

Bapcor Limited

ABN 80 153 199 912

Appendix 4D and Financial Report - 31 December 2025

Lodged with the ASX under Listing Rule 4.2A

1. Company details

Name of entity:	Bapcor Limited ('Bapcor' or the 'company')
ABN:	80 153 199 912
Reporting period:	For the half-year ended 31 December 2025 ('H1 FY26')
Previous period:	For the half-year ended 31 December 2024 ('H1 FY25')

2. Results for announcement to the market

IFRS financial measures			\$'000s	%	\$'000s	
			Movement		31 Dec 2025	
Revenue	Statutory	Down	(39,339)	(3.9)	to	973,028
Net profit after tax	Statutory	Down	(143,484)	(370.9)	to	(104,803)
Earnings per share - basic (cents per share)	Statutory	Down	(42.27) cps	(370.9)	to	(30.88) cps
Non-IFRS financial measures¹						
Revenue	Underlying ²	Down	(22,818)	(2.3)	to	973,028
Earnings before interest, taxes, depreciation and amortisation	Statutory	Down	(58,331)	(46.9)	to	65,936
	Underlying ²	Down	(52,222)	(40.4)	to	76,929
Net profit after tax	Underlying ²	Down	(37,577)	(87.2)	to	5,504
Earnings per share - basic (cents per share)	Underlying ²	Down	(11.07) cps	(87.2)	to	1.62 cps

Net debt at 31 December 2025 was \$387.3M representing a leverage ratio⁽³⁾ of 3.39x EBITDA. The level of net debt represents an increase of \$22.5M compared to 30 June 2025. For a further explanation of the results above, refer to the Company's ASX/Media Announcement for the half-year ended 31 December 2025 and the accompanying Directors' Report.

- (1) The directors believe the presentation of non-IFRS financial measures is useful for the users of the financial report as they provide additional and relevant information that reflect the underlying financial performance of the business. Non-IFRS financial measures contained within this report are not subject to audit or review. Refer to the directors' report for further details.
- (2) Underlying results include adjustments to remove significant items (as described in note 4 Segment information) from the statutory results.
- (3) Leverage ratio is calculated as net debt / last twelve months pre-AASB16 underlying EBITDA adjusted for share based payment expense and other items allowed to be excluded with covenant calculation

The loss for the consolidated entity after providing for income tax and non-controlling interest amounted to \$104.8M (31 December 2024: profit of \$38.7M).

3. Dividends

	Amount per security Cents	Franked amount per security Cents
2025 Interim dividend	8.0	8.0
2025 Final dividend	5.5	5.5
2026 Interim dividend	-	-

4. Dividend reinvestment plans

Bapcor operates a Dividend Reinvestment Plan ('DRP'), which provides shareholders with the opportunity to utilise all or part of their dividends to purchase shares in the company. Note that the directors have decided not to declare a 2026 interim dividend and that the DRP remains suspended.

5. Net tangible assets

A large proportion of the consolidated entity's assets are intangible in nature, consisting of goodwill, customer contracts and trademarks acquired on business combination as well as software. These assets as well as any deferred taxes, right-of-use assets and lease liabilities are excluded from the calculation of net tangible assets per share.

	31 Dec 2025 Cents	30 Jun 2025 Restated Cents
Net tangible assets per ordinary security	<u>51.1</u>	<u>59.2</u>

6. Attachments

The Appendix 4D and Financial Report of Bapcor Limited for the half-year ended 31 December 2025 is attached.

Bapcor Limited
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General information

The financial statements cover Bapcor Limited as a consolidated entity consisting of Bapcor Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Bapcor Limited's functional and presentation currency.

Bapcor Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office is 127-139 Link Road, Melbourne Airport VIC 3045 Australia, and its principal place of business is 327 Ferntree Gully Road Mount Waverley VIC 3149.

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' Report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 26 February 2026. The Directors have the power to amend and reissue the financial statements.

The Directors present their report, together with the financial statements, on the consolidated entity ('consolidated entity') consisting of Bapcor Limited ('company' or 'parent entity') and the entities it controlled at the end of, or during, the period ended 31 December 2025 ('H1 FY26').

Directors

The following persons were directors of Bapcor Limited during the half year and up to the date of this report, unless otherwise stated:

Lachlan Edwards	Independent Chair (appointed Independent, Non-Executive Director on 1 October 2025 and Independent Chair effective 24 November 2025)
Kathryn (Kate) Spargo	Independent Deputy Chair (appointed as Independent, Non-Executive Director on 1 March 2023, and appointed as Independent Deputy Chair effective 24 November 2025)
Chris Wilesmith	Chief Executive Officer and Managing Director (appointed effective 14 January 2026)
Annette Carey	Independent, Non-Executive Director (appointed effective 1 October 2025)
Jacqueline Korhonen	Independent, Non-Executive Director (appointed effective 1 February 2025)
Patria Mann	Independent, Non-Executive Director (appointed effective 1 October 2025)
Mark Bernhard	Independent, Non-Executive Director (resigned 23 July 2025)
Brad Soller	Independent, Non-Executive Director (resigned 23 July 2025)
James Todd	Independent, Non-Executive Director (resigned 23 July 2025)
Angus McKay	Stepped down as Executive Chair on 24 November 2025 and resigned as Chief Executive Officer effective 14 January 2026
Mark Powell	Stepped down as Lead Independent Director effective 24 November 2025 and resigned as Non-Executive Director on effective 5 December 2025

Principal activities

The principal activities of Bapcor were the sale and distribution of vehicle parts, accessories, automotive equipment, service and solutions.

Bapcor is one of the largest suppliers of vehicle parts, accessories, equipment, service and solutions in Asia Pacific with an operational network covering approximately 900 locations and employing approximately 5,200 team members across Australia and New Zealand.

Significant changes in the state of affairs

Board and management changes

On 23 July 2025 Mark Bernhard, Brad Soller and James Todd resigned as Non-Executive Directors. These resignations presented an opportunity to accelerate the refresh of the Bapcor Board. Three new experienced Non-Executive Directors were appointed to the Board on 1 October 2025:

- Lachlan Edwards brings over 35 years of corporate advisory experience, including as the former Managing Director and Co-Head of Lazard Australia; Managing Director of Goldman Sachs (in Asia Pacific and Europe); and as a Managing Director and Board Director of NM Rothschild & Sons (in London). He is a former Chairman and President of the Turnaround Management Association (TMA) in Australia and is a TMA Certified Turnaround Professional;
- Annette Carey brings over 35 years' experience, having held non-executive, executive and senior legal roles across the logistics, supply chain and security sectors in Australia and internationally. Her most recent executive experience was as Interim Chief Executive Officer of Linfox Armaguard, and prior to that as Executive General Manager International with Australia Post; and
- Patria Mann brings over 20 years of non-executive experience across multiple sectors in ASX listed and financial services organisations. As an experienced Audit and Risk Committee Chair and having previously served as a partner at KPMG, Patria has extensive audit, risk management and governance experience.

On 24 November 2025, Lachlan Edwards was appointed as the Independent Non-Executive Chair and Kate Spargo appointed to the newly created role of Deputy Chair. Angus McKay stepped down from the Board and continued in his role as Chief Executive Officer until 14 January 2026 and continues to serve out his notice period. Mark Powell retired from the position of Lead Independent Director on 24 November 2025, and subsequently resigned from the Board on 5 December 2025.

On 18 December 2025 the company announced the resignation of Angus McKay as Chief Executive Officer and the appointment of Chris Wilesmith as Chief Executive Officer and Manager Director, with effect from 14 January 2026. Chris is an experienced executive and non-executive director with extensive automotive aftermarket industry experience. He has deep experience across all aspects of trade, retail and supply chain operations in both Australia and New Zealand, including roles as a director of some of Bapcor's key suppliers and competitors.

There were no other significant changes in the state of affairs of the consolidated entity during the financial period.

Review of operations

The statutory loss after tax of \$104.8M, recorded in H1 FY26, was after \$110.3M of significant items (post tax) and compared to a statutory profit after tax of \$38.7M in H1 FY25.

Underlying revenue declined 2.3% to \$973.0M in H1 FY26 compared to H1 FY25 with declines across all segments. Total gross margin dollars were down 5.5% with declines mainly attributable to the Trade segment. Cost of doing business increased by 8.0% to \$360.4M reflecting ongoing strategic investment in information technology projects and supply chain initiatives, as well as higher employee costs. Finance costs were 1.3% higher due higher debt levels. Underlying net profit after tax declined 87.2% to \$5.5M.

The table below reconciles the H1 FY26 and H1 FY25 underlying results to the statutory results.

\$M	H1 FY26			H1 FY25 Restated ³		
	Statutory	Significant Items ¹	Underlying	Statutory	Significant items ²	Underlying
Revenue	973.0	-	973.0	1,012.4	(16.5)	995.8
EBITDA	65.9	11.0	76.9	123.9	5.2	129.2
EBIT	16.1	11.0	27.1	73.5	6.4	79.9
NPBT	(106.7)	114.8	8.1	54.7	6.4	61.2
NPAT	(104.8)	110.3	5.5	38.7	4.5	43.1

Note 1: Details of the H1 FY26 significant items are set out below.

Note 2: H1 FY25 significant items predominately relate to the trading loss and loss on disposal of the MTQ and 5IQ businesses and costs related to payroll data and process review.

Note 3: H1 FY25 restatements relate to correction of prior period errors with a reduction in opening retained earnings at 1 July 2025, refer to Note 3 of Appendix 4D and Financial statements at 31 December 2025

The table below, which is subject to rounding, sets out the statutory and underlying earnings per share.

	Consolidated				
	Note	H1 FY26		H1 FY25 Restated ¹	
		Statutory	Underlying	Statutory	Underlying
NPAT (\$M)		(104.8)	5.5	38.6	43.1
Weighted average number of ordinary shares (million)		339.4	339.4	339.4	339.4
Earnings per share (cps)		(30.9)	1.6	11.4	12.8

Note 1: H1 FY25 restatements relate to correction of prior period errors with a reduction in opening retained earnings at 1 July 2025, refer to Note 3 of Appendix 4D and Financial statements at 31 December 2025

The directors' report includes references to underlying results to exclude the impact of significant items. The directors believe the presentation of non-IFRS financial measures is useful for the users of this financial report as they provide additional and relevant information that reflect the underlying financial performance of the business. Non-IFRS financial measures contained within this report are not subject to audit or review.

Details of the significant items in H1 FY26 are set out below, of which only \$2.6M (pre-tax) impacts cash flow.

\$M	1H26 Pre tax	1H26 Post Tax	1H25 Restated	Commentary
New Zealand impairment	99.9	99.9	-	Impairment of goodwill due to further deterioration in the macro-economic conditions in New Zealand with margins being adversely impacted as customers shift to lower margin products, alongside increased competition
Store impairment	3.9	2.7	-	Property, plant, equipment and lease impairment of stores across the group
Stocktake losses	3.0	2.1	-	Stock losses identified as part of stock takes undertaken across Precision branches, as previously announced
Restructuring costs	2.6	1.9	-	Redundancy costs associated with the Q2 cost saving initiatives
Provision releases	(1.1)	(0.8)	-	Following the completion of the warehouse consolidation program during the first half
Inventory valuation	4.0	2.8	-	Change in estimates for inventory valuation identified by reviews undertaken in the Retail and Trade segments
Employee entitlements	2.5	1.7	-	Provision increase following detailed examination
Other items	-	-	4.5	1H25 predominately relates to trading loss for MTQ, loss on disposal of MTQ and 5IQ and costs related to payroll data and process review.
Total	114.8	110.3	4.5	

The H1 FY25 comparative financial results have been restated to:

- 1) Correct recording of inventory, cost of sales, trade and other payables, and provisions in prior periods following an externally facilitated detailed examination of the balance sheet. The restatements have no impact on cash flows. The reduction to opening retained earnings for 1 July 2025 for these matters was \$8.9M post-tax, including \$1.9M related to 1H FY25. The remainder related to 2H FY25 (\$3.0M) and FY24 (\$4.0M). The restatement is outlined in Note 3 of the Financial report.
- 2) Reflect the identification of a payroll issue which impacts specific team members. This has come to light in preparation for the implementation of the new Human Resources Information System (HRIS). An estimate of the impact has been completed for the financial years 2020 to 31 December 2025 and Bapcor is continuing the review. A provision of \$0.24M has been established for the period 1 July 2025 to 31 December 2025 and \$4.4M for the period 13 February 2020 to 30 June 2025 (of which \$0.7M relates to the FY25 financial year). Note 14 of the Financial report contains a current provision of \$4.62M in relation to these items. The reduction to opening retained earnings for 1 July 2025 for these matters was \$3.1M post-tax bringing the total restatements to opening retaining earnings for 1 July 2025 of \$12.0M per Note 3 of the Financial report.
- 3) Re-align segment reporting to reflect changes in its operating model. The group made a change to its business model to refocus attention in the wholesaling operations within the Networks segment to selling and marketing to external customers rather than internal customers. This included changes to the organisational structure within the wholesale operations and Trade segment, with certain activities moving from the Networks segment to the Trade segment. These changes have no impact on the Group's H1 FY25 or H1 FY26 consolidated financial results.
- 4) Include H1 FY25 revenue and EBITDA in the Retail segment for a business previously classified as held for sale and is now being retained, previously recorded in the Unallocated/Head Office segment. This change has no impact on the Group's consolidated H1 FY25 or H1 FY26 financial results.

Segment Overview

The table below, with amounts subject to rounding and change percentages based on non-rounded values, presents underlying revenue and EBITDA by segment.

\$M	Note	Underlying Revenue			Underlying EBITDA		
		H1 FY26	H1 FY25 Restated	Change	H1 FY26	H1 FY25 ¹ Restated	Change
Trade	1	387.1	393.7	(1.7%)	54.9	81.6	(32.7%)
Networks	1	312.4	320.1	(2.4%)	32.1	33.0	(2.8%)
Retail	1,2	205.2	209.2	(1.9%)	16.8	23.6	(28.9%)
New Zealand		82.0	87.1	(5.9%)	10.1	14.7	(31.4%)
Unallocated / Head Office		(13.7)	(14.2)	3.8%	(36.9)	(23.8)	(55.0%)
Total		973.0	995.8	(2.3%)	76.9	129.2	(40.4%)

Note 1: (a) To eliminate intercompany sales from the Networks segment and move the wholesale margin and associated costs from the Networks segment to the Trade and Retail segments to align with the segment which sells externally. Refer to Note 4 of the Financial report.
(b) Correct for prior period errors. Details of these items are outlined in Note 3 of the Financial report.

Note 2: 1H25 revenue and EBITDA has been adjusted to include a business previously classified as held for sale which is to be retained.

Trade

Bapcor's Trade segment is Australia's leading distributor of vehicle parts and equipment solutions to Trade customers. It consists of Burson Auto Parts, Precision Automotive Equipment, Brookers and Brakeforce, and Blacktown Auto Spares in Australia as well as the Thailand operations. This segment is a distributor of:

- Automotive aftermarket parts and consumables to trade workshops for the service and repair of passenger vehicles
- Automotive workshop equipment such as vehicle hoists and scanning equipment, including servicing of the equipment
- Automotive accessories and maintenance products to do-it-yourself vehicle owners

The Trade segment revenue declined 1.7% compared to H1 FY25, with declines in both the Parts, and Tools and Equipment categories. Bapcor Trade's EBITDA declined 32.7% compared to H1 FY25 due to lower gross margin from the competitive market, cost of good price increases and broader cost inflation.

Trade continued to expand its store network in H1 FY26 from 241 at 30 June 2025 to 245 at 31 December 2025. Three new stores were opened in Australia located at Maryborough and North Rockhampton in Queensland and Port Adelaide in South Australia. One store was opened in Thailand bringing the total Thailand stores to eight.

Networks (previously called Specialist Wholesale)

Bapcor's Networks segment is a leader in the truck, electrical and specialist wholesale markets; and acts as an aggregator and importer for Bapcor. It consists of the:

- Specialist Networks business including:
 - Commercial Vehicle Group ('CVG' comprising Truckline and WANO);
 - JAS (previously referred to as Auto Electrical Group (AEG), comprising JAS Oceania, Baxters and Federal Batteries); and
- Wholesale business, which is a specialised leader in automotive aftermarket wholesale operations through brands such as AAD, Bearing Wholesalers, Roadsafe and Premier Auto Trade.

The Networks segment revenue declined 2.4% compared to H1 FY25. Specialist Networks declined 3.0% and Wholesale declined 0.6%. EBITDA declined 2.8% compared to H1 FY25 broadly in-line with the decline in revenue.

The Networks branch network reduced from 118 locations at 30 June 2025 to 117 locations at 31 December 2025 with the reduction due to consolidation of the JAS and Baxters branch into one location in Newcastle. In CVG one new branch opened in Orange and one underperforming branch was closed in Victoria.

Retail

Bapcor's Retail segment is one of Australia's leading full-offer automotive retailers and service centre providers. It consists of business units that are retail customer focused, including the Autobarn and Autopro brands as well as the Midas and ABS workshop service brands. This segment is comprised of mostly company-owned flagship stores in the Autobarn channel, with predominantly franchised stores and workshops across the other brands.

The Retail segment revenue declined 1.9% compared to H1 FY25 impacted by the challenging macro environment and competitor activity, and the closure of stores to optimise the returns of the portfolio. Revenue improved in Q2 following strong Black Friday and pre-Christmas performance. EBITDA declined 28.9% compared to H1 FY25 driven by cost pressures, investment in the Autobarn brand and non-recurring provision release from FY25.

The number of company owned stores declined by two from 30 June 2025 to 121 stores at 31 December 2025 as the portfolio review continues, while the number of franchise stores across the segment declined by six from 30 June 2025 to 217 stores as at 31 December 2025.

New Zealand

Bapcor's New Zealand segment is a leading integrated trade and specialist wholesale group providing aftermarket parts and equipment solutions in New Zealand. The group consists of Brake & Transmission (BNT), which is a primarily supplier of automotive parts and accessories to workshops, Autolign, which specializes in undercar steering and suspension, and wholesale businesses including HCB (batteries), JAS Oceana NZ (auto electrical components), and Precision Equipment NZ (automotive workshop equipment). The licensee network features Battery Town, New Zealand's largest network of automotive electricians, along with Battery Town Marine and the Shock Shop, among the largest specialist steering and suspension network in the country.

The New Zealand segment revenue decreased by 5.9% in Australian dollars and 3.9% in New Zealand dollars compared to H1 FY25, impacted by challenging macro-economic conditions which impacted volumes, and increased competition which impacted prices. EBITDA declined 31.4% compared to H1 FY25 due to lower revenue and margin decline, including from price realignment and mix shift into lower margin products. Company owned stores (excluding Battery Town and Shock Shop locations) decreased in H1 FY26 from 76 at 30 June 2025 to 74 at 31 December 2025 due to consolidating stores into the new Dunedin Supersite.

Unallocated / Head Office

The Unallocated / Head Office segment revenue relates to store-to-store sales between segments which are eliminated. EBITDA relates to Bapcor head office and supply chain costs and profit from associates.

EBITDA included strategic investments in information technology projects of \$4.2M and supply chain initiatives, as well as higher employee costs

Financial Position - Capital and Debt

There have been no issues of new shares during the half. As a result, ordinary shares on issue remain at 339,412,500 as at 31 December 2025.

Net debt at 31 December 2025 was \$605.9M and includes lease liabilities recorded under AASB 16 *Leases* and net derivative financial instruments. Given both are excluded from Bapcor's banking covenants, net bank debt at 31 December 2025 of \$387.3M has also been disclosed, representing a leverage¹ ratio of 3.39 times underlying EBITDA, which is within debt covenants.

On 18 December 2025, Bapcor received approval from its lenders to temporarily increase its net leverage ratio covenant to 3.5 times adjusted EBITDA for the 31 December 2025 and 30 June 2026 testing points before returning to the existing 3.0 times covenant thereafter. The fixed cover charge ratio remained unchanged, being greater than 1.75 times adjusted EBITDA.

¹ Leverage is calculated by dividing net bank debt by the last twelve months' pro-forma adjusted EBITDA. Net bank debt is excluding the impact of lease liabilities and adjusting for the net derivative financial instruments relating to forward exchange contracts position. underlying adjusted EBITDA excludes any impact of AASB16. Refer to note 15 of the financial report for a reconciliation between statutory and underlying net debt.

Trading update and outlook

The business has a clear focus on delivering business turnaround and improving operational performance by:

- 1) Returning to growth;
- 2) Enhancing profitability;
- 3) Optimising the cost of doing business; and
- 4) Capital efficiency.

Group like for like sales² for January 2026 are 0.9% lower than January 2025 with growth in Networks, Retail and New Zealand offset by declines in Trade.

Bapcor expects to deliver:

- Underlying FY26 EBITDA of \$150M - \$160M (post AASB16)
- Underlying FY26 EBITDA of \$74M to \$79M (pre AASB 16)
- Pro forma net leverage ratio (post equity raising) of 2.13 times at 31 December 2025 (3.39 times as at 31 December 2025)
- Net leverage ratio expected to reduce to ~1.2 to 1.5 times at 30 June 2026, benefiting from \$60M - \$75M of cashflow in 2H26 as a result of specific initiatives focused on reducing inventory and receivables outstanding and increasing operating cashflows.

Matters subsequent to the end of the financial half-year

In consideration of the financial performance for the first half, the Board has determined not to declare an interim dividend for the FY26 financial year.

On 26 February 2026, Bapcor announced it is undertaking a fully underwritten \$200 million equity raising of new ordinary Bapcor shares via a:

- Pro rata accelerated non-renounceable entitlement offer to raise approximately \$150 million; and
- Pro rata institutional placement to raise approximately \$50 million

The equity raise will improve financial flexibility and resilience in the current market conditions. The offer is being fully underwritten by Macquarie with the Pro rata Placement and Institutional Entitlement offer being conducted on 26 February 2026 and the Retail Entitlement offer opening on 5 March 2026 and closing on 19 March 2026. Please refer to the ASX announcement and associated documents released on 26 February 2026 for further details on the equity raising.

On 25 February 2026, Bapcor obtained approval from its lending syndicate to temporarily lower the FCCR³ covenant to become at least 1.4 times for 30 June 2026 and 1.5 times for 31 December 2026 testing points, before returning to 1.75 times at 30 June 2027.

There has been no further matters or circumstances to note that have significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Indemnity and insurance of officers

Bapcor has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, Bapcor paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

² Like for life numbers have been adjusted for trading days and same store sales

³ FCCR (fixed cover charge ratio) calculated as pre-AASB 16 EBITDA plus rent / interest plus rent

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 11 of the directors' report.

Indemnity of auditor

The company has agreed to indemnify their auditors, PricewaterhouseCoopers, to the extent permitted by law, against any claim by a third party arising from the company's breach of their agreement with PricewaterhouseCoopers. The indemnity stipulates that the company will meet the full amount of any such liabilities including a reasonable amount of legal costs. No liability has arisen under this indemnity.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors.



Chris Wilesmith
Chief Executive Officer and Managing Director



Lachlan Edwards
Chair

26 February 2026
Melbourne



Auditor's Independence Declaration

As lead auditor of Bapcor Limited's financial report for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review of the financial report; and
- b) no contraventions of any applicable code of professional conduct in relation to the review of the financial report.

A handwritten signature in black ink that reads 'Alison Milner'.

Alison Milner
Partner
PricewaterhouseCoopers

Melbourne
26 February 2026

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Bapcor Limited
Consolidated statement of comprehensive income
For the half-year ended 31 December 2025

	Note	Consolidated 31 Dec 2025 \$'000	31 Dec 2024 Restated \$'000
Revenue	5	973,028	1,012,367
Share of profits of associates accounted for using the equity method		627	788
Expenses			
Cost of sales		(542,585)	(544,673)
Employee expenses		(243,294)	(235,905)
Freight		(16,097)	(13,720)
Advertising		(20,259)	(19,054)
Other expenses		(52,044)	(47,063)
Motor vehicles		(9,029)	(8,611)
IT & communications		(24,411)	(20,210)
Depreciation and amortisation expense	6	(49,836)	(50,460)
Finance costs	6	(18,958)	(18,712)
Impairment of assets	7	(103,788)	-
(Loss)/profit before income tax benefit/(expense)		(106,646)	54,747
Income tax benefit/(expense)		2,005	(16,136)
(Loss)/profit after income tax benefit/(expense) for the half-year		(104,641)	38,611
Other comprehensive (loss)/income			
<i>Items that may be reclassified to profit or loss</i>			
Foreign currency translation		(15,094)	(1,328)
Changes in the fair value of cash flow hedges		1,991	3,072
Share of other comprehensive income of associates		142	238
Other comprehensive (loss)/income for the half-year, net of tax		(12,961)	1,982
Total comprehensive (loss)/income for the half-year		(117,602)	40,593
(Loss)/profit for the half-year is attributable to:			
Non-controlling interest		162	(70)
Owners of Bapcor Limited	18	(104,803)	38,681
		(104,641)	38,611
Total comprehensive (loss)/income for the half-year is attributable to:			
Non-controlling interest		183	238
Owners of Bapcor Limited		(117,785)	40,355
		(117,602)	40,593
		Cents	Cents
Basic earnings per share		(30.88)	11.40
Diluted earnings per share		(30.88)	11.31

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes

Bapcor Limited
Consolidated statement of financial position
As at 31 December 2025

		Consolidated	Restated	Restated
	Note	31 Dec 2025	30 Jun 2025	01 July 2024
		\$'000	\$'000	\$'000
Assets				
Current assets				
Cash and cash equivalents		39,291	58,584	71,594
Trade and other receivables	8	178,922	191,622	198,587
Inventories	9	547,273	545,143	528,577
Derivative financial instruments		2,234	156	394
Income tax receivable		48,149	41,081	24,246
Assets classified as held for sale		-	5,080	28,285
Total current assets		<u>815,869</u>	<u>841,666</u>	<u>851,683</u>
Non-current assets				
Right-of-use assets	10	177,304	182,886	249,897
Property, plant and equipment	11	104,072	111,404	115,372
Intangibles	12	527,383	635,943	618,605
Investments accounted for using the equity method		8,677	8,280	7,569
Deferred tax		49,990	50,945	62,806
Total non-current assets		<u>867,426</u>	<u>989,458</u>	<u>1,054,249</u>
Total assets		<u>1,683,295</u>	<u>1,831,124</u>	<u>1,905,932</u>
Liabilities				
Current liabilities				
Trade and other payables	13	263,224	275,286	244,298
Provisions	14	52,748	46,734	71,687
Borrowings	15	99,918	-	-
Lease liabilities		54,378	55,292	65,784
Derivative financial instruments		1,335	2,075	763
Liabilities classified as held for sale		-	2,868	15,008
Total current liabilities		<u>471,603</u>	<u>382,255</u>	<u>397,540</u>
Non-current liabilities				
Provisions	14	16,262	18,099	17,788
Borrowings	15	325,061	418,507	405,554
Lease liabilities		163,342	168,413	222,824
Total non-current liabilities		<u>504,665</u>	<u>605,019</u>	<u>646,166</u>
Total liabilities		<u>976,268</u>	<u>987,274</u>	<u>1,043,706</u>
Net assets		<u>707,027</u>	<u>843,850</u>	<u>862,226</u>
Equity				
Issued capital	17	866,899	867,158	867,722
Reserves		(5,205)	8,072	3,712
Accumulated losses	18	(156,622)	(33,151)	(10,036)
Equity attributable to the owners of Bapcor Limited		705,072	842,079	861,398
Non-controlling interest		1,955	1,771	828
Total equity		<u>707,027</u>	<u>843,850</u>	<u>862,226</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Bapcor Limited
Consolidated statement of changes in equity
For the half-year ended 31 December 2025

Consolidated	Contributed equity \$'000	Other \$'000	Reserves \$'000	Retained profits \$'000	Non-controlling Interests \$'000	Total equity \$'000
Balance at 1 July 2024	878,652	(10,930)	3,712	(3,467)	828	868,795
Prior period restatement (note 3)	-	-	-	(6,569)	-	(6,569)
Balance at 1 July 2024 - restated	878,652	(10,930)	3,712	(10,036)	828	862,226
Profit/(loss) after income tax expense for the half-year	-	-	-	38,681	(70)	38,611
Other comprehensive income for the half-year, net of tax	-	-	1,744	-	238	1,982
Total comprehensive income for the half-year	-	-	1,744	38,681	168	40,593
<i>Transactions with owners in their capacity as owners:</i>						
Share-based payments	-	-	1,071	-	-	1,071
Treasury shares (note 15)	-	(416)	-	-	-	(416)
Divestment of non-controlling interest	-	-	-	-	619	619
Dividends paid (note 19)	-	-	-	(18,667)	-	(18,667)
Balance at 31 December 2024	<u>878,652</u>	<u>(11,346)</u>	<u>6,527</u>	<u>9,978</u>	<u>1,615</u>	<u>885,426</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Bapcor Limited
Consolidated statement of changes in equity
For the half-year ended 31 December 2025

Consolidated	Contributed equity \$'000	Other \$'000	Reserves \$'000	Retained profits \$'000	Non-controlling Interests \$'000	Total equity \$'000
Balance at 1 July 2025	878,652	(11,494)	8,072	(21,148)	1,771	855,853
Prior period restatement (note 3)	-	-	-	(12,003)	-	(12,003)
Balance at 1 July 2025 - restated	878,652	(11,494)	8,072	(33,151)	1,771	843,850
(Loss)/profit after income tax benefit for the half-year	-	-	-	(104,803)	162	(104,641)
Other comprehensive (loss)/income for the half-year, net of tax	-	-	(12,983)	-	22	(12,961)
Total comprehensive (loss)/income for the half-year	-	-	(12,983)	(104,803)	184	(117,602)
<i>Transactions with owners in their capacity as owners:</i>						
Share-based payments	-	-	(294)	-	-	(294)
Treasury shares (note 15)	-	(259)	-	-	-	(259)
Dividends paid (note 19)	-	-	-	(18,668)	-	(18,668)
Balance at 31 December 2025	<u>878,652</u>	<u>(11,753)</u>	<u>(5,205)</u>	<u>(156,622)</u>	<u>1,955</u>	<u>707,027</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Bapcor Limited
Consolidated statement of cash flows
For the half-year ended 31 December 2025

		Consolidated	
	Note	31 Dec 2025	31 Dec 2024
		\$'000	\$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,089,585	1,127,287
Payments to suppliers and employees (inclusive of GST)		(1,017,748)	(983,605)
		71,837	143,682
		-	-
Payments for restructuring costs		(2,569)	(6,070)
Borrowing costs		(11,591)	(11,016)
Interest paid on lease liabilities		(7,367)	(7,308)
Income taxes paid		(8,522)	(20,067)
Net cash from operating activities		41,788	99,221
Cash flows from investing activities			
Payments for property, plant and equipment	11	(9,225)	(21,174)
Payments for software	12	(6,467)	(6,962)
Proceeds from disposal of property, plant and equipment		1,122	1,496
Proceeds from disposal of business, net of expenses		-	7,407
Net cash used in investing activities		(14,570)	(19,233)
Cash flows from financing activities			
Purchase of treasury shares	17	(259)	(416)
Proceeds from borrowings		17,492	40,000
Repayment of borrowings		(11,500)	(50,000)
Dividends paid	19	(18,668)	(18,667)
Repayment of lease liabilities		(32,515)	(33,254)
Net cash used in financing activities		(45,450)	(62,337)
Net increase/(decrease) in cash and cash equivalents		(18,232)	17,651
Cash and cash equivalents at the beginning of the half-year		58,583	71,593
Effects of exchange rate changes on cash and cash equivalents		(1,060)	240
Cash and cash equivalents at the end of the half-year		39,291	89,484

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policies

This consolidated financial report for the interim half-year reporting period ended 31 December 2025 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001.

This half-year financial report does not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The material accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory have not been early adopted by the consolidated entity for the half-year reporting period ended 31 December 2025.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, that management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are as disclosed in the 30 June 2025 financial statements.

Note 3. Restatement of comparatives

Correction of error

The Group has identified certain transactions that have historically been incorrectly recorded which has resulted in the misreporting of Trade and other payables, Inventory and the associated impact on Income tax receivable.

Bapcor has also identified a payroll issue that impacts specific team members. This has come to light in preparation for the implementation of a new Human Resources Information System (HRIS), where a review of all employee data was established. The estimated impact for the period February 2020 to 31 December 2025 is \$4.3M (pre-tax). Refer to Note 14 for further detail.

The Group has restated each of the affected financial statement lines in the corresponding prior periods to correctly record these transactions.

Note 3. Restatement of comparatives (continued)

Impact on Consolidated Statement of Financial Position - Extract

	FY25 Reported \$000	Increase/ (Decrease) \$000	FY25 Restated \$000	FY24 Reported \$000	Increase/ (Decrease) \$000	FY24 Restated \$000
Assets						
Inventory	546,286	(1,143)	545,143	529,130	(553)	528,577
Income tax receivable	35,937	5,145	41,082	21,430	2,816	24,246
	<u>582,223</u>	<u>4,002</u>	<u>586,225</u>	<u>550,560</u>	<u>2,263</u>	<u>552,823</u>
Liability						
Trade and other payables	263,663	11,623	275,286	239,152	5,146	244,298
Current Provision	4,235	4,382	8,617	42,352	3,686	46,038
	<u>267,898</u>	<u>16,005</u>	<u>283,903</u>	<u>281,504</u>	<u>8,832</u>	<u>290,336</u>
Net Assets	<u>855,853</u>	<u>(12,003)</u>	<u>843,850</u>	<u>868,795</u>	<u>(6,569)</u>	<u>862,226</u>
Equity						
Retained earnings	(21,148)	(12,003)	(33,151)	(3,467)	(6,569)	(10,036)
Total equity	<u>855,853</u>	<u>(12,003)</u>	<u>843,850</u>	<u>868,795</u>	<u>(6,569)</u>	<u>862,226</u>

Impact on Consolidated Statement of Comprehensive Income - Extract

	31 Dec 24 Reported \$'000	Restatement \$'000	31 Dec 24 Restated \$'000
Cost of sales	(542,079)	(2,594)	(544,673)
Employee expenses	(235,557)	(348)	(235,905)
Other expenses	(46,941)	(122)	(47,063)
Profit before tax	57,811	(3,064)	54,747
Income tax (expense)/benefit	(17,055)	919	(16,136)
Profit after income tax expense for the half-year	40,756	(2,145)	38,611

The 30 June 2026 financial statements will include a restatement of the 30 June 2025 comparative for the full year effects of the above, resulting in the restatement of Profit before Tax of \$7.8M, and associated income tax impact.

Impact on Earnings Per Share - Extract

	Cents Reported	Cents Adjustment	Cents Restated
Basic earnings per share	12.03	(0.56)	11.47
Diluted earnings per share	11.92	(0.56)	11.36

Note 4. Segment information

Description of segments

The consolidated entity has identified four operating segments based on the internal reports that are reviewed and used by the CEO (who is identified as the Chief Operating Decision Maker ('CODM')) and is supported by the other members of the executive team and the Board of Directors where required in assessing performance and in determining the allocation of resources including capital allocations.

Note 4. Segment information (continued)

Segment realignment

As announced in April 2025, the group made a change to its business model, refocusing attention in the wholesaling operations within the Networks segment to selling and marketing to external customers rather than internal customers. This included changes to the organisational structure within the wholesale operations and Trade segment, with certain activities moving from the Networks segment to the Trade segment.

The change is effective from 1 July 2025, with prior period segment disclosure updated to allow for comparison. These changes have no net impact on the Group's 1H25 consolidated financial results. The changes made were to:

- Remove intercompany sales, margins and associated expenses, inventory and payables from the Networks segment (previously called Specialist Wholesale) to the Trade and Retail segments to align it to the segment which sells externally; and
- Reallocate goodwill to reflect the relative value as a result of the change in business model.

The operating results of the consolidated entity are currently reviewed by the CODM and decisions are based on four operating segments which also represent the four reporting segments, as follows:

Bapcor Trade	Represents the trade focused automotive aftermarket parts distribution to independent and chain mechanic workshops. Includes the operations of Burson Auto Parts, Precision Automotive Equipment, Blacktown Auto and the Thailand based operation.
Bapcor Networks	Includes the specialised wholesale distribution and network channel areas that focus on a specific automotive area such as AAD, Baxters, Bearing Wholesalers, Roadsafe, Diesel Distributors, Federal Batteries, JAS, Premier Auto Trade, Topperformance, Truckline and WANO.
Bapcor Retail	Represents the retail focused Autobarn, Autopro and Opposite Lock automotive accessory stores that are positioned as the first choice destination for both the everyday consumer and automotive enthusiast, as well as the service areas of Bapcor being the operations of Midas and ABS.
Bapcor NZ	Includes the operations of Brake & Transmission ('BNT'), Autolign and HCB Technologies.

Segment revenue

Intersegment transactions are carried out at arm's length and eliminated on consolidation. The revenue from external parties reported to the CODM is measured in a manner consistent with that in the statement of comprehensive income.

Segment EBITDA

Segment performance is assessed on the basis of segment EBITDA. Segment EBITDA comprises expenses which are incurred in the normal trading activity of the segments and excludes the impact of depreciation, amortisation, interest, tax and other items which are determined to be outside of the control of the respective segments.

Note 4. Segment information (continued)

Operating segment information

Consolidated - 31 Dec 2025	Trade \$'000	Networks \$'000	Retail \$'000	New Zealand \$'000	Unallocated / Head Office \$'000	Total \$'000
Revenue						
Sales	387,057	312,414	205,221	82,015	-	986,707
Total segment revenue	387,057	312,414	205,221	82,015	-	986,707
Intersegment sales ²						(13,679)
Total revenue						<u>973,028</u>
Segment EBITDA	54,919	32,062	16,772	10,118	(36,596)	77,275
Significant items ¹	-	-	-	-	(10,993)	(10,993)
EBITDA	54,919	32,062	16,772	10,118	(47,589)	66,282
Intersegment EBITDA						(346)
Depreciation and amortisation						(49,836)
Impairment of assets						(3,919)
Impairment of goodwill						(99,869)
Finance costs						(18,958)
Loss before income tax benefit						(106,646)
Income tax benefit						2,005
Loss after income tax benefit						<u>(104,641)</u>
Assets						
Segment assets	654,993	455,088	214,581	129,144	229,489	1,683,295
Total assets						<u>1,683,295</u>
Liabilities						
Segment liabilities	175,127	120,826	114,433	37,984	527,898	976,268
Total liabilities						<u>976,268</u>

- (1) Significant items in 1H26 relate to significant changes in accounting estimates for inventory and employee provisions, restructuring programs, and inventory verification losses.
- (2) Intersegment sales now only reflect inventory transfers directly between the store networks across segments.

Note 4. Segment information (continued)

	Trade	Networks	Retail	New Zealand	Unallocated / Head Office	Total
Consolidated - 31 Dec 2024 Restated^{1, 2}	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
Sales	393,658	320,110	209,172	87,124	16,521	1,026,585
Total segment revenue	393,658	320,110	209,172	87,124	16,521	1,026,585
Intersegment sales ³						(14,218)
Total revenue						<u>1,012,367</u>
Segment EBITDA	81,636	32,997	23,604	14,741	(23,591)	129,387
Significant items ⁴	-	-	-	-	(5,232)	(5,232)
EBITDA	<u>81,636</u>	<u>32,997</u>	<u>23,604</u>	<u>14,741</u>	<u>(28,823)</u>	<u>124,155</u>
Intersegment EBITDA						(236)
Depreciation and amortisation						(50,460)
Finance costs						(18,712)
Profit before income tax expense						54,747
Income tax expense						(16,136)
Profit after income tax expense						<u>38,611</u>
Consolidated - 30 Jun 2025 Restated^{1, 2}						
Assets						
Segment assets	674,766	465,361	216,656	243,566	230,775	1,831,124
Total assets						<u>1,831,124</u>
Liabilities						
Segment liabilities	172,311	122,060	111,254	38,212	543,437	987,274
Total liabilities						<u>987,274</u>

- (1) Prior year comparatives have been restated, refer to note 3 for details of the restatement.
- (2) Prior year numbers have also been updated to reflect the organisation realignment that resulted in the elimination of the majority of intercompany sales, and the reallocation of businesses previously reported in Unallocated / Head Office as held for sale to the appropriate business units at the end of the reporting period.
- (3) Intersegment sales now only reflect inventory transfers directly between the store networks across segments.
- (4) H1 25 significant items predominately relate to MTQ business sold in November 2024 and the other business held for sale

	Geographical non-current assets	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Australia	803,055	816,118
New Zealand	63,667	172,643
Other	704	697
	<u>867,426</u>	<u>989,458</u>

Note 4. Segment information (continued)

The geographical non-current assets above are exclusive of, where applicable, derivative financial instruments and balances such as intercompany and investments that are eliminated on consolidation.

Note 5. Revenue

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Revenue from contracts with customers	973,028	1,012,367

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
<i>Geographical regions</i>		
Australia	884,950	920,155
New Zealand	82,015	87,124
Thailand	6,063	5,088
	973,028	1,012,367
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	955,336	994,503
Services transferred over time	17,692	17,864
	973,028	1,012,367

Revenue is allocated to geographical segments on the basis of where the sale is recorded.

Note 6. Expenses

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
(Loss)/profit before income tax includes the following specific expenses:		
<i>Depreciation and amortisation expense</i>		
Plant and equipment	8,012	11,501
Motor vehicles	4,081	3,074
Properties right-of-use assets	32,595	33,625
Motor vehicles right-of-use assets	-	42
Amortisation of intangibles	5,006	2,218
Make good provision	141	-
	49,835	50,460
<i>Finance costs</i>		
Interest and finance charges paid/payable	11,591	11,403
Interest and finance charges paid/payable on lease liabilities	7,367	7,309
	18,958	18,712

Note 7. Impairment of assets

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Goodwill	99,869	-
Right-of-use assets	923	-
Property, plant and equipment	2,996	-
	103,788	-

Impairment of Goodwill

Refer to Note 12 in relation to impairment of Goodwill.

Impairment of Right-of-use assets and Property, plant and equipment

For impairment testing purposes the Group has determined that each store or branch is a separate Cash Generating Unit (CGU). Each store/branch is assessed as to whether any indicators of impairment have been identified. Stores that were identified with impairment indicators were assessed for impairment.

Stores

During 1H26, there were 110 stores identified as having impairment indicators. The recoverable value for each store was determined based on a value in use assessment using estimated future cash flows for the remaining lease term. The recoverable amount for this portfolio of stores was \$12.5M and resulted in an impairment of \$0.9M to Right-of-use assets and \$3.0M to Property, plant and equipment.

The key assumptions in the value in use calculations are average EBIT growth rates and the pre-tax discount rate of 13.3% for Australia stores and 13.9% for New Zealand stores (30 June 2025: 12.6% for Australia stores and 13.2% for New Zealand stores).

Note 8. Trade and other receivables

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Current assets</i>		
Trade receivables	154,130	164,319
Less: Allowance for credit notes	(1,083)	(1,530)
Less: Allowance for expected credit losses	(9,108)	(9,541)
	143,939	153,248
Other receivables	7,838	18,548
Prepayments	27,145	19,826
	34,983	38,374
	178,922	191,622

Note 9. Inventories

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	Restated \$'000
<i>Current assets</i>		
Stock in transit - at cost	25,649	35,391
Stock on hand - at cost	579,647	567,574
Less: Provision for slow moving inventory	(58,023)	(57,822)
	521,624	509,752
	547,273	545,143

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	Restated \$'000
<i>Movements in provision for slow moving inventory:</i>		
Opening balance	(57,822)	(55,799)
Additional provisions released / (recognised)	(3,092)	(5,552)
Inventory written off against provision	2,505	3,618
Foreign currency translation	386	(89)
	(58,023)	(57,822)
Closing balance	(58,023)	(57,822)

Prior year comparatives have been restated, refer to note 3 for details of the restatement.

Note 10. Right-of-use assets

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Non-current assets</i>		
Properties - right-of-use	552,713	524,799
Less: Accumulated depreciation	<u>(375,409)</u>	<u>(341,913)</u>
	<u>177,304</u>	<u>182,886</u>

Consolidated	Properties \$'000
Balance at 1 July 2025	182,886
Additions	4,025
Disposals	(80)
Remeasurements	24,738
Foreign currency translation	(747)
Impairment of assets ¹	(923)
Depreciation expense	<u>(32,595)</u>
Balance at 31 December 2025	<u>177,304</u>

(1) Refer to Note 7 for details of impairment of right-of-use assets.

Remeasurements occur when there is a change in the treatment of options to renew or when rentals change due to non-fixed rent reviews, causing an adjustment to both right-of-use asset and lease liability balances.

Note 11. Property, plant and equipment

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Non-current assets</i>		
Plant and equipment - at cost	213,283	207,202
Less: Accumulated depreciation and impairment	<u>(127,986)</u>	<u>(117,000)</u>
	<u>85,297</u>	<u>90,202</u>
Motor vehicles - at cost	55,835	56,373
Less: Accumulated depreciation	<u>(37,060)</u>	<u>(35,171)</u>
	<u>18,775</u>	<u>21,202</u>
	<u>104,072</u>	<u>111,404</u>

Note 11. Property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Plant and equipment \$'000	Motor vehicles \$'000	Total \$'000
Balance at 1 July 2025	90,202	21,202	111,404
Additions	6,648	2,577	9,225
Disposals	(297)	(669)	(966)
Foreign currency translation	(249)	(253)	(502)
Impairment of assets ¹	(2,996)	-	(2,996)
Depreciation expense	(8,012)	(4,081)	(12,093)
	<u>85,296</u>	<u>18,776</u>	<u>104,072</u>
Balance at 31 December 2025	<u>85,296</u>	<u>18,776</u>	<u>104,072</u>

(1) Refer to Note 7 for details of impairment of property, plant and equipment.

Note 12. Intangibles

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Non-current assets</i>		
Goodwill	444,843	554,398
Trademarks	20,778	21,142
Less: Accumulated amortisation and impairment	(1,346)	(1,346)
	<u>19,432</u>	<u>19,796</u>
Software	105,797	107,588
Less: Accumulated amortisation and impairment	(42,689)	(45,839)
	<u>63,108</u>	<u>61,749</u>
	<u>527,383</u>	<u>635,943</u>

The amount of work in progress included in software is \$8.7M (30 June 2025: \$21.9M) that are not yet completed and therefore are not being amortised.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Goodwill \$'000	Trademarks \$'000	Computer software \$'000	Total \$'000
Balance at 1 July 2025	554,398	19,796	61,749	635,943
Additions	145	-	6,467	6,612
Foreign currency translation	(9,831)	(364)	(102)	(10,297)
Impairment of assets	(99,869)	-	-	(99,869)
Amortisation expense	-	-	(5,006)	(5,006)
	<u>444,843</u>	<u>19,432</u>	<u>63,108</u>	<u>527,383</u>
Balance at 31 December 2025	<u>444,843</u>	<u>19,432</u>	<u>63,108</u>	<u>527,383</u>

Note 12. Intangibles (continued)

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	Restated \$'000
<i>Goodwill:</i>		
Trade	292,063	291,918
Networks	113,249	113,249
Bapcor NZ	39,531	149,231
	444,843	554,398
	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Other intangible assets:</i>		
Networks	14,491	14,491
Bapcor NZ	4,941	5,305
	19,432	19,796

Prior year comparatives have been restated, refer to note 3 for details of the restatement.

Reallocation of Goodwill

\$174.9M of goodwill has been reallocated from Networks to Trade for both the 31 December 2025 and 30 June 2025 balances. Refer to Note 4 for further details regarding the basis for this reallocation.

Impairment testing

Given the performance for the half year, all CGUs with goodwill, were assessed as having impairment indicators, so impairment testing was performed as at 31 December 2025.

The recoverable amount of the CGUs has been determined based on a value-in-use calculation using cash flow projections from financial forecast for 31 December 2026 and four-year externally sourced market growth rates. This has been compiled based on experience, current performance and market position as well as structural changes and economic factors which have been derived based on external data and internal analysis.

The following key assumptions were used in testing for impairment:

- Pre-tax discount rate: 13.3% (2025: 12.6%) for Australian CGUs; 13.9% (2025: 13.2%) for New Zealand CGU.
- Terminal value growth rate beyond 5 years: 2.5% (2025: 2.5%) for Australian CGUs; 2.0% (2025:2.0%) for New Zealand CGU.
- Revenue growth and EBITDA margins.

Bapcor Trade CGU

The recoverable amount of the Trade CGU is estimated to exceed its carrying amount at 31 December 2025 by \$117.5M (2025: \$639.4M). The recoverable amount was determined using the value in use method.

The recoverable amount of the Trade CGU would equal its carrying amount if any of the key assumptions were to change as follows:

Financial metric	From	To
Discount rate (pre-tax)	13.3%	15.3%
Revenue growth average	4.4%	3.9%
EBITDA margin growth (average)	-0.3%	-2.1%
Terminal growth rate	2.50%	0.1%

Note 12. Intangibles (continued)

Bapcor Networks CGU

The recoverable amount of the Bapcor Networks CGU is estimated to exceed its carrying amount at 31 December 2025 by \$70.3M (2025: \$115.4M). The recoverable amount was determined using the value in use method.

The recoverable amount of the Networks CGU would equal its carrying amount if any of the key assumptions were to change as follows:

Financial metric	From	To
Discount rate (pre-tax)	13.3%	15.0%
Revenue growth average	4.8%	4.3%
EBITDA margin growth (average)	7.7%	5.9%
Terminal growth rate	2.50%	-0.7%

Bapcor New Zealand CGU (NZD)

The cash flows for the New Zealand CGU have been adversely affected by continued underperformance of the business with an inability to meet forecast sales growth over multiple half-year reporting periods given challenging economic conditions and increasing operating costs, resulting in impairment.

The recoverable amount of the Bapcor New Zealand CGU is estimated to be less than its carrying amount at 31 December 2025 by NZD\$114.6M. As a result, an impairment of NZD\$114.6M (AUD\$99.9M) has been recognised against Goodwill. The recoverable amount was determined using the value in use method.

The recoverable amount of Bapcor New Zealand would reduce by the amounts presented in the table below if any of the key assumptions were to experience an adverse movement of 50 basis points, applied in isolation.

Segment	Average revenue growth rate \$m AUD	Average EBITDA margin growth rate \$m AUD	Pre-tax discount rate \$m AUD	Terminal growth rate \$m AUD
Bapcor New Zealand	(3.7)	(5.2)	(4.1)	(2.9)

Note 13. Trade and other payables

	Consolidated 30 Jun 2025	
	31 Dec 2025 \$'000	Restated \$'000
<i>Current liabilities</i>		
Trade payables	208,814	214,543
Accrued expenses	54,410	60,743
	<u>263,224</u>	<u>275,286</u>

Prior year comparatives have been restated, refer to note 3 for details of the restatement.

Note 14. Provisions

	Consolidated 31 Dec 2025 \$'000	30 Jun 2025 Restated \$'000
<i>Current liabilities</i>		
Employee benefits	48,125	40,574
Lease make good	-	1,144
Restructuring	-	634
Other	4,623	4,382
	<u>52,748</u>	<u>46,734</u>
<i>Non-current liabilities</i>		
Employee benefits	3,404	4,803
Lease make good	12,858	13,296
	<u>16,262</u>	<u>18,099</u>
	<u>69,010</u>	<u>64,833</u>

Prior year comparatives have been restated, refer to note 3 for details of the restatement.

Other provisions of \$4.6m (pre-tax) includes the identified payroll issue described in Note 3 of \$4.4m (pre-tax) relating to the prior period and \$0.2m (pre-tax) relating to the current period. This provision is the current best estimate of the expenditure that may be required to settle any obligation to meet any unpaid entitlements. The final amount of any such obligation, if any, is uncertain and will depend on, among other things:

- The availability and reliability of historical employment and wage data;
- The number of employees, if any, entitled to compensation; and
- The amount and/or manner of calculation of compensation (if any) payable to any affected employees.

The group has notified the Fair Work Ombudsman (FWO) in relation to this matter. The calculation involves the use of critical estimates and judgements. Any revisions to these estimates will be recognised in the period in which the revisions are identified.

Note 15. Borrowings

	Consolidated 31 Dec 2025 \$'000	30 Jun 2025 \$'000
<i>Current liabilities</i>		
Bank loans	100,000	-
Less: unamortised transaction costs capitalised	(82)	-
	<u>99,918</u>	<u>-</u>
<i>Non-current liabilities</i>		
Secured bank loans	327,492	421,500
Less: unamortised transaction costs capitalised	(2,431)	(2,993)
	<u>325,061</u>	<u>418,507</u>
	<u>424,979</u>	<u>418,507</u>

Note 15. Borrowings (continued)

Borrowing facilities

Bapcor has total debt facilities of \$820M, supported by a syndicate of lenders including ANZ, Westpac, NAB, Citi, SMBC, and MetLife. The facility features a staggered maturity profile across July 2026, July 2027, July 2028, and July 2029.

The temporary increase in facility size by \$100M to \$820M is to facilitate the repayment of the \$100M seven-year tranche upon its maturity in July 2026. The facility limit will reduce to \$720 million in July 2026, following the repayment of the \$100m seven-year tranche. The debt facility comprises the following tranches:

- \$100M seven-year tranche, available for general corporate purposes - expires July 2026
- \$135M four-year tranche, available for general corporate purpose - expires July 2027
- \$65M four-year tranche, for general corporate purposes - expires July 2028
- \$115M five-year tranche, available for general corporate purposes - expires July 2028
- \$235M five-year tranche, for general corporate purposes - expires July 2029
- \$25M four-year tranche, for working capital purpose - expires July 2029
- \$110M five-year tranche, for working capital and repayment of seven-year tranche - expires July 2030
- \$35M six-year tranche, for repayment of seven-year tranche - expires July 2031

The facility is secured by way of a fixed and floating charge over Bapcor's assets.

On 19 December 2025, Bapcor received approval from its lending syndicate to temporarily increase its net leverage ratio covenant to 3.5 times adjusted EBITDA⁽¹⁾ for the 31 December 2025 and 30 June 2026 testing points before returning to the existing 3.0 times covenant thereafter. The fixed cover charge ratio remained unchanged, being greater than 1.75 times adjusted EBITDA⁽²⁾.

To mitigate the risk of future covenant breaches, on 25 February 2026, Bapcor obtained approval from its lending syndicate to further modify the financial covenants.

In conjunction with the amendments to the financial covenants, as set out in Note 20, Bapcor announced on 26 February 2026 a \$200M equity raising. The financial covenants have been amended for the periods prior to the equity raising and post the equity raising as follows:

Before Equity Raise		
Testing Period	Net Leverage Ratio ⁽¹⁾	Fixed Charge Cover Ratio ⁽²⁾
31 December 2025	3.5 times	1.75 times
30 June 2026	4.25 times	1.40 times
31 December 2026	4.25 times	1.50 times
30 June 2027 onwards	3.0 times	1.75 times

After Equity Raise		
Testing Period	Net Leverage Ratio ⁽¹⁾	Fixed Charge Cover Ratio ⁽²⁾
31 December 2025	3.5 times	1.75 times
30 June 2026	3.5 times	1.40 times
31 December 2026	3.0 times	1.50 times
30 June 2027 onwards	3.0 times	1.75 times

(1) Net leverage ratio is calculated by dividing net bank debt by pre-AASB16 underlying EBITDA adjusted for share based payment expense and significant and other items allowed to be excluded within covenant calculations.

(2) Fixed cover charge ratio is calculated by dividing pre-AASB16 underlying EBITDA adjusted for share based payment expense and significant and other items to be excluded within the covenant calculation plus rent by rent and interest paid.

The directors' are satisfied in the Company's ability to comply with the revised covenants outlined above.

Note 15. Borrowings (continued)

	Consolidated	
	31 Dec 2025 \$'000	30 Jun 2025 \$'000
Net debt reconciliation		
Cash and cash equivalents	39,291	58,583
Borrowings excluding unamortised transaction costs capitalised	(427,492)	(421,500)
Add: Net derivative financial instruments	899	(1,919)
Net debt as defined under the debt facility agreement	<u>(387,302)</u>	<u>(364,836)</u>

Note 16. Fair value measurement

Fair value hierarchy

The following tables detail the consolidated entity's financial instruments, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Consolidated - 31 Dec 2025	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Assets				
Derivative financial instruments	-	2,234	-	2,234
Total assets	<u>-</u>	<u>2,234</u>	<u>-</u>	<u>2,234</u>
Liabilities				
Derivative financial instruments	-	(1,335)	-	(1,335)
Total liabilities	<u>-</u>	<u>(1,335)</u>	<u>-</u>	<u>(1,335)</u>
Consolidated - 30 Jun 2025	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Assets				
Derivative financial instruments	-	156	-	156
Assets held for sale	-	-	5,080	5,080
Total assets	<u>-</u>	<u>156</u>	<u>5,080</u>	<u>5,236</u>
Liabilities				
Derivative financial instruments	-	2,075	-	2,075
Liabilities held for sale	-	-	2,868	2,868
Total liabilities	<u>-</u>	<u>2,075</u>	<u>2,868</u>	<u>4,943</u>

There were no transfers between levels during the financial half-year.

Note 16. Fair value measurement (continued)

Derivative financial instruments carried at fair value are forward foreign exchange contracts and floating interest rate to fixed interest rate swaps. These are considered to be Level 2 financial instruments because their measurement is derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Assets classified as held for sale are considered to be a Level 3 financial instrument because inputs in valuing this instrument are not based on observable market data. The fair value of this instrument is determined based on an estimated discounted cash flow analysis.

Note 17. Issued capital

	Consolidated			
	31 Dec 2025 Shares	30 Jun 2025 Shares	31 Dec 2025 \$'000	30 Jun 2025 \$'000
Ordinary shares	339,412,500	339,412,500	878,652	878,652
Treasury shares	-	-	(11,753)	(11,494)
	<u>339,412,500</u>	<u>339,412,500</u>	<u>866,899</u>	<u>867,158</u>

<i>Movements in treasury shares</i>	Date	Shares	\$'000
Opening balance	01 July 2025	-	(11,494)
Purchase of treasury shares	09 August 2025	72,018	(259)
Utilisation of treasury shares	09 August 2025	(72,018)	-
Closing balance	31 December 2025	<u>-</u>	<u>(11,753)</u>

The average purchase price of treasury shares during the financial half year period was \$3.99 (2025: \$4.96) per share.

Note 18. Accumulated losses

	Consolidated Restated	
	31 Dec 2025 \$'000	30 Jun 2025 \$'000
Accumulated losses at the beginning of the financial half-year	(33,151)	(10,523)
(Loss)/profit after income tax benefit/(expense) for the half-year	(104,803)	23,192
Dividends paid (note 19)	(18,668)	(45,820)
Accumulated losses at the end of the financial half-year	<u>(156,622)</u>	<u>(33,151)</u>

Note 19. Dividends

Dividends

Dividends paid during the financial half-year were as follows:

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Final dividend for the year ended 30 June 2025 of 5.5 cents (2024: 5.5 cents) per ordinary share	18,668	18,667

No interim dividend has been declared for the half-year ended 31 December 2025.

Franking credits

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Franking credits available for subsequent financial years based on a tax rate of 30%	87,601	135,414

The above amounts represent the balance of the franking account as at the end of the financial half-year, adjusted for:

- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date; and
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

Note 20. Events after the reporting period

On 25 February 2026, Bapcor obtained approval from its lending syndicate to modify its financial covenants, refer to Note 15 for details of the amendments.

On 26 February 2026, Bapcor announced it is undertaking a fully underwritten \$200 million equity raising of new ordinary Bapcor shares via a:

- Pro rata accelerated non-renounceable entitlement offer to raise approximately \$150 million; and
- Pro rata institutional placement to raise approximately \$50 million

The equity raise will improve financial flexibility and resilience in the current market conditions. The offer is being fully underwritten by Macquarie with the Pro rata Placement and Institutional Entitlement offer being conducted on 26 February 2026 and the Retail Entitlement offer opening on 5 March 2026 and closing on 19 March 2026. Please refer to the ASX announcement and associated documents released on 26 February 2026 for further details on the equity raising.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Bapcor Limited
Directors' declaration
31 December 2025

In the directors' opinion:

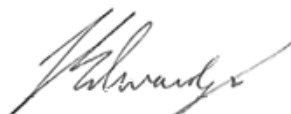
- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Chris Wilesmith
Chief Executive Officer and Managing Director



Lachlan Edwards
Chair

26 February 2026
Melbourne



Independent auditor's review report to the members of Bapcor Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Bapcor Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows, for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Bapcor Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity (ASRE 2410). Our responsibilities are further described in the Auditor's responsibilities for the review of the half-year financial report section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in cursive script that reads 'Alison Milner'.

Alison Milner
Partner

Melbourne
26 February 2026