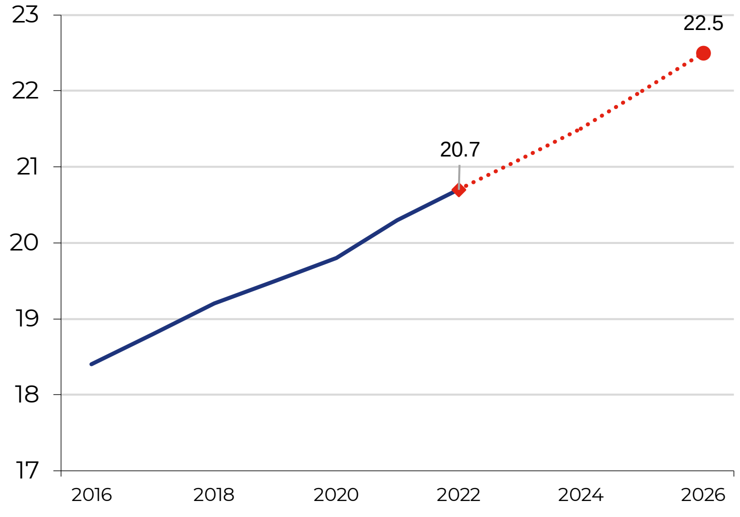
Track record of accretive and successful inorganic and organic growth, providing basis for today's strategy

The automotive aftermarkets remain strong, resilient and continue to offer attractive growth opportunities

Average Australian Vehicle Age [1, 2, 4]
(Years)



Australian Number of Vehicles [1, 2, 3]
('M)



AUS CAR PARC
- No. of vehicles – 21m
- New cars sold p.a. – 1.1m
- Ave. age of vehicles – 11 years

NZ CAR PARC
- No. of vehicles – 5m
- New cars sold p.a. – 200k
- Ave. age of vehicles – 14 years

THAI CAR PARC
- No. of vehicles – 16m
- New cars sold p.a. – 850k
- Ave. age of vehicles – 10 years

Source:
1. Australian Bureau of Statistics, Motor Vehicle Census, Australia (2021) – dates prior to 2021
2. Bureau of Infrastructure and Transport Research Economics', Motor Vehicles, Australia, January 2022 report – 2021 & 2022
3. Forecasts, IBISWorld November 2022
4. Forecasts, Australian Automotive Intelligence 2021

Continued tailwinds from positive macroeconomic market fundamentals in passenger and commercial vehicles

PERFORM

FY23 Group Highlights

Noel Meehan

Managing Director and CEO

FY23 Group Highlights

Robust performance in line with guidance

PERFORM

TRANSFORM

Resilient performance with all key targets achieved

- $2.0B record revenue, up 9.7%, growth in all segments
- $125.3m Pro Forma NPAT
- Pro Forma 2H23 NPAT ($63.3M) slightly higher than 1H23 - in line with guidance
- 22cps record full-year dividend, with 59.6% payout ratio
- 2H23 margin improvement in Trade and Wholesale
- Some macro headwinds in Retail markets
- FY23 demonstrates resilience of Bapcor's diversified business, despite temporary margin compression due to capability build, cost inflation & interest
- Solid start into FY24, with continued focus to perform and transform

Network and supply chain customer offering improved

- 21 new stores, 3 truck acquisitions and 7 franchise conversions
- DCV consolidation essentially finished & now focussing on optimisation; DCQ build practically completed & pilot warehouse transitions successful

Ongoing focus on capital efficiency

- Inventory reduced by "tens of millions" as targeted
- Significantly improved cash conversion in 2H23 of 145.4% leading to higher ROIC of 10.4%
- Improved net debt position and strong balance sheet

Board renewal progressed:

- Brad Soller
- Kate Spargo

Group Leadership team completed:

- EGM – Specialist Networks
- EGM – Strategy & Transformation

Launch of Bapcor Purpose: "Be there for what matters most"

- Engagement of >1,000 team members and stakeholders
- Becoming a purpose-led organisation to create a connected environment and enable additional growth
- Connected to refreshed values

Continued investment in capability and culture

- Unifying businesses and brands under "One Bapcor"
- Further improvements in safety
- Investment in transformation and procurement capability
- ESG strategy progressed, incl. launch of carbon roadmap

Good progress on Better Than Before

- Program in execution phase, cost-to-date as estimated
- Pilot initiative outcomes as targeted, initial benefits in FY24
- Unchanged targeted goals of >$100M Net EBIT & ØROIC >12% in FY25

Solid progress on performing and transforming in FY23

FY23 Financial Highlights

Key Performance Indicators[1]

Revenue	EBITDA Margins	NPAT	Dividend	Payout Ratio
$2,021.1M	**14.8%**	**$125.3M**	**22cps**	**59.6%**
▲ 9.7% vs FY22 Record revenue achieved	▲ 60bps improvement in 2H23 in all Trade & Wholesale segments	► In line with Guidance; $131.6M in FY22	▲ 2.3% vs FY22, and 14.2% CAGR since FY15	▲ FY22 payout ratio at upper end of policy
Inventory	**Cash Conversion**	**Capital Returns**	**Net Debt**	**Net Leverage Ratio[3]**
$519.7M	**107.4%**	**10.4% ROIC[2]**	**$251.7M**	**1.12x**
▲ ~$50M like-for-like reduction in FY23 (“tens of millions”)	▲ 63.6 % in FY22 2H23 OCF conversion of 145.4%	► 10.6% in FY22; Improvement from 10.2% in 1H23	▲ $262.0M in FY22 and $329.1M in 1H23, first improvement since FY20	▲ 1.18 in FY22 and 1.45 in 1H23, capital allocation discipline

- Solid result in line with guidance enabling record dividend
- Ongoing resilient market momentum, particularly in Trade and Wholesale
- Improved cash generation and strengthened balance sheet position resulting from significant improvement in cash conversion in 2H23
- Sound financial position provides Bapcor with financial flexibility to execute BTB, pursue acquisition opportunities and invest in growth

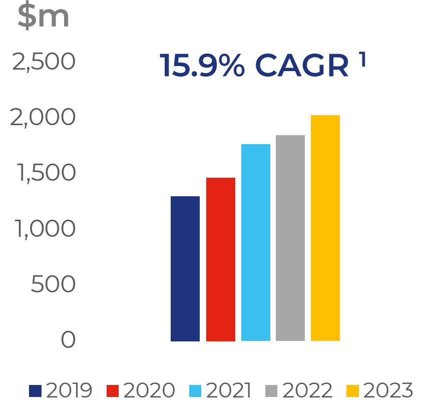
Robust performance reflective of operational discipline and market opportunities

Notes (also see reconciliations in appendix):

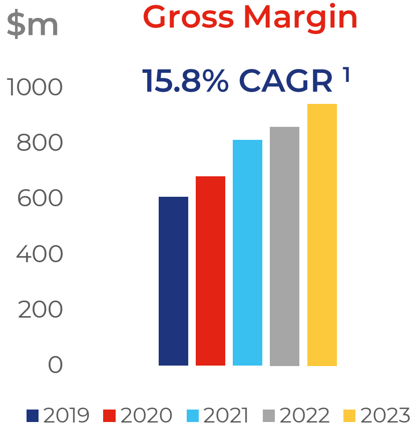
1. All P&L KPIs on pro-forma basis unless indicated otherwise
2. ROIC calculated based on Pro-Forma EBIT less adjusted taxes / net debt + equity
3. Net leverage ratio = pre-AASB 16 net debt / pre-AASB 16 EBITDA

5 year history of performance

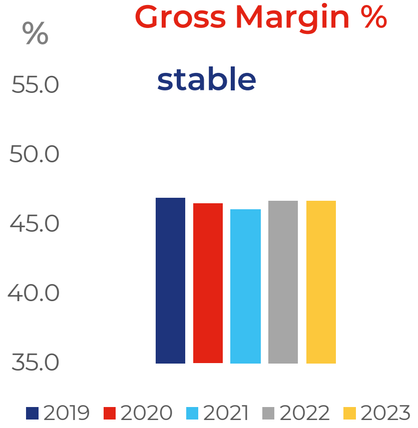
Revenue



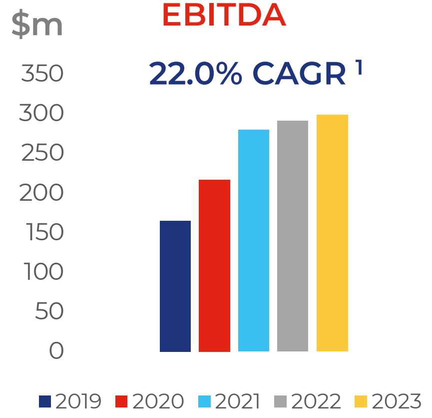
Gross Margin



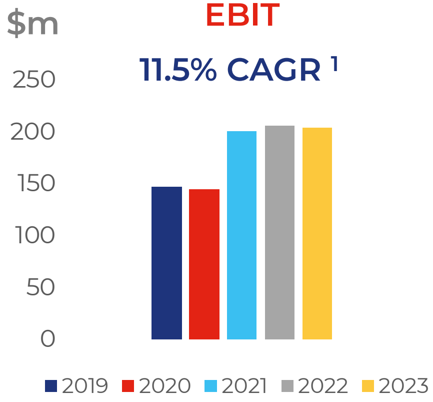
Gross Margin %



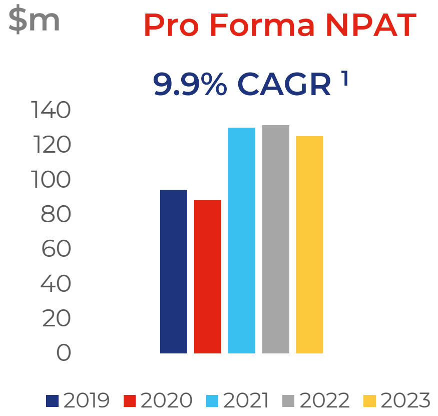
EBITDA



EBIT



Pro Forma NPAT



Strong and resilient business with delivery of consistent growth

Notes:

1. 4 year CAGR from 2019 to 2023

Improving our team members experience

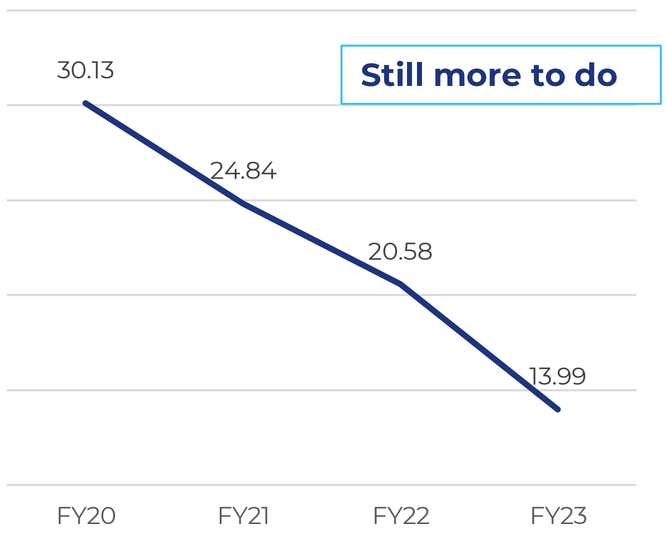
Making things easier
- Introduction of new People & Culture operating model
- Creation of seamless and consistent team member experience

Keeping our team members safe
- 32% TRIFR reduction in FY23
- 29% LTIFR reduction in FY23 to 5.13

Simplifying our processes
- Simplified workflow in HR management system to improve processes
- Enhanced H&S management system to improve the quality of our data and reporting

Improving our team member leave options
- Updates to our leave policies including annual parental and domestic violence leave
- Bapday – annual birthday leave

SAFETY PERFORMANCE - TRIFR[1]



Bapcor | Health Safety & Wellbeing

Health, Safety & Wellbeing is part of our culture as we perform and transform

Notes:
1. TRIFR / LTIFR calculated based on injuries per million hours worked

PERFORM

Segment Results

Executive General Managers

Segment Overview

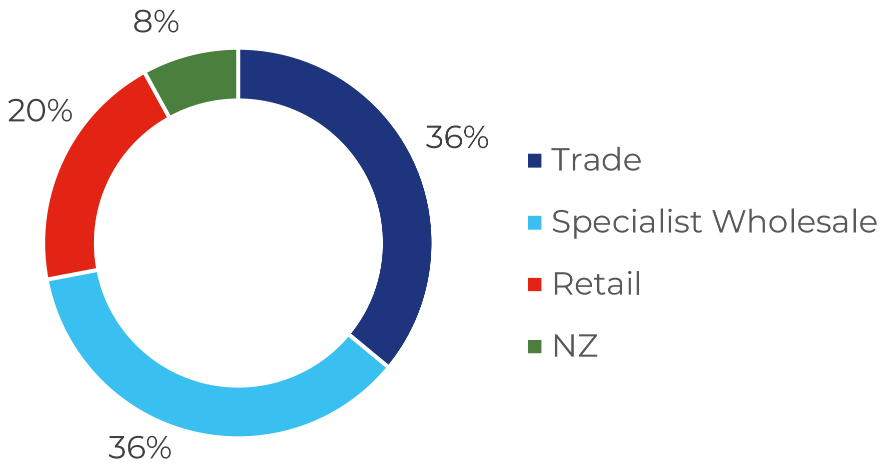
Robust performance on Group level .....

- Record revenue of $2.0B benefitting from vertically integrated and diversified business structure
- Resilient long-term EBITDA margins

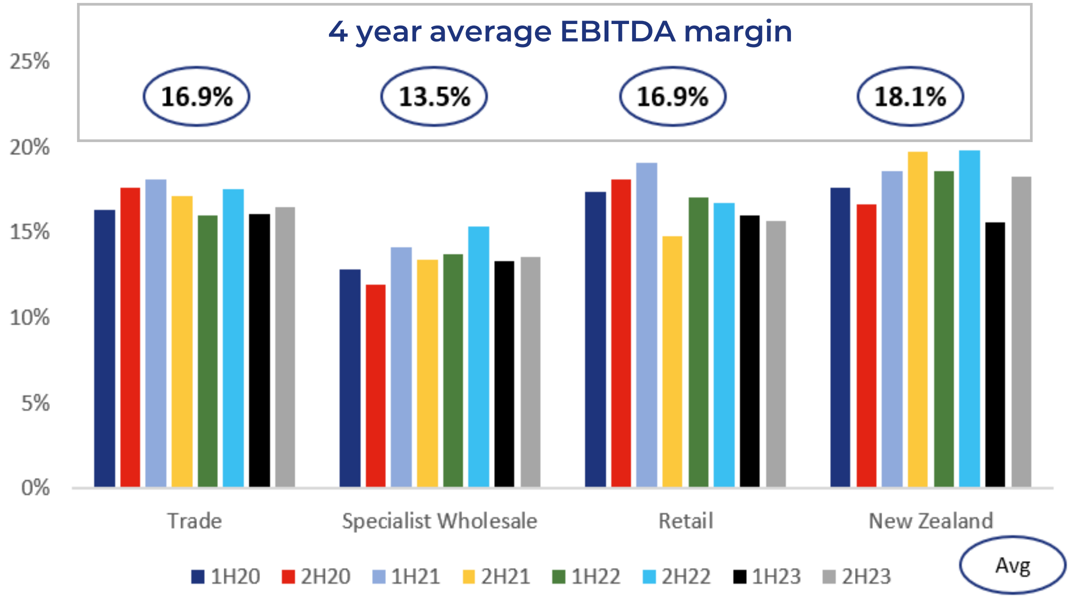
..... enabled by strong performance across all areas of business:

- Revenue growth in all segments year-on-year
- Margin improvement in H2 23 in all Trade and Wholesale segments

Revenue by segment



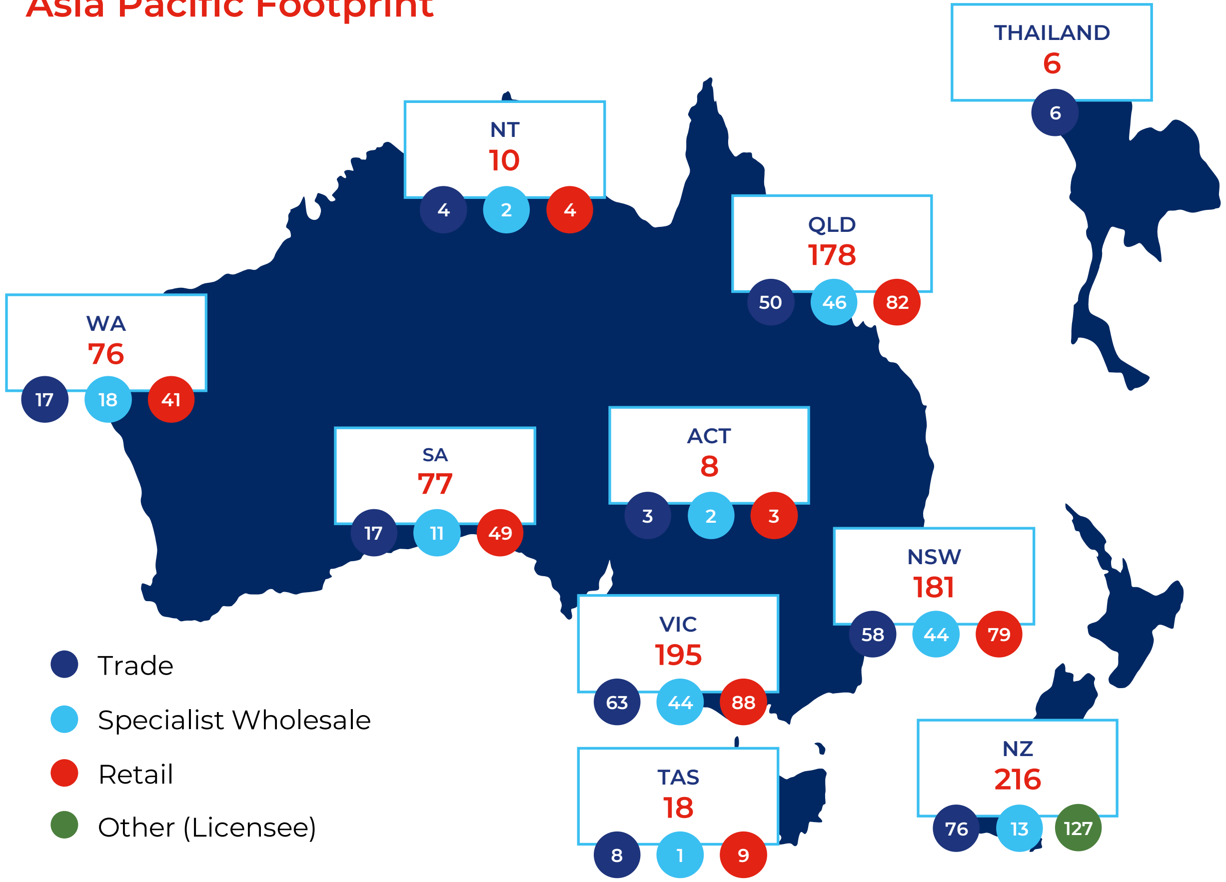
EBITDA margin by segment

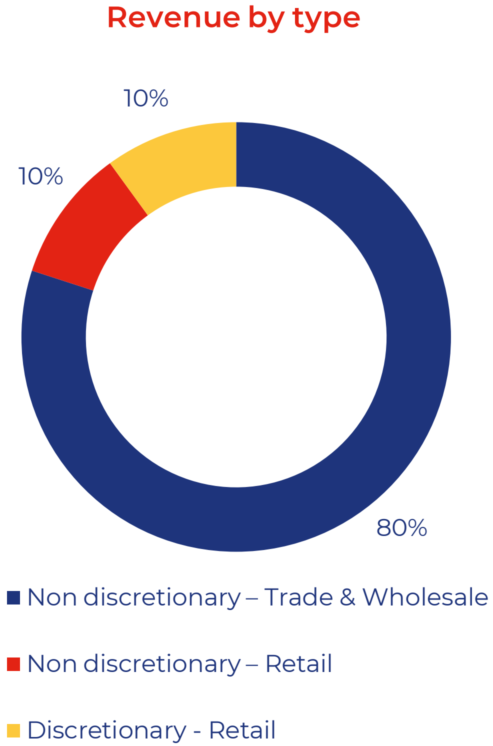


Diversified business structure and rational market enabling healthy long-term margins

Segment Overview

Asia Pacific Footprint





Hard-to-replicate footprint and non-discretionary nature of business provides competitive advantage and resilience

Trade

Australia's leading distributor of vehicle parts and equipment solutions for the Trade

Revenue	EBITDA
$763M +11.3% vs FY22	**$124M** +7.9% vs FY22

EBITDA margin	Own brand %
16.3% 16.8% in FY22	**35.8%** 33.4% at 30 June 22

# of Stores	Same store sales
226 +2 (gross) vs 30 June 22	**+8.8%** +2.7% in FY22

- Strong top-line double digit growth with record revenues driven by same store sales growth and customer relationship initiatives
- Robust EBITDA margin with improvements in 2H23 driven by successful implementation of category and pricing initiatives, and supported by strong growth in own brand sales leveraging internal supply chain
- Continued focus on safety culture, specifically the use and safety of Motor Vehicles
- Network strengthened strategically: two new Burson stores opened in Ballina, NSW and Morley, WA
- Strong performance by Precision and Blacktown Auto Spares; continued progress in Burson Thailand

New Burson Store: Morley, WA

Burson Customer Event

Continued strong performance in growing and resilient Trade market

Specialist Wholesale

Truck and specialist wholesale market leader; and aggregator and importer for One Bapcor

Revenue **$766M** +9.5% vs FY22	**EBITDA** **$103M** +0.9% vs FY22
	Own brand % **60.5%** 55.3% at 30 June 22
EBITDA margin **13.4%** 14.6% in FY22	**# of stores** **168** +11 (gross) vs FY22[1]

- Record revenue with strong growth particularly in Truck market, driven by strong same store growth in regional markets and mining & agricultural sectors, and supported by organic and M&A network expansion
- 2H23 EBITDA margin improved to above longer-term average through leveraging growth, improved own brand performance and successfully piloting integrated "light truck – heavy truck" offering
- Focus on capability build up with establishment of Procurement and Category Management functions
- Continued network expansion particularly in Truck business with 11 new sites, including 3 acquisitions and 8 greenfield developments[1]

Greenfield Integrated Truck Offering: Truckline Coffs Harbour

Greenfield Opening: Truckline Lonsdale


Acquisition: E-Max

Solid performance seizing Truck and One Bapcor opportunities

Notes:
1. Gross new openings number, offset by 8 site consolidations and 3 site closures

Retail

Full-offer retailer and service centre providing best-in-class omni-channel customer experiences

Revenue **$426M** +8.3% vs FY22	**EBITDA** **$68M** +1.7% vs FY22
EBITDA margin **15.9%** 16.9% in FY22	**Own brand %[1]** **34.3%** 33.5% at 30 June 22
# of Company Stores[2] **118** +16 (gross) vs 30 June 22	**Same store sales[1]** **+5.6%** -3.0 % in FY22

- Record revenue with solid same store sales, notwithstanding 2H23 impacted by macro headwinds in the Retail market
- 2H23 EBITDA margin on similar level to 1H23, supported by increased own brand sales and disciplined seasonal range reviews
- Year-on-year margin compression due to cost and macro pressures, as well as ongoing conversion of franchise to company stores[3]
- Supporting and developing team members through training initiatives such as the fitting program.
- Opened 100th Autobarn company store, with a total of 16 new company stores (incl. conversions)
- Launch and growth of Accelerate loyalty program

Robust performance despite challenges in trading environment

Autobarn Melton

Accelerate Rewards Loyalty Program

Notes:
1. Own brand and SSS relate to company-owned stores only
2. Excludes 237 # of franchise stores (-34 vs. FY22), change due to consolidation of prior period acquisitions and conversion to company stores
3. Franchise store revenue only includes franchisee fees and therefore leads to higher EBITDA margin

We do the right thing We are in it together We give a damn We get it done

New Zealand

Integrated trade and wholesale group providing leading parts and equipment solutions across New Zealand

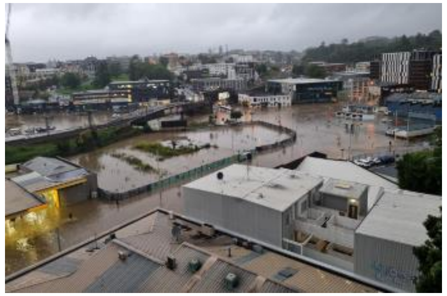
Revenue	EBITDA
$176M +3.0% vs FY22	**$30M** -8.9% vs FY22

EBITDA margin	Own brand %[1]
17.0% 19.2% in FY22	**41.8%** 40.7% at 30 June 22

# of Company Stores[2]	Same store sales[3]
89 +2 (gross) vs 30 June 22	**+4.1%** +0.2% in FY22

- Revenue and same store sales solid, with stabilisation and recovery in 2H23
- 2H23 EBITDA margin improved to above longer-term average through market pricing disciplines, seeking to mitigate ongoing macroeconomic headwinds
- New Zealand team members, customers and communities impacted in summer by Cyclone Gabrielle and Auckland floods, with support provided to those affected worst
- "Large Store" and "Superstore" pilots provide blueprint for further network expansion
- Further improved customer engagement through One Bapcor collaboration initiatives

New store: Cromwell


Impact Jan 23 Auckland floods


Cyclone Relief Care Packages

BNT | NZ BRAKECO | PRECISION EQUIPMENT NZ | JAS OCEANIA NEW ZEALAND | BATTERY TOWN | Autolign | TRUCK & TRAILER PARTS | THE SHOCK SHOP | HCB TECHNOLOGIES | DIESEL DISTRIBUTORS

NZ-specific economic factors impacted business and consumer confidence, with recovery in underlying service and repair demand

Notes:
1. Own brand relates to Trade only
2. Excludes 127 # of licensee stores (-4 #s vs. FY22) Racelign workshop closed Q3
3. Company-owned stores only

Supply Chain

Bapcor's customer-centric, sustainable and agile enabler for continued growth and operational excellence

Network:

- Emergency order fulfilment rates averaging >98% through FY23
- Considerable improvement in supply rates supporting FY23 inventory turn improvements
- Commenced centralised inventory management and dynamic Sales and Operations Planning (S&OP)

Distribution Centre Victoria (DCV):

- Consolidation essentially finished with 3 warehouses successfully transitioned in FY23
- Ongoing focus on operational excellence and workforce optimisation

Distribution Centre Queensland (DCQ):

- Practical completion achieved and pilot warehouse transitions successful to enable targeted EBITDA benefits of $4M-$6M (once all 7 existing warehouse are consolidated)
- Key learnings adopted from DCV, including pre-commissioning preparation and transition sequence
- ESG: 1.8-megawatt solar panel system, EV charging units & all-electrical mobile handling equipment units


DCQ: 1.8MW Solar System


DCQ: Equipment Cantilever Racking


DCQ: Electric Vehicle Rechargers

Continued progress with global supply chain infrastructure and capability

PERFORM

FY23 Financial Summary

Stefan Camphausen

CFO

Income Statement

$M	FY23	FY22	% change
Revenue	**2,021.1**	**1,841.9**	**9.7%**
Cost of Goods Solds (COGS)	1,077.3	982.5	9.6%
Gross Margin	**943.8**	**859.4**	**9.8%**
Cost of Doing Business (CODB)	(645.2)	(567.9)	13.6%
EBITDA	**298.6**	**291.5**	**2.4%**
Depreciation and amortisation	(94.3)	(85.7)	10.1%
EBIT	**204.3**	**205.8**	**-0.7%**
Finance costs	(28.9)	(19.3)	49.6%
Profit before tax	**175.4**	**186.5**	**-6.0%**
Income tax expense	(50.3)	(55.0)	-8.6%
Non-controlling interest	0.3	0.2	36.8%
NPAT	**125.3**	**131.6**	**-4.8%**
DC consolidations	(7.0)	(8.4)	(16.7%)
Better Than Before One Off Opex	(19.9)	0.0	100.0%
Tax adjustment	8.0	2.5	>100.0%
NPAT - statutory	**106.4**	**125.8**	**(15.4%)**
Key performance indicators			
Gross Margin %	46.7%	46.7%	-
CODB %	31.9%	30.8%	+109bps
EBITDA margin %	14.8%	15.8%	-105bps
Return on invested capital (ROIC) %	10.4%	10.6%	-20bps
Basic EPS pro forma (cents)	36.9	38.8	-4.8%

- Strong revenue growth of 9.7%, across all segments, demonstrating resilience of the diversified business model
- Gross margin % was steady while temporary margin compression due to input cost inflation and capability build increased CODB
- NPAT of $125.3m, with 2H23 NPAT of $63.3M slightly higher than 1H23 NPAT of $62.0M and in-line with guidance
- Planned and ongoing investment in technology and distribution centres leading to increases in depreciation and amortisation
- Higher finance costs due to higher interest rates as well as higher average debt levels
- Pro Forma adjustments including DC consolidation cost and Better Than Before one-off opex, in line with previous market updates

Notes (also see reconciliations in appendix):

1. All P&L KPIs on pro-forma basis unless indicated otherwise
2. ROIC calculated at year end based on Pro Forma EBIT less adjusted taxes / net debt + equity

Cash Flow

$M	FY23	FY22
EBITDA	**298.6**	**291.5**
Operating Cash Flow	**320.7**	**185.3**
Cash conversion %	***107.4%***	***63.6%***
Interest	(14.4)	(7.4)
Transaction/ transformation/ restructuring costs	(25.1)	(6.3)
Tax	(53.0)	(57.5)
Operating Cash Flow after Interest, Transaction & Tax	**228.3**	**114.2**
Network expansion capital	*(21.4)*	*(27.0)*
Business acquisitions	*(14.0)*	*(7.0)*
Growth capital expenditure	(35.3)	(34.0)
Sustaining capital expenditure	(26.0)	(30.6)
Major project capital expenditure (DCs)	(14.9)	(24.8)
Gross Capital Expenditure	**(76.3)**	**(89.4)**
Proceeds from sale of assets	2.7	15.6
Free Cash Flow	**154.7**	**40.3**
Finance lease costs	(66.3)	(70.0)
Other	(1.3)	(1.0)
Dividends paid	(74.7)	(71.3)
Net Cash Movement	**12.5**	**(101.9)**
Opening cash on hand	80.2	39.6
FX adjustment on opening balances	0.9	(0.5)
Borrowing (repayments)/ proceeds	(15.0)	143.0
Net cash movement	12.5	(101.9)
Closing cash on hand	**78.6**	**80.2**

- Operating Cash Flow increased to $320.7M, up 73% compared to previous year
- Significantly improved full year cash conversion of 107.4%, particularly driven by improved inventory turns during the year leading to 2H23 cash conversion of 145.4%
- Increase in growth capital expenditure reflecting commitment to both invest into the existing operations as well as organic and inorganic growth
- Transaction / Transformation / Restructuring line includes Pro Forma adjustments of Better Than Before as well as DC transition costs
- Increase in shareholder returns reflected in FY23 dividend payments of $74.7M, up 4.8%
- Overall, focus on cash generation and targeted capital allocation management leading to full year Net Cash generation of $12.5M in FY23

Notes (also see reconciliations in appendix):

1. All P&L KPIs on pro-forma basis unless indicated otherwise
2. ROIC calculated based on Pro Forma EBIT less adjusted taxes / net debt + equity

Balance Sheet

$M	30 Jun-23	30-Jun-22
Cash	78.6	80.2
Trade and other receivables	239.6	209.8
Inventories	519.7	538.7
PP&E	115.2	106.9
Right-of-use assets	283.8	230.2
Other assets	855.5	825.8
Total assets	**2,092.4**	**1,991.6**
Trade and other payables	259.9	236.6
Borrowings	331.1	346.7
Lease liabilities	311.3	253.0
Other liabilities	65.0	63.0
Total liabilities	**967.3**	**899.3**
Net assets	**1,125.1**	**1,092.3**
Key performance indicators		
Average net working capital as % of revenue	25.0%	24.7%
Average inventory as % of revenue	26.2%	26.8%
Pro Forma Net Debt	251.7	262.0
Leverage Ratio	1.12	1.18

- Pro-Forma net debt at 30 June 2023 of $251.7M and leverage ratio of 1.12x both improved year-on-year and well within debt capacity
- Sound financial position provides Bapcor with financial flexibility to implement BTB, pursue acquisition opportunities and invest in growth
- Inventory reduction by 'tens of millions' like-for-like from previously elevated levels[3] leading to significant 60 bps improvement in inventory efficiency (as % of sales)
- Increase in both lease assets and liabilities driven by practical completion of DCQ
- No material change in debtor and creditor days

Notes (also see reconciliations in appendix):

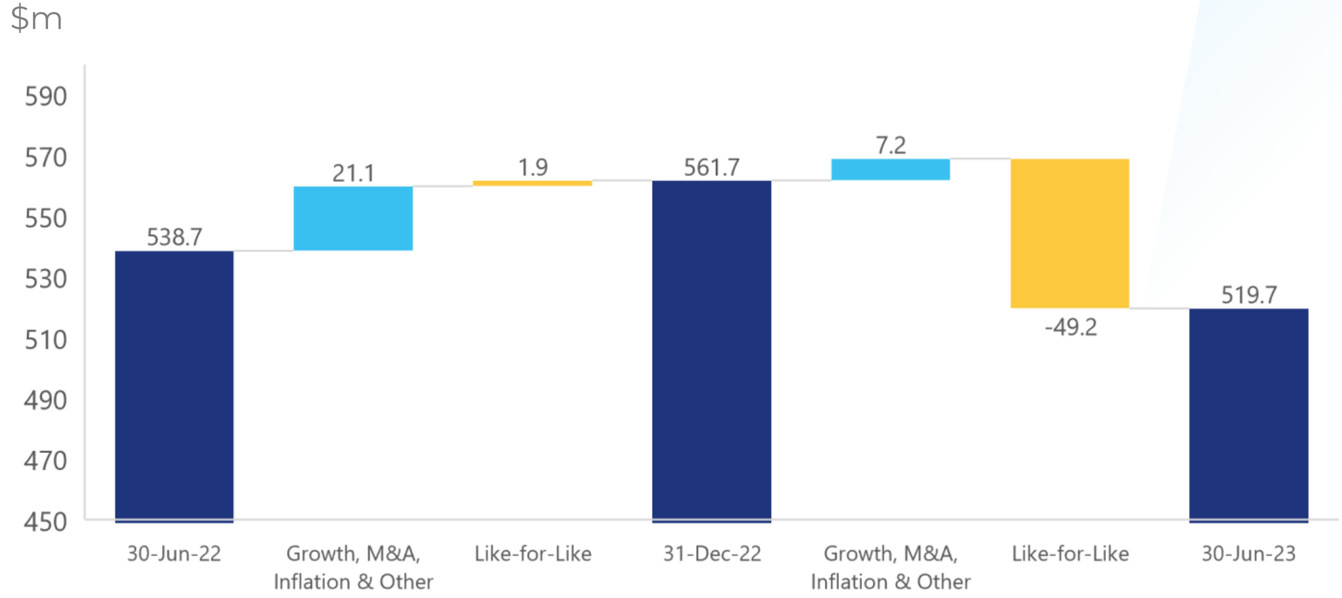
1. All P&L KPIs on pro-forma basis unless indicated otherwise
2. NWC/ sales % = (Average of current year and prior year NWC)/ current year revenue
3. Inventory/ Sales % = (Average of current year and prior year net closing inventory)/ current year revenue
4. Previously elevated level of inventories due to prudent operational procurement strategies to mitigate global supply chain disruptions, as well as business acquisitions, new stores and investment in own brand product programs

Inventory

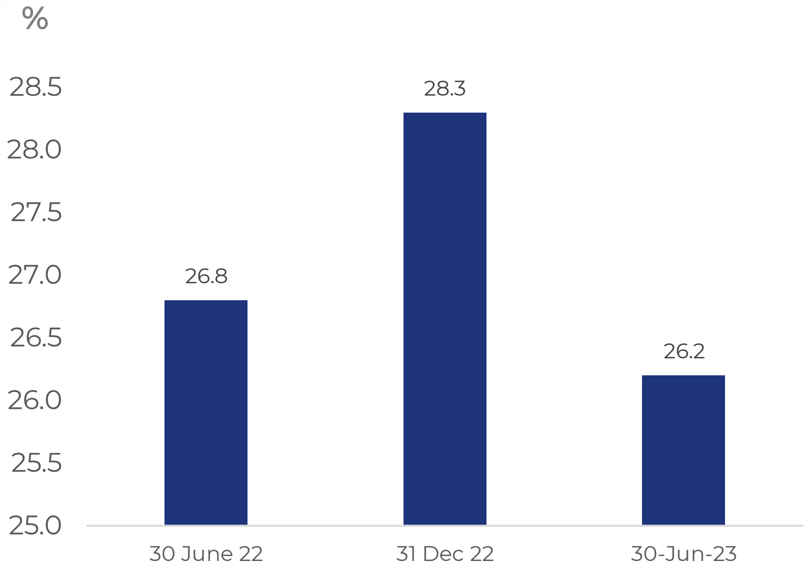
Solid improvement in inventory position in line with FY23 targets

- Inventory position improved in 2H23 driven by accelerating inventory turns in 2H23
- Like-for-like “tens of millions” reduction of $47.3M in-line with guidance

FY23 Inventory Movement



Inventory Efficiency (Inventory / Revenue in %)[1]



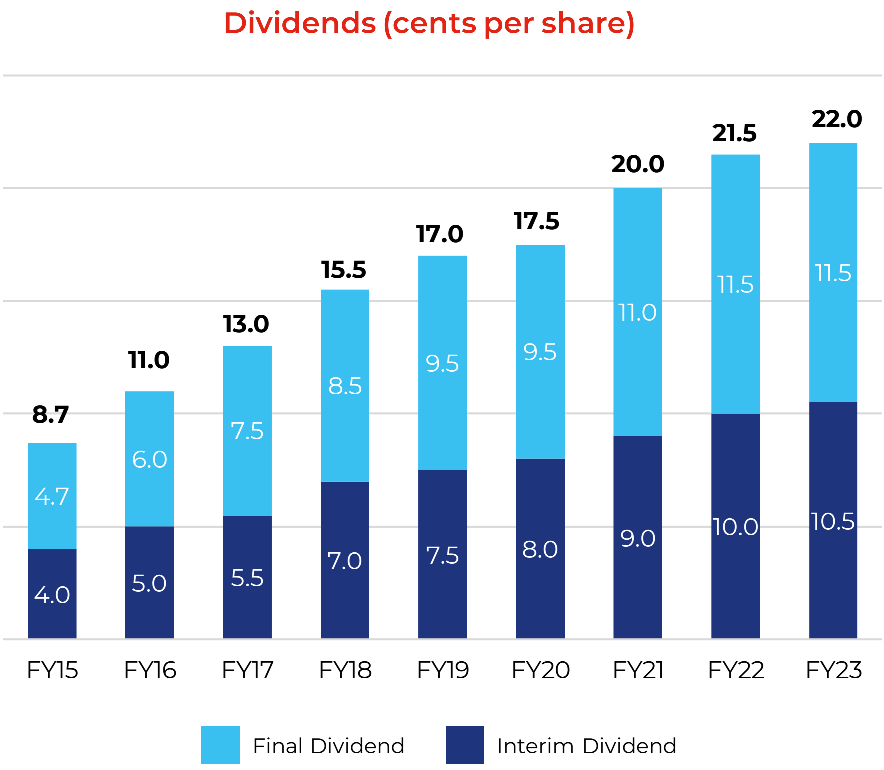
Notes:

1. Inventory/ Sales % = (Average of current year and prior year net closing inventory)/ current year revenue

Bapcor

We do the right thing
We are in it together
We give a damn
We get it done

Dividends



- Record full year dividend of 22.0 cents per share (fully franked)
- Full year payout ratio of 59.6%, at upper end of dividend policy
- FY23 total dividend includes final dividend of 11.5 cents per share (fully franked)
- Dividend growth of 14.2% CAGR since FY15, with continuous growth year-on-year
- Record date: 31 August 2023
- Payment date: 19 September 2023
- Dividend reinvestment plan remains suspended for the final dividend
- Shares on issue of 339.4M unchanged

Notes:

1. The graph above reflects issued dividends for the full year (interim plus final)

TRANSFORM

Better than Before

Noel Meehan

Managing Director and CEO

Natural evolution of strategy, with unchanged focus on our customers

Building on our strong foundations, to further improve performance, reduce risk and underpin continued growth

We do the right thing
We are in it together
We give a damn
We get it done

Better Than Before - the opportunity ahead

Our Foundations

Bapcor has a track record of strong performance, with further growth opportunities ahead

Bapcor has grown rapidly via acquisitions, but has not leveraged the scale opportunities of a fully integrated business

Bapcor is investing into Group capabilities to leverage economies of scale

Our Enablers

At our heart, Bapcor procures, distributes and sells parts – our businesses can work together to create leverage:

Procurement: build an industry-leading procurement capability to create more value with our suppliers

Pricing: utilise unique insights into the value we provide customers through our millions of transactions

Property & Fleet: strategically optimise management of our portfolio of 1,000+ properties and 2,000+ vehicles

Supply Chain: operate a world-class distribution backbone linking our businesses to drive competitive advantage

Our Better than Before Ambition

Bapcor's management team brings significant operational experience as well as integration and transformation capability

Bapcor has launched the Better Than Before transformation to realise its potential and support future growth

The aspiration is to reach a new horizon of performance:

- Deliver even more for our customers
- Unleash the power of our people
- Drive value for shareholders

Better Than Before – by the numbers

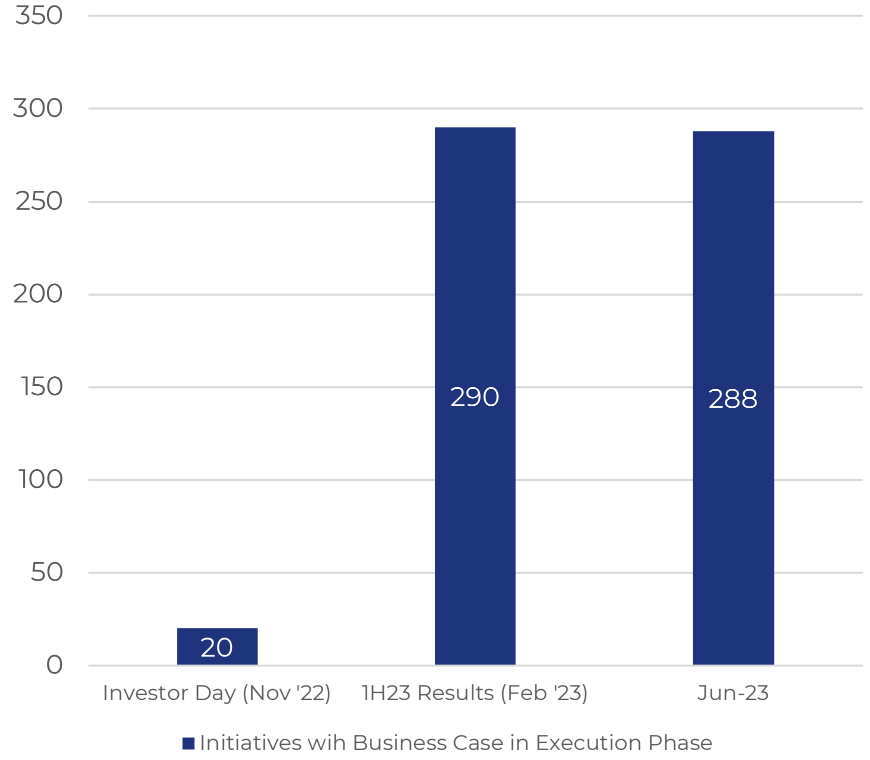
OUR PORTFOLIO & ENGAGEMENT	OUR INVESTMENT[1] TOTAL PROGRAM	OUR INVESTMENT[1] of which FY23	OUR TARGETED FY25 GOALS[1]
~300 Initiatives currently in execution phase, from ~800 ideas overall	**$20M-$25M** One-off transformation kick-start opex (70%-80% in FY23)	**$19.9M** Interim critical resources and transformation infrastructure	**>$100M Net EBIT[2]** Benefit split: ~40% Commercial / ~40% COGS / ~20% Cost
150+ Team Members with initiative ownership	**$10M-$15M** Steady State Opex (25%-35% in FY23)	**$2.4M (annualized)** Procurement & Category, Fleet, Pricing, Property, Technology	**>12% ∅ ROIC** Average Return on Invested Capital FY23-25
~400 Team Members completed multi-phase skills development program	**$15M-$20M** One-off fit-for-purpose capex (25%-35% in FY23)	**$3.2M** Data warehousing, customer integration, e-commerce	**2nd Quartile** Team member engagement score by FY25

Nonfinancial metrics | Financial metrics

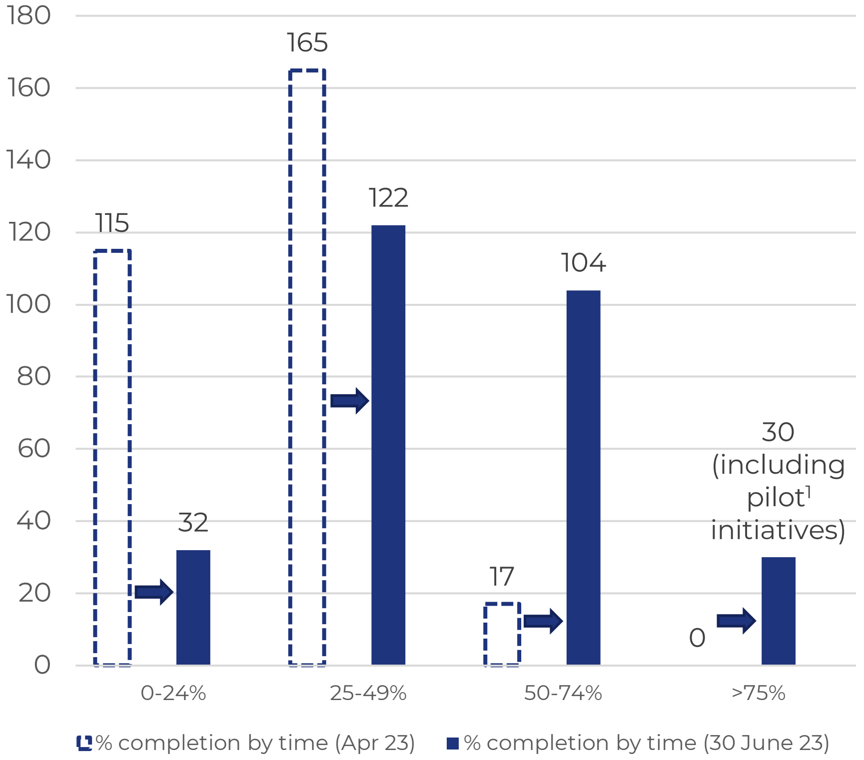
Notes:
1. Unchanged from previously communicated targeted goals, with detail available in Investor Day presentation from 22/11/2022
2. Discrete Better than Before program target benefits do not indicate / guide on overall FY25 financial outcomes, which are subject to business-as-usual trading and general market conditions

Better Than Before: portfolio progress as planned …

Portfolio Progress (by #)



Initiative Progress (by #)



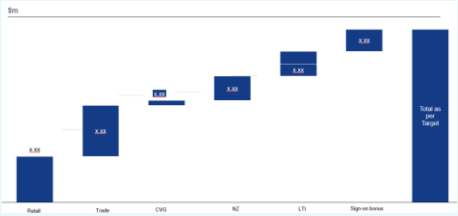
Overall program in implementation & execution phase

Schedule on track and all workstreams progressing as planned

Work on pilot initiatives[1] and associated new contracts being concluded with benefits to commence in FY24

Notes:
1. Pilot initiatives examples and case studies overleaf and in appendix

Cost of Goods Sold (COGS) – Case Studies

	Procurement - Pilot Category	Intra-Bapcor Range Extension
	 	 
Our ambition	› Deeper, more strategic relationship with fewer suppliers at more favourable unit cost and T&Cs	› Leverage hero categories and brands across all Bapcor segments for better service and commercial outcomes
Our process	› Establish group category management & procurement function › 3 months, zero-based & data-driven One Bapcor RFX sourcing process with 17 incumbents and challengers across market brands and private label	› Identification of pilot category and segments › Establishment of return-based ranging strategy › Focus on front-line change management and engagement to ensure successful operationalisation
Our outcome	› One Bapcor category plan delivering $ benefits in line with targets, and improved T&Cs (ie just-in-time supplies, payment terms) & growth opportunities › 3 key supplier partners chosen with significant volumes and broadened customer offer › Reduction of 4 previous brands / incumbents, and 100+ SKUs (with efficiencies for Bapcor and future suppliers)	› 13,000 Japanese truck parts SKUs introduced into all 46 of Bapcor's market-leading Truckline stores (whereas previously only offered through speciality channel) › Increased customer basket sizes with initial $ benefits as targeted, and with improved inventory turns through leveraging One Bapcor store network

Summary and Outlook

Noel Meehan

Managing Director and CEO

Our balanced scorecard results for FY23

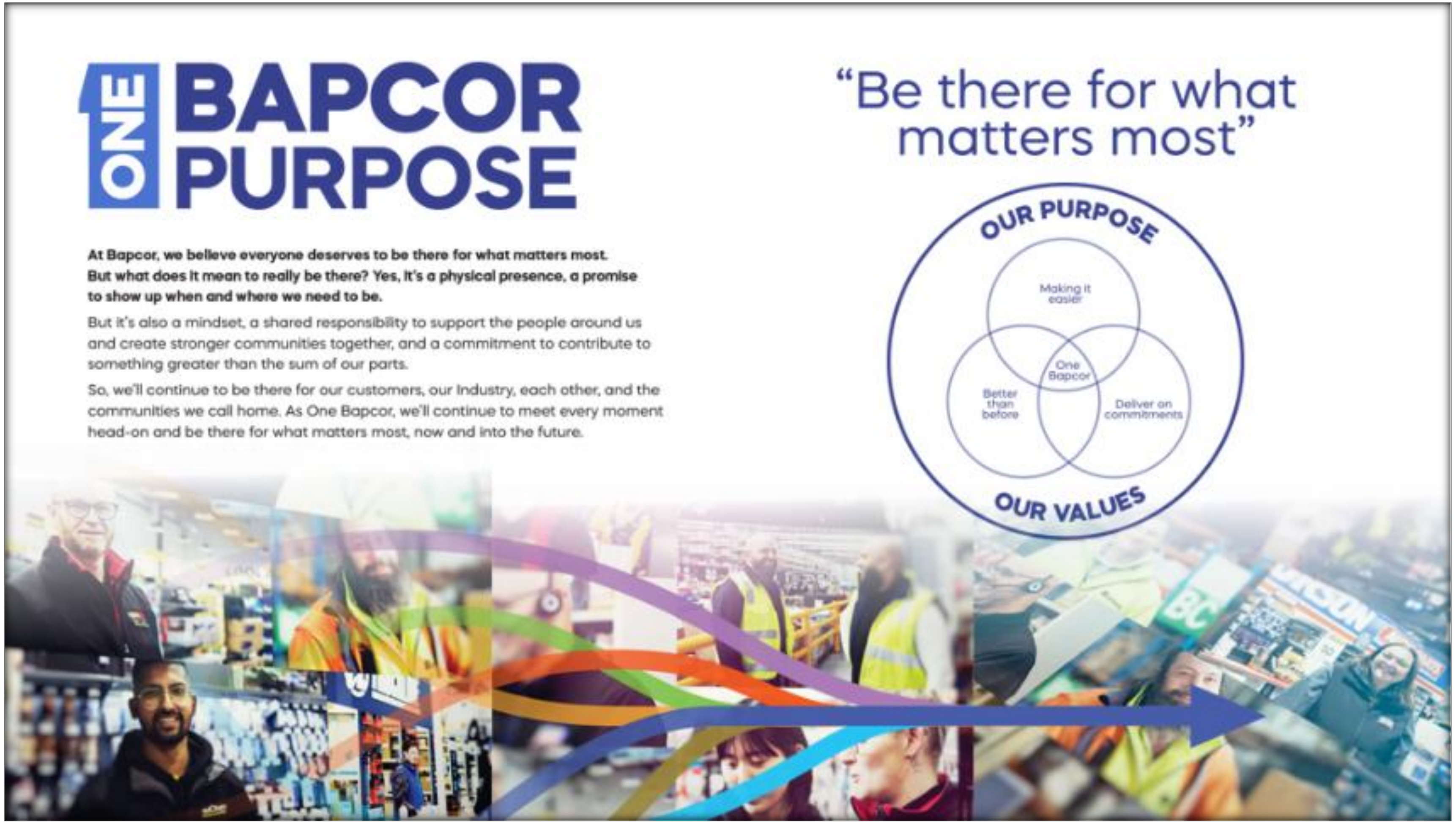
	People & Culture		Financial		Customer		ESG	
	Organisational Health		**Capital and Returns**		**Customer Focus**		**Sustainability**	
Our ambition	Employer of choice		Perform and Transform		Best-in-class service through execution excellence		Delivering today and tomorrow	
Our KPIs	**Organisational Health Index Score**	4th Quartile	**Pro-Forma NPAT**	$125.3M	**Net Promoter Score**	starting FY24	**GHG Scope 1 & 2 Emissions[4]**	28,061 tCO2
	TRIFR	13.99	**Return on Invested Capital**	10.4%	**Number of locations[2]**	965	**Modern Slavery Assessments**	70 suppliers completed
	Total Turnover[1]	39.0%	**Operating Cash Flow Conversion**	107.4%	**Own brand penetration[3]**	35.2%	**Renewable Electricity (%)**	Preliminary assessment
	Female Diversity	28%	**Better than Before Net EBIT Benefit**	Initial benefits in FY24	**Major DC emergency fill rate**	98.4%	**Waste diverted from Landfill[4] (%)**	47.2%

Notes:
1. Total Turnover includes permanent, casual and fixed term employees
2. Locations include owned / controlled and franchise / licensee operations
3. Relates to go-to-market channels (excluding Wholesale)
4. Estimate for majority of Australian company owned / controlled locations

Our Purpose

Launched after extensive 360 degree bottom-up engagement

Operationalise to become a purpose-led organisation and enable further growth



Outlook

Our Markets

- Solid demand in Trade segment to continue, but with market growth rate to return to more normalised longer-term levels
- Specialist Wholesale segment to benefit from growth and consolidation opportunities in the Truck market
- Retail segment to face ongoing challenging market conditions and a more uncertain trading environment, with impact of loyalty program and increase in own brand sales targeted to mitigate some of these market impacts
- Underlying demand in New Zealand segment expected to improve (versus prior year)
- Macro headwinds due to ongoing temporary margin pressures from cost inflation and other external factors such as increasing payroll taxes, investments in capability, depreciation and amortisation costs and higher interest

Our Targets

- Keep strong balance sheet to maintain flexibility to respond to opportunities to grow the business
- Further bolster Supply Chain capability with transitions into new Distribution Centre Queensland
- Remain focused on improving return on invested capital, and continue to expand the network
- Successful delivery of BTB benefits in-line with previous communications:
  - Gross benefits in FY24 of $20-30M – weighted to 2H24
  - Invest remaining one-off transformation kick-start opex & one-off fit-for-purpose capex, and grow steady state capabilities

Summary & Outlook

Resilient performance in FY23 with all key targets achieved and in line with guidance

Bapcor Purpose "Be there for what matters most" launched, to become a purpose-led organisation and enable further growth

Australian Trade and Wholesale markets resilient and New Zealand stabilizing; ongoing macro headwinds with uncertainty in Retail sector

Better Than Before on track, with work on pilot initiatives being concluded and benefits to commence in FY24

Bapcor expects a solid underlying[1] performance in FY24, subject to market conditions[2]; and Better than Before to deliver targeted FY 24 goals[3]

Priority for FY24 is to perform and transform

1. Excludes costs / benefits from Better Than Before and DC consolidation
2. Particularly with regards to macroeconomic volatility as well as input cost and inflationary pressures
3. Unchanged from previously communicated targeted goals, with detail available in Investor Day presentation from 22/11/2022

Thank you & Questions and Answers

Appendix/ Reconcilations

Statutory to Pro Forma reconciliation

	FY23 Consolidated				
$M	**Statutory**	**DC Consolidation**	**Transformation**	**Tax**	**Pro-Forma**
Revenue	2,021.1				2,021.1
EBITDA	274.0	4.7	19.9		298.6
D&A	(96.7)	2.3			(94.3)
EBIT	177.3	7.0	19.9		204.3
Finance Cost	(28.9)				(28.9)
Profit before tax	148.4	7.0	19.9		175.4
Income tax expense	(42.2)			(8.0)	(50.3)
Non-controlling interest	0.3				0.3
NPAT	106.4	7.0	19.9	(8.0)	125.3

	FY22 Consolidated				
$M	**Statutory**	**DC Consolidation**	**Transformation**	**Tax**	**Pro-Forma**
Revenue	1,841.9				1,841.9
EBITDA	286.2	5.3			291.5
D&A	(88.8)	3.1			(85.7)
EBIT	197.4	8.4			205.8
Finance Cost	(19.3)				(19.3)
Profit before tax	178.1	8.4			186.5
Income tax expense	(52.5)			(2.5)	(55.0)
Non-controlling interest	0.2				0.2
NPAT	125.8	8.4		(2.5)	131.6

- The table reconciles the pro forma results to the statutory results
- These tables are subject to rounding
- NPAT attributable to members of Bapcor Limited
- The Distribution Centre ('DC') reconciliation items relate to the significant transition costs incurred in relation to the Victorian and Queensland Distribution Centres
- The Transformation reconciliation items relate to the one-off opex costs incurred in relation to the Better Than Before program
- The tax adjustment reflects the tax effect of the above adjustments based on local effective tax rates

Leverage and segment reconciliation

› The following tables reconcile statutory to pro forma net debt, statutory EBITDA to pre-AASB16 EBITDA and the Net Leverage calculation

	Consolidated	
$M	**30 Jun 23**	**30 Jun 22**
Cash and cash equivalents	78.6	80.2
Finance leases	(311.3)	(253.0)
Borrowings excl. unamortised transaction costs capitalised	(333.5)	(348.3)
Statutory new debt	**(566.1)**	**(521.1)**
Add: Lease liabilities	311.3	253.0
Less: Net derivative financial instruments	3.1	6.0
Proforma net debt	**(251.7)**	**(262.0)**

	Consolidated	
$M	**FY23**	**FY22**
Statutory EBITDA	**274.0**	**286.2**
Proforma EBITDA adjustments	24.6	5.3
Proforma EBITDA	**298.6**	**291.5**
AASB-16 adjustment	(72.3)	(68.4)
Share-based payment expense adjustment	(0.8)	(0.5)
Proforma EBITDA pre-AASB 16	**225.5**	**222.6**

	Consolidated	
$M	**FY23**	**FY22**
Pro-forma Net Debt (A)	251.7	262.0
Proforma EBITDA pre-AASB 16 (B)	225.5	222.6
Net Leverage (A) / (B)	**1.12x**	**1.18x**

› The following table shows Revenue by segment and reconciles the statutory to pro forma EBITDA by segment

	Revenue			EBITDA			EBITDA margin %		
$M	**FY23**	**FY22**	**% change**	**FY23**	**FY22**	**% change**	**FY23**	**FY22**	**% change**
Trade	763	686	11.3%	124	115	7.9%	16.3%	16.8%	-51bps
Specialist Wholesale	766	699	9.5%	103	102	0.9%	13.4%	14.6%	-115bps
Retail	426	394	8.3%	68	67	1.7%	15.9%	16.9%	-103bps
New Zealand	176	171	3.0%	30	33	(8.9%)	17.0%	19.2%	-221bps
Group/Eliminations	(110)	(108)	(2.4%)	(26)	(25)	(4.4.%)			
Bapcor	**2,021**	**1,842**	**9.7%**	**299**	**292**	**2.4%**	**14.8%**	**15.8%**	**-105bps**

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We give a damn
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ROIC reconciliation

› The following tables reconcile P&L and balance sheet to the Return on Invested Capital calculation

	Consolidated	
$M	**FY23**	**FY22**
Proforma EBIT	204.3	205.8
Proforma EBIT after tax (A)	*143.0*	*144.1*
Proforma Net Debt	(251.7)	(262.0)
Equity	(1,125.1)	(1,092.3)
Total (B)	(1,376.8)	(1,354.3)
Return on Invested Capital (A) / (B)	**10.4%**	**10.6%**

Debt facilities and maturity profile

> Debt facilities and maturity profile provide Bapcor with financial flexibility to implement BTB, pursue acquisition opportunities and invest in growth

$251.7M
PRO FORMA NET DEBT

>$250.0M
UNDRAWN COMMITTED FACILITIES

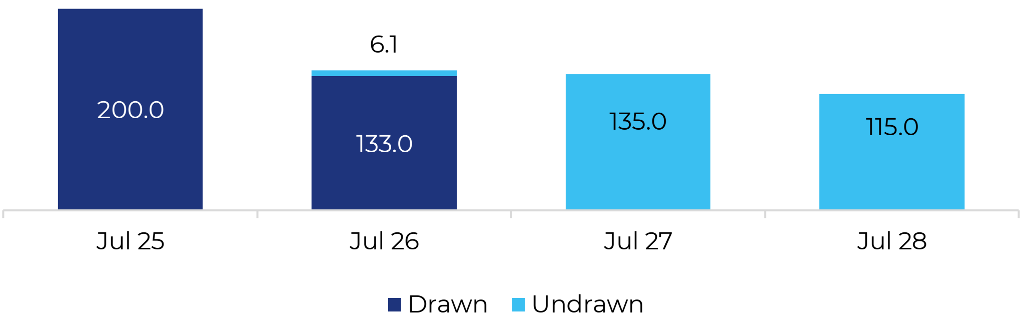
~3.9 years
AVERAGE REMAINING TENOR

1.12x
NET LEVERAGE RATIO

		As at 30 June 23		
Committed facility	**Maturity**	**Facility amount**	**Drawn**	**Undrawn**
3 year tranche	Jul-2025	200.0	200.0	0
4 year tranche	Jul-2026	39.1	33.0	6.1
7 year tranche	Jul-2026	100.0	100.0	0
4 year tranche	Jul-2027	135.0	0	135.0
5 year tranche	Jul-2028	115.0	0	115.0
Total		**589.1**	**333.0**	**256.1**

Credit Metrics	30 June 23
Net leverage ratio	1.12
FCCR	3.09
Interest cover	15.3x

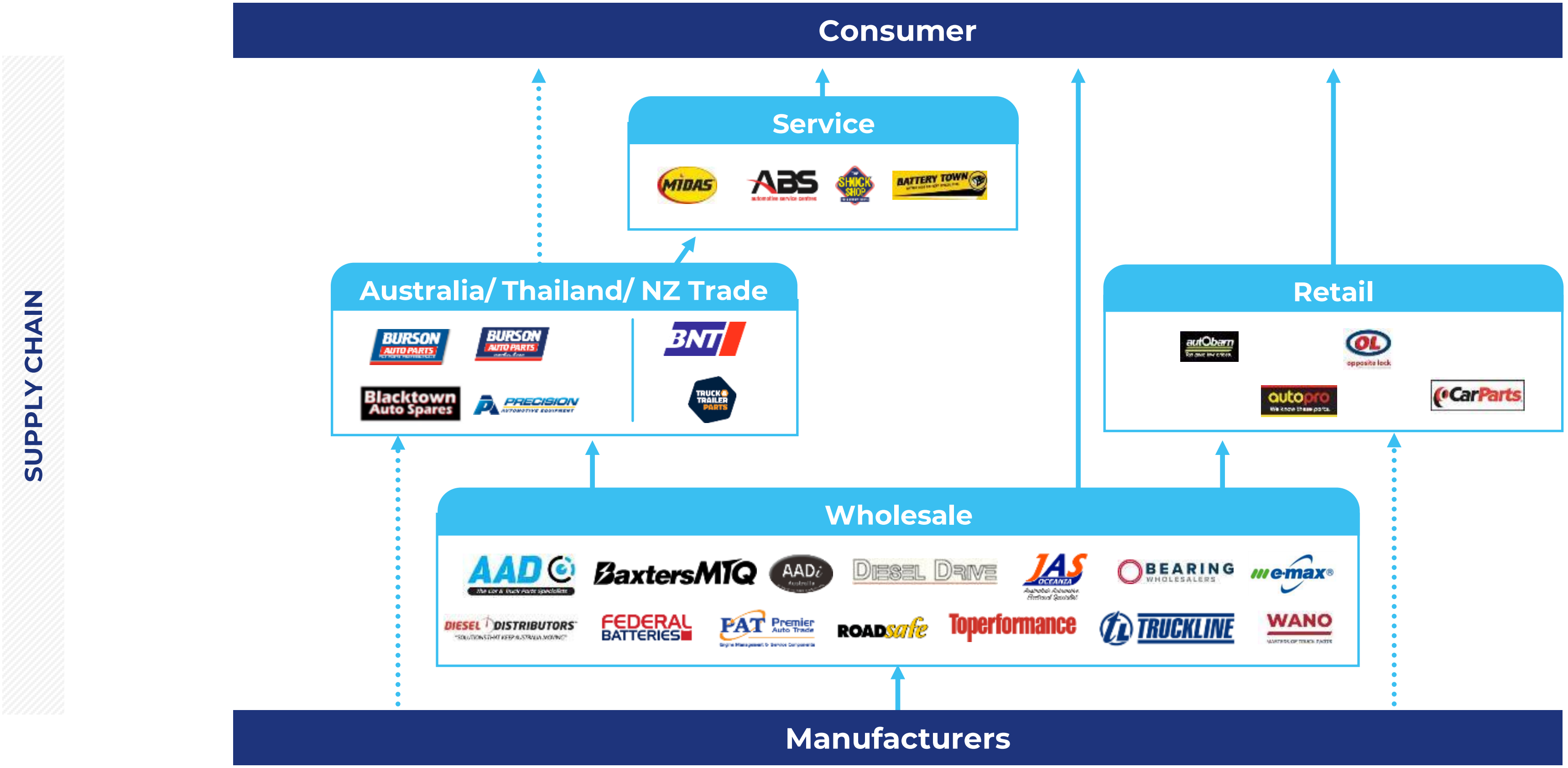
DEBT MATURITY PROFILE ($'M)



Notes:

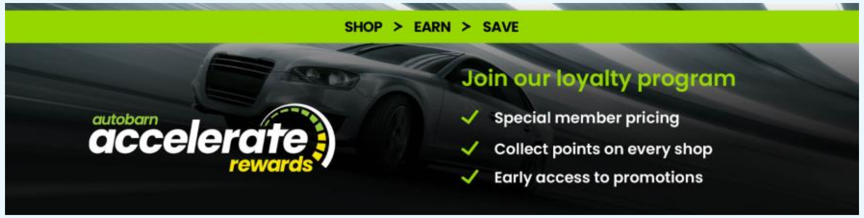
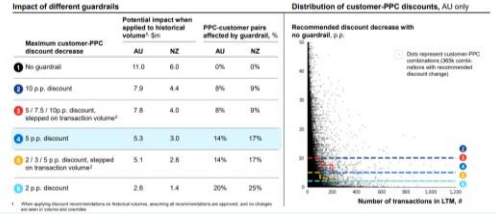
1. Total facilities available at 30 June 2022 was $620M, whereas the amount presented as available above excludes parts of the facility which relate to bank overdraft, credit cards and bank guarantees
2. Net leverage ratio = pre-AASB 16 net debt / pre-AASB 16 EBITDA (see reconciliation in appendix)
3. FCCR (fixed cover charge ratio) = pre-AASB 16 EBITDA plus rent / interest plus rent
4. Interest cover = pre-AASB 16 EBITDA / Interest

Our unique automotive aftermarket ecosystem

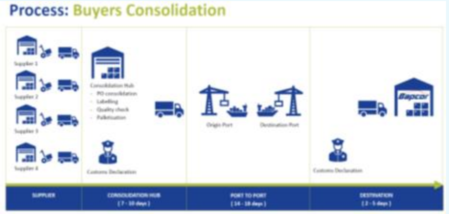


Vertically integrated network and specialist go-to-market channels creating competitive advantage

Commercial Opportunities – Case Studies

	Accelerate Loyalty Program	Pricing Engine – Pilot Business Unit
		
Our ambition	› Best-in-class seamless and personalised omnichannel experience for customers	› Improved top-line by rolling out industry-leading analytical and data-based strategic pricing tool
Our process	› Customer-centered definition of program requirements utilising Autobarn's / Autopro's leading brick-and-mortar in-store offering › Leveraging previously implemented CRM platform to accelerate roll-out and minimise execution risk & cost	› Definition of business requirements taking in-store expertise in selling and margin management and review of point-of-sale price overrides into account › Agile approach to programming of code and translation into user-friendly back- and front engine
Our outcome	› >500,000 loyalty customers subscribed in 7 months › Uplift in per-customer revenue with loyalty subscribers based on initial dataset › Exclusive "loyalty only" pilots started with additional size-of-wallet growth	› Favourable $ "as if" results in pilot regions and categories › Combined approach of pricing engine, deep team member market know-how and front line guardrails › ~400k iterative recommendations tested across ~10 iterations and ~500 customer sub-segments

Cost Levers – Case Studies

	Freight Logistics Provider Capability Uplift	Pallet Improvement Program
		
Our ambition	› Improved source-to-land global capability through more integrated provider relationship at lower cost	› Cost and ESG improvement by through improved pallet management strategy and waste reduction
Our process	› Leverage in-house world class supply chain team established in last 24 months › 4 months collaborative dialogue process with 2 incumbents and 10 challengers	› Review of best-practice pallet management across various industries › Investment into pallet management and repair capability; as well as tools in major DCs
Our outcome	› $ benefits exceeding targets with higher volumes for logistics provider and improved unit cost for Bapcor › Improved capability enabling offshore pre-shipment consolidation plus additional benefits in detention / demurrage and trusted trader customs-fast tracking › All services pooled with 1 new global partner, both incumbents exited	› Reduction of ~250 (monthly) damaged pallets and associated disposals › $ reduction in waste costs as targeted › Improved pallet availability on site › Reduced reliance on third-party pallet suppliers

Bapcor Values

Our values are at the centre of everything we do, and we will continue to embed them into our culture and processes

WE DO THE RIGHT THING

We are open, honest and respectful. We do what we say and say what we do.

WE ARE IN IT TOGETHER

We're all part of the Bapcor family. We support each other, include everyone and have fun along the way.

WE GIVE A DAMN

We care about what we do and are proud of how we do it. We are passionate and make a difference.

WE GET IT DONE

We use our unique talents to find solutions and achieve common goals. We celebrate success and strive to win.

Our Environmental, Social and Governance Strategy

OUR BAPCOR PURPOSE

We do the right thing | We are in it together | We give a damn | We get it done

ETHICAL SUPPLY CHAIN & PROCUREMENT

- Human Rights and Modern Slavery
- Ethical Supply Chain
- Ethical Procurement

ENVIRONMENTAL SUSTAINABILITY

- Net-Zero Emissions
- Waste Management
- Packaging and Circularity

GOOD GOVERNANCE & SUPPORTING AND DEVELOPING TEAM MEMBERS

- Health, Safety and Wellbeing
- Culture and Development
- Diversity and Inclusion
- Privacy Protection

POSITIVELY IMPACTING OUR COMMUNITIES

- Community Engagement
- Fair Tax Contributions

Integrated approach to deliver against best-in-class ESG aspiration

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Bapcor

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