Bapcor Limited

ABN 80 153 199 912

Appendix 4E and Financial Report – 30 June 2026

Lodged with the ASX under Listing Rule 4.2A

Bapcor Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Bapcor Limited
ABN:	80 153 199 912
Reporting period:	For the year ended 30 June 2026 ('FY26')
Previous period:	For the year ended 30 June 2025 ('FY25')

2. Results for announcement to the market

			$'000s	%		$'000s
IFRS financial measures			**Movement**			**FY26**
Revenue	Statutory	Down	(51,623)	(2.6)	to	1,924,144
Net loss after tax	Statutory	Down	(450,769)	(2,355.7)	to	(431,634)
Earnings per share - basic (cents per share)	Statutory	Down	(103.4) cps	(1,833.9)	to	(97.74) cps
Non-IFRS financial measures[1]						
Earnings before interest, taxes, depreciation and amortisation	Statutory	Down	(34,848)	(20.1)	to	138,835
	Underlying[2]	Down	(80,573)	(34.6)	to	152,535
Net profit/(loss) after tax	Underlying[2]	Down	(60,898)	(84.9)	to	10,839
Earnings per share - basic (cents per share)	Underlying[2]	Down	(19.08) cps	(90.3)	to	2.05 cps

Net debt at 30 June 2026 was $135.1M representing a leverage ratio[(3)] of 1.72x EBITDA. The level of net debt represents a decrease of $229.8M compared to 30 June 2025. For a further explanation of the results above, refer to the Company's ASX/Media Announcement for the year ended 30 June 2026 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 3 '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 consolidated entity recorded a net loss of $431.6M after providing for income tax and non-controlling interest (FY25 restated: profit of $19.1M).

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	-	-
2026 Final dividend	-	-

Record date for determining entitlements to the 2026 Final dividend:	Not applicable
Date 2026 Final dividend payable:	Not applicable

4. Dividend reinvestment plan

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. The DRP remains suspended as no final dividend has been declared.

5. Net tangible assets

A portion of the consolidated entity's assets are intangible in nature, consisting of goodwill 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.

	2026 Cents	2025 Restated Cents
Net tangible assets per ordinary security	50.9	56.1

Comparative period amounts have been restated. Refer to note 2, *Restatement of Comparative Information*, for further details.

6. Status of audit

The financial statements have been audited and an unmodified opinion has been issued.

7. Attachments

The Financial Report of Bapcor Limited for the year ended 30 June 2026 is attached.

The Directors present their report, together with the financial statements, on the consolidated entity ('consolidated entity') consisting of Bapcor Limited ('company', 'group' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026 ('FY26').

Directors

The following persons were directors of Bapcor Limited during the whole of the financial 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	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)
Andrew Fraser	Independent, Non-Executive Director (appointed effective 1 July 2026)
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 effective 5 December 2025

Principal activities

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

Bapcor is one of the largest suppliers of aftermarket vehicle parts, accessories, equipment, service and solutions in Australia and New Zealand 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

FY26 was a significant year for Bapcor as the Company undertook a business reset and turnaround focused on addressing legacy operational, financial reporting and balance sheet issues.

Following the renewal of the Board, the appointment of Lachlan Edwards as Independent Chair and the commencement of Chris Wilesmith as Chief Executive Officer and Managing Director, initiatives were implemented in the second half of the financial year focussing on enhancing profitability, optimising the cost of doing business, improving capital efficiency and strengthening cash generation, as well as rebuilding operational capability, to position the Group for improved future performance.

These initiatives are improving pricing discipline, stock availability, customer engagement, inventory optimisation and working capital management, amongst others. Investment in technology and our people also continued. Performance has stabilised and a stronger platform for future growth has been established. These initiatives remain ongoing and management continues to focus on further operational improvements to drive sustainable earnings growth.

Board and management changes

As part of the business reset and turnaround, Bapcor undertook significant Board and leadership renewal during FY26.

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

- Lachlan Edwards, who brings over 35 years of corporate advisory experience, including significant restructuring and turnaround expertise;
- Annette Carey, who brings extensive executive and non-executive experience across the logistics, supply chain and legal sectors; and
- Patria Mann, who brings extensive audit, risk management and governance experience developed over 20 years as a non-executive director.

On 24 November 2025, Lachlan Edwards was appointed as the Independent Non-Executive Chair and Kate Spargo was appointed to the newly created role of Deputy Chair. The separation of the Chair and Chief Executive Officer roles strengthened governance arrangements and enhanced independent oversight of management. After stepping down from the Board on 24 November 2025, Angus McKay continued in his role as Chief Executive Officer until 14 January 2026. Mark Powell stepped down as Lead Independent Director on 24 November 2025 and subsequently resigned from the Board on 5 December 2025.

Chris Wilesmith was appointed as Chief Executive Officer and Managing Director effective from 14 January 2026. Chris brings extensive automotive aftermarket expertise gained through executive and non-executive roles, including roles at some of Bapcor's key suppliers and competitors.

During the second half of FY26, the company also strengthened its broader leadership capability through a number of executive and operational appointments to support the execution of the business reset and turnaround.

Refer to "Matters subsequent to the end of the financial year" for details of a director appointment made after 30 June 2026.

Balance sheet recapitalisation

On 26 February 2026, Bapcor successfully launched a fully underwritten $200 million equity raising to reduce debt, strengthen the balance sheet and support the execution of the business reset and turnaround. New ordinary shares were issued on a 1 for 1.36 pro-rata basis to institutional investors and retail shareholders at an offer price of $0.60 per share. A total of 333,340,578 new fully paid ordinary shares were issued, increasing total shares on issue to 672,753,078. The net proceeds of the equity raising were applied to debt reduction.

In conjunction with the equity raising, Bapcor secured amendments to its financial covenants from its lending syndicate through to December 2026, providing additional financial flexibility while operational and working capital improvement initiatives are implemented. During the year, the Group improved working capital discipline through a focus on reducing overdue debtors and optimising inventory levels, supporting improved capital efficiency and cash generation.

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

Dividends

On 29 August 2025 the Board declared a final FY25 fully franked dividend of 5.5 cents per share. The dividend was paid on 25 September representing a distribution on $18.7M. No dividends have been declared with respect to the FY26.

Review of operations

FY26 was a year of significant operational and financial reset for Bapcor. The Group reported a statutory loss after tax of $431.6M in FY26, compared with a statutory profit after tax of $19.1M in FY25. The statutory result included significant items recognised during the year, primarily related to non-cash impairment charges, which are detailed in the reconciliation table below.

This report includes references to underlying results, which exclude the impact of significant items. The directors consider these non-IFRS financial measures are useful because they provide additional and relevant information of the Group's financial performance before significant items. Non-IFRS financial measures contained within this report have not been audited or reviewed.

On an underlying basis, revenue declined 1.8% to $1,924.1M and underlying net profit after tax was $10.8M, compared with $71.7M in FY25. Underlying performance reflected lower gross margin dollars, cost inflation and investment in technology, supply chain and operational capability. Performance was also affected by geopolitical disruption associated with the Middle East conflict, including higher fuel and freight prices, broader pressure on inflation and interest rates and softer economic conditions. While the FY26 result reflects a business in turnaround, the 2H FY26 results provide early evidence that operational performance is stabilising and execution is improving.

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

	FY26			FY25 Restated [1]		
$M	**Statutory**	**Significant Items [2]**	**Underlying**	**Statutory**	**Significant items [3]**	**Underlying**
Revenue	1,924.1	-	1,924.1	1,975.8	(16.6)	1,959.2
EBITDA	138.8	13.7	152.5	173.6	59.4	233.1
EBIT	37.7	13.7	51.4	78.8	60.1	138.9
NPBT	(448.3)	464.1	15.8	27.8	73.8	101.7
NPAT	(431.6)	442.4	10.8	19.1	52.6	71.7

The table below sets out the statutory and underlying earnings per share.

		Consolidated			
		FY26		FY25 Restated [1]	
	Note	**Statutory**	**Underlying**	**Statutory**	**Underlying**
NPAT ($M)		**(431.6)**	**10.8**	**19.1**	**71.7**
Weighted average number of ordinary shares (million)		441.6	441.6	339.4	339.4
Basic Earnings per share (cps)		**(97.7)**	**2.4**	**5.6**	**21.1**

Significant items recognised in FY26 primarily relate to non-cash impairment charges. The impairment charges reflect the application of impairment testing assumptions that place a greater weight on recent trading performance and current market conditions over the benefits expected from future turnaround initiatives or improvement plans. Further details are provided in Note 2 of Financial statements.

[1] FY25 restatements relate to correction of prior period errors with a reduction in opening retained earnings at 1 July 2025, refer to Note 2 of the Financial statements.

[2] Details of the FY26 significant items are set out on the following page.

[3] FY25 significant items predominately relate to asset write offs, additional provisions for receivables and inventory, commercial disputes, store impairment, changes to accounting estimates, trading loss and loss on disposal of the MTQ and 5IQ businesses and costs related to payroll data and process review.

The table below sets out the significant items recognised in FY26, of which only $3.6M impacts cash flow.

$M	1H26	2H26	FY26	Commentary
Segment Impairment	99.9	345.4	445.3	Impairment of goodwill, trademarks and right-of-use across each segment
Store impairment	3.9	1.3	5.2	Property, plant, equipment and lease impairment of stores
Stocktake losses	3.0	-	3.0	Stock losses identified as part of stock takes undertaken across Precision branches, as previously announced
Restructuring costs	2.6	-	2.6	Redundancy costs associated with the Q2 cost saving initiatives
Provision releases	(1.1)	1.0	(0.1)	Following the completion of the warehouse consolidation program during the first half
Inventory valuation	4.0	-	4.0	Change in estimates for inventory valuation identified by reviews undertaken in the Retail and Trade segments
Employee entitlements	2.5	-	2.5	Provision increase following detailed examination
Other items	-	1.6	1.6	Predominately relates to the termination payment to the former CEO
Total (Pre tax)	**114.8**	**349.3**	**464.1**	
Total (Post tax)	**110.3**	**332.1**	**442.4**	

Restatement of FY25 comparative information

The FY25 comparative financial information has been restated for adjustments identified during FY26 as well as the previously announced segment reporting changes.

The prior period adjustments resulted in a combined reduction to opening retained earnings at 1 July 2025 of $18.2M post tax, and relate to:

1) Externally facilitated balance sheet review and continued review by management, which identified prior period adjustments relating to inventory, cost of sales, IT expenses, intangibles, trade and other payables, provisions and intercompany balances were identified. The restatements did not impact cash flows but resulted in a reduction to opening retained earnings at 1 July 2025 of $15.1M post-tax. Further details are provided in Note 2 of the Financial report.

2) A payroll issue impacting specific team members was identified. An estimate of the identified issue has been completed for the period 1 July 2019 to 31 March 2026, when the system issue was rectified. The reduction to opening retained earnings for 1 July 2025 for these matters was $3.1M post-tax. Refer Note 17 of the Financial report. Bapcor is continuing the review.

The previously announced segment reporting changes had no impact on the Group's FY25 or FY26 consolidated financial results and relate to:

1) The re-alignment of comparative segment information to reflect changes in Bapcor's operating model. The change was made to refocus attention in the Wholesale business, within the Networks segment, to selling and marketing to external customers. This included changes to the organisational structure between the Wholesale business and Trade segment. These changes had no impact on the Group's FY25 or FY26 consolidated financial results.

2) Reclassification of a business previously held for sale with comparative segment information restated to include FY25 revenue and EBITDA within the Retail segment for a business that no longer meets the criteria to be classified as held for sale. The business was previously reported within the Unallocated/Head Office segment. This change had no impact on the Group's consolidated FY25 or FY26 financial results.

Segment Overview

The table below presents underlying revenue and EBITDA by segment.

		Underlying Revenue			Underlying EBITDA		
$M	Note	FY26	FY25 Restated	Change	FY26	FY25[1] Restated	Change
Trade	1	776.9	784.7	(1.0%)	105.2	151.7	(30.7%)
Networks	1	620.9	624.6	(0.6%)	67.7	63.1	7.3%
Retail	1,2	393.8	403.0	(2.3%)	38.7	42.8	(9.6%)
New Zealand		158.1	170.5	(7.3%)	19.4	27.9	(30.5%)
Unallocated / Head Office		(25.6)	(23.6)	8.5%	(78.5)	(52.4)	(49.8%)
Total		**1,924.1**	**1,959.2**	**(1.8%)**	**152.5**	**233.1**	**(34.6%)**

Note 1: (a) Restated 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 3 of the Financial report.
(b) Restated to correct for prior period errors. Refer to Note 2 of the Financial report.
Note 2: FY25 revenue and EBITDA has been adjusted to include a business previously classified as held for sale which no longer meets this criteria.

Trade

Bapcor's Trade segment is one of Australia's leading distributors of aftermarket 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 1.0% compared to FY25. Bapcor Trade's EBITDA declined 30.7% compared to FY25 was the result of poor historical pricing practices, lower gross margin during the transition to more competitive pricing and broader cost inflation.

A new Trade leadership team was appointed mid-year, including a new EGM, to address the performance, bringing strong after-market expertise to the segment. Targeted recovery actions were introduced in the 2H FY26 to grow sales and margin with a focus on resetting prices, tightening in-store discounting controls, reducing employee turnover and addressing vacancies, improving in-stock levels in the stores, customer re-engagement activities and investing in merchandising capability.

Trade continued a disciplined expansion of its store network in FY26, growing from 240 at 30 June 2025 to 247 at 30 June 2026. Five new stores were opened in Australia located at Maryborough and North Rockhampton in Queensland, Milperra and Berkeley Vale in New South Wales and Port Adelaide in South Australia. Two stores were opened in Thailand bringing the total Thailand stores to nine.

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 or AEG), representing the merger of 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 0.6% compared to FY25. Specialist Networks revenue declined 1.8%, while Wholesale increased 2.9%. EBITDA increased 7.3% compared to FY25 reflecting the benefits from prior year operating model changes partially offset by softer margins in Wholesale, due to revenue mix and competitive markets.

During FY26, the Networks segment implemented a range of recovery and turnaround initiatives, supported by strengthened leadership through the appointment of new leadership for the Networks segment and the CVG business late in the financial year, both bring extensive automotive aftermarket experience. Recovery actions across JAS and Wholesale focused on rebuilding customer service, improving stock availability and strengthening operational execution. Key initiatives included resetting inventory and replenishment processes, progressing range reviews, advancing the JAS rebrand, rebuilding operational capability and improving customer delivery arrangements.

The Networks branch network reduced from 112 locations at 30 June 2025 to 111 locations at 30 June 2026 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, Autopro and Opposite Lock brands as well as the Midas and ABS workshop service brands. This segment is comprised mostly of company-owned flagship stores in the Autobarn channel, with predominantly franchised stores and workshops across the other brands.

The Retail segment revenue declined 2.3% compared to FY25, reflecting a challenging macro environment and store portfolio optimisation. EBITDA declined 9.6% compared to FY25 driven by broader cost inflation (labour and occupancy) and gross margin pressure.

During FY26, the Retail segment undertook several initiatives to improve performance and strengthen execution. These included optimising the Autobarn network through the closure of five underperforming company-owned stores, converting one franchise store to a company owned store and progressing store refurbishment activities. The segment also implemented the Hyperdrive 100-day operational improvement program during 2H FY26, alongside initiatives to improve in-store stock availability. A pricing reset project commenced in the fourth quarter to enhance competitiveness and support future performance.

The number of company owned stores declined by four from 30 June 2025 to 119 stores at 30 June 2026 as the portfolio review continues, while the number of franchise stores across the segment declined by ten from 30 June 2025 to 213 stores as at 30 June 2026.

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 primarily a 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 7.3% in Australian dollars primarily due to the weaker NZD, which accounted for 73% of the decline. Revenue declined 2.0% in New Zealand dollars compared to FY25, reflecting softer market conditions and increased competition. EBITDA declined 30.5% compared to FY25 reflecting lower revenue, margin pressure from competitive pricing, mix shift to lower margin products and cost inflation.

During FY26, the New Zealand segment implemented a number of initiatives to improve customer experience, operational efficiency and supply chain performance. These included strengthening trade leadership and contact centre operations, introducing branch performance dashboards, establishing the South Island distribution centre, commencing the consolidation of the two Auckland distribution centres which will be completed in 1H FY27, operationalising the Vehicle on Road system and consolidating branches into a supersite in Dunedin.

The number of company owned stores (excluding the licensee network) decreased from 76 at 30 June 2025 to 72 at 30 June 2026 due to consolidating stores and store closures.

Unallocated / Support Office

The Unallocated / Head Office segment revenue relates to store-to-store transfers between segments which are eliminated on consolidation. EBITDA relates to unallocated Bapcor support office and supply chain costs that are not allocated to segments, and profit from associates.

EBITDA was impacted by strategic investments in information technology and supply chain initiatives, increased software-as-a-service costs, a retention bonus accrual to address team turnover levels, and costs associated with the previously disclosed wage compliance review.

Financial Position - Capital and Debt

During the financial year, Bapcor strengthened its balance sheet through a number of capital management initiatives, including a $200 million equity raising, with proceeds used to reduce debt and enhance financial flexibility during the turnaround.

As a result, net debt at 30 June 2026 was $135.0M, a reduction of $252.3M from 31 December 2025 and $229.8M from 30 June 2025. The Net Leverage[4] Ratio (NLR) of 1.72 times underlying EBITDA was within the debt covenant of 3.5 times. Bapcor was in compliance with its lending covenants throughout the year and remains in compliance.

In June 2026, Bapcor repaid the maturing $100M MetLife facility and further reduced total debt facilities by $135M, aligning available facilities with operational needs. Following these changes, Bapcor has access to total debt facilities of $585M, supported by a syndicate of lenders.

During FY26, Bapcor worked closely with its lending syndicate to secure covenants flexibility and headroom to support the Group's operational turnaround while maintaining access to committed debt facilities. Lenders provided the following temporary covenant relief:

- increasing Net Leverage Ratio covenant from less than 3.0 times to less than 3.5 times adjusted EBITDA for 31 December 2025 and 30 June 2026 testing dates, before reverting to less than 3.0 times from 31 December 2026; and
- reducing Fixed Charge Cover Ratio (FCCR) covenant to greater than 1.4 times adjusted EBITDA at 30 June 2026 and greater than 1.5 times adjusted EBITDA at 31 December 2026, before reverting to greater than 1.75 times adjusted EBITDA from 30 June 2027.

Refer to "Matters subsequent to the end of the financial year" for further covenant relief obtained post 30 June 2026.

Business Strategy

Bapcor commenced a turnaround program to stabilise the business and improve operational performance. The turnaround initiatives are well underway and remain ongoing, with early progress supporting an improved platform for future performance. Alongside the turnaround program, Bapcor is progressing a broader strategy reset to clarify the Group's long-term strategic direction. This work includes clarifying the Company's strategic priorities, where Bapcor will play, how it will win and where it can generate the highest returns.

A portfolio review is underway, with an initial focus on simplifying the Group through the potential divestment of smaller non-core assets. This will enable a more focused allocation of capital and management resources towards businesses that are central to Bapcor's future strategy and offer the greatest potential to create long-term shareholder value.

Trading update and outlook

Sales for the first six weeks of FY27 are slightly ahead of the prior comparative period ("PCP"). Trade parts and Networks continued to deliver sales growth versus the pcp, while performance in the Retail, New Zealand and Trade equipment businesses remained challenging.

[4] Leverage is calculated by dividing net bank debt by the last twelve months' underlying adjusted EBITDA. Net bank debt excludes the impact of lease liabilities and adjusts for the net derivative financial instruments relating to forward exchange contracts position. Underlying adjusted EBITDA excludes any impact of AASB16 and includes other adjustments allowed under the facility agreements. Refer to note 18 of the financial report for a reconciliation between statutory and underlying net debt.

Underlying NPAT is expected to be materially weighted to the 2H27. Modest revenue growth is expected in FY27, with the Middle East conflict related pressures moderating the benefits of the turnaround initiatives. Benefits will be largely reinvested in technology and people.

Capital expenditure and depreciation and amortisation are expected to be in line with FY26 levels.

Industry trends

The automotive aftermarket in Australia and New Zealand continues to be supported by favourable long-term industry fundamentals, including the size and growth of the car parc, the increasing average age of vehicles and the essential nature of vehicle servicing, maintenance and repair. As vehicles age, they typically require more frequent servicing and replacement parts, with a higher proportion of work undertaken by independent workshops rather than dealership networks. In Australia, independent workshops remain a core automotive aftermarket channel and a key customer base for Bapcor's Trade business.

The car parc is also evolving as hybrid and electric vehicles, advanced driver assistance systems and software-enabled vehicle technologies become more prevalent. These changes are increasing the complexity of parts, diagnostics, equipment and servicing requirements across the aftermarket. At the same time, the increasing number of new makes and models entering the Australian and New Zealand markets, including increasing levels of vehicles manufactured in China, is broadening the range of products and technical support required by customers.

Digital capability is also important across retail and trade channels. Customers are using online channels to research products, compare availability and transact, while trade customers increasingly expect digital ordering to be supported by broad product availability, rapid delivery and technical expertise.

The strategy reset will consider how Bapcor can best respond to these industry trends, strengthen its customer proposition and improve returns across the Group.

Key business risks

The Board oversees a risk management framework designed to identify, assess and manage risks that could impact the Group's ability to achieve its strategic objectives and create long-term shareholder value. The principal risks facing the Group are outlined below. These risks are monitored by management and the Board and are subject to ongoing review.

Turnaround and Performance Improvement
The Group is focused on executing its turnaround plan, including initiatives to improve profitability, optimise costs, enhance capital efficiency and return the business to sustainable growth. The turnaround program includes actions across operations, supply chain, customer proposition, cost management, working capital and organisational effectiveness.

The delivery of the turnaround plan is dependent on effective execution, sufficient organisational capability and capacity, and the successful management of organisational change. Risks may arise where resources are constrained, initiatives are not appropriately prioritised, changes are not effectively implemented, or planned benefits are not realised. Failure to execute the turnaround plan and achieve expected outcomes may adversely impact financial performance, cash flow, operational outcomes and shareholder returns.

Strategic Execution
Bapcor is currently progressing a strategy reset, which is expected to be finalised during FY27. In the interim, the Group is focused on executing its turnaround plan, including initiatives to improve profitability, optimise costs, enhance capital efficiency and return the business to sustainable growth. Failure to execute the turnaround plan, develop and implement the corporate strategy, realise expected benefits or effectively manage organisational change may adversely impact financial performance, customer outcomes and shareholder returns.

Financial Performance, Controls, Funding and Liquidity
Bapcor operates with debt facilities that contain financial covenants and requires ongoing access to capital to support operations and working capital requirements. Risks to complying with the covenants include lower-than-expected earnings, cash flow generation or working capital outcomes, as well as changes in financing conditions, interest rates, foreign exchange rates or lender support. These factors could affect the Group's financial flexibility, borrowing capacity and future growth opportunities.

The Group also relies on having an effective financial control environment, covering financial reporting, governance processes and internal controls. Control deficiencies, process failures or ineffective oversight may result in financial misstatement, fraud, operational inefficiencies, regulatory scrutiny and reputational damage.

Market, Competition and Customer Demand
The Group operates in highly competitive automotive aftermarket markets that are influenced by economic conditions, inflation, consumer confidence, industry consolidation and changes in vehicle technology. The automotive vehicle parc continues to evolve, including changes in vehicle age, increases in electric and hybrid vehicle adoption, changing servicing requirements and shifts in vehicle ownership and utilisation patterns. These changes may alter customer demand for products and services across the aftermarket sector over time.

The Group also faces competition from traditional automotive aftermarket participants, original equipment manufacturers, dealership networks, online retailers and new market entrants. Increased competition, shifts in customer purchasing behaviour, changing demand patterns or adverse macroeconomic conditions may impact sales growth, margins and profitability. Failure to anticipate and respond effectively to changes in the vehicle parc, customer preferences or market dynamics may adversely affect the Group's competitive position and long-term financial performance.

Supply Chain, Product Quality and Inventory Management
Bapcor relies on an extensive global supply chain and effective inventory management to meet customer demand. Disruptions arising from supplier performance, geopolitical events, freight constraints, inventory availability, pricing pressures or forecasting inaccuracies may impact product availability, customer service levels, margins and working capital performance.

The Group's ability to meet customer expectations also depends on maintaining product quality and safety standards across its sourcing, distribution and private label operations. Product quality failures or product safety incidents may result in customer harm, product recalls, regulatory action and reputational damage.

Technology, Cyber Security and Data Privacy
The Group depends on technology systems to support customer service, supply chain operations, financial reporting and decision making. Risks include cyber security incidents, system failures, data breaches, technology implementation challenges and the complexity associated with multiple legacy systems. Such events may disrupt business operations, impact customer service and product availability, compromise sensitive information and affect the reliability and availability of critical systems. This may result in lost sales, customers attrition, increased remediation, recovery and compliance costs, regulatory action, litigation and adverse impacts on financial performance and shareholder value.

People, Culture and Workplace Compliance
The attraction, retention and development of skilled team members is critical to long-term success. Risks include leadership capability, workforce engagement, talent shortages, cultural alignment, succession planning and compliance with workplace laws and obligations. Failure to effectively manage these areas could impact operational performance, customer outcomes, reputation and financial results. Failure to maintain appropriate standards of behaviour or effectively manage fraud, corruption or misconduct risks could result in financial loss, regulatory action and reputational damage. Bapcor has an ongoing review in relation to a payroll issue identified in the 1HFY26.

Health, Safety and Wellbeing
The Group is committed to providing a safe and healthy workplace for team members, contractors, customers and visitors. Risks include workplace health and safety incidents, psychological health risks, vehicle-related incidents and failures in safety management systems or compliance processes. A serious safety incident could result in injury or loss of life, regulatory action, operational disruption and reputational damage.

Regulatory and Legal Compliance
The Group operates in a highly regulated environment and is subject to a broad range of legal and regulatory obligations. Risks include non-compliance with employment, consumer, competition, privacy, product safety, modern slavery, franchise and corporate governance requirements, as well as changes in regulation and/or regulatory expectations. Failure to comply with applicable laws and regulations may result in financial penalties, litigation, remediation costs, operational disruption and reputational damage.

Climate-Related Risks
The Group is exposed to the physical and transition impacts of climate change, including extreme weather events, supply chain disruption, regulatory changes and evolving stakeholder expectations regarding sustainability performance and reporting. Failure to appropriately manage these risks may adversely affect operations, costs, reputation and long-term business performance.

Director information

Lachlan Edwards (BEc, GDAFI, MAICD, CTP)
Independent Chair
Lachlan was appointed to the Board on 1 October 2025 and Chair effective 24 November 2025.

Lachlan brings more than 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 Certified Turnaround Professional by the TMA in Australia.

Lachlan is currently the Founder and Managing Director of Faraday Associates and also serves as Chair of the Board for Matilda Nepean Private Hospital, Deputy Chair of The Bell Shakespeare Company and Non-Executive member of the Council of Art Gallery Society of NSW. He also served as a Non-Executive Director of Hotel Property Investments (ASX:HPI) within the past three years.

Kathryn Spargo (LLB (Hons), BA, FAICD)
Deputy Chair
Kathryn (Kate) was appointed to the Board on 1 March 2023 and Deputy Chair effective 24 November 2025.

Kate has gained broad business experience both as a legal advisor (working in private practice and government), and over two decades of experience as a non-executive director in the public and private sectors across various industries including infrastructure, energy, renewables, healthcare, engineering services, construction, retail, financial services and intellectual property.

Kate is currently a Non-Executive Director at Sonic Healthcare Ltd (ASX: SHL), CIMIC Group Limited and Geelong Football Club Limited. She has also served as a Non-Executive Director of Sigma Healthcare Ltd (ASX:SIG), and Adairs Ltd (ASX:ADH) within the past three years.

Chris Wilesmith (GAICD, MBA)
Chief Executive Officer and Managing Director
Chris commenced as Chief Executive Officer and Managing Director on 14 January 2026.

Chris has more than 35 years' experience across all aspects of trade, retail and supply chain operations in both Australia and New Zealand. Chris' former executive roles include Group CEO & MD of Jaycar Electronics, CEO of Mitre 10 (New Zealand) and 13 years as part of the Super Retail Group Executive Leadership team, including over seven years as Managing Director of Supercheap Auto.

Chris is currently a Non-Executive Director of Tye Soon Limited (SGX:BFU), a listed Singapore company in which Bapcor owns 25% and Independent Chair of Carpet Court Australia and was previously a Non-Executive Director of Penrite Oil, Australian Automotive Parts and Automotive Superstore.

Annette Carey (LLB, BA)
Independent Non-Executive Director
Annette was appointed to the Board on 1 October 2025.

Annette has over 30 years' experience in supply chain, logistics and cross border e-commerce, as well as commercial law. Annette previously held senior legal roles at two major commercial law firms and the Lend Lease group before joining Linfox Logistics and progressing from General Counsel and Company Secretary to Chief Executive Officer of Linfox Logistics ANZ and Linfox Armaguard. Annette also held the position of Executive General Manager International with Australia Post.

Annette is currently Non-Executive Director of Sigma Healthcare Ltd (ASX:SIG), Downer EDI Ltd (ASX:DOW) and Kinetic Tco Pty Ltd.

Andrew Fraser (LLB, BCom (Hon))
Independent Non-Executive Director
Andrew was appointed to the Board on 1 July 2026.

Andrew has over 25 years' experience across government and the private sector, including funds management and institutional investment, supply chain, sports, and not-for-profit sectors. Andrew has held senior roles, including Head of Strategy and Investment at the National Rugby League. He has also held a range of non-executive roles, including as Chair of Australian Retirement Trust and a director of Moorebank Intermodal Company.

Andrew is currently Chair of Bank of Queensland (ASX:BOQ) and Non-Executive Director of Brisbane Broncos Limited (ASX:BBL). He also serves as President of Motorsport Australia, Chair and Non-Executive Director of Orange Sky Australia Ltd, and Chancellor of Griffith University.

Jacqueline Korhonen (BSc, B.Eng (Hon), FAICD)
Independent Non-Executive Director
Jacqueline (Jackie) was appointed to the Board on 1 February 2025.

Jackie has over 35 years' experience in the information technology, telecommunications and financial services sectors. Prior to commencing her non-executive career, Jackie spent 23 years with IBM in Australia, New Zealand, Southeast Asia, India and China. After leaving IBM, Jackie was appointed CEO of Infosys Australia and New Zealand. In the later years of her executive career Jackie was the CEO of SMS Management & Technology and subsequently returned to IBM as the Vice President of Cognitive Transformation Services across the Asia Pacific Region.

Jackie is currently a Non-Executive Director of Nippon Life Insurance Australia and New Zealand (formerly known as MLC Life Insurance), MyState Limited (ASX:MYS) and Nuix (ASX:NXL).

Patria Mann (BEc, FAICD)
Independent Non-Executive Director
Patria was appointed to the Board on 1 October 2025.

Patria has more than 20 years' experience as a non-executive director across multiple sectors in ASX listed and financial services organisations. She qualified as a Chartered Accountant and was previously a partner at KPMG.

Patria is currently a non-executive director of Bega Cheese Limited (ASX:BGA), GWA Limited (ASX:GWA) and GDI Property Group Limited (ASX:GDI). She has also served as a Non-Executive Director of EVT Limited (ASX:EVT) and Ridley Corporation Limited (ASX:RIC) within the past three years.

Mark Bernhard (BBus (Acc), GAICD, MBA)
Mark was appointed as an Independent Non-Executive Director to the Board on 1 March 2022 and was the Interim CEO & MD from 5 February to 22 August 2024. Mark returned to his Non-Executive Director role on 22 August 2024 and resigned on 23 July 2025.

Brad Soller (B.Com, B.Acc, M.Com, CA (SA))
Brad was appointed as an Independent Non-Executive Director to the Board on 1 November 2022 and resigned on 23 July 2025.

James Todd (BCom, LLB, MAICD, F FIN)
James was appointed as an Independent Non-Executive Director to the Board on 1 September 2020 and resigned on 23 July 2025.

Angus McKay (B Ec (Acc) and GAICD)
Angus commenced as Executive Chair and Chief Executive Officer on 22 August 2024 and stepped down as Executive Chair on 24 November 2025 and resigned as Chief Executive Officer effective 14 January 2026.

Mark Powell (BSc (Hons), MSc, MBA, BApp. Theol, MA, GAICD, CMInstD (NZ))
Mark was appointed as an Independent No-Executive Director to the Board on 1 September 2020, was Lead Independent Director from 22 August 2024 to 24 November 2025 and resigned effective 5 December 2025.

Directors' interests in shares are detailed in section 7.5 of the remuneration report.

Company Secretary and Officers

Kim Kerr (BBus(Acc), CA, GAICD)
Kim commenced as Chief Financial Officer on 12 May 2025 after more than 25 years in globally focused ASX100 listed companies in mining, manufacturing, chemicals and digital solutions sectors. Most recently Kim was the CFO of Orica Ltd and prior to that had senior finance roles at Newcrest Mining Ltd.

George Sakoufakis (BCom, LLB, admitted to legal practice in Victoria)
George commenced with Bapcor on 13 May 2019 as General Counsel and was appointed as Company Secretary on 1 February 2021. George is an Australian legal practitioner and prior to joining Bapcor held various legal and governance roles at the Foster's Group including as Acting General Counsel at Carlton and United Breweries and Legal Director for the Asia Pacific South Zone at AB InBev.

Meetings of directors

The Board commenced FY26 with three Board committees, being the Audit and Risk Committee, the Nomination Committee and the Remuneration and ESG Committee.

On 24 February 2026, the Board dissolved the Nomination Committee, and assigned the committee's responsibilities to the Nomination, Remuneration & ESG Committee (which was previously known as the Remuneration & ESG Committee). In light of this change, the Nomination Committee did not hold any meetings in FY26, however the Board undertook a number of the Nomination Committee's responsibilities during the financial year.

As of the date of this Directors' Report, the current members of the Board's Committees are:
- Audit and Risk Committee: Patria Mann (Chair), Lachlan Edwards, Annette Carey and Jacqueline Korhonen
- Nomination, Remuneration and ESG Committee: Kate Spargo (Chair), Jacqueline Korhonen and Annette Carey.

All directors who are not members of a committee are invited to attend the committee meetings.

The below table outlines director attendance at Board and committee meetings held during FY26.

		Board		Audit and Risk Committee		Nomination, Remuneration & ESG Committee	
	Note	Held	Attended	Held	Attended	Held	Attended
Lachlan Edwards	1	14	14	4	4	-	-
Kate Spargo	2	17	17	3	3	7	7
Chris Wilesmith	3	9	9	-	-	-	-
Annette Carey	4	14	14	3	3	4	4
Jackie Korhonen	5	17	17	3	3	7	7
Patria Mann	6	14	14	4	4	-	-
Mark Bernhard		-	-	-	-	-	-
Brad Soller		-	-	-	-	-	-
James Todd	7	-	-	-	-	1	1
Angus McKay		5	5	-	-	-	-
Mark Powell	8	6	6	4	4	3	3

Held represents the number of meetings held while a member of the Board or the relevant committee.

Attended represents the number of meetings attended by the director while a member of the Board or the relevant committee.

A number of Board Sub-Committees were formed during the year for due diligence associated with the equity capital raise, and approval of ASX announcements.

Note 1: Lachlan Edwards was appointed as a member of the Audit & Risk Committee on 1 November 2025.

Note 2: Kate Spargo was appointed as a member of the Audit & Risk Committee on 24 July 2025 and retired on 1 November 2025. Kate held the role of Chair of the Nomination, Remuneration & ESG Committee for the entirety of FY26.

Note 3: Chris Wilesmith commenced as Chief Executive Officer and Managing Director on 14 January 2026.

Note 4: Annette Carey was appointed as a member of the Remuneration & ESG Committee (as it was known as at that time) on 1 November 2025, and as a member of the Audit and Risk Committee on 5 December 2025.

Note 5: Jackie Korhonen was appointed as a member of the Audit and Risk Committee on 24 July 2025 and retired on 1 November 2025. Jackie was subsequently re-appointed to the Audit & Risk Committee on 1 July 2026.

Note 6: Patria Mann was appointed as Chair of the Audit & Risk Committee on 1 October 2025.

Note 7: James Todd was a member of the Remuneration & ESG Committee (as that committee was known as at the time) prior to his resignation from the Board on 23 July 2025.

Note 8: Mark Powell held the role of member of the Audit & Risk Committee from 1 September 2024 until 24 July 2025, when he was appointed as Chair of the Audit & Risk Committee. Mark resumed the role of member of the Audit & Risk Committee from 1 October 2025 until he resigned from the Board on 5 December 2025. Mark held the role of member of the Nomination, Remuneration and ESG Committee until 1 November 2025.

Matters subsequent to the end of the financial year

In consideration of the financial performance for the second half of the financial year, the Board has determined not to declare a final dividend for the FY26 financial year.

On 1 July 2026, Andrew Fraser was appointed as an Independent Non-Executive Director. Andrew brings more than 25 years' experience across government and the private sector, including funds management, institutional investment and supply chain.

In August 2026, Bapcor secured an extension of its covenant relief through the FY27 financial year testing periods:
- The NLR covenant has been set at less than 3.50 times adjusted EBITDA for the 31 December 2026 testing date before reverting to less than 3.00 times adjusted EBITDA for testing at 30 June 2027 and thereafter.
- The FCCR covenant has been reduced to greater than 1.30 times adjusted EBITDA for 31 December 2026 and 30 June 2027 testing dates, before reverting to greater than 1.75 times adjusted EBITDA for testing at 31 December 2027 and thereafter.

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.

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

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.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of Bapcor, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the Corporations Act 2001.

Non-audit services

Non-audit services totalling $22,000 were provided during the financial year by the auditor.

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 42 of the directors' report.

Remuneration Report

Dear Shareholder,

On behalf of Bapcor's Nomination, Remuneration and Environment, Social and Governance Committee (NRESGC), I am pleased to present the Remuneration Report for the financial year ended 30 June 2026 (FY26).

FY26 was a year of significant change and important progress for Bapcor. During the year, we continued to strengthen the foundations of the business, refresh our leadership and governance structures and focus on the actions necessary to support improved performance and sustainable long-term value creation.

A key priority for the Board was ensuring Bapcor has sound leadership, capability and oversight to execute its turnaround and position the Company for future growth. This included the appointment of Chris Wilesmith as Chief Executive Officer and Managing Director, the renewal of the Board through the appointment of new directors, and continued investment in strengthening organisational capability across the business.

In a period of reset, maintaining leadership stability and retaining critical capability has been particularly important. The Board remained focused on ensuring the organisation has the experience, expertise and continuity required to drive operational improvement and deliver on its strategic priorities. Given the scale of change underway across the organisation, the Board also introduced a Group Retention Program during the year to strengthen leadership continuity and retain critical executive capability to support the successful execution of the Company's strategy and operational agenda.

Throughout the year, the Board and executive team remained committed to disciplined execution, improved operational performance and fostering a culture of accountability, customer focus and operational excellence. We believe these foundations are critical to restoring performance and creating enduring value for our shareholders.

Bapcor Board – Key Management Personnel (KMP) changes

FY26 was a year of Executive transition and Board renewal. Chris Wilesmith was appointed Chief Executive Officer and Managing Director in December 2025 and commenced on 14 January 2026, succeeding Angus McKay.

Three new directors, Lachlan Edwards, Patria Mann and Annette Carey were appointed to the Board in October 2025, following the retirement of three directors in July 2025. Lachlan was appointed as Independent Chair in November 2025. Patria was appointed on joining the Board as Chair of the Audit and Risk Committee, and Annette joined the Audit and Risk Committee and the Nomination, Remuneration and ESG Committee. Mark Powell, who had been Lead Independent Director, retired from the Board in December 2025. I was made Deputy Chair in November 2025. The Board was pleased to be joined by Andrew Fraser on 1 July 2026 following the end of the financial year.

The Board also created a Technology Working Group in early 2026 of which Jackie Korhonen is a member.

Company Performance and Remuneration Outcomes

The Group reported a statutory loss after tax of $431.6M in FY26, compared with a statutory profit after tax of $19.1M in FY25. The statutory result included significant items recognised during the year, primarily related to non-cash impairment charges.

On an underlying basis, revenue declined 1.8% to $1,924.1M and underlying net profit after tax was $10.8M, compared with $71.7M in FY25. Underlying performance reflected lower gross margin dollars, cost inflation and investment in technology, supply chain and operational capability.

While the FY26 result reflects a business in turnaround, the 2H FY26 results provide early evidence that operational performance is stabilising and execution is improving. Remuneration outcomes for FY26 have been aligned to Company performance, with no FY26 STI payments made and no vesting under the FY24 to FY26 LTI plan.

Below is a summary of Fixed Remuneration, STI and LTI outcomes.

FY26 Fixed Remuneration

Chris Wilesmith commenced as Chief Executive Officer and Managing Director with a fixed remuneration of $1,300,000.

Kim Kerr's Fixed Remuneration as Chief Financial Officer remained unchanged

FY26 Short-Term Incentive (STI)

Chris Wilesmith and Kim Kerr were eligible to participate in the FY26 STI program. The financial gateway for entry to the STI program was not met and consequently no STI payments are payable.

FY24-26 Long Term Incentive Plan (LTI)

As the Company did not meet threshold relative Total Shareholder Return (rTSR) and Return on Invested Capital (ROIC) performance targets over the Plan period, no performance rights were vested under the LTI Plan.

FY26 Group Retention Program

Chris Wilesmith and Kim Kerr are participants in this program. The retention award value has been determined using 50% of Fixed Remuneration, whereby 50% of this amount is set as cash to be paid after 30 June 2027 and 50% as an equity award of Rights to Shares, vesting on 30 June 2027. These are being issued under the Long-Term Incentive Plan Rules.

Looking Ahead

Changes to the FY27 Executive Remuneration Framework

The Board remains focused on ensuring Bapcor's remuneration framework supports the successful delivery of our strategic focus areas while reinforcing accountability and performance.

During FY27 we will introduce some changes to the STI opportunity, including the inclusion of a safety performance gateway as well as the financial gateway, revised weightings on financial and non-financial measures and some changes to the nature of the non-financial measures. While financial discipline remains central to the framework through the continued use of a Net Profit After Tax (NPAT) gateway, the revised approach recognises that sustainable shareholder value is supported by strong organisational capability, operational excellence, safety and culture.

There is no change to the LTI structure. For the ROIC component, the rTSR comparator group will be updated from the ASX200 to the ASX300 (excluding mining and financial services companies).

The Committee remains committed to a transparent and disciplined approach to remuneration governance, ensuring executive reward outcomes are aligned with performance and the long-term interests of shareholders. I would like to thank you for your continued support.

Sincerely

Kate Spargo

Chair of the Nomination, Remuneration and Environment, Social & Governance Committee
27 August 2026
Melbourne

Questions and Answers

The following is intended to assist readers to better understand key aspects of Bapcor's FY26 remuneration approach and changes for FY27.

QUESTION | ANSWER

FY26
What changes were made to the Executive remuneration framework in FY26?

Changes to the remuneration framework for FY26 are as follows:

> STI:

- **Introduction of two gateways:**
  - A *financial gateway* requiring achievement of at least 90% of the Group Underlying NPAT target to unlock the STI funding pool.
  - A *values-based gateway* requiring individuals to demonstrate behaviours aligned with Bapcor's values.
- **Revised weighting and earning potential:**
  - Financial measures: 70% weighting, with payout potential of up to 150% of target.
  - Non financial measures: 30% weighting, also allowing for up to 150% of target (noting commentary re customer measure below).
- **Updated performance scales:**
  - Financial measures: 90% of target, triggering a 50% payout, scaling up to 150% payout at 120% performance outcome to target.
  - Non financial measures: Assessed on a four-point scale; Not achieved (0%), Partially achieved (50%), Achieved (100%), Exceeded (150%).
- **Changes to Non financial measures:**
  - Non financial measures in FY26 comprised; customer (10%), culture (10%) and strategic projects (15%).

> LTI:

1) No change to structure or metrics
2) Adopt the 10-day VWAP of Bapcor shares traded on the ASX in the ten trading days immediately following the release of Bapcor's Annual Results to calculate the number of Performance Rights to be issued under the Offer. This practice gives a fairer and more transparent share price after the market has had the chance to consider Bapcor's annual results.

How does the 2026 Group Retention Program work?

In January 2026, the Board introduced the Group Retention Program for Executives and Senior Leadership Team members. The program runs for 18 months (1 January 2026 through to 30 June 2027).

The aims of this program are to:
- Address retention concerns for our senior leaders and critical talent
- Stabilise and provide focus on our refreshed approach to business efficiency, continuity and improved performance

For Executives, the retention award value has been determined using 50% of Fixed Remuneration, whereby 50% of this amount is set as cash to be paid after 30 June 2027 and 50% as an equity award of Rights to be exercised into Shares, following 30 June 2027, issued under the Long Term Incentive Plan Rules.

The 10-day VWAP used to calculate the number of Rights to Shares offered to participants as $1.9927 and represents the 10-day VWAP prior to 1 January 2026.

In February 2026, a market capital raising exercise was undertaken. As participants were unable to participate in this discount offer, an adjustment of +35.6% was applied to the equity award component and allocated to participants. This adjustment represented the discount foregone because of not being able to participate in the market capital raising exercise.

Mr Wilesmith and Ms Kerr are participants in this program. Mr Wilesmith's equity component, offered under this program, is subject to shareholder approval.

Why did the EC & CEO not participate in the STI plan?

The Board determined that the EC & CEO would not participate in the FY26 STI plan to ensure a clear focus on long-term value creation. This approach reflected several considerations:

- Long term alignment: Reinforces Bapcor's strategic agenda and supports sustainable shareholder outcomes.
- Dual role structure: The role combined Board leadership and executive responsibility, warranting increased emphasis on long term value creation.

What changes were made to Mr McKay's remuneration when he stepped down as Executive Chair?

As announced on 24 November 2025:

- Mr McKay's Fixed Remuneration was reduced to $1,525,000 from $1,900,000;
- 72,018 Sign-on Rights that had vested into Bapcor Shares and had been issued to Mr McKay were forfeited;
- 144,038 unvested Sign-on Rights issued under the LTIP that were due for vesting in 2026 and 2027 were forfeited and lapsed; and
- the LTI grants for the FY25 – FY27 and FY26 – FY28 plans were reduced to reflect the change in Fixed Remuneration
- Change of Control entitlements for Mr McKay under the LTI grants were removed.

What were the termination arrangements for Mr McKay?

The former CEO resigned from the Company with effect from 14 January 2026 and ceased active duties on 13 January 2026 in line with his contract. Mr McKay is serving his 12-month notice period, during which he is available to provide support and assistance to the Company as required. His full 12 month notice period has been expensed to FY26, in accordance with AASB 119. Mr McKay was not eligible to participate in the FY26 and FY27 STI Plans

What are the remuneration arrangements for Chris Wilesmith?

Mr Wilesmith commenced as CEO & MD on 14 January 2026. Mr Wilesmith's remuneration arrangements are:

- Fixed Remuneration (including superannuation) of $1,300,000.
- Short Term Incentive opportunity minimum of 50% Fixed Remuneration up to a maximum of 150% of Fixed Remuneration, subject to agreed financial and non-financial performance conditions, for FY26 on a pro rata basis. Half of any STI award is deferred in equity for one year, the issue of such equity being subject to shareholder approvals.
- Long Term Incentive opportunity up to 150% of Fixed Remuneration subject to agreed performance and service conditions and appropriate shareholder approvals.
- Participation in the Group Retention Program which runs from 1 January through to 30 June 2027 on pro rata basis. The total award value is 50% TFR where 50% is made up of cash payment and 50% equity award of rights to shares where the equity component is subject to shareholder approvals.
- Relocation support arrangements up to $50,000

What are the remuneration arrangements for Kim Kerr?	Ms Kerr's remuneration comprises: • Fixed Remuneration (including superannuation) of $800,000. • STI opportunity up to a maximum of 75% of Fixed Remuneration, subject to agreed financial and non-financial performance conditions. A quarter of any STI award will be deferred in equity for one year. • Long Term Incentive opportunity up to 75% of Fixed Remuneration subject to agreed performance and service conditions. • Participation in the Group Retention Program which runs from 1 January through to 30 June 2027. The total award value is 50% TFR where 50% is made up of cash payment and 50% equity award of rights to shares.

FY27

Are further changes to the remuneration approach being made?	In FY27, further enhancements to Bapcor's remuneration approach will include: > STI: • **Change to financial gateway:** ○ A *financial gateway* requiring achievement increased from 90% to 95% of the Group Underlying NPAT target to unlock the STI funding pool. ○ The financial gateway only applies to financial measures and is not required to be achieved to unlock STI award for non-financial measures. • **Revised weighting and earning potential:** ○ Financial measures: from 70% to 60% weighting. ○ Non financial measures: from 30% to 40% weighting. • **Updated performance scales:** ○ Financial measures and Non Financial measures: 95% of target, linear to Performance at Target 100% and up to 120%. • **Changes to Non financial measures:** ○ Non financial measures in FY27 will comprise; people – engagement, safety, turnover (30%), and strategic projects (10%). > LTI: 1) No change to structure. 2) Relative TSR comparator group will be updated to ASX300 excluding mining and financial services companies.

Remuneration Report 2026

In this section

The information provided in this Remuneration Report, which forms part of the Directors' Report, has been audited as required by section 308(3C) of the *Corporations Act 2001*.

1. Key Management Personnel (KMP)

This Report outlines Bapcor's remuneration approach and outcomes for KMP, who had the authority and responsibility for planning, directing and controlling the activities of the Company during FY26.

Name	Position	Term as KMP
Non-Executive Directors		
Lachlan Edwards [1]	Chair	Part Year
Kathryn Spargo	Deputy Chair	Full Year
Annette Carey [2]	Non-Executive Director	Part Year
Jacqueline Korhonen	Non-Executive Director	Full Year
Patria Mann [2]	Non-Executive Director	Part Year
Former Non-Executive Directors		
Mark Powell [3]	Non-Executive Director	Part Year
James Todd [4]	Non-Executive Director	Part Year
Mark Bernhard [4]	Non-Executive Director	Part Year
Brad Soller [4]	Non-Executive Director	Part Year
Former Executive Director		
Angus McKay [5]	Executive Chair and Chief Executive Officer	Part Year
Executive KMP		
Chris Wilesmith [6]	Chief Executive Officer and Managing Director	Part Year
Kim Kerr	Chief Financial Officer	Full Year

(1) Mr Edwards joined the Board on 1 October 2025 and was appointed Chair on 24 November 2025.
(2) Ms Carey and Ms Mann joined the Board on 1 October 2025.
(3) Mr Powell retired from the Board on 5 December 2025.
(4) Mr Todd, Mr Bernhard and Mr Soller retired from the Board on 23 July 2025.
(5) Mr McKay resigned from the position of Executive Chair on 24 November 2025 and resumed role as Chief Executive Officer until 13 January 2026, with his resignation taking effect on 14 January 2026.
(6) Mr Wilesmith commenced as Chief Executive Officer and Managing Director on 14 January 2026.

2. Nomination, Remuneration and Environment, Social & Governance Committee (NRESGC)

On the 24 February 2026 the Board dissolved the Nomination Committee and the responsibilities of this committee were assigned to the Nomination, Remuneration and Environment, Social & Governance Committee (NRESGC) which was previously known as the Remuneration & ESG committee. The NRESGC operates under delegated authority from the Board of Directors. Its charter is available on the Bapcor website (www.bapcor.com.au).

The NRESGC comprised the following Non-Executive Directors:

Kathryn Spargo	Committee Chair
Annette Carey	Committee Member (from 1 November 2025)
Jacqueline Korhonen	Committee Member (from 24 February 2025)
Mark Powell	Committee Member (left committee on 1 November 2025)
James Todd	Committee Member (resigned 23 July 2025)

3. Remuneration governance

The following diagram outlines Bapcor's approach to remuneration governance.

BAPCOR BOARD

- Overall accountability for Bapcor's remuneration approach.
- Determines remuneration quantum and structure for executive and non-executive KMP after considering recommendations made by the NRESGC.
- Discretion in determining the outcomes of incentive arrangements.
- Has discretion to exercise clawback provisions should any material financial misstatements arise.

NOMINATION, REMUNERATION, ENVIRONMENT, SOCIAL & GOVERNANCE COMMITTEE

Meets regularly to:

- Review the effectiveness of the remuneration arrangements.
- Assess whether the remuneration framework remains fit for purpose and recommend any changes to the Board.
- Determine recommendations to the Board on fixed remuneration, STI outcomes and LTI outcomes.
- Consider exercising any discretion, both positive and negative, in determining the outcomes of incentive arrangements.
- Assess executive KMP performance.

EXTERNAL ADVISORS

- NRESGC seeks external advice and assistance from independent remuneration consultants as it considers appropriate with protocols in place to ensure independence from Management.
- In FY26, no consultants were engaged to provide market benchmarking reports for executives.

Each year, the Board actively engages with major shareholders and proxy advisors to enhance understanding of Bapcor's remuneration approach and decisions.

4. FY26 Executive remuneration framework

4.1 Executive remuneration strategy and link to Company performance

Bapcor's FY26 executive remuneration framework applies to both KMP and non-KMP members of the Group Leadership Team

Turnaround Plan – strategic focus areas

Enhance profitability	Optimise COBD	Capital Efficiency	Return to Growth

Supported by our reward principles

Market competitive	**Alignment**	**Fairness**	**Consistency**
Attract, motivate and retain high calibre talent within a competitive industry	Remuneration outcomes align with Company performance and shareholder value creation	Appropriate and reasonable outcomes balanced in the best interests of shareholders and Management	Maintaining clarity and consistency of application of outcomes

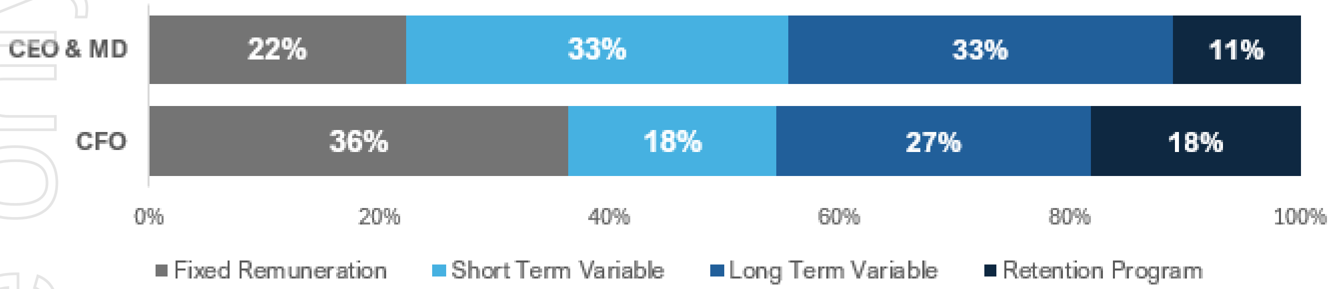
Alignment of our strategy with our reward framework

Fixed Remuneration (FR)	**Short-term Incentive (STI)**	**Long Term Incentive (LTI)**	**Retention Program (RP)**
Comprises base salary, superannuation, and car allowance. Set relative to external benchmarks with consideration given to expertise, scope of role, complexity, internal relativities and market changes. Acknowledges demonstrated individual performance and daily operational contributions. Structured to attract, motivate and retain high calibre talent to shape and execute Company strategy.	Annual incentive opportunity: CEO: 50% cash and 50% deferred rights, restricted for 12 months. CFO: 75% cash and 25% deferred rights, restricted for 12 months. Group performance measured against an STI scorecard consisting of: Financial Measures (65%) Non financial measures (35%) Aligned with annual Company priorities and long-term strategy execution. Equity-based deferral provides alignment between executives and shareholders.	Delivered in Performance Rights subject to a three-year performance period. Group performance assessed against measures which drive sustainable performance outcomes. Current plans: FY24: 1 Jul 2023 to 30 Jun 2026 -rTSR (50%), ROIC (50%) FY25: 1 Jul 2024 to 30 Jun 2027 -rTSR (50%), ROIC (50%) FY26: 1 Jul 2026 to 30 Jun 2027 -rTSR (50%), ROIC (50%) The three-year performance period aligns Executives' interests with long-term Company performance and shareholder interests, while enhancing retention.	Long-term reward opportunity, delivered as cash and equity aimed to retain key executive talent and stabilise focused leadership across our Group Leadership Team. Program runs from 1 January 2026 through to 30 June 2027. Reward opportunity is 50% FR where 50% received as cash and the remainder as rights to shares, awarded under the LTI Plan Rules.

4.2 Remuneration Mix

The FY26 Executive KMP remuneration mix at maximum opportunity is illustrated below.

FY26 Executive KMP potential maximum pay mix [1]



1. FY26 Equity awards for the CEO & MD will need to be approved by shareholders. The CEO & MD remuneration mix illustrated above applies to Mr C. Wilesmith, current CEO & MD. As the previous CEO, who served as EC & CEO, Mr A. McKay had a different remuneration mix.

5. Financial performance and link to remuneration

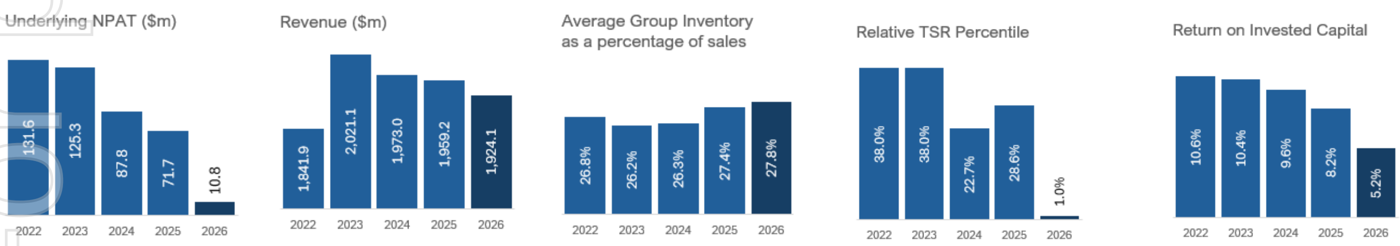
The Board remains committed to aligning executive remuneration outcomes with performance. This section outlines Bapcor's financial performance over the past five years and its connection with remuneration outcomes.

5.1 Company Five-year Financial Performance

Over the five years to FY26, Bapcor has experienced a period of declining profitability and shareholder returns, reflecting a combination of challenging market conditions, increased competition, operational complexity, higher cost of doing business and strategic investment in the supply chain and IT projects. While statutory and underlying NPAT, return on invested capital and relative TSR have declined over the period, in the past two years progress has been made to simplify the Group's operations and improve cost discipline. During FY26, the Company commenced a reset of its business foundations, strengthened governance and introduced initiatives aimed at improving customer outcomes, capital efficiency and long-term financial performance. These actions are intended to position Bapcor to deliver more sustainable earnings growth and shareholder value creation over time.

Short-Term Performance Measures

Long-Term Performance Measures



Further details of the Company's financial performance are provided in the table below.

	2022	2023	2024 Restated	2025 Restated	2026
Statutory NPAT $m[1]	125.8	106.4	(165.4)	19.1	(431.6)
Increase/(decrease) in statutory NPAT	5.9%	(15.4%)	(255.5%)	111.6%	(2356.1%)
Statutory EPS (cents)[3]	37.05	31.36	(48.7)	5.6	(97.7)
Increase/(decrease) in statutory EPS[3]	5.9%	(15.4%)	(255.4%)	111.6%	(1833.9%)
Dividend declared (cents per share)	21.5	22.0	15.0	13.5	0.0
Increase/(decrease) in dividend declared	7.5%	2.3%	(31.8%)	(10.0%)	(100.0%)
Share price at 30 June ($ per share)	6.08	5.94	5.14	5.00	0.44
Market capitalisation at 30 June ($m)	2,064	2,016	1,744	1,697	292.6

1 NPAT attributable to members of Bapcor Limited (please refer to bar graph above)
2 ROIC has been calculated as Proforma EBIT after Tax on Net Debt + Equity (please refer to bar graph above)
3 Where appropriate, EPS has been adjusted to take into consideration the impact of rights issues performed and the impact on the number of shares as per AASB 133 Earnings Per Share

5.2 Five-year Remuneration outcomes

Executive KMP remuneration is closely aligned with key short-term and long-term performance outcomes. The table below outlines remuneration outcomes for Executive KMP over the past five years.

REMUNERATION OUTCOMES	FY22	FY23	FY24	FY25	FY26
STI outcome (average % of maximum)	48%	23%	0%	0%	0%
LTI vesting outcome (% of maximum)	0%	0%	0%	0%	0%

5.3 Fixed Remuneration

Fixed Remuneration comprises base salary, superannuation, and non-cash benefits that may include a motor vehicle allowance. It is reviewed annually and set competitively to attract and retain high calibre talent. Consideration is given to expertise, scope and complexity of the role, performance, internal relativities, and market changes.

An independent market benchmarking exercise is conducted every 2 years. The last benchmark was conducted in June 2026 with Korn Ferry. Market benchmarks are typically set with reference to relevant comparator groups, as determined by the NRESGC each year.

The table below outlines the Fixed Remuneration entitlements for Executive KMP in FY25 and FY26.

KMP	POSITION	FY25	FY26	% CHANGE
C Wilesmith [1]	Chief Executive Officer and Managing Director	N/A	$1,300,000	N/A
K Kerr [2]	Chief Financial Officer	$800,000	$800,000	N/A
FORMER KMP				
A McKay [3]	Executive Chair and Chief Executive Officer	$1,900,000	$1,525,000	(20%)
M Bernhard [4]	Interim Managing Director and Chief Executive Officer	$900,000	N/A	N/A

1 C Wilesmith commenced on 14 January 2026.
2 K Kerr commenced on 12 May 2025.
3 A McKay commenced on 22 August 2024, stepped down as Executive Chair on 24 November 2025 and resigned as CEO effective 14 January 2026
4 M Bernhard's appointment as Interim Managing Director and Chief Executive Officer ended on 22 August 2024.

5.4 FY26 Short-Term Incentive (STI) Plan

The STI is an annual incentive plan designed to motivate and reward Executive KMP for the achievement of pre-determined financial and non-financial measures, as set by the Board. These performance-based outcomes provide an appropriate link between Executive KMP remuneration and the creation of shareholder value

Delivery of award

Following the performance assessment, the STI award will be delivered as 50% cash and the remaining 50% as deferred equity for a period of 12 months.

If a participant resigns or leaves the Company before the receipt of any deferred STI, they will remain entitled to the deferred component which will be released per the applicable STI plan terms, unless it is subject to the Company's "clawback" policy (please refer to 'Clawback' section for further details).

No dividends are attached to any deferred equity until the twelve-month period has concluded. In recognition that the award has already been earned, a dividend equivalent will be paid to participants.

STI opportunity

The STI opportunity is set in accordance with the scope, complexity and accountability within each role. Market benchmarks are also taken into consideration.

The table below outlines the Executive KMP STI opportunity (as applicable) at Target and Maximum:

ROLE	TARGET STI OPPORTUNITY	MAXIMUM STI OPPORTUNITY
CEO & MD	100% of Fixed Remuneration	150% of Fixed Remuneration
CFO	50% of Fixed Remuneration	75% of Fixed Remuneration

In the STI plan, Executive KMP must reach 120% of the target performance level to attain the maximum earning potential, incentivising and encouraging outperformance.

Performance measures and weightings

STI outcomes are determined by the Board at the end of each financial year, based on the achievement of pre-determined financial and non-financial metrics, through a balanced scorecard. The performance measures are aligned with Group and Segment targets as well as key strategic priorities for the twelve-month period, complementing the achievement of the Group's long-term strategy.

CATEGORY	PERFORMANCE MEASURE	WEIGHTING
Financial	Group Underlying NPAT	35%
	Group pro-forma Revenue	15%
	Average Group Inventory to pro-forma Sales	15%
	H1 – Inventory reduction	5%
Non-Financial	Customer	5%
	Culture	10%
	Strategic Projects	15%
	STI Values Modifier: 80%-100% of overall STI earned	

An STI Values Modifier emphasises Bapcor's values by ensuring focus on both 'what' is achieved and 'how' it is achieved, promoting a positive Company culture. This modifier can reduce, but not increase, the STI earned if cultural and values expectations are not met.

Calculation of the STI award

The STI award is calculated as follows:

Fixed remuneration $ x STI Opportunity % x Performance Outcome % x Behaviours Modifier % = **STI award $**

Determination of the STI award

The STI award is determined after the end of the financial year following a review of performance against the STI performance measures.

Cessation of employment	If an Executive KMP ceases employment with Bapcor prior to the STI payment being paid, the Executive KMP will forfeit any awards that were to be received for the performance period, unless the Board determines otherwise. Should an Executive KMP be dismissed for serious misconduct post the STI payment date, any deferred amount will be forfeited in accordance with the clawback policy.
Change of control	If a 'Change of Control' occurs or the Company sells the whole or a substantial part of Bapcor Limited, the Board may in its discretion determine whether and in what amount to pay any STI awards.
Clawback	The Board retains the discretion to adjust, forfeit or recover a payment or issue if, in their opinion, the participant; › Acts fraudulently, or dishonestly. › Willfully breaches their duties to the Group; or › Is responsible for material financial misstatements, major negligence, significant legal, regulatory and/or policy non-compliance, or a significant harmful act.

5.5 Short-term incentive – performance outcomes

The following tables show the actual STI performance outcomes for Executive KMP in FY26:

PERFORMANCE MEASURE	WEIGHTING	OBJECTIVE	SCORECARD PERFORMANCE	FY26 PERFORMANCE LEVEL OF ACHIEVEMENT
Financial				
Group Underlying NPAT	35.0%	Increase group Underlying NPAT subject to market conditions	Did not meet threshold due to lower gross margin dollars, cost inflation and investment in technology, supply chain and operational capability.	Not achieved
Group pro-forma Revenue	15.0%	Focus on top-line performance and growth	Met threshold	Partially Met
Average Group Inventory as a % of Sales	15.0%	Improve performance by increasing inventory turns	Did not meet threshold due to supply chain capability	Not achieved
H1 Inventory Reduction	5.0%	Reduction in inventory	Did not meet threshold as above	Not achieved
Non-financial				
Customer	5.0%	H2 – NPS Score	Measured for the first time, the customer NPS is strong in Retail and Trade with improvements required in Networks and NZ.	Met
Culture	10.0%	Engagement Scores Safety	We are seeing overall improvements in engagement levels, with NZ over achieving and Trade, Supply Chain and some corporate functions meeting threshold. Safety targets were met by NZ and Supply Chain.	Partially Met
Strategic Projects	15.0%	Delivery of strategic priorities	Strategic projects are specific to each BU/Function	Partially Met

FY26 Executive KMP STI outcomes

The following table outlines the Executive KMP FY26 STI outcomes.

EXECUTIVE KMP	MAXIMUM STI AS A % OF FAR	ACTUAL STI AS A % OF MAXIMUM	STI FORFEITED AS A % OF MAXIMUM	ACTUAL STI AWARDED $	DEFERRED STI (50% ACTUAL STI)
Current					
Chris Wilesmith [1]	150%	nil	100%	nil	nil
Angus McKay [2]	N/A	N/A	N/A	nil	nil
Kim Kerr	75%	nil	100%	nil	nil

1 C Wilesmith commenced as CEO & MD on 14 January 2026.
2 A McKay was not eligible for the FY26 STI plan

FY25 Deferred STI outcome

There were no Executive KMP eligible for STI payments in FY25; accordingly, no deferred shares were awarded.

5.6 FY26 Long-Term Incentive (LTI) plan

The LTI plan rewards Executive KMP for generating sustainable long-term value over a three-year performance period. The plan serves to attract and retain key executives while aligning their interests with shareholders by promoting long-term growth and value creation.

The key features of the FY26 LTI plan under which grants were made to Executive KMP are as follows:

<table>
<tr><th>Feature</th><th>Approach</th></tr>
<tr><td>Participants under the plan</td><td>Executives who were employed at the commencement of the financial year and those invited by the Board to participate who commenced during the financial year.</td></tr>
<tr><td>LTI Opportunity</td><td>The LTI opportunity reflects scope, accountabilities and impact that a role would make over a three-year performance period. Market benchmarks are also taken into consideration when determining the opportunity.

The maximum face value of LTI opportunity that can be granted, expressed as a percentage of Fixed Remuneration is:
<table>
<tr><th>ROLE</th><th>MAXIMUM (CAP)</th></tr>
<tr><td>EC & CEO [1]</td><td>250% of Fixed Remuneration</td></tr>
<tr><td>CEO & MD [2]</td><td>150% of Fixed Remuneration</td></tr>
<tr><td>CFO</td><td>75% of Fixed Remuneration</td></tr>
</table></td></tr>
<tr><td>Instrument</td><td>Performance rights will vest upon the Board's satisfaction of the performance conditions being met, and do not carry any voting rights or dividend entitlements</td></tr>
<tr><td>Allocation of performance rights</td><td>The number of performance rights issued to each executive is determined by dividing the participants maximum LTI value by the face value basis using a 10-day volume weighted average price (VWAP) of Bapcor shares following the announcement of FY25 Financial results 29 August 2025.</td></tr>
<tr><td>Performance Period</td><td>The performance period is three years.</td></tr>
</table>

Feature	Approach

Performance measures

The performance measures and their relative weightings are given below:

PERFORMANCE MEASURE	WEIGHTING %
Relative Total Shareholder Return (rTSR)	50%
Return on Invested Capital (ROIC)	50%

rTSR will be tested by comparing the Company's TSR performance over the performance period relative to the TSR of the constituents of the ASX 200 Index less Financials and Mining as at 30 June 2025. The test will be conducted by an independent, external provider. rTSR incorporates both share appreciation and dividends. For Bapcor and the ASX 200 Index constituents less Financials and Mining as at 30 June 2025, the Share price at the start and end of the performance period will be determined as the 10-day VWAP of the Company's Shares preceding the start and end of the performance period. Dividends will be assumed to have been reinvested on the ex-dividend date.

ROIC focuses on capital efficiency and returns, which complements Bapcor's other existing remuneration key performance indicators, including those that continue to be focused on growth and expansion.

The ROIC percentage hurdle for the FY26 Performance Rights will be calculated as FY28 pro-forma earnings before interest (after tax) divided by the FY28 Average Invested Capital. The FY28 Average Invested Capital is calculated as the average of: (i) Bapcor's FY28 opening net equity plus net debt; and (ii) Bapcor's FY28 closing net equity plus net debt.

Vesting Scales

MEASURE	PERFORMANCE LEVEL	VESTING %
rTSR	Below the 50th percentile	Nil
	At 50th percentile	50% of TSR tranche
	Above 50th percentile to 87.5th percentile	Straight line pro rata vesting
	At or above the 87.5th percentile	100% of TSR tranche
ROIC	Below 10.2%	Nil
	Between 10.2% and 12.2%	Straight line pro rata vesting
	At and above max 12.2%	100% of tranche

Amendments

To the extent permitted by the ASX Listing Rules, the Board retains the discretion to vary the terms and conditions of the LTI. This includes varying the number of Performance Rights or the number of shares to which a participant is entitled upon a reorganisation of the capital of Bapcor.

Other terms

Shares acquired on the conversion of vested Performance Rights cannot be sold for a period of twelve months from the date the rights satisfied the performance hurdles.

Performance rights cannot be transferred, encumbered, or hedged.

Cessation of employment

The LTI performance rights are subject to the participant being employed (or contracted) for the full performance period of 3 years.

If the participant is a "good leaver", the prorate number of months completed may vest if the performance hurdles are achieved. If the participant is not a "good leaver", any unvested rights will automatically lapse on the date of the cessation of employment, subject to any determination otherwise by the Board in its sole and absolute discretion.

Feature	Approach
Clawback	Where, in the opinion of the Board, the participant: › acts fraudulently, or dishonestly; › wilfully breaches their duties to the Group; or › is responsible for material financial misstatements, major negligence, significant legal, regulatory and/or policy non-compliance, or a significant harmful act. The Board may, at its sole and absolute discretion, deem some or all of the unvested, or vested but unconverted, performance rights granted to that participant to be forfeited and to have lapsed. Under specific circumstances any vested equity can be clawed back from the participant.

(1) When A McKay stepped down as Executive Chair and took a reduction in fixed remuneration, his rights to the LTI grants for FY26 were removed.
(2) C Wilesmith equity grant under the FY26 LTI Plan is subject to shareholder approval.

5.7 FY24 Long-term incentive plan outcomes

During FY26, the performance outcomes for the FY24 LTI plan were independently tested by an independent third party and resulted as follows:

MEASURE	WEIGHTING	THRESHOLD TARGET	PERFORMANCE OUTCOME	VESTING OUTCOME
rTSR	50%	50th percentile ranking	1st percentile ranking relative to TSR peer group.	0.0%
ROIC	50%	12.5%	7.8%	0.0%

As a result of not meeting threshold targets, no vesting has occurred for the FY24 LTI plan.

6. Executive KMP realised remuneration (non-statutory)

The following table provides a summary of remuneration received by Executive KMP during FY26 and is unaudited. This information provides further transparency to give shareholders a clearer understanding of Executive KMP remuneration and is supplementary to the Statutory details of remuneration given in the subsequent section of this report.

						PREVIOUS YEAR AWARDS THAT VESTED DURING FY26			
EXECUTIVE KMP	YEAR	FIXED REMUNER-ATION [1]	TERMINATION PAYMENTS	CASH STI [2]	OTHER	PRIOR YEARS DEFERRED STI	VESTED AND UNRESTRICTED [3]	NON-MONETARY	TOTAL RECEIVED
C Wilesmith [4]	FY26	606,708			34,760				641,468
	FY25	-	-	-	-	-	-	-	-
K Kerr	FY26	800,000							800,000
	FY25	115,454	-	-	-	-	-	-	115,454
FORMER KMP									
M Bernhard	FY26		-						-
	FY25	150,422	-	-	117,000	-	-	-	267,422
A McKay [5]	FY26	965,685	707,751				-		1,673,436
	FY25	1,638,702	-	-	-	-	-	-	1,638,702
G Saoud	FY26								-
	FY25	715,014	-	-	-	-	-	42,498	757,512
Total	**FY26**	**2,372,393**	**707,751**	**-**	**34,760**	**-**	**-**	**-**	**3,114,904**
	FY25	**2,619,592**		**-**	**117,000**	**-**	**-**	**42,498**	**2,779,090**

(1) Fixed Remuneration is the aggregate of cash salary, superannuation and fringe benefits.
(2) Cash STI is the amount accrued in the year ended 30 June 2026 and paid in September 2026.
(3) Vested and unrestricted LTI is the value of the vested LTI on the day it is no longer under restriction for sale.
(4) C Wilesmith commenced as CEO on 14 January 2026. Other payments represent relocation support received during FY26.
(5) A McKay stepped down as Executive Chair and resumed the role of CEO on 24 November 2025; he resigned as CEO effective 14 January 2026.

7. Statutory details of remuneration

The statutory remuneration disclosures for the year ended 30 June 2026 are detailed below under the following headings and are prepared in accordance with Australian Accounting Standards (AASBs) and have been audited.

7.1 Remuneration Executive KMP

EXECUTIVE		SHORT TERM BENEFITS			SUPERANNUATION BENEFITS	OTHER LONG TERM BENEFITS[2]	TERMINATION PAYMENTS [3]	OTHER PAYMENTS [4]	SHARE BASED PAYMENTS		TOTAL	PERFORMANCE RELATED %
		CASH SALARY [1]	CASH STI	NON-MONETARY					PERFORMANCE RIGHTS [5]	RIGHTS TO SHARES [6]		
C Wilesmith [7]	FY26	$591,708			$15,000	$149,376		$34,760	$29,580	$27,108	$847,532	7%
	FY25	-	-	-	-	-	-	-	-	-	-	
K Kerr	FY26	$770,000			$30,000	$104,949			$57,623	$69,359	$1,031,931	12%
	FY25	$107,928	-	-	$7,483	$8,250		-			$123,661	-
FORMER EXECUTIVES												
A McKay	FY26	$948,185			$17,500	$79,510	$1,358,011		($434,761)	($180,786)	$1,787,660	-
	FY25	$1,608,769	-	-	$29,933	$89,452			$434,765	$516,394	$2,679,313	36%
M Bernhard	FY26	-	-	-	-	-	-	-	-	-	-	-
	FY25	$145,434	-	-	$5,999	$3,759		$115,990			$271,181	-
G Saoud	FY26	-	-	-	-	-	-	-	-	-	-	-
	FY25	$647,236	-	$42,498	$67,778	$24,870		-		$126,205	$908,587	14%
TOTALS	**FY26**	**$2,309,893**	**-**	**-**	**$62,500**	**$333,835**	**$1,358,011**	**$34,760**	**($347,558)**	**($84,319)**	**$3,667,122**	-
	FY25	**$2,509,367**	**-**	**$42,498**	**$111,193**	**$126,331**	**-**	**$115,990**	**$434,765**	**$642,599**	**$3,982,742**	27%

(1) Cash salary received excludes accrued annual leave.
(2) Other Long-Term Benefits includes annual leave and long service leave accrual for FY26 and the FY26 expense of the retention cash bonus for C Wilesmith, subject to shareholder approval, and for K Kerr.
(3) Termination payment for A McKay represents his cash salary and superannuation for his notice period following his resignation as CEO effective on 14 January 2026 and has been completely expensed to FY26 under AASB 119.
(4) Other payments included Relocation arrangements for C Wilesmith in FY26 and discretionary payment for M Bernhard in FY25.
(5) Performance Rights includes the fair value of FY25 and FY26 LTI grants including those expensed for C Wilesmith which are subject to shareholder approval in October 2026.
(6) Rights to Shares includes the fair value of FY26 Group Retention Program for C Wilesmith (subject to shareholder approval) and K Kerr; and Sign-on Bonus for A McKay for his time as KMP.
(7) C Wilesmith commenced as CEO & MD on 14 January 2026.

7.2 Terms of Executive KMP service agreements

Remuneration and other terms of employment for Executive KMP are formalised in service agreements. Details of these agreements are as follows.

Current Executive KMP

Contract term	CEO & MD (Chris Wilesmith)	CFO (Kim Kerr)
Type of contract	Permanent ongoing employment	Permanent ongoing employment
Notice period	12 months Immediate termination of employment for serious misconduct. Individual will be entitled to payment of TFR up to the date of their termination and their statutory entitlements.	6 months Immediate termination of employment for serious misconduct. Individual will be entitled to payment of TFR up to the date of their termination and their statutory entitlements.
How unvested equity is treated on leaving Bapcor	Upon resignation or termination all unvested deferred equity is forfeited – unless the Board determines otherwise. If exit is due to redundancy or classified as a 'good leaver', unless the Board determines otherwise, then: - Any vested or pro-rata LTIP payments, as determined by the Board, may be payable upon termination. Pro-rata payments will reflect the portion of the financial year worked and remain subject to applicable LTIP vesting conditions at the time of assessment.	Upon resignation or termination all unvested deferred equity is forfeited – unless the Board determines otherwise. If exit is due to redundancy or classified as a 'good leaver', unless the Board determines otherwise, then: - Any vested or pro rata LTIP payments, as determined by the Board, may be payable upon termination. Pro rata payments will reflect the portion of the financial year worked and remain subject to applicable LTIP vesting conditions at the time of assessment.
Change of control	If a Change of Control results in Bapcor delisting from the ASX: -Forfeiture of vesting of FY26 LTI grant made and that entitlement will be paid in cash; and -if FY26 STI deemed payable, this will be paid at 100% Fixed Remuneration, pro-rated for the proportion of time employed before the date of the change of control. - Pro rata vesting of FY26 Group Retention Program of unvested cash and unvested equity award rights with Board discretion as to how to treat the remaining unvested cash award and rights	If a Change of Control occurs - Pro rata vesting of FY26 Group Retention Program of unvested cash and unvested equity award rights with Board discretion as to how to treat the remaining unvested cash award and rights
Post employment restraints	12-month non-competition and non-solicitation (employees, customers and suppliers) restriction from termination date.	6-month non-competition and non-solicitation (employees, customers and suppliers) restriction from termination date.

Former Executive KMP

Contract term	Interim CEO (Mark Bernhard)	EC & CEO (Angus McKay)
Type of contract	Fixed-term contract	Permanent ongoing employment
Notice period	6 months. Immediate termination of employment for serious misconduct. Individual will be entitled to payment of TFR up to the date of their termination and their statutory entitlements.	12 months Immediate termination of employment for serious misconduct. Individual will be entitled to payment of TFR up to the date of their termination and their statutory entitlements.
How unvested equity is treated on leaving Bapcor	Not applicable.	Upon resignation or termination all unvested deferred equity is forfeited – unless the Board determines otherwise. If exit is due to redundancy or classified as a 'good leaver', unless the Board determines otherwise, then: • Any vested or pro rata LTIP payments, as determined by the Board, may be payable upon termination. Pro rata payments will reflect the portion of the financial year worked and remain subject to applicable LTIP vesting conditions at the time of assessment. • Any unvested Sign-on Rights will vest and entitlement to receive the benefit in cash – calculated by multiplying the number of Sign-on Rights by the volume weighted average price over the 30 ASX trading days ending on and including the Change of Control.
Change of control	Not applicable.	As EC & CEO (prior to 24 November 2025: If a Change of Control results in Bapcor delisting from the ASX: • Sign-on Rights: Unvested Sign-on Rights will fully vest, with the cash value (based on the 30-day VWAP up to and including the Change of Control) paid within 7 days. • LTI Awards: If a Change of Control occurs in FY25, a minimum of 150% of Total Remuneration Package (as at the Operative Date) will vest. If in FY26, the FY26 LTIP will vest on a pro rata basis based on the elapsed performance period. A portion of the FY25 LTIP will also vest, ensuring that the total vesting across FY25 and FY26 equals at least the FY25 vesting amount described above. As CEO (from 24 November 2025): Not applicable
Post employment restraints	Not applicable	12-month non-competition and non-solicitation (employees, customers and suppliers) restriction from termination date.

7.3 NED remuneration

NED fees reflect the responsibilities and demands of the role and are reviewed annually by the NRESGC. The Committee aims to set fees at a level that attracts and retains high calibre directors with diverse experience, skills, and qualifications to enable effective oversight of management and the Company. The NRESGC may engage independent remuneration consultants to ensure fees remain competitive and market aligned. Refer to section five for details on consultancy advice received in FY26.

The maximum aggregate fee pool of $1,500,000 was approved by shareholders at the AGM on 20 October 2020. The following fee policy for the Board and Committees took effect from 1 July 2025.

NED TYPE [1]	PERIOD	BOARD	DEPUTY CHAIR	NRESGC[2]	ARC[3]	LID[4]
Chair [5]	1 July – 23 Nov	-	-	$30,000	$30,000	$30,000
	24 Nov – 30 Jun [6]	$375,000	$30,000	$30,000	$30,000	-
Member		$140,000		$15,000	$15,000	

(1) All fee amounts are inclusive of compulsory superannuation obligations.
(2) Nomination, Remuneration and ESG Committee
(3) Audit & Risk Committee
(4) Lead Independent Director.
(5) From 24 November 2025, Angus McKay stepped down as EC & CEO, L Edwards was appointed Board Chair and the position of LID was removed K Spargo was appointed Deputy Chair.
(6) Board Chair Fee is inclusive of any possible committee fees from 24 November 2025.

Fees paid to NEDs in FY26 are set out on the table below. Fees are paid in cash, with no options or share rights granted. NEDs are not entitled to any payments upon retirement or resignation from the Board. Directors may be reimbursed for expenses properly incurred by the Director in connection with Bapcor's business, including travel and other related costs.

NON-EXECUTIVE DIRECTOR		SHORT-TERM BENEFITS	POST-EMPLOYMENT BENEFITS	TOTAL
		FEES [1]	SUPERANNUATION [2]	
L Edwards [3]	FY26	$227,508	$20,134	$247,641
	FY25	-	-	-
K Spargo [4]	FY26	$171,575	$20,620	$192,194
	FY25	$155,082	$15,799	$170,881
A Carey [5]	FY26	$110,297	$13,236	$123,533
	FY25	-	-	-
J Korhonen	FY26	$141,999	$17,071	$159,069
	FY25	$57,081	$6,564	$63,645
P Mann [5]	FY26	$113,839	$13,661	$127,500
	FY25	-	-	-
M Bernhard [6]	FY26	$11,533	$1,384	$12,917
	FY25	$116,218	$14,527	$130,745
M Haseltine [7]	FY26	-	-	-
	FY25	$77,844	$12,295	$90,139
M Powell [8]	FY26	$78,028	$9,398	$87,426
	FY25	$178,405	$18,116	$196,521
B Soller [9]	FY26	$12,649	$1,518	$14,167
	FY25	$156,036	$15,896	$171,932
J Todd [9]	FY26	$12,649	$1,518	$14,167
	FY25	$156,157	$15,892	$172,049
TOTALS	**FY26**	**$880,075**	**$98,539**	**$978,614**
	FY25	**$896,823**	**$99,089**	**$995,912**

(1) Fees include Board fees and Committee Fees
(2) Superannuation represents superannuation guarantee contributions up to the maximum contribution base for FY26.
(3) Mr Edwards was appointed to the Board on 1 October 2025 and commenced as Chair on 24 November 2025.
(4) Ms Spargo commenced as Deputy Chair on 24 November 2025.
(5) Ms Carey and Ms Mann were appointed to the Board on 1 October 2025.
(6) Mr Bernhard resigned from the Board on 23 July 2025.
(7) Mrs Haseltine retired from the Board on 16 October 2024.
(8) Mr Powell retired as LID on 24 November 2025 and resigned from the Board on 5 December 2025.
(9) Mr Soller and Mr Todd resigned from the Board on 23 July 2025.

7.4 Share-based compensation relating to KMP

The following table outlines the details of the LTI grants outstanding for each Executive KMP participant and other movements in performance rights in the year. As performance rights will not vest if the performance conditions are not satisfied, the minimum value of the performance right yet to vest is nil. The weighted average face value of shares is used to calculate the number of LTI performance rights granted.

7.4.1 Executive equity instrument grants

EXECUTIVE	EQUITY INSTRUMENT	GRANT DATE	GRANTED UNITS [1]	GRANTED $ [2]	PRIOR YEARS AWARD VESTED			PRIOR YEARS AWARD FORFEITED / LAPSED			MAXIMUM TOTAL VALUE OF GRANT YET TO BE EXPENSED $
					%	UNITS [3]	VESTED $ [4]	%	UNITS [5]	FORFEIT $ [6]	
C Wilesmith [7]	FY26 Performance Rights	TBC	453,244	$154,103	0	-	-	0	-	-	$124,523
	FY26 Rights to Shares - Retention	TBC	215,891	$86,356	0	-	-	0	-	-	$59,248
K Kerr	FY26 Performance Rights	07.11.2025	170,019	$178,521	0	-	-	0	-	-	$120,048
	FY26 Rights to Shares - Retention	21.01.2026	100,366	$195,714	0	-	-	0	-	-	$131,075
	FY26 Rights to Shares – Retention (Add-on)	15.06.2026	35,730	$14,292	0	-	-	0	-	-	$9,572
A McKay	FY25 Performance Rights	16.10.2024	-	-	0	-	-	100	(942,086)	($434,761)	-
	FY26 Performance Rights	07.11.2025	1,345,900	$467,569	0	-	-	100	(1,345,900)	($467,569)	-
	Sign-on Rights to Shares - Tranche 1	24.10.2024	-	-	100	72,019	$286,872	100	(72,019)	($286,872)	-
	Sign-on Rights to Shares - Tranche 2	24.10.2024	-	-	0	-	-	100	(72,019)	($139,437)	-
	Sign-on Rights to Shares - Tranche 3	24.10.2024	-	-	0	-	-	100	(72,019)	($90,085)	-

(1) Grants made to executives in FY26 constitute 100% of the grants available for the year and were made on the terms described in section 5.6
(2) The value of the performance rights and rights to shares represents the fair value.
(3) The first tranche of the Sign-on Rights for A McKay vested on 24 August 2025, however lapsed 14 January 2026 upon resignation.
(4) The value of the sign-on rights represents the fair value as per AASB grant date.
(5) All equity grants for A McKay were forfeited upon his resignation effective 14 January 2026.
(6) The value of the performance rights and sign-on rights represents the fair value.
(7) FY26 equity grants for C Wilesmith are subject to shareholder approval and have been estimated as at 30 June 2026.

7.4.2 Movements in Executive equity holdings

EXECUTIVE	EQUITY INSTRUMENT	NUMBER AT START OF YEAR	GRANTED DURING THE YEAR	VESTED OR RELEASED	LAPSED OR EXPIRED	NET CHANGE OTHER	NUMBER AT END OF YEAR
C Wilesmith	Ordinary Shares	-				500,000	500,000
	Performance Rights	-	--	-	-	-	-
	Rights to Shares	-	-	-	-	-	-
K Kerr	Ordinary Shares	-				19,926	19,926
	Performance Rights	-	170,019				170,019
	Rights to Shares	-	136,096				136,096
A McKay [1]	Ordinary Shares	10,000		72,018	(72,018)	4,500	14,500
	Performance Rights	942,086	1,345,900		(2,287,986)		-
	Rights to Shares	216,057		(72,018)	(144,039)		-

(1) Mr McKay stepped down as Executive Chair on 24 November 2025 and resigned as CEO effective 14 January 2026. Consequently all performance rights and rights to shares grants lapsed and the first tranche of sign-on rights that had vested were returned.

7.5 Equity instrument disclosures relating NEDs

Shareholding guidelines for NEDs

The Board has a guideline that Non-Executive Directors acquire a holding of shares in the Company so that, within five years of appointment, their holding reaches a minimum level of one times the base board fees.

The numbers of ordinary voting shares in the Company held during the financial year by each director and KMP, including their related parties, are set out below.

NON-EXECUTIVE DIRECTOR	EQUITY INSTRUMENT	NUMBER AT START OF YEAR	NET OTHER CHANGE	NUMBER AT END OF YEAR
L Edwards	Ordinary Shares	-	280,997	280,997
K Spargo	Ordinary Shares	50,000	106,177	156,177
A Carey	Ordinary Shares	-	20,824	20,824
J Korhonen	Ordinary Shares	9,500	19,306	28,806
P Mann	Ordinary Shares	-	69,412	69,412
Former Non-executive directors				
Mark Powell [1]	Ordinary Shares	33,000	5,000	38,000
James Todd [2]	Ordinary Shares	35,000	(20,000)	15,000
Mark Bernhard [3]	Ordinary Shares	37,500	-	37,500
Brad Soller [4]	Ordinary Shares	18,500	-	18,500

(1) M Powell ceased to be KMP on 5 December 2025, equity shown is for the period M Powell was KMP
(2) J Todd ceased to be KMP on 23 July 2025, equity shown is for the period J Todd was KMP

(3) M Bernhard ceased to be KMP on 23 July 2025, equity shown is for the period M Bernhard was KMP
(4) B Soller ceased to be KMP on 23 July 2025, equity shown is for the period B Soller was KMP

7.7 Equity granted in the 2026 financial year

The information below sets out the performance rights and retention rights granted during FY26.

Equity plan	Grant date	Performance measure	Quantity Granted[1]	Fair value $	Performance period	Exercise price	Test date	Expiry Date	Share price on valuation date $	Volatility	Dividend Yield	Risk free rate	Other conditions
FY26 LTI Plan (EC & CEO)	07.11.2025	Relative TSR	672,995	0.30	01.07.2025 - 30.06.2028	Nil	30.06.2028	10.11.2040	1.64	39.91%	5.92%	3.65%	Sale restriction to 30.06.2029
		ROIC	672,995	1.79									
FY26 LTI Plan (CFO)	07.11.2025	Relative TSR ROIC	85,009 85,010	0.31 1.79	01.07.2025 - 30.06.2028	Nil	30.06.2028	10.11.2040	2.28	39.91%	5.92%	3.65%	Sale restriction to 30.06.2029
FY26 Retention Plan (CFO)	21.01.2026	n/a	100,366	1.95	01.01.2026 – 30.06.2027	Nil	30.06.2027	21.01.2041	1.54	n/a	5.92%	3.85%	Sale restriction to 30.06.2028
FY26 Retention Plan (CFO)	15.06.2026	n/a	35,730	0.40	01.01.2026 – 30.06.2027	Nil	30.06.2027	21.01.2041	0.55	n/a	5.92%	3.85%	Sale restriction to 30.06.2028

1 Due to rounding the total shares per tranche are not exactly 50/50 split but approximate that.
2 The fair value represents the value used to calculate the accounting expense as required by accounting standards.

7.8 Loans and other transactions with KMP

No loans were made to any KMP in FY26 and there are no outstanding loans to any KMP. No other transactions occurred in FY26 with any KMP.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2026/183, 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.

Lachlan Edwards
Chair

Chris Wilesmith
Chief Executive Officer and Managing Director

27 August 2026

Auditor’s Independence Declaration

As lead auditor of Bapcor Limited's financial report for the year ended 30 June 2026, 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 audit of the financial report; and

b) no contraventions of any applicable code of professional conduct in relation to the audit of the financial report.

Alison Tait Milner
Partner
PricewaterhouseCoopers

Melbourne
27 August 2026

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006,
GPO Box 1331 MELBOURNE VIC 3001
T: +61 3 8603 1000, F: +61 3 8603 1999, www.pwc.com.au

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 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 principal place of business is 327 Ferntree Gully Road, Mount Waverley VIC 3149 Australia.

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 27 August 2026. The directors have the power to amend and reissue the financial statements.

Bapcor Limited
Consolidated statement of comprehensive income
For the year ended 30 June 2026

	Note	Consolidated 2026 $'000	Restated 2025 $'000
Revenue	4	1,924,144	1,975,767
Share of profits of associates accounted for using the equity method	15	982	1,097
Other income	5	137	456
Expenses			
Cost of sales		(1,059,955)	(1,085,422)
Employee expenses		(474,688)	(458,790)
Freight		(33,266)	(29,013)
Advertising		(36,532)	(37,214)
Other expenses		(113,892)	(134,199)
Motor vehicles		(18,078)	(17,554)
IT and communications		(50,017)	(41,445)
Depreciation and amortisation expense	6	(101,137)	(94,827)
Finance costs	6	(35,644)	(37,277)
Impairment of assets	7	(450,363)	(13,709)
Total expenses		(2,373,572)	(1,949,450)
(Loss)/profit before income tax benefit/(expense)		(448,309)	27,870
Income tax benefit/(expense)	8	16,974	(8,649)
(Loss)/profit after income tax benefit/(expense) for the year		(431,335)	19,221
Other comprehensive (loss)/income			
Items that may be reclassified to profit or loss			
Foreign currency translation		(19,782)	3,522
Changes in the fair value of cash flow hedges		3,289	(1,095)
Share of other comprehensive income of associates		210	303
Other comprehensive (loss)/income for the year, net of tax		(16,283)	2,730
Total comprehensive (loss)/income for the year		(447,618)	21,951
(Loss)/profit for the year is attributable to:			
Non-controlling interest		299	86
Owners of Bapcor Limited	24	(431,634)	19,135
		(431,335)	19,221
Total comprehensive (loss)/income for the year is attributable to:			
Non-controlling interest		(154)	324
Owners of Bapcor Limited		(447,464)	21,627
		(447,618)	21,951
		Cents	Cents
Basic earnings per share	27	(97.74)	5.64
Diluted earnings per share	27	(97.74)	5.58

Prior year comparatives have been restated, refer to note 2 for details of the restatement.

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 30 June 2026

	Note	2026 $'000	Consolidated Restated 2025 $'000	Restated 1 July 2024 $'000
Assets				
Current assets				
Cash and cash equivalents		67,205	58,585	71,594
Trade and other receivables	9	154,652	170,335	198,587
Inventories	10	524,807	545,171	528,577
Derivative financial instruments	20	3,250	156	394
Income tax receivable	8	7,542	35,937	24,285
Assets classified as held for sale		-	5,080	28,285
Total current assets		757,456	815,264	851,722
Non-current assets				
Right-of-use assets	12	153,041	179,889	247,527
Net investment in sublease	11	2,372	2,997	2,370
Property, plant and equipment	13	91,727	109,903	115,241
Intangibles	14	221,160	635,943	618,605
Investments accounted for using the equity method	15	8,466	8,280	7,569
Deferred tax	8	77,776	55,143	60,289
Total non-current assets		554,542	992,155	1,051,601
Total assets		1,311,998	1,807,419	1,903,323
Liabilities				
Current liabilities				
Trade and other payables	16	247,406	257,761	244,298
Provisions	17	47,918	46,734	71,688
Lease liabilities	19	51,273	55,292	65,784
Derivative financial instruments	20	501	2,075	763
Liabilities classified as held for sale		-	2,868	15,008
Total current liabilities		347,098	364,730	397,541
Non-current liabilities				
Provisions	17	19,128	18,099	17,788
Borrowings	18	202,834	418,507	405,554
Lease liabilities	19	177,697	168,413	222,824
Total non-current liabilities		399,659	605,019	646,166
Total liabilities		746,757	969,749	1,043,707
Net assets		565,241	837,670	859,616
Equity				
Issued capital	22	1,060,822	867,158	867,722
Reserves	23	(7,864)	8,072	3,712
(Accumulated losses) / Retained earnings	24	(489,633)	(39,331)	(12,646)
Equity attributable to the owners of Bapcor Limited		563,325	835,899	858,788
Non-controlling interest	25	1,916	1,771	828
Total equity		565,241	837,670	859,616

Comparative period amounts have been restated. Refer to note 2 'Restatement of comparatives' for further details.

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

Consolidated	Contributed equity $'000	Other $'000	Reserves $'000	(Accumulated loss) $'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 2)	-	-	-	(9,179)	-	(9,179)
Balance at 1 July 2024 - restated	878,652	(10,930)	3,712	(12,646)	828	859,616
Profit after income tax (expense) for the year	-	-	-	19,135	86	19,221
Other comprehensive income for the year, net of tax	-	-	2,492	-	238	2,730
Total comprehensive income for the year	-	-	2,492	19,135	324	21,951
Transactions with owners in their capacity as owners:						
Share-based payments, net of tax (note 35)	-	-	1,868	-	-	1,868
Treasury shares (note 22)	-	(564)	-	-	-	(564)
Divestment of non-controlling interest	-	-	-	-	619	619
Dividends paid (note 26)	-	-	-	(45,820)	-	(45,820)
Balance at 30 June 2025 restated	878,652	(11,494)	8,072	(39,331)	1,771	837,670

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 year ended 30 June 2026

Consolidated	Contributed equity $'000	Other $'000	Reserves $'000	(Accumulated loss) $'000	Non-controlling Interests $'000	Total equity $'000
Balance at 1 July 2025 - restated	878,652	(11,494)	8,072	(39,331)	1,771	837,670
(Loss)/profit after income tax benefit for the year	-	-	-	(431,634)	299	(431,335)
Other comprehensive (loss)/income for the year, net of tax	-	-	(16,129)	-	(154)	(16,283)
Total comprehensive (loss)/income for the year	-	-	(16,129)	(431,634)	145	(447,618)
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs (note 22)	194,585	-	-	-	-	194,585
Share-based payments, net of tax (note 35)	-	-	193	-	-	193
Treasury shares (note 22)	-	(921)	-	-	-	(921)
Dividends paid (note 26)	-	-	-	(18,668)	-	(18,668)
Balance at 30 June 2026	1,073,237	(12,415)	(7,864)	(489,633)	1,916	565,241

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 year ended 30 June 2026

	Note	Consolidated 2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,127,241	2,185,241
Payments to suppliers and employees (inclusive of GST)		(1,960,294)	(2,002,181)
		166,947	183,060
Borrowing costs		(20,557)	(22,851)
Interest paid on lease liabilities		(15,087)	(14,426)
Income taxes received/(paid)		21,031	(12,157)
Net cash inflow from operating activities	28	152,334	133,626
Cash flows from investing activities			
Payment for purchase of business, net of cash and cash equivalents		-	(800)
Payments for property, plant and equipment	13	(15,158)	(35,152)
Payments for intangibles	14	(14,096)	(25,625)
Proceeds from disposal of property, plant and equipment		2,975	3,489
Proceeds from divestment of businesses, net of expenses		-	7,406
Net cash outflow from investing activities		(26,279)	(50,682)
Cash flows from financing activities			
Proceeds from issue of shares, net of transaction costs	22	192,318	-
Purchase of treasury shares	22	(921)	(564)
Proceeds from borrowings		115,000	127,500
Repayment of borrowings		(331,500)	(114,285)
Dividends paid	26	(18,668)	(45,820)
Repayment of lease liabilities		(70,884)	(62,070)
Borrowing transaction costs		(560)	(1,037)
Net cash outflow from financing activities		(115,215)	(96,276)
Net increase/(decrease) in cash and cash equivalents		10,840	(13,332)
Cash and cash equivalents at the beginning of the financial year		58,585	71,594
Effects of exchange rate changes on cash and cash equivalents		(2,220)	323
Cash and cash equivalents at the end of the financial year		67,205	58,585

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

Note 1. Material accounting policy information

The accounting policies that are material to the consolidated entity are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Basis of preparation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Bapcor Limited ('company' or 'parent entity') as at 30 June 2026 and the results of all subsidiaries for the year then ended. Bapcor Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity' or 'the Group'.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the AASB and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income and derivative financial instruments.

- Intangibles
- Inventories
- Provisions
- Trade receivables

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 32.

Reclassifications in prior year

The financial statements contain some reclassifications of prior year disclosures to ensure comparability with the current year and are detailed in the respective notes where they have occurred.

Principles of consolidation

The consolidated entity has adopted all of the new or amended accounting standards and interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Bapcor Limited's functional and presentation currency.

Transactions and balances
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Note 1. Material accounting policy information (continued)

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Impairment of assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Rounding of amounts
The company is of a kind referred to in Corporations Instrument 2026/183, 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.

Note 1. Material accounting policy information (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted
The consolidated entity has adopted all new and amended Australian Accounting Standards and Interpretations that became mandatory for the current reporting period. The adoption of these standards and interpretations did not have a material impact on the consolidated entity's financial statements.

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 annual reporting period ended 30 June 2026. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements
This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. The standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 July 2027 and it is expected that there will be a change to the layout of the statement of comprehensive income.

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, 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 within the next financial year are included in the following notes to the consolidated financial statements:

- note 8 - Income tax expense/(benefit)
- note 9 - Trade and other receivables
- note 10 - Inventories
- note 14 - Intangibles
- note 17 - Provisions
- note 19 - Lease liabilities; and
- note 35 - Share based payments.

Note 2. Restatement of comparatives

Correction of errors

Certain prior period errors disclosed in this note were identified and reported in the Group's 31 December 2025 Interim Financial Report, including the restatement of the 30 June 2024 and 30 June 2025 balance sheets. This note sets out the final adjustments arising from all identified prior period errors and the resulting restatement of the comparative financial information.

The errors primarily relate to transactions that were incorrectly accounted for in prior periods, resulting in the misstatement of Inventory, Trade and Other Receivables, Property, Plant and Equipment, Trade and Other Payables, and the related Income Tax Receivable and Deferred Tax balances.

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 $4.4M (pre-tax). Refer to note 17 for further detail.

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

Statement of financial position at the beginning of the earliest comparative period

	FY25 Reported $'000	**Increase / (Decrease)** $'000	**FY25 Restated** $'000	**FY24 Reported** $'000	**Increase / (Decrease)** $'000	**FY24 Restated** $'000
Assets						
Inventory	546,286	(1,115)	545,171	529,130	(553)	528,577
Income tax receivable	35,937	-	35,937	21,430	2,855	24,285
Deferred tax assets	50,945	4,198	55,143	62,806	(2,517)	60,289
Property, plant and equipment	111,404	(1,501)	109,903	115,372	(131)	115,241
Trade and other receivables	191,622	(21,287)	170,335	198,587	-	198,587
	936,194	(19,705)	916,489	927,325	(346)	926,979
Liability						
Trade and other payables	263,663	(5,902)	257,761	239,152	5,146	244,298
Current Provision	42,352	4,382	46,734	68,001	3,687	71,688
	306,015	(1,520)	304,495	307,153	8,833	315,986
Net Assets	855,855	(18,185)	837,670	868,795	(9,179)	859,616
Equity						
Retained earnings	(21,146)	(18,185)	(39,331)	(3,467)	(9,179)	(12,646)
Total equity	855,855	(18,185)	837,670	868,795	(9,179)	859,616

Impact on Consolidated Statement of Comprehensive Income - Extract

	FY25 Reported $'000	**Restatement** $'000	**FY24 Restated** $'000
Cost of sales	(1,080,534)	(4,888)	(1,085,422)
Employee expenses	(458,094)	(696)	(458,790)
IT and communications	(40,076)	(1,369)	(41,445)
Other expenses	(128,287)	(5,912)	(134,199)
Profit before tax	40,735	(12,865)	27,870
Income tax (expense)/benefit	(12,510)	3,861	(8,649)
Income (loss) after income tax expense	28,225	(9,004)	19,221

Note 2. Restatement of comparatives (continued)

	Cents Reported	Cents Restatement	Cents Restated
Basic earnings per share	8.29	(2.65)	5.64
Diluted earnings per share	8.21	(2.63)	5.58

Note 3. 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.

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 had no net impact on the Group's FY25 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:

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.
Networks	Includes the specialised wholesale distribution and network channel areas that focus on a specific automotive area such as AAD, Bearing Wholesalers, Roadsafe, Diesel Distributors, JAS, Premier Auto Trade, Toperformance, Truckline and WANO.
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.
New Zealand	Includes the operations of Brake & Transmission ('BNT'), Autolign and HCB Technologies.

Material accounting policies

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

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 3. Segment information (continued)

Operating segment information

Consolidated - 2026	Trade $'000	Networks $'000	Retail $'000	New Zealand $'000	Unallocated / Head Office $'000	Total $'000
Revenue						
Sales	776,871	620,912	393,771	158,126	1,514	1,951,194
Total segment revenue	776,871	620,912	393,771	158,126	1,514	1,951,194
Intersegment sales[2]						(27,050)
Total revenue						1,924,144
Segment EBITDA	105,167	67,696	38,696	19,440	(78,464)	152,535
Significant items[1]	-	-	-	-	(13,700)	(13,700)
EBITDA	105,167	67,696	38,696	19,440	(92,164)	138,835
Depreciation and amortisation						(101,137)
Impairment of assets (note 7)						(64,254)
Impairment of goodwill & Trademarks (note 7)						(386,109)
Finance costs						(35,644)
(Loss) before income tax benefit						(448,309)
Income tax benefit						16,974
(Loss) after income tax benefit						(431,335)
Assets						
Segment assets	510,366	325,638	206,045	91,953	177,996	1,311,998
Total assets						1,311,998
Liabilities						
Segment liabilities	182,298	105,203	100,125	39,155	319,976	746,757
Total liabilities						746,757

(1) Significant items in FY26 relate to inventory adjustments, changes in accounting estimates, restructuring costs, and executive transition costs.
(2) Intersegment sales now only reflect inventory transfers directly between the store networks across segments.

Note 3. Segment information (continued)

Consolidated - 2025 Restated[1,2]	Trade $'000	Networks $'000	Retail $'000	New Zealand $'000	Unallocated / Head Office $'000	Total $'000
Revenue						
Sales	784,689	624,563	403,016	170,451	16,521	1,999,240
Total segment revenue	784,689	624,563	403,016	170,451	16,521	1,999,240
Intersegment sales[3]						(23,473)
Total revenue						1,975,767
Segment EBITDA	151,682	63,055	42,791	27,891	(52,309)	233,110
Significant items[4]	-	-	-	-	(59,427)	(59,427)
EBITDA	151,682	63,055	42,791	27,891	(111,736)	173,683
Depreciation and amortisation						(94,827)
Finance costs						(37,277)
Impairment of assets (note 7)						(13,709)
Profit before income tax expense						27,870
Income tax expense						(8,649)
Profit after income tax expense						19,221
Assets						
Segment assets	673,265	465,361	216,656	245,052	207,085	1,807,419
Total assets						1,807,419
Liabilities						
Segment liabilities	172,548	122,060	111,254	38,212	525,675	969,749
Total liabilities						969,749

(1) Prior year comparatives have been restated, refer to note 2 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) Significant items in FY25 include costs associated with asset write offs, uncollectable receivables, contractual disputes, changes in accounting estimates, restructuring programs and inventory valuation.

Geographical information

	Geographical non-current assets	
	2026 $'000	**2025 $'000**
Australia	533,009	818,815
New Zealand	20,864	172,643
Thailand	669	697
	554,542	992,155

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

Note 4. Revenue

	Consolidated 2026 $'000	Consolidated 2025 $'000
Revenue from contracts with customers	1,924,144	1,975,767

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

	Consolidated 2026 $'000	Consolidated 2025 $'000
Geographical regions		
Australia	1,754,440	1,794,391
New Zealand	158,126	170,451
Thailand	11,578	10,925
	1,924,144	1,975,767
Timing of revenue recognition		
Goods transferred at a point in time	1,889,787	1,941,174
Services transferred over time	34,357	34,593
	1,924,144	1,975,767

Material accounting policies

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery. A credit note provision is recognised for the products expected to be returned, which is assessed at each reporting date.

Rendering of services - franchise and service fees
Revenue from services is recognised over time as the services are rendered in line with the customer contract terms.

Note 5. Other income

	Consolidated 2026 $'000	Consolidated 2025 $'000
Government grants	137	456

Note 6. Expenses

	Consolidated	
	2026	2025
	$'000	$'000
(Loss)/profit before income tax includes the following specific expenses:		
Depreciation and amortisation expense		
Plant and equipment	17,745	17,185
Motor vehicles	8,077	8,862
Right-of-use assets	65,901	61,119
Amortisation of intangibles	9,414	7,661
	101,137	94,827
Finance costs		
Interest and finance charges paid/payable on borrowings	20,557	22,851
Interest and finance charges paid/payable on lease liabilities	15,087	14,426
	35,644	37,277
Superannuation expense		
Defined contribution superannuation expense	39,933	37,118

Note 7. Impairment of assets

The following impairment losses have been recognised in the profit and loss:

	Consolidated 2026 $'000	Consolidated 2025 $'000
Goodwill	366,748	-
Trademarks	19,361	3,160
Right-of-use assets	41,900	6,883
Property, plant and equipment	22,354	3,666
	450,363	13,709

Impairment of Goodwill

Impairment testing
Impairment testing of assets including goodwill and other intangible assets occurs each year on 30 June balances or when impairment indicators arise. The recoverable amount of assets including goodwill and other indefinite useful life intangible assets is determined based on value-in-use calculations at an individual or a combination of cash-generating units ('CGU') up to the operating segment level. These calculations require the use of key assumptions on which management has based its cash flow projections, as well as pre-tax discount rates.

The cash flow projections include adjustments required for uncertainties and risks within the approved cash flow forecasts. Pre-tax discount rates have increased due to increased market risk and uncertainties within the cash flow assumptions.

The following key assumptions were used in testing for impairment:

- Pre-tax discount rate: 14.8% for Australian CGUs and 16.1% for New Zealand CGU (2025:12.6% for Australian CGUs and 13.2% for New Zealand CGUs)
- Terminal value growth rate beyond 5 years: 2.5% for Australian CGUs and 2.0% for New Zealand CGUs (2025: 2.5% for Australian CGUs and 2.0% for New Zealand CGUs)
- Revenue growth and EBITDA margins as follows

Segment	Trade	Networks	New Zealand
Revenue growth (average)	4.0%	4.2%	1.9%
EBITDA margin growth (average)	6.8%	4.7%	5.6%

Cash flow forecasts have been adjusted down to reflect recent performance levels. Revised assumptions have also been incorporated regarding current trading conditions, future revenue growth, profitability and the timing of earnings recovery as well as a more conservative assessment of execution risk. Deterioration in the macro-economic conditions in New Zealand has also been factored in.

As a result, impairments of intangible assets have been recognised for the following CGU's:

- Trade ($115.8M)
- Networks ($127.7M)
- New Zealand ($142.1M, including $99.9M announced in the 1H26 results)
- Retail ($0.5M)

In addition, as detailed below further impairments for right of use assets ($41.9m) and PPE ($22.4m) have been recognised in relation to the allocation of corporate assets to the CGU's.

There was no material impact in relation to climate-related risks and opportunities identified as part of Bapcor's assessment of impairment.

Refer to note 14 for further details regarding the sensitivity analysis performed on Trade goodwill.

Note 7. Impairment of assets (continued)

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 the year, there were 163 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 $54.2M and resulted in an impairment of $2.3M to Right-of-use assets and $2.9M to Property, plant and equipment. The remaining carrying value of the assets of stores with indicators of impairment, for which full impairments have not been recognised, is $42.1M.

Corporate Assets
The recoverable amounts of the Networks and Retail CGUs were determined to be below its carrying value. Consequently, goodwill and trademarks allocated to the CGUs were fully impaired. As the impairment loss exceeded the carrying value of these intangible assets, the residual impairment was allocated to corporate assets assigned to the CGUs in accordance with AASB 136. This resulted in a $59.1M impairment of corporate assets.

Note 8. Income tax expense/(benefit)

	Consolidated	
	2026 $'000	2025 Restated $'000
Income tax expense/(benefit)		
Current tax on profits for the year	4,291	3,735
Deferred tax expense/(benefit)	(22,865)	4,914
Adjustment recognised for prior periods	1,600	-
Aggregate income tax expense/(benefit)	(16,974)	8,649
Deferred tax included in income tax benefit/(expense) comprises:		
(Increase) / decrease in deferred tax assets	4,186	22,449
Increase/(decrease) in deferred tax liabilities	(27,051)	(17,535)
Deferred tax expense/(benefit)	(22,865)	4,914
Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate		
(Loss)/profit before income tax benefit/(expense)	(448,309)	27,870
Tax at the statutory tax rate of 30%	(134,493)	8,361
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Impairment of goodwill	113,016	-
Other	271	669
	(21,206)	9,030
Adjustment recognised for prior periods	1,600	-
Difference in overseas tax rates	2,632	(381)
Income tax expense/(benefit)	(16,974)	8,649

Note 8. Income tax expense/(benefit) (continued)

	Consolidated 2026 $'000	Consolidated 2025 $'000
Deferred tax asset		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Employee benefits	13,853	13,329
Payables	1,528	-
Trade and other receivables	2,293	3,281
Inventory	17,109	17,154
Lease liabilities	68,492	66,833
Lease make good	4,849	3,878
Tax losses	11,025	14,686
Other	1,711	5,884
	120,860	125,045
Amounts recognised in equity:		
Transaction costs on share issue	1,845	-
Share-based payment	481	1,291
	2,326	1,291
Deferred tax asset	123,186	126,336
Movements:		
Opening balance	126,336	149,273
Charged to profit or loss	(4,186)	(22,449)
Credited/(charged) to equity	1,036	(488)
Closing balance	123,186	126,336
Set-off against Deferred tax liability	(45,410)	(71,193)
Net Deferred tax asset	77,776	55,143

Note 8. Income tax expense/(benefit) (continued)

	Consolidated 2026 $'000	Consolidated 2025 $'000
Deferred tax liability		
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Property, plant and equipment	(7,927)	11,528
Trademarks	5,759	5,939
Right-of-use assets	46,765	54,181
	44,597	71,648
Amounts recognised in equity:		
Cash flow hedge	813	(455)
Deferred tax liability	45,410	71,193
Movements:		
Opening balance	71,193	88,984
Credited to profit or loss	(27,051)	(17,535)
Charged/(credited) to equity	1,268	(256)
Closing balance	45,410	71,193

Material accounting policies

During the year, the Group assessed its obligations under the Pillar Two minimum tax rules and determined there was no impact for the current year.

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The carrying amount of recognised and unrecognised deferred tax assets is reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Note 8. Income tax expense/(benefit) (continued)

Critical accounting judgements, estimates and assumptions

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 9. Trade and other receivables

	Consolidated	
	2026 $'000	Restated 2025 $'000
Current assets		
Trade receivables	138,567	144,348
Less: Allowance for credit notes	(886)	(1,530)
Less: Allowance for expected credit losses	(6,862)	(9,497)
	130,819	133,321
Customer loans	-	44
Less: Allowance for expected credit losses	-	(44)
	-	-
Other receivables	13,885	18,346
Prepayments	9,948	18,668
	23,833	37,014
	154,652	170,335

Trade receivables are non-interest bearing and repayment terms vary by business unit.

Prior year customer loans relate to loans with franchisees. Loans with repayment terms of less than twelve months are classified as current.

Other receivables relate to rebates and other non-trading receivables which are non-interest bearing. Receivables with repayment terms of less than twelve months are classified as current. These receivables are all neither past due nor impaired.

The ageing of the net trade receivables above are as follows:

	Consolidated	
	2026 $'000	Restated 2025 $'000
Current and not due	87,237	89,636
31 - 60 days	30,834	30,939
61 - 90 days	7,463	3,546
91+ days	5,285	9,200
	130,819	133,321

The loss allowance was determined for trade receivables above as follows:

Note 9. Trade and other receivables (continued)

30 June 2026	0 - 30 days $'000	31 - 60 days $'000	61 - 90 days $'000	91+ days $'000	Total $'000
Expected loss rate	0.4%	1.0%	4.4%	52.4%	
Gross amount	88,505	31,153	7,809	11,100	138,567
Loss allowance	(382)	(319)	(346)	(5,815)	(6,862)

30 June 2025	0 - 30 days $'000	31 - 60 days $'000	61 - 90 days $'000	91+ days $'000	Total $'000
Expected loss rate	1.4%	2.5%	15.3%	42.5%	
Gross amount	92,419	31,745	4,185	15,999	144,348
Loss allowance	(1,255)	(807)	(639)	(6,796)	(9,497)

Movements in the allowance for expected credit losses of trade receivables and customer loans are as follows:

	Consolidated	
	2026 $'000	2025 $'000
Opening balance	9,541	6,682
Net additional provisions recognised/(de-recognised)	(41)	4,351
Amounts utilised for debt write-off	(2,615)	(1,495)
Foreign currency translation	(23)	3
Closing balance	6,862	9,541

Material accounting policies

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for specific debtors and general expected credit losses. Trade receivables are generally due for settlement within 30 to 60 days.

Other receivables are recognised at amortised cost, less any allowance for specific debtors and general expected credit losses.

In assessing the expected credit losses, the consolidated entity first considers any specific debtors that have objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables, taking into consideration the indicators of significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or delinquency in payments. The consolidated entity then applies the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance, on the balance of receivables. To measure the expected credit losses, trade receivables have been grouped based on aging.

Critical accounting judgements, estimates and assumptions

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is assessed by considering the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

Note 10. Inventories

	Consolidated	
	2026 $'000	2025 Restated $'000
Current assets		
Stock in transit - at cost	18,186	35,419
Stock on hand - at cost	564,195	567,574
Less: Provision for slow moving inventory	(57,574)	(57,822)
	506,621	509,752
	524,807	545,171

Prior year comparatives have been restated, refer to note 2 for details of the restatement.

Movements in provision for slow moving inventory

	Consolidated	
	2026 $'000	2025 $'000
Opening balance	(57,822)	(55,799)
Additional provisions released / (recognised)	(4,570)	(5,552)
Inventory written off against provision	4,180	3,618
Foreign currency translation	638	(89)
Closing balance	(57,574)	(57,822)

Material accounting policies

Stock in transit and on hand is stated at the lower of cost and net realisable value. Cost comprises purchase, delivery and direct labour costs, and those overheads that have been incurred in bringing the inventories to their present location, net of rebates and discounts received or receivable.

The provision for slow moving inventory represents inventory held in excess of expected sales over defined periods or where the net realisable value is expected to be negligible.

Critical accounting judgements, estimates and assumptions

The provision for slow moving inventory assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience and other factors that affect inventory obsolescence. There is also a degree of estimation in calculating the elimination of unrealised profit in inventory for inter-segment sales.

Note 11. Net investment in sublease

	Consolidated 2026 $'000	Consolidated 2025 $'000
Net Investment in sublease	2,372	2,997

Net investment in sublease relates to rent receivables from sub-leased property.

Note 12. Right-of-use assets

	Consolidated 2026 $'000	Consolidated 2025 $'000
Non-current assets		
Properties - right-of-use	562,071	521,802
Less: Accumulated depreciation and impairment	(409,030)	(341,913)
	153,041	179,889
Motor vehicles - right-of-use	-	4,402
Less: Accumulated depreciation	-	(4,402)
	-	-
	153,041	179,889

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

Consolidated	Property $'000	Motor vehicles $'000	Total $'000
Balance at 1 July 2024	247,485	42	247,527
Additions	23,388	-	23,388
Disposals	(3,067)	-	(3,067)
Remeasurements	(19,960)	(42)	(20,002)
Foreign currency translation	45	-	45
Impairment	(6,883)	-	(6,883)
Depreciation expense	(61,119)	-	(61,119)
Balance at 30 June 2025	179,889	-	179,889
Additions	5,020	-	5,020
Disposals	(244)	-	(244)
Remeasurements	76,796	-	76,796
Foreign currency translation	(619)	-	(619)
Impairment	(41,900)	-	(41,900)
Depreciation expense	(65,901)	-	(65,901)
Balance at 30 June 2026	153,041	-	153,041

Payments for leases in holdover (i.e. lease terms which are on a monthly basis) during the year was $7.4M (2025: $13.5M) and are included in Other expenses in the Consolidated statement of comprehensive income.

Note 12. Right-of-use assets (continued)

Material accounting policies
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of twelve months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Note 13. Property, plant and equipment

	Consolidated	
	2026 $'000	Restated 2025 $'000
Non-current assets		
Plant and equipment - at cost	221,407	205,701
Less: Accumulated depreciation and impairment	(151,012)	(117,000)
	70,395	88,701
Motor vehicles - at cost	60,120	56,373
Less: Accumulated depreciation	(38,788)	(35,171)
	21,332	21,202
	91,727	109,903

The amount of work in progress included in plant and equipment is $2.0M (2025: $4.0M) and relates to projects that are not yet completed and therefore are not being depreciated.

Note 13. Property, plant and equipment (continued)

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

Consolidated	Plant and equipment $'000	Motor vehicles $'000	Total $'000
Balance at 1 July 2024	88,805	26,567	115,372
Additions	30,898	4,254	35,152
Disposals	(2,954)	(758)	(3,712)
Impairment of assets	(3,666)	-	(3,666)
Reclassification to Intangibles	(7,250)	-	(7,250)
Foreign currency translation	53	1	54
Depreciation expense	(17,185)	(8,862)	(26,047)
Balance at 30 June 2025	88,701	21,202	109,903
Additions	9,593	5,565	15,158
Disposals	(1,613)	(910)	(2,523)
Impairment of assets	(22,354)	-	(22,354)
Reclassification from Intangibles	14,191	3,792	17,983
Foreign currency translation	(378)	(240)	(618)
Depreciation expense	(17,745)	(8,077)	(25,822)
Balance at 30 June 2026	70,395	21,332	91,727

Material accounting policies

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment over their expected useful lives as follows:

Plant and equipment	2-15 years
Motor vehicles	3-7 years

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 14. Intangibles

	Consolidated 2026 $'000	Consolidated Restated 2025 $'000
Non-current assets		
Goodwill	176,233	554,398
Trademarks	20,541	21,142
Less: Accumulated amortisation and impairment	(20,541)	(1,346)
	-	19,796
Customer contracts	87	25,901
Less: Accumulated amortisation and impairment	(87)	(25,901)
	-	-
Software	78,489	107,588
Less: Accumulated amortisation and impairment	(33,562)	(45,839)
	44,927	61,749
	221,160	635,943

The amount of work in progress included in software is $3.8M (2025: $21.9M) and relates to eCommerce and inventory management projects 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 and previous financial year are set out below:

Consolidated	Goodwill $'000	Trademarks $'000	Customer contracts $'000	Computer software $'000	Total $'000
Balance at 1 July 2024	551,961	23,451	11	43,182	618,605
Additions	-	-	-	25,625	25,625
Disposals	-	(562)	-	(6,675)	(7,237)
Foreign currency translation	2,437	67	-	16	2,520
Impairment of assets	-	(3,160)	-	-	(3,160)
Reclassification from PPE	-	-	-	7,251	7,251
Amortisation expense	-	-	(11)	(7,650)	(7,661)
Balance at 30 June 2025	554,398	19,796	-	61,749	635,943
Additions	-	-	-	14,096	14,096
Additions through business combinations	145	-	-	-	145
Disposals	-	-	-	(3,569)	(3,569)
Foreign currency translation	(11,562)	(435)	-	48	(11,949)
Impairment of assets	(366,748)	(19,361)	-	-	(386,109)
Reclassification to PPE	-	-	-	(17,983)	(17,983)
Amortisation expense	-	-	-	(9,414)	(9,414)
Balance at 30 June 2026	176,233	-	-	44,927	221,160

Detail of the $386.1M impairment is described in note 7 'Impairment of assets'.

Note 14. Intangibles (continued)

The balances of goodwill and other intangible assets excluding computer software allocated to each segment as at 30 June were:

	Consolidated	
	2026	**2025**
	$'000	**$'000**
Goodwill:		
Trade	176,233	291,918
Networks	-	113,249
New Zealand	-	149,231
	176,233	554,398

(1) Comparative goodwill balances have been re-presented to reflect changes in segment reporting. Refer to note 3, *Segment Reporting*, for further details.

Reallocation of Goodwill
Consistent with the restatement in the 31 December 2025 financial report, $174.9M of goodwill has been reallocated from Networks to Trade effective 1 July 2025, with prior period disclosure updated for comparison. Refer to note 3 for further details regarding the basis for this reallocation.

Sensitivity to changes in assumptions for Trade goodwill
The measurement of a CGU's recoverable amount is sensitive to changes in the post-tax discount rate, cashflows and terminal growth rate. As a result, if a CGU experiences an increase in the post-tax discount rate or a reduction in cashflows or terminal growth rate, this may result in a further impairment of the Group's goodwill balance. The sensitivities that follow assume the specific assumption moves in isolation, with all other assumptions held constant. Growth rate sensitivities are cumulative and adjust the growth rates applied to the FY27-FY31 cash flows.

Goodwill of $176.2M remains in the Trade CGU. The recoverable amount of the Trade CGU would be reduced 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	Revenue Growth Rate	EBITDA Margin Growth Rate	Discount Rate	Terminal Growth Rate
Trade	($72.1M)	($11.8M)	($17.4M)	($14.1M)

	Consolidated	
	2026	**2025**
	$'000	**$'000**
Other intangible assets:		
Networks	-	14,491
New Zealand	-	5,305
	-	19,796

Material accounting policies

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Note 14. Intangibles (continued)

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Trademarks
Tradenames (including brands) are recognised as intangible assets where a registered trademark is acquired with attributable value. They are valued using a relief from royalty method and are considered indefinite life intangibles and are not amortised unless there is an intention to discontinue their use in which it is amortised over the estimated remaining useful life.

Computer Software
Costs incurred in acquiring, developing, and implementing new software are recognised as intangible assets only when it is probable that future economic benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, licenses and direct labour. Software is amortised on a straight-line basis over the period of their expected benefit, being their finite life which is currently between 2 and 5 years. Large scale projects are individually assessed as part of the approval process and determination of finite life may exceed this range.

Costs relating to the configuration and customisation of application software relating to a Software as a Service (‘SaaS’) arrangement are expensed when services are received, unless an asset that is under control of the consolidated entity can be separately identified.

Critical accounting judgements, estimates and assumptions

The consolidated entity determines the estimated useful lives and related amortisation charges for its finite life intangible assets. The useful lives could change materially as a result of technical innovations or some other event. The amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

The consolidated entity tests annually, or more frequently, if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy above. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Note 15. Investments accounted for using the equity method

	Consolidated 2026 $'000	Consolidated 2025 $'000
Non-current assets		
Investment in Tye Soon Limited	8,466	8,280

Reconciliation
Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:

	2026 $'000	2025 $'000
Opening carrying amount	8,280	7,569
Profit after income tax	982	1,097
Other comprehensive income	210	(587)
Foreign currency translation	(527)	694
Dividends paid	(479)	(493)
Closing carrying amount	8,466	8,280

Bapcor assessed the recoverable amount of this investment for impairment as at 30 June 2026 in accordance with AASB 136 *Impairment of Assets*. The Tye Soon closing share price was SGD $0.28 per share at 30 June 2026 (2025: SGD $0.29 per share).

Note 16. Trade and other payables

	Consolidated 2026 $'000	Consolidated 2025 Restated $'000
Current liabilities		
Trade payables	177,824	194,409
Accrued expenses	69,582	63,352
	247,406	257,761

Refer to note 29 for further information on financial risk management.

Prior year comparatives have been restated, refer to note 2 for details of the restatement.

Material accounting policies

Trade payable and accrued expense amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 to 90 days of recognition.

Note 17. Provisions

	Consolidated 2026 $'000	Restated 2025 $'000
Current liabilities		
Employee benefits	41,793	40,574
Lease make good	1,234	1,144
Restructuring	494	634
Other	4,397	4,382
	47,918	46,734
Non-current liabilities		
Employee benefits	4,153	4,803
Lease make good	14,975	13,296
	19,128	18,099
	67,046	64,833

Lease make good
The provision represents the present value of the estimated costs to make good the premises leased by the consolidated entity at the end of the respective lease terms.

Prior year comparatives have been restated, refer to note 2 for details of the restatement.

Other provisions of $4.4m (pre-tax) relates to the identified payroll issue described in note 2. 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.

Movements in provisions
Movements in each class of provisions during the current financial year, other than employee benefits, are set out below:

Consolidated - 2026	Lease make good $'000	Restructuring $'000	Other $'000
Carrying amount at the start of the year	14,440	634	4,382
Additional provisions recognised	2,509	-	268
Amounts used / released	(740)	(140)	(253)
Carrying amount at the end of the year	16,209	494	4,397

Amounts not expected to be settled within the next 12 months
The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next twelve months.

Note 17. Provisions (continued)

The following amounts reflect leave that is not expected to be taken within the next twelve months:

	Consolidated	
	2026 $'000	2025 $'000
Employee benefits obligation expected to be settled after twelve months	3,940	3,740

Material accounting policies

Provisions
Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within twelve months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within twelve months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Critical accounting judgements, estimates and assumptions

Lease make good
Costs arise from contractual obligations in lease agreements. At the end of the reporting period, an assessment is performed to evaluate the likelihood of site closures and to estimate future costs of the lease make-good liability in accordance with the requirements of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*. This assessment includes determining the existence of a present obligation, the probability that an outflow will be required, and the reliable estimation of the make-good obligation.

Employee benefits provision
As discussed above, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 18. Borrowings

	Consolidated 2026 $'000	Consolidated 2025 $'000
Non-current liabilities		
Secured bank loans	205,000	421,500
Less: unamortised transaction costs capitalised	(2,166)	(2,993)
	202,834	418,507

Refer to note 29 for further information on financial risk management.

Debt Refinancing and Facilities Update

In June 2026, Bapcor restructured debt facilities by repaying the maturing $100 million MetLife facility and further reducing its debt facilities by $135 million, to better align the level of available facilities to operational needs. Following completion, Bapcor has access to total debt facilities of $585 million, supported by a syndicate of lenders. The revised debt facilities comprises the following tranches:

- $65M four-year tranche (existing), for general corporate purposes - expires July 2028
- $115M five-year tranche (existing), for general corporate purposes - expires July 2028
- $235M five-year tranche (existing), for general corporate purposes - expires July 2029
- $25M four-year tranche (revised), for working capital purpose - expires July 2029
- $110M five-year tranche (revised), for working capital and repayment of seven-year tranche - expires July 2030
- $35M six-year tranche (revised), for repayment of seven-year tranche - expires July 2031

The facilities are secured by way of a fixed and floating charge over Bapcor's assets. During FY26, Bapcor worked closely with its lending syndicates to amend financial covenants to provide financial flexibility and covenant headroom to support the execution of the Group's operational turnaround while maintaining access to committed debt facilities. This included obtaining approval from its lending syndicates, on 12 August 2026, to modify future financial covenants.

- Net leverage ratio covenant has been temporarily increased to 3.5 times EBITDA[1] for the 31 December 2026 testing period before returning to the existing 3.0 times EBITDA[1] covenant thereafter.
- The fixed cover charge ratio to be greater than 1.3 times EBITDA[2] for the 31 December 2026 and 30 June 2027 testing periods before returning to the existing 1.75 times EBITDA[2] covenants thereafter.

The Group complied with its covenant requirements under its debt facilities as at 30 June 2026.

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

(2) Fixed cover charge ratio is calculated by dividing pre-AASB16 underlying EBITDA adjusted for share-based payment expense and other items plus rent by rent and interest paid.

Establishment costs incurred during the refinancing are capitalised and amortised over the life of the refinanced tranches (extended periods only) and will be expensed to finance costs as effective interest expense in the statement of comprehensive income.

Note 18. Borrowings (continued)

Financing arrangements
Committed facilities at the reporting date are

	Consolidated 2026 $'000	Consolidated 2025 $'000
Total facilities		
Bank loans	527,500	764,100
Bank overdraft	50,000	50,000
Credit cards	1,700	1,100
Other	5,800	4,800
	585,000	820,000

Net debt reconciliation

	Consolidated 2026 $'000	Consolidated 2025 $'000
Cash and cash equivalents	67,205	58,585
Lease liabilities	(228,970)	(223,705)
Borrowings excluding unamortised transaction costs capitalised	(205,000)	(421,500)
Net debt	(366,765)	(586,620)
Add: Lease liabilities	228,970	223,705
Add: Net derivative financial instruments	2,749	(1,919)
Net bank debt as per debt facility agreement	(135,046)	(364,836)

Material accounting policies

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is a right to defer settlement of the liability for at least twelve months after the reporting date, the loans or borrowings are classified as non-current.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facilities will be drawn down, the fee is amortised on a straight-line basis over the term of the facilities.

Note 19. Lease liabilities

	Consolidated	
	2026	2025
	$'000	$'000
Current liabilities		
Lease liability - Properties	51,273	55,292
Non-current liabilities		
Lease liability - Properties	177,697	168,413
	228,970	223,705

Material accounting policies
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Critical accounting judgements, estimates and assumptions
In determining the lease term, the consolidated entity considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options have not been included in the lease term unless the lease option is reasonably certain to be exercised. This assessment is reviewed if there is a material event or change in circumstances that is within the Group's control and affects its ability to exercise (or not to exercise) any option to renew.

Note 20. Derivative financial instruments

	Consolidated	
	2026	2025
	$'000	$'000
Current assets		
Forward foreign exchange contracts - cash flow hedges	3,250	156
Current liabilities		
Forward foreign exchange contracts - cash flow hedges	(501)	(2,075)
	2,749	(1,919)

Refer to Note 29 for further information on financial risk management.

Refer to Note 21 for further information on fair value measurement.

Material accounting policies

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Note 20. Derivative financial instruments (continued)

Derivatives are classified as current or non-current depending on the expected period of realisation.

Cash flow hedges
Cash flow hedges are used to cover the consolidated entity's exposure to variability in cash flows that is attributable to particular risks associated with a recognised asset or liability or a firm commitment which could affect profit or loss. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income through the cash flow hedges reserve in equity, whilst the ineffective portion is recognised in profit or loss. Amounts taken to equity are transferred out of equity and included in the measurement of the hedged transaction when the forecast transaction occurs.

Cash flow hedges are tested for effectiveness on a regular basis both retrospectively and prospectively to ensure that each hedge is highly effective and continues to be designated as a cash flow hedge. If the forecast transaction is no longer expected to occur, the amounts recognised in equity are transferred to profit or loss.

If the hedging instrument is sold, terminated, expires, exercised without replacement or rollover, or if the hedge becomes ineffective and is no longer a designated hedge, the amounts previously recognised in equity remain in equity until the forecast transaction occurs.

Note 21. 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 material 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 - 2026	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Derivative financial instruments	-	3,250	-	3,250
Total assets	-	3,250	-	3,250
Liabilities				
Derivative financial instruments	-	(501)	-	(501)
Total liabilities	-	(501)	-	(501)

Consolidated - 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Derivative financial instruments	-	156	-	156
Assets classified as held for sale	-	-	5,080	5,080
Total assets	-	156	5,080	5,236
Liabilities				
Derivative financial instruments	-	2,075	-	2,075
Liabilities classified as held for sale	-	-	2,868	2,868
Total liabilities	-	2,075	2,868	4,943

There were no transfers between levels during the financial year.

Note 21. 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.

Material accounting policies

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is material to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be material. External valuers are selected based on market knowledge and reputation. Where there is a material change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 22. Issued capital

	Consolidated			
	2026 Shares	**2025 Shares**	**2026 $'000**	**2025 $'000**
Ordinary shares	672,753,078	339,412,500	1,073,237	878,652
Treasury shares	1,825,688	30,403	(12,415)	(11,494)
	674,578,766	339,442,903	1,060,822	867,158

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue price**	**$'000**
Balance	1 July 2024	339,412,500		878,652
Balance	30 June 2025	339,412,500		878,652
Issue of shares	6 March 2026	260,892,153	$0.60	156,535
Issue of shares	26 March 2026	72,448,425	$0.60	43,469
Share issue transaction costs, net of tax				(5,419)
Balance	30 June 2026	672,753,078		1,073,237

Movements in treasury shares

Details	**Date**	**Shares**	**$'000**
Purchase of treasury shares	01 November 2024	61,091	(291)
Utilisation of treasury shares	01 November 2024	(61,091)	-
Purchase of treasury shares	18 December 2024	22,760	(125)
Utilisation of treasury shares	18 December 2024	(22,760)	-
Purchase of treasury shares	27 June 2025	30,403	(148)
Balance	30 June 2025	30,403	(11,494)
Utilisation of treasury shares	01 July 2025	(30,403)	-
Purchase of treasury shares	20 August 2025	72,018	(259)
Utilisation of treasury shares	21 August 2025	(72,018)	-
Return of treasury shares	24 November 2025	72,018	-
Purchase of treasury shares	20 May 2026	1,753,670	(662)
Balance	30 June 2026	1,825,688	(12,415)

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Treasury shares
The average purchase price of treasury shares during the period was $0.50 (2025: $4.94) per share.

Material accounting policies

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 23. Reserves

	Consolidated 2026 $'000	Consolidated 2025 $'000
Foreign currency reserve	(25,322)	(5,903)
Cash flow hedge reserve	1,937	(1,352)
Share-based payments reserve	15,521	15,327
	(7,864)	8,072

Foreign currency reserve
This reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

Cash flow hedge reserve
This reserve is used to recognise the effective portion of the gain or loss of cash flow hedge instruments that is determined to be an effective hedge.

Share-based payments reserve
This reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency reserve $'000	Cash flow hedge reserve $'000	Share-based payments reserve $'000	Total $'000
Balance at 1 July 2024	(9,490)	(257)	13,459	3,712
Revaluation	-	(1,551)	-	(1,551)
Deferred tax	-	456	192	648
Share-based payment expense	-	-	1,676	1,676
Foreign currency translation	3,587	-	-	3,587
Balance at 30 June 2025	(5,903)	(1,352)	15,327	8,072
Revaluation	-	4,668	-	4,668
Deferred tax	-	(1,379)	(518)	(1,897)
Share-based payment expense	-	-	712	712
Foreign currency translation	(19,419)	-	-	(19,419)
Balance at 30 June 2026	(25,322)	1,937	15,521	(7,864)

Note 24. (Accumulated losses) / Retained earnings

	Consolidated 2026 $'000	Restated 2025 $'000
Accumulated losses at the beginning of the financial year	(39,331)	(12,646)
(Loss)/profit after income tax benefit/(expense) for the year	(431,634)	19,135
Dividends paid (note 26)	(18,668)	(45,820)
Accumulated losses at the end of the financial year	(489,633)	(39,331)

Comparative period amounts have been restated. Refer to Note 2, *Restatement of Comparative Information*, for further details.

Note 25. Non-controlling interest

Investment in Car Bits Asia, Thailand

	Consolidated 2026 $'000	2025 $'000
Opening balance	1,771	828
Non-controlling interest profit /(loss) for the financial year	299	86
Foreign currency translation	(154)	238
Divestment of non-controlling interest[1]	-	619
Closing balance	1,916	1,771

In March 2018, the consolidated group entered into a tri-party joint venture in Thailand of the incorporated entity Car Bits Asia Co. Ltd for the purposes of opening Burson stores in Thailand. The consolidated group currently holds 57.8% of the shares and is considered to have effective control.

(1) Divestment of non-controlling interest relates to disposal of Investment in FiiViQ Pty Ltd ('FiiViQ')

Note 26. Dividends

Dividends
Dividends paid during the financial year were as follows:

	Consolidated 2026 $'000	2025 $'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
Interim dividend for the year ended 30 June 2026 of 0.0 cents (2025: 8.0 cents) per ordinary share	-	27,153
	18,668	45,820

Note 26. Dividends (continued)

No dividend has been declared in respect of the financial year ended 30 June 2026.

Dividends paid during the financial year ended 30 June 2026 relate to the final dividend declared in respect of FY25, being 5.5 cents per share, fully franked.

Franking credits

	Consolidated 2026 $'000	Consolidated 2025 $'000
Franking credits available for subsequent financial years based on a tax rate of 30%	81,457	94,202

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:
- franking debits that will arise from the refund of the amount of the income tax receivable at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

Material accounting policies

Dividends are recognised when declared during the financial year.

Note 27. Earnings per share

	Consolidated 2026 $'000	Consolidated 2025 Restated $'000
(Loss)/profit after income tax	(431,335)	19,221
Non-controlling interest	(299)	(86)
(Loss)/profit after income tax attributable to the owners of Bapcor Limited	(431,634)	19,135
	Cents	**Cents**
Basic earnings per share	(97.74)	5.64
Diluted earnings per share	(97.74)	5.58
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	441,621,100	339,412,250
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	-	3,261,587
Weighted average number of ordinary shares used in calculating diluted earnings per share	441,621,100	342,673,837

Material accounting policies

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Bapcor Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year and excluding treasury shares.

Note 27. Earnings per share (continued)

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 28. Reconciliation of profit/(loss) after income tax to net cash from operating activities

	Consolidated	
	2026 $'000	2025 Restated $'000
(Loss)/profit after income tax benefit/(expense) for the year	(431,335)	19,221
Adjustments for:		
Depreciation and amortisation	101,137	94,827
Impairment of assets	450,363	13,709
Net loss on disposal of property, plant and equipment and computer software	3,118	5,397
Share of profit - associates	(982)	(1,097)
Amortisation of capitalised borrowing costs	1,386	775
Non-cash share-based payment expense	712	1,677
Net loss on divestment of businesses	-	4,777
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	15,683	28,250
(Increase)/decrease in inventories	20,364	(15,794)
(Increase)/decrease in deferred tax assets	(24,532)	12,563
(Increase)/decrease in Income tax receivable	28,395	(18,364)
(Decrease)/increase in trade and other payables	(10,341)	14,832
Increase/(decrease) in other provisions	578	(24,643)
(Decrease)/increase in assets classified as available for sale	(5,080)	8,274
Increase/(decrease) in liabilities classified as available for sale	2,868	(10,778)
Net cash inflow from operating activities	152,334	133,626

Material accounting policies

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an immaterial risk of changes in value.

Note 29. Financial risk management

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Financial risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and manages financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

The consolidated entity holds the following financial instruments:

	Consolidated	
	2026 $'000	2025 Restated $'000
Financial assets		
Cash and cash equivalents	67,205	58,585
Trade and other receivables[1]	144,704	151,667
Derivative financial instruments	3,250	156
Total financial assets	215,159	210,408
Financial liabilities		
Trade and other payables	247,406	257,761
Derivative financial instruments	501	2,075
Borrowings[2]	205,000	421,500
Lease liabilities	228,970	223,705
Total financial liabilities	681,877	905,041

(1) Trade and other receivables in the table excludes prepayments which are not classified as financial instruments.

(2) Borrowings excludes any unamortised transaction costs capitalised.

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations, primarily with respect to the United States dollar and the New Zealand dollar.

Foreign exchange risk arises from future commercial transactions, primarily the purchase of inventory for sales, recognised financial assets and financial liabilities and net investments in foreign operations.

In order to protect against exchange rate movements, the consolidated entity has entered into forward foreign exchange contracts. These contracts are hedging highly probable forecasted cash flows for the ensuing financial year. Management has a risk management policy to hedge between 25% and 100% of anticipated foreign currency transactions for the subsequent twelve months.

The following table demonstrates the sensitivity to a change in the Australian dollar against other currencies, with all other variables held constant. The impact on profit before tax is due to changes in the fair value of monetary assets and liabilities. The pre-tax impact on equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges as well as foreign currency loans designated as net investment hedges.

Note 29. Financial risk management (continued)

	AUD strengthened			AUD weakened		
Consolidated - 2026	**% change**	**Effect on profit before tax ($000)**	**Effect on equity ($000)**	**% change**	**Effect on profit before tax ($000)**	**Effect on equity ($000)**
Derivative financial instruments	1%	-	(154)	(1%)	-	581
Other financial assets	1%	(539)	-	(1%)	550	-
Other financial liabilities	1%	359	-	(1%)	(366)	-
	-	-	-	-	-	-
		(180)	(154)		184	581

	AUD strengthened			AUD weakened		
Consolidated - 2025	**% change**	**Effect on profit before tax ($000)**	**Effect on equity ($000)**	**% change**	**Effect on profit before tax ($000)**	**Effect on equity ($000)**
Derivative financial instruments	1%	-	196	(1%)	-	(687)
Other financial assets	1%	(166)	-	(1%)	649	-
Other financial liabilities	1%	294	-	(1%)	(301)	-
		128	196		348	(687)

Price risk
The consolidated entity is not exposed to any material price risk.

Interest rate risk
The consolidated entity's main interest rate risk arises from long-term borrowings. The interest rate and term for bank borrowings is determined at the date of each drawdown.

Borrowings obtained at variable rates expose the consolidated entity to cash flow interest rate risk. The consolidated entity, from time to time, enters into interest rate swap contracts under which it receives interest at variable rates and pays interest at fixed rates to manage the risk of adverse fluctuations in the floating interest rate on its borrowings. The consolidated entity continued to hold interest rate swap contracts acquired during the year ended 30 June 2026.

As at the reporting date, the consolidated entity had the following fixed and variable rate borrowings outstanding:

	2026		2025	
Consolidated	**Weighted average interest rate %**	**Balance $'000**	**Weighted average interest rate %**	**Balance $'000**
Borrowings (fixed)	-	-	3.77%	100,000
Borrowings (variable)	5.25%	205,000	5.67%	321,500
Net exposure to cash flow interest rate risk		205,000		421,500

As at 30 June 2026, if the weighted average interest rate of the variable bank borrowings component had changed by a factor of + / - 1%, interest expense would increase / decrease by $1,076,570 (2025: $1,823,485).

During FY26, the consolidated entity had interest rate swaps to hedge against risk of interest rate increases on the variable borrowings. The total notional value of these interest rate swaps was $2.1M, which mature beyond 12 months from the 30 June 2026 reporting date.

Note 29. Financial risk management (continued)

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. Credit risk is managed in the following ways:

1) The consolidated entity has policy in place to guide the provision of credit to customers, covering obtaining agency credit information, confirming references and setting appropriate credit limits.
2) Derivative counterparties and cash transactions are limited to independently rated financial institutions with a minimum credit rating of 'A'.
3) Concentrations of credit risk are minimised by undertaking transactions with a large number of customers.
4) In some instances the consolidated entity holds collateral over its trade receivables and loans in the form of personal guarantees and charges under the Personal Property Securities Register.

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and note 9. Management classifies trade receivables on aging profiles.

As well as identifying specific expected credit losses, the consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses on the remaining trade receivable balances through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than one year.

Liquidity risk
Liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Financing arrangements
Unused borrowing facilities at the reporting date:

	Consolidated	
	2026	**2025**
	$'000	**$'000**
Bank loans	322,500	342,600

Refer to note 18 for details of the borrowings.

Note 29. Financial risk management (continued)

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2026	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Trade and other payables	247,406	-	-	-	247,406
Borrowings[1]	13,727	13,727	189,451	35,000	251,905
Lease liabilities	73,544	60,802	94,732	68,440	297,518
Total non-derivatives	334,677	74,529	284,183	103,440	796,829
Derivatives					
Interest rate swaps	-	2,132	-	-	2,132
Forward foreign exchange contracts	617	-	-	-	617
Total derivatives	617	2,132	-	-	2,749

Consolidated - 2025 Restated	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Trade and other payables	257,761	-	-	-	257,761
Borrowings[1]	124,066	142,720	192,588	33,000	492,374
Lease liabilities	67,902	51,837	89,040	79,019	287,798
Total non-derivatives	449,729	194,557	281,628	112,019	1,037,933
Derivatives					
Interest rate swaps	-	-	510	-	510
Forward foreign exchange contracts	1,565	-	-	-	1,565
Total derivatives	1,565	-	510	-	2,075

(1) Borrowings contractual cash flows include an interest component based on the drawn/undrawn ratio and interest rate applicable as at reporting date until maturity of the loan facilities.

Prior year comparatives have been restated, refer to note 2 for details of the restatement.

Fair value of financial instruments
The fair value of financial assets and liabilities disclosed in the statement of financial position do not differ materially from their carrying values.

Capital risk management
The consolidated entity aims to maintain a capital structure for the business with sufficient liquidity and support for business operations, maintains shareholder and market confidence, provides strong stakeholder returns, and positions the business for future growth. In assessing capital management both equity and debt instruments are taken into consideration.

The consolidated entity is not subject to externally imposed capital requirements, other than contractual banking covenants and obligations. All bank lending requirements have been complied with during the year.

Note 30. Related party transactions

Parent entity
Bapcor Limited is the parent entity. Refer to note 32 for supplementary information about the parent entity including internal dividends received.

Subsidiaries
Interests in subsidiaries are set out in note 33.

Key management personnel
Disclosures relating to key management personnel are set out in Note 34 and the remuneration report included in the directors' report.

Note 31. Deed of cross guarantee

The following entities are party to a deed of cross guarantee entered into in August 2020 under which each company guarantees the debts of the others. The companies below represent a 'Closed Group' for the purposes of the class order outlined below.

Bapcor Limited
Bapcor Finance Pty Ltd
Bapcor Services Pty Ltd
Bapcor Logistics Services Pty Ltd
Bapcor International Pty Ltd
Burson Automotive Pty Ltd
Car Bitz & Accessories Pty Ltd
Aftermarket Network Australia Pty Ltd
Bapcor Retail Pty Ltd
Midas Australia Pty Ltd
Specialist Wholesalers Pty Ltd
ACN 089 558 878 Pty Ltd
Baxters Pty Ltd
AADi Australia Pty Ltd
Diesel Distributors Australia Pty Ltd
Ryde Batteries (Wholesale) Pty Ltd
Federal Batteries Qld Pty Ltd
Premier Auto Trade Pty Ltd
JAS Oceania Pty Ltd
Australian Automotive Electrical Wholesale Pty Ltd
Low Voltage Pty Ltd
Don Kyatt Spare Parts (QLD) Pty Ltd
He Knows Truck Parts Pty Ltd
I Know Parts and Wrecking Pty Ltd
Commercial Parts Pty Ltd
Commercial Spares Pty Ltd
Bapcor Australia Pty Ltd
Blacktown Auto Engineers Pty Ltd

By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare financial statements and directors' report under Corporations Instrument 2016/785 issued by the Australian Securities and Investments Commission.

Note 31. Deed of cross guarantee (continued)

Set out below is a consolidated statement of comprehensive income and statement of financial position of the Closed Group.

Statement of comprehensive income	2026 $'000	2025 Restated $'000
Revenue	1,754,440	1,794,392
Share of profits of associates accounted for using the equity method	982	1,097
Other income	137	456
Other expenses	(2,073,736)	(1,786,697)
(Loss)/profit before income tax benefit/(expense)	(318,177)	9,248
Income tax benefit/(expense)	18,766	(3,288)
(Loss)/profit after income tax benefit/(expense)	(299,411)	5,960
Other comprehensive (loss)/income		
	(16,129)	2,492
Other comprehensive (loss)/income for the year, net of tax	(16,129)	2,492
Total comprehensive (loss)/income for the year	(315,540)	8,452

Equity - accumulated losses	2026 $'000	2025 Restated $'000
Accumulated losses at the beginning of the financial year	(159,068)	(119,208)
(Loss)/profit after income tax benefit/(expense)	(299,411)	5,960
Dividends paid	(18,668)	(45,820)
Accumulated losses at the end of the financial year	(477,147)	(159,068)

Note 31. Deed of cross guarantee (continued)

Statement of financial position	2026 $'000	2025 Restated $'000
Current assets		
Cash and cash equivalents	49,276	46,246
Trade and other receivables	138,679	174,629
Inventories	485,509	497,410
Derivative financial instruments	2,604	156
Income tax receivable	3,640	12,584
Other	-	5,080
	679,708	736,105
Non-current assets		
Right-of-use assets	139,716	167,314
Net investment in sublease	2,372	2,999
Property, plant and equipment	83,256	104,449
Intangibles	179,038	482,783
Deferred tax	8,535	9,692
Other	345,792	345,606
	758,709	1,112,843
Total assets	1,438,417	1,848,948
Current liabilities		
Trade and other payables	223,506	256,173
Provisions	45,658	44,136
Lease liabilities	47,097	51,014
Derivative financial instruments	500	1,632
	316,761	352,955
Non-current liabilities		
Provisions	18,445	17,282
Borrowings	202,834	418,507
Lease liabilities	167,248	158,792
	388,527	594,581
Total liabilities	705,288	947,536
Net assets	733,129	901,412
Equity		
Issued capital	1,060,822	867,158
Reserves	149,454	193,322
Accumulated losses	(477,147)	(159,068)
Total equity	733,129	901,412

Note 32. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of comprehensive income

	Parent	
	2026 $'000	2025 Restated $'000
Loss after income tax	(653,971)	(38,287)
Internal dividend income	5,055	287,192
Total comprehensive income	(648,916)	248,905

Statement of financial position

	Parent	
	2026 $'000	2025 Restated $'000
Total current assets	-	-
Total assets	565,241	1,041,822
Total current liabilities	-	-
Total liabilities	-	-
Equity		
Issued capital	1,058,556	867,158
Other reserves	15,521	15,916
Retained earnings	140,080	158,748
Current year accumulated losses	(648,916)	-
	565,241	1,041,822

Note 33. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policies of the consolidated entity:

Name	Principal place of business / Country of incorporation	Ownership interest 2026 %	Ownership interest 2025 %
Bapcor Finance Pty Ltd	Australia	100.0%	100.0%
Bapcor Australia Pty Ltd[1]	Australia	100.0%	100.0%
Bapcor Services Pty Ltd	Australia	100.0%	100.0%
Bapcor Logistics Services Pty Ltd	Australia	100.0%	100.0%
Bapcor International Pty Ltd	Australia	100.0%	100.0%
Burson Automotive Pty Ltd	Australia	100.0%	100.0%
Blacktown Auto Engineers Pty Ltd	Australia	100.0%	100.0%
Car Bitz & Accessories Pty Ltd	Australia	100.0%	100.0%
Aftermarket Network Australia Pty Ltd	Australia	100.0%	100.0%
Bapcor Retail Pty Ltd	Australia	100.0%	100.0%
Midas Australia Pty Ltd	Australia	100.0%	100.0%
Specialist Wholesalers Pty Ltd	Australia	100.0%	100.0%
ACN 089 558 878 PTY LTD	Australia	100.0%	100.0%
Baxters Pty Ltd	Australia	100.0%	100.0%
AADi Australia Pty Ltd	Australia	100.0%	100.0%
A&F Drive Shaft Repair Queensland Pty Ltd[1]	Australia	100.0%	100.0%
Diesel Distributors Australia Pty Ltd	Australia	100.0%	100.0%
Ryde Batteries (Wholesale) Pty Ltd	Australia	100.0%	100.0%
Federal Batteries Qld Pty Ltd	Australia	100.0%	100.0%
Premier Auto Trade Pty Ltd	Australia	100.0%	100.0%
JAS Oceania Pty Ltd	Australia	100.0%	100.0%
Australian Automotive Electrical Wholesale Pty Ltd	Australia	100.0%	100.0%
Low Voltage Pty Ltd	Australia	100.0%	100.0%
Don Kyatt Spare Parts (Qld) Pty Ltd	Australia	100.0%	100.0%
He Knows Truck Parts Pty Ltd	Australia	100.0%	100.0%
I Know Parts and Wrecking Pty Ltd	Australia	100.0%	100.0%
Commercial Spares Pty Ltd	Australia	100.0%	100.0%
Commercial Parts Pty Ltd	Australia	100.0%	100.0%
HDRJ Holdings Pty Ltd	Australia	100.0%	100.0%
Bapcor New Zealand Ltd	New Zealand	100.0%	100.0%
Bapcor Automotive Ltd	New Zealand	100.0%	100.0%
Brake & Transmission NZ Ltd	New Zealand	100.0%	100.0%
Bapcor Services New Zealand Ltd	New Zealand	100.0%	100.0%
Diesel Distributors Ltd	New Zealand	100.0%	100.0%
HCB Technologies Ltd	New Zealand	100.0%	100.0%
Precision Equipment New Zealand	New Zealand	100.0%	100.0%
Hellaby Resource Services Ltd[1]	New Zealand	100.0%	100.0%
Renouf Corporation International[1]	United States	100.0%	100.0%
Benequity Properties, LLC[1]	United States	100.0%	100.0%
Bapcor Asia Pte Ltd	Singapore	100.0%	100.0%
Car Bits Asia Co. Ltd	Thailand	57.8%	57.8%

(1) These subsidiaries are non-trading.

Note 34. Related party transactions - key management personnel disclosures

Compensation

	Consolidated 2026 $	Consolidated 2025 $
Short-term employee benefits	2,344,653	3,564,677
Post-employment benefits	62,500	210,282
Long-term benefits	333,835	126,331
Termination benefits	1,358,011	-
Share-based payments	(431,877)	1,077,364
	3,667,122	4,978,654

Refer to the audited Remuneration Report within the Directors' Report for further details on key management personnel compensation. There are no other transactions with key management personnel.

Note 35. Share-based payments

The Long Term Incentive ('LTI') plan is intended to assist in the motivation, retention and reward of nominated senior executives. The LTI is a payment contingent on a three year performance period and the payments are rights to acquire shares ('Performance Rights'). Refer to the audited Remuneration Report within the Directors' Report for further information on the LTI.

In relation to the FY26 year an offer to participate in the LTI was made to Bapcor's senior executives. These allocated Performance Rights have a performance period that ends on 30 June 2028 at which time the performance hurdles are tested.

During FY26, the Group also introduced a Retention Programme (RP) for selected executives and members of the Senior Leadership Team. The programme operates from 1 January 2026 to 30 June 2027 and is designed to support the retention and stability of key leadership personnel. Participants are eligible to receive a reward opportunity equivalent to 50% of fixed remuneration, with 50% settled in cash and the remaining 50% delivered as rights to ordinary shares under the Company's Long-Term Incentive Plan. The equity-settled component is accounted for as a share-based payment in accordance with AASB 2 Share-based Payment.

A summary of the terms for the Performance Rights granted in the current financial year are set out in the following table:

Plan name	LTI	RP	RP	RP
Grant date	7/11/2025	21/01/2026	03/03/2026	15/06/2026
Performance hurdle	ROIC EBIT	N/A	N/A	N/A
Performance period	01/07/2025 to 30/6/28	01/01/2026 to 30/06/2027	01/01/2026 to 30/06/2027	01/01/2026 to 30/06/2027
Test date	30/06/2028	30/06/2027	30/06/2027	30/06/2027
Expiry date	7/11/2040	21/01/2041	03/03/2041	15/06/2041
Quantity granted[1]	2,548,451	1,662,032	162,700	954,413
Exercise price	Nil	Nil	Nil	Nil
Fair value at grant date	$1.79 $0.30	$1.95	$0.66	$0.4
Other conditions	Restriction on sale to 28/08/2029	Restriction on sale to 30/06/2028	Restriction on sale to 30/06/2028	Restriction on sale to 30/06/2028
Share price on valuation date	$1.64	$1.54	$0.72	$0.55
Volatility	N/A	N/A	N/A	N/A
Dividend yield	5.92%	5.92%	5.92%	5.92%
Risk free rate	N/A	3.60%	3.85%	3.85%

Note 35. Share-based payments (continued)

(1) The fair value represents the value used to calculate the accounting expense as required by accounting standards.

Relative total shareholder return ('TSR') hurdle

Fifty per cent of the Performance Rights granted to a participant will vest subject to a TSR performance hurdle that assesses performance by measuring capital growth in the share price together with income returned to shareholders, measured over the performance period against a Comparator Group of companies (being the S&P/ASX 200 index less Financials and Mining as at 30 June 2025). The Performance Rights will vest by reference to Bapcor's TSR performance ranking against this Comparator Group of companies, as follows:

Bapcor's TSR relative to the Comparator Group	Percentage of TSR Rights vesting
Less than 50th percentile	Nil
Equal to 50th percentile	50%
Greater than 50th percentile and less than 87.5th percentile	Pro-rata straight-line vesting
Equal to or greater than 87.5th percentile	100%

Return on Invested Capital ('ROIC')

Fifty per cent of the Performance Rights granted to a participant will vest by reference to ROIC measured over FY28. The percentage of Performance Rights that will vest based on the ROIC over FY28 is as follows:

Bapcor's ROIC	Percentage of ROIC Rights Vesting
Less than 10.2%	Nil
Between 10.2 and max 12.2%	Pro-rata straight-line vesting
At or above max of 12.2%	100%

If the vesting conditions are met, the Performance Rights are converted into fully paid ordinary shares of the Company at the election of the Participant. As per the Bapcor Employee Equity Plan, the expiry date is during 2039 (12 years subsequent to the closing date), however the Performance Rights lapse if vesting condition are not met.

Shares will be subject to a restriction on sale for twelve months from vesting of the Performance Rights.

Set out below are summaries of Performance Rights granted under the LTIP and RP:

2026

Grant date	Vesting date	Exercise price	Balance at the start of the year	Granted	Vested/ Exercised	Expired/ forfeited/ other	Balance at the end of the year
03/11/2023	30/06/2026	$0.00	642,685	-	-	(642,685)	-
16/10/2024	30/06/2027	$0.00	1,598,098	-	-	(1,190,796)	407,302
07/11/2025	28/08/2028	$0.00	-	2,548,451	-	(1,866,252)	682,199
21/01/2026	30/06/2027	$0.00	-	1,662,032	-	(184,841)	1,477,191
03/03/2026	30/06/2027	$0.00	-	162,700	-	-	162,700
15/06/2026	30/06/2027	$0.00	-	756,432	-	-	756,432
			2,240,783	5,129,615	-	(3,884,574)	3,485,824

Note 35. Share-based payments (continued)

2025

Grant date	Vesting date	Exercise price	Balance at the start of the year	Granted	Vested/ Exercised	Expired/ forfeited/ other	Balance at the end of the year
29/03/2022	30/06/2024	$0.00	27,040	-	-	(27,040)	-
12/10/2022	30/06/2025	$0.00	237,372	-	-	(237,372)	-
19/10/2022	30/06/2025	$0.00	184,297	-	-	(184,297)	-
08/03/2023	30/06/2025	$0.00	1,338,142	-	-	(1,338,142)	-
17/10/2023	30/06/2025	$0.00	139,226	-	-	(139,226)	-
27/10/2023	30/06/2025	$0.00	156,268	-	-	(156,268)	-
03/11/2023	30/06/2025	$0.00	889,763	-	-	(247,078)	642,685
16/10/2024	30/06/2027	$0.00	-	1,854,448	-	(256,350)	1,598,098
			2,972,108	1,854,448	-	(2,585,773)	2,240,783

The weighted average exercise price for the Performance Rights exercised in the current financial year was nil. (2025: nil).

The weighted average contractual lives are 1.00 year (2025: 1.00 year).

The share-based payment transactions relating to the LTI and RP during the year as part of employee benefits in the profit & loss was an expense of $0.7M (2025: expense of $1.7M).

Note: The numbers in the disclosures above include amounts relating to employees that are not key management personnel and therefore differ to those presented in the audited Remuneration Report within the Directors' Report.

Material accounting policies

Share-based compensation benefits are provided to employees via the Long-Term Incentive ('LTI') plan. The fair value of performance rights granted under the LTI is recognised as an employee benefit expense over the period during which the employees become unconditionally entitled to the rights and options with a corresponding increase in equity.

The total amount to be expensed is determined by reference to the fair value of the rights and options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest which are revised at the end of each reporting period. The impact of the revision to original estimates, if any, is recognised in profit or loss, with a corresponding adjustment to equity.

The fair value is measured at grant date and the expense recognised over the life of the plan. The fair value is independently determined using a Black-Scholes or similar option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Critical accounting judgements, estimates and assumptions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Note 36. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by PricewaterhouseCoopers, the auditor of the company, its network firms and other assurance providers:

	Consolidated 2026 $	Consolidated 2025 $
Audit services - PricewaterhouseCoopers		
Audit or review of the financial statements	1,115,100	931,874
Other assurance services	22,000	22,000
	1,137,100	953,874
Audit services - network firms		
Audit or review of the financial statements	21,365	18,000
Other services - William Buck		
Assurance over sustainability reporting (AASB S2 Climate-related Disclosures)	49,500	-

Note 37. Commitments and contingent liabilities

Commitments

	Consolidated 2026 $'000	Consolidated 2025 $'000
Commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Guarantees in relation to leases	3,632	4,070

Contingent liabilities

The companies in the Group are recipients of, or defendants in, certain claims, proceedings and/or complaints made, commenced or threatened. For all matters that have not been provided for in the results of the Group, in the opinion of the Directors, all such matters are of such a kind, or involve such amounts, that they are not anticipated to have a material effect on the financial position of the Group or are at a stage which does not support a reasonable evaluation of the likely outcome of the matter.

Note 38. Events after the reporting period

Andrew Fraser was appointed as an Independent Non-Executive Director, effective from 1 July 2026. Andrew brings more than 25 years' experience across government and the private sector, including funds management, institutional investment and supply chain.

On 12 August 2026, the Group's lenders approved revised covenant arrangements for the FY27 testing periods, providing additional covenant headroom and financial flexibility while the Group continues to execute its turnaround plan. For further details, refer to the relevant ASX announcement.

Apart from the above, no other matter or circumstance has arisen since 30 June 2026 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.

Type of entity	Type of entity	2026 % of share capital	Country of incorporation	Australian resident or foreign resident	Country of tax residence
Bapcor Limited	Body corporate	Parent	Australia	Australia	Australia
Bapcor Finance Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Bapcor Services Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Bapcor Logistics Services Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Bapcor International Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Bapcor Asia Pte Ltd	Body corporate	100%	Singapore	Foreign	Singapore
Car Bits Asia Co. Ltd[1]	Body corporate	57.8%	Thailand	Foreign	Thailand
Burson Automotive Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Blacktown Auto Engineers Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Car Bitz & Accessories Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Aftermarket Network Australia Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Bapcor Retail Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Midas Australia Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Specialist Wholesalers Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Baxters Pty Ltd	Body corporate	100%	Australia	Australia	Australia
AADi Australia Pty Ltd	Body corporate	100%	Australia	Australia	Australia
A&F Drive Shaft Repair Queensland Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Diesel Distributors Australia Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Ryde Batteries (Wholesale) Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Federal Batteries Qld Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Premier Auto Trade Pty Ltd	Body corporate	100%	Australia	Australia	Australia
JAS Oceania Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Australian Automotive Electrical Wholesale Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Low Voltage Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Don Kyatt Spare Parts (Qld) Pty Ltd	Body corporate	100%	Australia	Australia	Australia
He Knows Truck Parts Pty Ltd	Body corporate	100%	Australia	Australia	Australia
I Know Parts and Wrecking Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Commercial Spares Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Commercial Parts Pty Ltd	Body corporate	100%	Australia	Australia	Australia
HDRJ Holdings Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Bapcor New Zealand Ltd	Body corporate	100%	New Zealand	Foreign	New Zealand
Bapcor Automotive Ltd	Body corporate	100%	New Zealand	Foreign	New Zealand
Brake & Transmission NZ Ltd	Body corporate	100%	New Zealand	Foreign	New Zealand
Diesel Distributors Ltd	Body corporate	100%	New Zealand	Foreign	New Zealand
Bapcor Services New Zealand Ltd	Body corporate	100%	New Zealand	Foreign	New Zealand
HCB Technologies Ltd	Body corporate	100%	New Zealand	Foreign	New Zealand
Renouf Corporation International[2]	Body corporate	100%	United States	Foreign	United States
Benequity Properties, LLC[2]	Body corporate	100%	United States	Foreign	United States
Bapcor Australia Pty Ltd	Body corporate	100%	Australia	Australia	Australia
Precision Equipment New Zealand Ltd	Body corporate	100%	New Zealand	Foreign	New Zealand
Hellaby Resource Services Ltd	Body corporate	100%	New Zealand	Foreign	New Zealand
ACN 089 558 878 PTY LTD	Body corporate	100%	Australia	Australia	Australia

(1) Joint venture which is consolidated in the financial statements
(2) Dormant entities intended for liquidation

Basis of preparation
The consolidated entity disclosure statement has been prepared in accordance with subsection 295(3A)(a) of the Corporations Act 2001. The entities listed in the statement are Bapcor Limited and all the entities it controls in accordance with AASB 10 Consolidated Financial Statements.

The percentage of share capital disclosed for bodies corporate included in the statement represents the voting interest controlled by Bapcor Limited either directly or indirectly.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with IFRS Accounting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;

- at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 31 to the financial statements; and

- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Lachlan Edwards
Chair

Chris Wilesmith
Chief Executive Officer and Managing Director

27 August 2026
Melbourne

Independent auditor’s report

To the members of Bapcor Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Bapcor Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group’s financial position as at 30 June 2026 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated statement of financial position as at 30 June 2026;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information;
- the consolidated entity disclosure statement as at 30 June 2026; and
- the directors’ declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit Scope

Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group auditor.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Key audit matter	*How our audit addressed the key audit matter*
Carrying value of goodwill and intangible assets (Refer to note 7 and note 14) At 30 June 2026, the Group has recognised goodwill and intangible assets. At least annually, an impairment test is performed by the Group. The Group identified the Cash Generating Units (CGUs) as Trade, Networks and New Zealand, for the impairment assessment of goodwill. The Group performed an impairment assessment for each CGU, by preparing a value-in-use financial model to determine if the carrying value of the assets is supported. The assessment resulted in an impairment of $366.7m to goodwill and $19.4m to intangible assets. We considered the carrying value of goodwill and intangible assets to be a key audit matter due to the impairment recognised during the year, the financial significance to the financial position and performance of the Group and the judgements contained in the assumptions applied by the Group in estimating future cash flows.	Our audit procedures included the following, amongst others: • Assessed whether the allocation of the Group's goodwill into CGUs was consistent with our knowledge of the Group's operations and internal Group reporting. • Assessed whether the grouping of CGUs appropriately included the assets, liabilities and cash flows directly attributable to each CGU and an allocation of corporate assets. • Assessed the Group's historical ability to forecast cash flows with reference to relevant budgets to actual results. • Assessed significant assumptions within the models for reasonableness with reference to board approved budgets for FY27 and external market data where possible. • Evaluated the appropriateness of the discount rates and long-term growth rate assumptions, with the assistance of PwC Valuation experts, by comparing them to market observable inputs. • Considered the sensitivity of the models by varying key assumptions, including, amongst others, the long-term growth rates and discount rates. • Tested the mathematical accuracy of the impairment models calculations. • Compared the recoverable amount to the carrying value of the assets and assessed the allocation of the impairment. • Evaluated the reasonableness of disclosures in the financial report in light of the requirements of Australian Accounting Standards.

Key audit matter	How our audit addressed the key audit matter
Consolidation The Group has four segments and there is a significant volume and magnitude of transactions between these segments. In the preparation of consolidated financial statements, intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated on consolidation. This was a key audit matter due to the complexity of the consolidation adjustments and the extent of auditor effort in performing procedures and evaluating audit evidence related to intercompany balances and associated consolidation adjustments.	Our audit procedures included the following, amongst others: • Obtained an understanding of the Group's process of consolidating financial data of subsidiaries, including the elimination of intercompany balances and transactions. • Obtained the Group consolidation workings and assessing the completeness of elimination and consolidation entries. • Tested the Group calculation of unrealised gains on transactions and agreeing a sample of significant inputs to supporting evidence. • Evaluated the reasonableness of disclosures in light of the requirements of Australian Accounting Standards.
Carrying value of right-of-use assets and property, plant and equipment for stores (Refer to Note 7) During the year impairment indicators were identified for a number of stores. An impairment to right-of-use assets and property, plant and equipment was recognised. This was a key audit matter given the magnitude of the impairment charge, as well as the judgements involved in the assumptions applied by the Group in estimating future cash flows.	Our procedures included the following, amongst others: • Obtained the Group's assessment of indicators of impairment for store assets and evaluating the appropriateness of the assessment. For the stores where an impairment indicator was identified: • Assessed the significant forecast cash flow assumptions for the recoverable amount assessment for appropriateness with reference to budgets. • Tested the mathematical accuracy for a selection of recoverable amount assessments and the comparison to the carrying value for the store assets. • Tested the mathematical accuracy of impairment allocation to carrying value of property, plant and equipment and right-of-use assets for each of the store CGU. • Evaluated the reasonableness of the disclosures in the financial report in light of the requirements of Australian Accounting Standards.

Key audit matter	*How our audit addressed the key audit matter*
Carrying value of inventory (Refer to note 10) At 30 June 2026, the Group recorded a provision for slow-moving inventory. The provision is calculated by considering the recent sales experience and other factors that affect inventory obsolescence. We considered this to be a key audit matter because of judgement required by the Group in determining the methodology used to calculate the net realisable value of inventory and the potentially material impact that changes in the provision could have on the financial report.	Our audit procedures included the following, amongst others: • Considered whether all the relevant inventory balances were included in the inventory provision calculation. • Obtained the Group's inventory provision assessments and evaluated the appropriateness of the methodology used, in light of the requirements of Australian Accounting Standards. • Agreed a sample of significant inputs to supporting evidence. • Evaluated the reasonableness of the disclosures in the financial report in light of the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon. Prior to the date of this auditor's report, the other information we obtained included the Sustainability Report and the Directors' Report. We expect the remaining other information to be made available to us after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action to take.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the 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 financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2026.

In our opinion, the remuneration report of Bapcor Limited for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

Alison Tait Milner

Alison Tait Milner
Partner

Melbourne
27 August 2026

Bapcor Limited

ABN 80 153 199 912

Sustainability Report

Climate-related disclosures

Introduction

Basis of preparation

This Sustainability Report ("the Report") contains the climate-related financial disclosures for Bapcor Limited and its subsidiaries (the Bapcor Group; "Bapcor" or "Group") for the period 1 July 2025 to 30 June 2026 and covers Bapcor's operations in three markets: Australia, New Zealand, and Thailand. This Report has been prepared in accordance with the Corporations Act 2001 and the Australian Sustainability Reporting Standard *Climate-related Disclosures* (AASB S2), the mandatory Australian Sustainability Reporting Standard (ASRS) issued by the Australian Accounting Standards Board (AASB). This report has been prepared for the same consolidated entity and reporting period as the Consolidated Financial Statements (as outlined in Note 1: Material accounting policy information, subheading "Principles of consolidation").

Unless noted otherwise, the data, metrics and qualitative information presented in this Report relates to the FY26 reporting period. Any forward-looking disclosures, including scenario analysis and targets, extending beyond the current reporting period, are explained within the relevant sections of this Report.

Transition relief

In preparing this Report, Bapcor applied the following transition relief for the first annual reporting period under AASB S2:

- Not to disclose comparative climate-related information, where information is unavailable for this first reporting cycle. Bapcor does, however, present comparative results for the Scope 1 & 2 greenhouse gas emissions performance in the Metrics & Targets section of this Report.
- Not to disclose Scope 3 greenhouse gas emissions.

Scope of report

This Report outlines the governance structures, processes and controls established by Bapcor to oversee, manage and monitor climate-related risks and opportunities. These disclosures are intended to support an understanding of how climate considerations are embedded within the Group's oversight and decision-making processes.

In assessing climate-related risks and opportunities, Bapcor has considered potential impacts across its value chain, including upstream procurement, distribution centre operations, and downstream delivery processes supporting its trade, wholesale and retail customers. Additionally, the Report describes how Bapcor currently responds - and intends to respond - to identified risks and opportunities through its strategy over the short, medium and long term, including actions to enhance resilience and support alignment with evolving regulatory requirements.

This Report also outlines the processes used to identify, assess, prioritise and monitor climate-related risks and opportunities, and the planned integration of these processes into the Group's existing risk management framework to enable more systematic and informed decision-making.

For greenhouse gas emissions reporting, Bapcor has applied an operational control approach in quantifying Scope 1 and Scope 2 emissions. The Report further includes the metrics and targets used to measure performance in FY26; the methodologies applied in their calculation and relevant targets in effect over the reporting period.

For further clarifications on judgements and measurement uncertainties can be found on page 124.

Governance

Governance bodies responsible for climate-related risks and opportunities

Bapcor's Board is responsible for overseeing climate-related annual statutory reporting and ensures appropriate controls are in place to support the accuracy and quality of those disclosures. The Board is supported in this regard by two delegated Committees: The Audit & Risk Committee (ARC) and the Nomination, Remuneration & ESG Committee (NR&ESGC).

These Committees provide oversight, review and coordination of climate-related risks and opportunities and support the integration of climate considerations across the business. The ARC and NR&ESGC convene at least quarterly and discuss climate-related updates and priorities as necessary, which are communicated through structured Committee papers prepared by management.

Climate-related responsibilities are set out and described in the Board, ARC and NR&ESGC charters - all of which have been updated during this reporting cycle - and these bodies are supported through the relevant executive and senior management reporting structures and processes, as shown below in Figure 1.

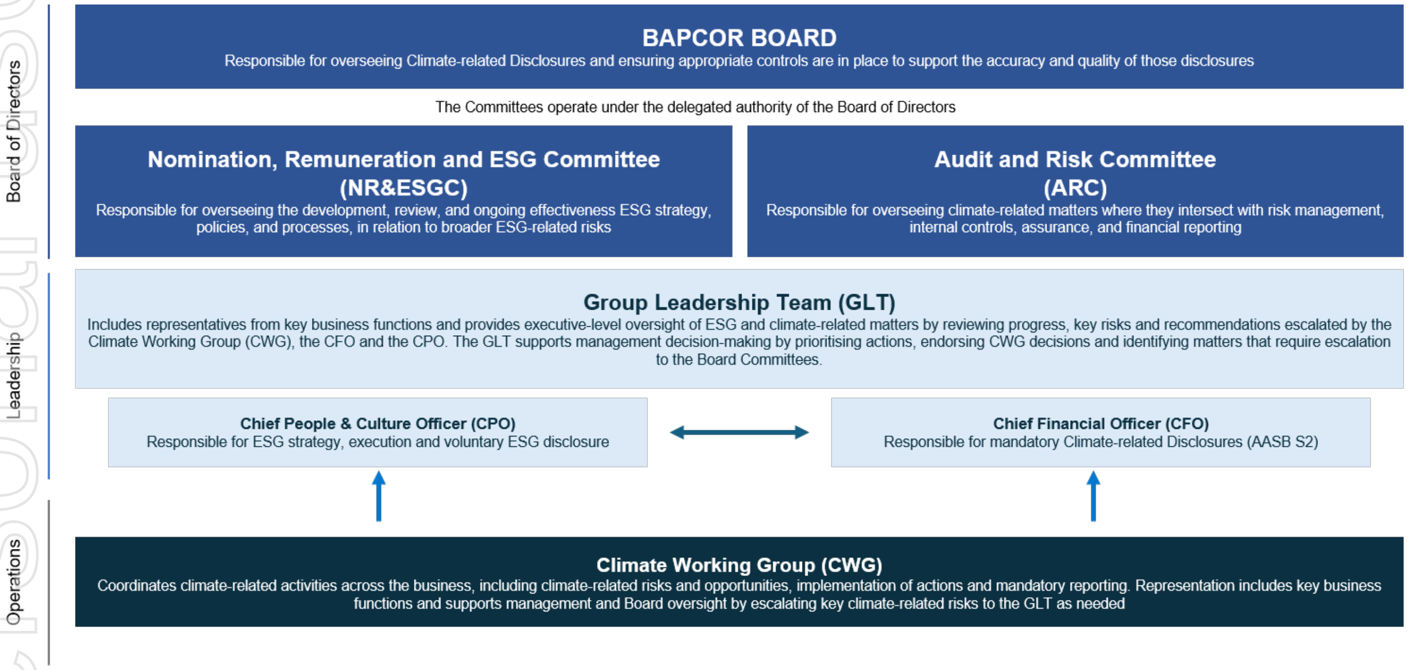


Figure 1: The organisational governance structure for climate-related reporting at Bapcor.

The Board

The Board, supported by the ARC and NR&ESGC, has ultimate responsibility for managing climate-related risks and opportunities as part of their oversight of Bapcor's business strategy and enterprise risk management.

During the reporting cycle, there were no major transactions or strategic decisions that required escalation to the Board for consideration of climate-related risks or opportunities, and therefore no trade-offs arose in relation to climate matters.

At present, Bapcor does not include climate-related performance metrics within remuneration policies; however, the organisation intends to periodically consider how climate-related measures may be incorporated into future policies.

Skills & Competencies

Sustainability, including the ability to understand and oversee climate-related risks and integrate ESG considerations into decision-making, is a recognised skill within Bapcor's Board skills matrix. The Board, supported by the NR&ESGC, is responsible for assessing whether it has the capabilities required to effectively oversee climate-related risks impacting the business. To support this, Bapcor maintains a Board skills matrix that is reviewed at least annually to identify the collective skills, expertise and experience required, evaluate the current capabilities of Directors, and highlight any gaps to inform succession planning and Board renewal. As part of this annual review, the Board considers whether its competencies remain fit for purpose considering emerging business and governance issues, including climate-related risks and opportunities. Any identified development needs are addressed through a combination of targeted training and development opportunities from external advisers, and consideration of required skills in future Director appointments. This approach enables the Board to maintain an appropriate level of collective capability to oversee the full range of risks facing Bapcor.

Audit & Risk Committee (ARC)

As outlined in the body's Charter, the ARC is responsible for assisting and updating the Board on climate-related risks and opportunities, reporting and other matters where they intersect with risk management, internal controls, assurance, and financial reporting. The ARC's responsibilities include Bapcor's enterprise risk management framework and reviewing the controls and assurance processes supporting climate-related financial disclosures. For more information on the integration of climate within Bapcor's broader risk management and reporting frameworks please refer to the Risk Management section of this report.

The ARC also considers the implications of climate-related risks for financial reporting judgements, estimates, and disclosures, and oversees the preparation of this Sustainability Report, for recommendation to the Board for approval.

Nomination, Remuneration & ESG Committee (NR&ESGC)

The NR&ESGC, in-line with its Charter, is responsible for overseeing the development, review, and ongoing effectiveness of Bapcor's ESG strategy, policies, and processes, in relation to broader ESG-related risks. The Committee also monitors progress against Bapcor's ESG-related strategic objectives and targets, and overseeing the preparation of voluntary ESG disclosures, for recommendation to the Board for approval.

Board and Committee Reporting Frequency

All ESG matters (including climate) are reported quarterly to the NR&ESGC. In this reporting cycle, reporting to the ARC commenced in relation to mandatory climate-related disclosures. The Chief Financial Officer (CFO) reported to the ARC on mandatory climate-related disclosures, while the Chief People and Culture Officer (CPO) reported to the NR&ESGC on ESG-related matters, including voluntary disclosures.

Group Leadership Team (GLT)

The GLT's main responsibility is to provide executive-level oversight of climate-related matters by reviewing progress updates, key risks and recommendations escalated by the CWG.

The GLT considers these insights to support management decision-making, prioritise actions, endorse decisions from the CWG and determine matters requiring further escalation. The CFO and the CPO are both members of the GLT and act as the executive sponsors to the ARC, NR&ESGC and the Board, which retain ultimate oversight and strategic decision-making responsibility.

Chief Financial Officer

Responsible for incorporating climate-related matters into financial practices, financial reporting (including climate-related financial disclosures) and disclosure activities for alignment to financial reporting. The CFO is informed by the CWG and the GLT, reporting on key updates to the ARC, as needed.

Chief People & Culture Officer

Responsible for ESG strategy, execution and voluntary ESG disclosure - and incorporating ESG matters into these processes as necessary. The CPO is informed by the CWG and the GLT, reporting on key updates to the NR&ESGC, as needed.

Climate Working Group (CWG)

The CWG was established to coordinate Bapcor's climate-related reporting, analysis, and implementation activities across the business. The CWG comprises the CFO, CPO and Bapcor's sustainability experts. The CWG also brings together subject matter experts from across the business, including Risk, Finance, Sustainability, Strategy, Property and Operations, to embed climate considerations across the business.

The CWG operates under a formal 'Terms of Reference' that clearly defines its purpose, objectives, and member responsibilities. It also defines robust governance controls, including procedures for reporting and escalation where required.

The CWG's purpose includes:

- Supporting the identification and assessment of climate-related risks and opportunities and their potential future financial impacts across the businesses' value chain;
- Supporting cross functional collaboration to embed climate considerations into broader organisational decision-making;
- Driving and monitoring the delivery of actions identified to manage climate-related risk and opportunities; and
- Supporting mandatory climate-related reporting requirements.

Outputs from the CWG are escalated to the GLT as appropriate.

Effective 1 July 2026, the General Counsel & Company Secretary will join the CWG. This reporting arrangement integrates sustainability-related compliance, governance and disclosure oversight within the Company's broader corporate governance framework and supports effective management of sustainability-related risks, opportunities and reporting obligations including a focus on ASRS mandatory climate-related disclosures.

Strategy

Description and classification of climate-related risks and opportunities

Bapcor's climate-related risk and opportunity assessment reflects the Group's current understanding based on information, data, and climate scenario modelling available at the date of this Report. Climate science, regulatory requirements, and Bapcor's operating context continue to evolve, and the assessments, targets, and strategies described in this section may be revised in future reporting periods as new information becomes available.

Bapcor is a leading Australian and New Zealand provider of aftermarket vehicle parts, accessories, equipment, services and solutions. The company operates approximately 900 locations and employs over 5,000 team members across Australia, New Zealand, and Thailand.

To identify, assess and prioritise climate-related risks and opportunities that may affect its business model and value chain, Bapcor undertook a structured, multi-phase process, which included:

- Identification through desktop research and shortlisting through internal stakeholder engagement.
- Assessment of operational and asset data together with external market, regulatory and climate data.
- Prioritisation for disclosure based on exposure and potential impacts.

This process allowed Bapcor to identify key transition and physical risks, as well as associated opportunities. The Risk Management section of this Report provides more detail on the process for identifying, assessing and prioritising climate-related risks and opportunities.

Bapcor's business model is closely linked to the make-up of the vehicle car parc (number and type of registered vehicles) and the ongoing servicing and maintenance requirements of those vehicles. As such, structural changes in vehicle technology and the transition from internal combustion (ICE) towards zero and low emission vehicles (ZLEVs), alongside climate-related physical impacts to operations and infrastructure, are regarded as material risks for Bapcor over the following time horizons:

- Short-term; present to 2030
- Medium-term; to 2040, and;
- Long-term; to 2050

The transition risk is expected to emerge progressively over the medium to long term and may affect product demand, regulatory alignment, supplier relationships, capability requirements of the team and market positioning. The opportunity for Bapcor is to expand and adapt its product offering to support emerging vehicle technologies and meet changing customer requirements, particularly in areas where Bapcor can leverage its scale, supplier relationships and distribution network.

The physical risks identified are expected to manifest across the short, medium and long term, and are concentrated in geographic locations where sites or Bapcor's value chain are exposed to climate hazards. The potential impacts depend on the nature, location, duration and severity of the hazard and the vulnerability of the assets, and may include site damage, operational disruption, impact on team members and increased operating and capital costs.

Climate scenario analysis

Bapcor undertook climate scenario analysis to assess the resilience of the business to its climate-related risks and opportunities. Three Intergovernmental Panel on Climate Change (IPCC)-aligned Shared Socioeconomic Pathways (SSPs) were applied:

- SSP1-2.6 (Paris ambitious 1.5 °C) - low warming, high transition risk
- SSP2-4.5 (Middle of the road) - intermediate warming
- SSP5-8.5 (Business-as-usual) - high warming, high physical risk.

These scenarios provide a range of plausible climate futures and are consistent with recognised global sources, including IPCC Sixth Assessment Report (AR6) data, Network for Greening the Financial System (NGFS) scenario families and regional climate models. More information is included in Table 1 below.

Table 2, 3 and 4 presented below outline the identified climate--related risks and opportunities that could reasonably be expected to affect the business, including relevant time horizons, potential impacts, and Bapcor's current management responses.

Table 1: The scenarios applied in the climate scenario analysis.

Scenario Families	Paris Ambitious 1.5°C (Low Warming Scenario)	Middle of the Road (Intermediate Warming Scenario)	Business as Usual (High Warming Scenario)
IPCC Alignment	**SSP 1-2.6**	**SSP 2-4.5**	**SSP 5-8.5**
Approximate Temperature Increase (2100)[5]	**1.3 - 2.4°C**	**2.1 – 3.5°C**	**3.3 – 5.7°C+**
Network For Greening the Financial System (NGFS)	Orderly Transition - Net Zero 2050	Disorderly Transition - Delayed Transition	Hot House World - Current Policies, Nationally Determined Contributions (NDCs)
Risks	High Transition Risks Low Physical Risks	High Transition Risks Low Physical Risks	Low Transition Risks High Physical Risks
Summary	Early decisive global policy action is taken to limit global warming from early 2020s, gradually becoming more stringent.	Policy measures are delayed until late 2020s/early 2030s, leading to increased costs (e.g., higher carbon prices) to limit warming.	No new policies are introduced, and emissions grow, leading to increasing physical impacts.

The analysis reveals that:

- Lower warming scenarios increase exposure to transition risks, particularly through accelerated shifts in vehicle technology.
- Higher warming scenarios increase exposure to physical risks, including disruption to operations and direct asset damage.

It is important to note that the climate scenario analysis is subject to uncertainty and does not offer perfect predictions of possible outcomes. Key areas of judgement and associated measurement uncertainties are outlined on page 124.

Bapcor's ability to adjust its strategy and business model in response to the identified risks and opportunities is dependent on the effective resourcing and implementation of mitigation and adaptation actions. This includes investment in resilience and decarbonisation initiatives as required, which are subject to capital availability, business case evaluation and competing priorities.

Bapcor's analysis indicates the business to be resilient over the short term under each climate scenario. Over the medium and long term, and without changes to the current product portfolio, exposure increases as changes in the vehicle car parc become more pronounced under each climate scenario.

Table 2: Climate-related transition risk relevant to Bapcor.

Climate-related Transition Risk	
Risk Title	Transition of the automotive aftermarket from internal combustion engines (ICE) to zero and low emission vehicles (ZLEVs) reduces the ongoing servicing and maintenance requirements of those vehicles
Risk Category	Market
Risk Description	The automotive industry is transitioning from ICE to ZLEV technologies - such as electric vehicles (EV), plug-in hybrid electric vehicles (PHEV) and hybrid vehicles, driven by policy, consumer demand, and technological innovation. This shift poses a risk to Bapcor's ICE focused product and service offerings, especially under potential accelerated low-carbon policy scenarios where shifts in vehicle technology would be expected to accelerate.
Impact Time-horizon	Medium – Long
Potential Impacts on Bapcor	Revenue decline - loss in demand for ICE specific products and categories as market shifts. Product obsolescence - there may be reduced demand for some components, such as exhaust parts, resulting in stranded inventory. Capital expenditure - costs associated with investing in transition-suitable product stock. Asset carrying values – changes in long term customer demand for ICE vehicle products may result in an impairment of the carrying value of assets such as goodwill and store/branch assets. Operational impacts - changes to the traditional business model and changes to existing suppliers may lead to disruption in service delivery. Skills gap - shortage of ZLEV-trained team members may limit Bapcor's ability to support customer demand for ZLEV products and meet regulatory compliance. Brand positioning - failure to adapt in a timely manner may erode Bapcor's market leadership in an evolving sector.
How Bapcor Currently Responds	***Market and demand monitoring*** During FY26, Bapcor has monitored and will continue to monitor vehicle sales, model releases and warranty exit profiles using industry datasets to track ICE to ZLEV transition and inform product development timing. Product development is primarily driven by wholesale and network teams. ***Product range exposure assessment*** The current product portfolio remains largely aligned to ICE vehicles in FY26, reflecting the current car parc. Bapcor's product ranging reviews consider the impact of the evolving car parc.
Current Financial Effects	There were no material financial effects of the transition to ZLEVs on the Group's financial position, financial performance and cash flows in the year ended 30 June 2026.
Anticipated Financial Effects	Demand for Bapcor's products is determined by the make-up of the vehicle car parc and the ongoing servicing and maintenance requirements of those vehicles. As such, structural changes in vehicle technology and the transition from ICE vehicles to ZLEVs is regarded as a material risk for Bapcor over the medium (2040) and long term (2050). There is a level of measurement uncertainty in quantifying the financial impact of the risk, including ZLEV uptake rates, the timing of transition of ZLEV's from Original Equipment Manufacturer (OEM) servicing to aftermarket servicing, retirement rates of ICE vehicles, servicing needs of ZLEV's, and changes in government regulations, that would make the quantitative information not useful. Any impact relating to climate is also not separately identifiable from broader economic and geopolitical drivers.

Bapcor will monitor and assess the evolution of these climate-related risks and opportunities, as well as others which may become relevant for disclosure once further work is undertaken. For example, once Scope 3 GHG emissions are quantified in FY27, consideration will be given to any potential reputational effects and any impacts associated with regulations imposing an additional cost on carbon, particularly under a low emission scenario.

Table 3: Climate-related opportunity relevant to Bapcor.

Climate-related Opportunity	
Title	Transition of the automotive aftermarket from internal combustion engines (ICE) to zero and low emission vehicles (ZLEVs) provides opportunities to supply new products
Description	The anticipated market shift to ZLEVs provides an opportunity for Bapcor as there is growth potential in ZLEV-related parts, services, and technical capabilities. Proactive adoption may result in greater market share and facilitate the position as a leader in this evolving aftermarket space.
Potential Benefits to Bapcor	Revenue growth potential - expanding into ZLEV-compatible product lines creates new revenue streams that may balance and offset the anticipated declining ICE demand. Entry into new service markets - building ZLEV servicing and diagnostic capabilities at Bapcor is expected to enable participation in the growing ZLEV sector. Team-member uplift - up-skilling of the Bapcor team to improve capability and support staff retention. Enhanced brand positioning – partnering strategically with ZLEV manufacturers and suppliers is expected to strengthen Bapcor's market position and role in the evolving automotive aftermarket ecosystem. Increased customer retention - supporting customers with new ZLEV-ready products, services and expertise encourages loyalty during the market shift.
How Bapcor Currently Responds	***Bapcor strategy development*** In FY26 Bapcor has identified the transition to ZLEVs and the changing car parc as key external drivers informing the development of Bapcor's strategy going forward. ***ZLEV product launches and portfolio expansion*** During FY26 Bapcor has initiated limited ZLEV-related product launches and is expanding its portfolio into ZLEV segments, currently demand-led and particularly following warranty exits. This represents early entry into non-ICE parts revenue as the vehicle car parc shifts. ***Supplier engagement and capability uplift*** Supplier engagement for ZLEVs began in FY26 across several business units, supported by forums to discuss ZLEV and innovation topics. Bapcor is at the early stages of building the supply-side capability needed to expand ZLEV product offerings.
Current Financial Effects	There were no material financial benefits of the transition to ZLEVs on the Group's financial position, financial performance and cash flows in the year ended 30 June 2026.
Anticipated Financial Effects	The opportunity for Bapcor is to expand and adapt its product offering to support emerging vehicle technologies and meet changing customer requirements, particularly in areas where Bapcor can leverage its scale, supplier relationships and distribution network. As such, the increase in ZLEVs is regarded as a material opportunity for Bapcor over the medium (2040) and long term (2050). There is a level of measurement uncertainty in quantifying the financial benefit and investment required for the opportunity that would make the quantitative information not useful. The benefit relating to climate is also not separately identifiable from broader economic and geopolitical drivers.

Table 4: Climate-related physical risk relevant to Bapcor.

Climate-related Physical Risk	
Risk Title	Disruption from extreme weather events and longer-term climate shifts
Risk Category	Acute & Chronic
Risk Description	Increased frequency and / or intensity of heatwaves, precipitation, floods and storms may cause structural damage, disrupt operations and product supply chains.
Impact Time-horizon	Short – Medium – Long
Potential Impacts on Bapcor	**Direct Impacts:** Team member safety risks - increased exposure for staff working in affected areas. Physical damage to sites, stock, equipment, and building facilities - associated with events such as flooding. Increased maintenance costs - accelerated wear on building exteriors and servicing systems. **Indirect Impacts:** Customer impact - disruption to store access, product availability, and service continuity, leading to reduced customer satisfaction, potential loss of sales and long-term customer loyalty. Operational disruption - site closures and associated delays due to inaccessible roads or damaged facilities. Supply chain disruption, particularly for the supply of products into stores and distribution centres and / or the provision of parts to trade and wholesale customers Insurance premiums - increases due to higher risk exposure.
How Bapcor Currently Responds	**Hazard identification and exposure assessment** Bapcor uses a hazard modelling tool to assess the risk of floods (surface water and river), storms and cyclones occurring (covering the precipitation and wind risks identified). Outputs from this modelling feed into an aggregated Natural Catastrophe (NatCat) score which is used as the primary indicator of site-level peril-ratings. While this does not explicitly assess long-term precipitation trends, the NatCat score is used as a general proxy for precipitation-related exposure. **Integration into decision-making** The NatCat score is incorporated into Property Investment Committee risk assessments for property leases and informs site selection and leasing decisions where elevated hazard exposure is identified. **Business continuity planning** A business continuity plan (BCP) exists at an enterprise level at Bapcor, with a review and update of the BCP planned for FY27 to align with the current operating environment and business structure. Emergency response checklists are in place across the business with a particular focus on recent high-risk regions. Specific emergency checklists for major flood or extreme weather events have been defined by the Health, Safety, and Wellbeing team. This checklist was successfully implemented during Cyclone Alfred in Queensland in 2025. **Insurance** Bapcor maintains insurance arrangements designed to mitigate the financial impacts of extreme weather events and natural catastrophes. These include property insurance for damage to buildings, plant, equipment and inventory, business interruption cover for insured losses arising from operational disruptions, and liability insurance for third-party personal injury or property damage claims associated with affected sites. Insurance coverage is reviewed periodically to ensure it remains appropriate for the evolving risk profile and geographic exposure of the business.
Current Financial Effects	There were no material financial impacts of acute or chronic weather events on the Group's financial position, financial performance and cash flows in the year ended 30 June 2026.
Anticipated Financial Effects	Insurance policies are relied upon to provide cover to mitigate financial impacts from extreme weather events. While the Group seeks to mitigate the financial impacts of extreme weather events through insurance arrangements, insurance coverage is subject to exclusions, limits, deductibles and may not cover all losses, costs or operational disruptions arising from such events. Insurance cover is intended to be maintained over the short to long term. The cost of insurance and deductible amount has a significant level of measurement uncertainty and the impact of heatwave, precipitation, storm and flood damage on cost of insurance and deductibles cannot be separately identified. Bapcor operates a geographically spread business model with supply chain operations, branch and store networks, and customers spread throughout Australia and New Zealand, which reduces the potential financial impact from climate-related disruptions.

Other physical hazards have been considered on a site-level basis but do not represent a high level of exposure to Bapcor at an aggregate level. Future evaluation is anticipated to maintain oversight of emerging and evolving climate related-risks and opportunities.

Influence on forward looking strategy and decision-making

Bapcor considers the climate-related risks and opportunities identified in determining its strategy and decision-making processes and intends to continue to assess how to adapt its business model over time as these risks and opportunities evolve.

Current management responses are outlined in Table 2, 3 and 4 above. The following actions below represent Bapcor's planned mitigation and adaptation measures to further reduce exposure to climate-related risks and harness the identified opportunity.

How Bapcor intends to respond - transition

Bapcor is establishing a unified approach to the transition through a ZLEV vision and commercial product strategy, aligning to evolving vehicle technology trends and uptake. As part of this, Bapcor expects to:

- Assess the supplier landscape to identify key partners and potential capability gaps relevant to ZLEV-related products.
- Identify and define capability and skills requirements, including roles and training needed to support emerging product categories and technical requirements.
- Review its current position in, and exposure to, segments of the aftermarket value chain and expand and/or shift its focus to maximise the opportunity from the transition to ZLEVs

This strategy is intended to be implemented throughout the organisation, which may include initiatives to improve capability and skills required to manage emerging product categories and technical requirements in order to assist with the successful implementation of the determined strategic initiatives.

How Bapcor intends to respond - physical

Bapcor is strengthening its physical risk management approach by:

- Formalising the methodology for use of NatCat scores within Property Investment Committee decision making for property leases.
- Reviewing and updating the existing BCP to define bespoke, segment specific requirements for climate-related continuity planning.
- Assessing sites based on regional physical hazard exposure and establishing high-level guidance on hazard specific preparedness.

Both the transition and physical initiatives are intended to be implemented progressively subject to resource availability, capital allocation and operational priorities.

Next step - transition planning

Bapcor is in the early stages of transition planning. This work is expected to support the development and delivery of Bapcor's strategy by integrating climate scenario analysis, climate-related risk and opportunities, climate resilience assessment and decarbonisation strategy.

Risk Management

Bapcor's existing risk management process

Bapcor identifies and manages risks at a Group level through a Risk Management Framework, which is aligned with ISO 31000:2018 and is applied across the Group. The framework establishes a structured and consistent approach to the identification, assessment and management of risks, requiring business functions to proactively profile risks (including climate-related risks - although not currently identified as enterprise risks relative to other organisational risks) relevant to their operations, which underpin the development and annual review of the Enterprise Risk Register.

Processes for identifying, assessing and prioritising climate-related risks & opportunities

Acknowledging the unique nature and uncertainty of climate-related risks, Bapcor undertook a structured, multi-phase process designed specifically for climate, to identify, assess and prioritise risks and opportunities relevant to its business model and value chain.

The identification process incorporated desktop research and stakeholder engagement across key business functions to capture both physical and transition risks. This process was informed by qualitative insights previously developed through Bapcor's voluntary Taskforce on Climate Financial Disclosures (TCFD)-aligned disclosures as part of the FY25 ESG Report, ensuring continuity with prior analysis.

The identified risks and opportunities were assessed through climate scenario analysis, supported by a range of internal and external inputs. These inputs included site and asset information, operational and productivity data, climate hazard datasets, and external data sources - relevant to transition risk forecasting. Together, these inputs informed an assessment of the exposure and strategic relevance of the identified risks and opportunities.

Climate-related risks and opportunities were considered across the short-term (2030), medium-term (2040), and long-term (2050) time horizons, reflecting the different ways in which climate-related risks may manifest over time. This process enabled the development of a prioritised shortlist of risks and opportunities for further evaluation and integration into business planning and risk management processes. Further information on these prioritised climate-related risks and opportunities as well as the climate scenarios applied is provided in the Strategy section of this Report.

Embedding climate into the existing risk management process

Climate-related risks are intended to be considered within the context of Bapcor's broader enterprise risk profiling procedure and are anticipated to be managed through the existing risk management processes going forward, with planned enhancements to embed climate considerations explicitly in a manner consistent with the nature of the Group's operations.

As part of this process, the Legal function is expected to be responsible for coordinating the assessment and profiling of climate-related risks. The risks are intended to be assessed using the same criteria applied to all enterprise risks, with existing controls and mitigation actions subsequently being documented and monitored.

Climate-related risks assessed as 'high' or 'extreme' within the ESG risk profile are to be escalated through existing governance pathways, including reporting to the Audit & Risk Committee (ARC) and the Board. Climate-related risks are not currently separately identified as key enterprise risks, however the transition risk relating to ICE vehicle products is incorporated within key enterprise risks.

The process illustrated in Figure 2 below demonstrates the planned integration of climate-related risks into Bapcor's existing Risk Management Framework.

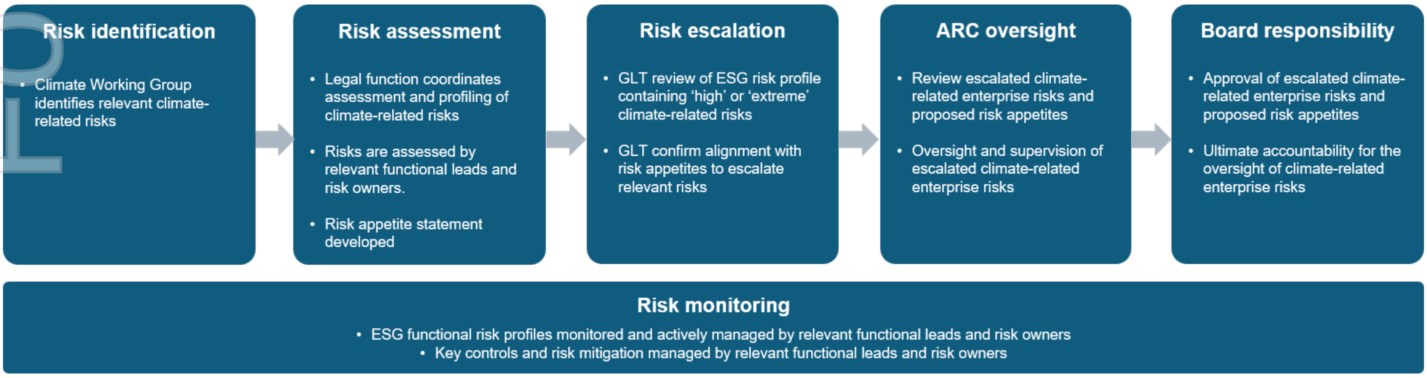


Figure 2: The proposed process for integrating climate-related risk management into the existing Risk Management Framework and governance structure.

Metrics & Targets

Climate-related metrics

Bapcor measures and discloses greenhouse gas (GHG) emissions to track progress against its emissions reduction targets and support the transition to a low-carbon economy. Measurement is aligned with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004).

Bapcor applies an operational control approach to define organisational boundaries, recognising 100% of emissions from operations where it has the authority to implement operating policies.

Accordingly, emissions from investments where operational control is not exercised are excluded from Scope 1 and Scope 2 and are expected to be incorporated within Scope 3 disclosures over time as measurement capability matures.

Absolute gross GHG emissions for the current reporting period are set out in Table 4, measurement methodologies are consistent with prior reporting periods, with no changes in the current reporting period.

Measurement approach

Bapcor's measurement approach for Scope 1 and Scope 2 emissions is outlined below:

- Scope 1 and Scope 2 emissions are calculated using primary activity data sourced from Bapcor's internal systems and third-party data monitoring platforms.
- This data is collected centrally and used to calculate emissions using relevant emission factors.
- Where primary activity data is unavailable, Bapcor applies estimation techniques using representative consumption data by business unit or site type.
- The relevant methodologies and assumptions are documented in Bapcor's internal basis of reporting and conservative assumptions are applied where relevant.
- Bapcor continues to enhance data accuracy across applicable emission categories through:
  - increased primary data collection
  - improved reconciliation processes
  - refinement of estimation techniques where complete activity data is unavailable

Emission factors

Emission factors are sourced from the Australian National Greenhouse Accounts Factors, 2025 (NGAF) published by the Department of Climate Change, Energy, the Environment and Water (DCCEW) and applied consistently across reporting periods.

Scope 1 emission sources

- Stationary fuel consumption: Natural gas used via owned and operated equipment, such as gas and diesel forklifts across sites.
- Mobile fuel combustion: Fuel used in fleet vehicles that are owned and operated by Bapcor.
- Fugitive emissions: Refrigerant leakage from use of air conditioning (AC) and/or heating ventilation and air conditioning (HVAC) systems across Bapcor sites.

Mobile fuel combustion represents the most significant component of Scope 1 emissions and is a priority decarbonisation lever. Activity associated with this emission source is tracked and calculated using telematics and fuel-spend data.

Scope 2 emission sources

- Purchased electricity: energy consumption across distribution centres, warehouses, retail and trade stores, and offices in Australia, New Zealand, and Thailand.

Scope 2 emissions are disclosed via both the:

- Location-based approach, which reflects grid-average emissions intensity; and
- Market-based approach, which reflects emissions after accounting for contractual instruments such as renewable energy purchases (e.g. GreenPower), by applying emissions factors to the residual non-renewable electricity consumption. Increased renewable electricity procurement is considered a potential decarbonisation lever that may be employed in future reporting periods, subject to further assessment of feasibility, cost, and available budget.

Table 5: Bapcor's absolute gross GHG emissions (tCO_2e) for the FY26 reporting period.

Emissions Scope	FY26 (tCO_2e)
Scope 1	13,001
Scope 2 (market-based)	14,491
Scope 2 (location-based)	14,561
Scope 1 and 2 (market-based)	27,492
Scope 1 and 2 (location-based)	27,562

The emissions outlined in Table 5 above inform the annual performance to enable tracking against Bapcor's Scope 1 and Scope 2 emissions reduction targets.

Bapcor has applied transitional relief and has not disclosed Scope 3 emissions in this Report. Scope 3 emissions will be disclosed in future reporting periods.

Cross-industry metrics

Bapcor has identified exposure to climate-related risks and opportunities across its operations (please refer to the Strategy section of this Report for further detail). At this stage, these climate-related risks and opportunities have been qualitatively assessed and Bapcor intends to refine the assessment methodologies in future reporting periods and expects to consider quantitatively disclosing cross-industry metrics as data accuracy, modelling capability and third-party data sources improve.

Bapcor does not currently apply an internal carbon price in its business planning or link climate performance to remuneration. Both are intended to be reviewed as the climate management framework matures.

Due to the lack of material financial effects and quantifiable data, cross-industry metrics are not provided this year.

Climate-related targets

In FY24, Bapcor established net, market-based climate-related GHG-emissions targets, applicable to operations across Australia, New Zealand, and Thailand. The GHG targets were established based on an assessment of Bapcor's emissions profile, and the decarbonisation opportunities identified across its operations, with the use of renewable energy certificates and transition to renewable electricity solutions considered as part of achieving Bapcor's targets.

These targets were in effect for the FY26 reporting period and have guided the current decarbonisation efforts. As Bapcor's business context has changed since the targets were set, all targets are under review to determine ongoing feasibility and alignment with broader business strategy. This review is expected to continue through FY27, and any resulting changes to targets, timeframes, or interim milestones is expected to be disclosed in future reporting periods.

Targets in effect for FY26 (under review)

- 40% reduction target in combined Scope 1 and Scope 2 emissions by FY30 (from FY23 baseline).
- 50% reduction target in combined Scope 1 and Scope 2 emissions by FY33 (from FY23 baseline).

A decarbonisation strategy to meet these targets was formalised in FY26. This identified and assessed emission reduction initiatives across Bapcor's operations. Based on the GHG emissions accounting results, mobile fuel combustion (fleet) and purchased electricity (property) account for more than 95% of Bapcor's operational Scope 1 and 2 emissions and therefore represent the primary levers for decarbonisation.

The FY26 decarbonisation strategy established a structured pathway to achieving the FY30 and FY33 targets, including the prioritisation of initiatives based on operational feasibility, cost-effectiveness, and implementation readiness. The feasibility, funding and implementation of the FY26 decarbonisation strategy will be reviewed in conjunction with the review of Bapcor's targets.

Progress against the FY23 baseline is monitored annually. Bapcor's Scope 1 & 2 GHG emissions have reduced by 2% between the FY23 baseline and FY26. In FY26 Bapcor recorded a decrease in Scope 1 emissions to 13,001tCO2e, compared to 13,500tCO2e in FY25 (-4%). Scope 2 market-based emissions increased to 14,491tCO2e in FY26, compared to 14,097tCO2e in FY25(+3%). The reduction in Scope 1 & 2 GHG emissions since FY23 reflect both operational improvements and enhanced data quality across reporting systems. Emissions data from FY23 to FY26 is presented comparatively in Table 6 below.

Table 6: Bapcor's emissions performance year-on-year compared to the FY23 baseline year.

Emissions Scope	FY23 (tCO_2e)	FY24 (tCO_2e)	FY25 (tCO_2e)	FY26 (tCO_2e)
Scope 1	14,250	14,567	13,500	13,001
Scope 2 (market-based)	13,811	14,285	14,097	14,491
Scope 2 (location-based)	14,071	15,318	14,940	14,561
Scope 1 and 2 (market-based)	28,061	28,852	27,597	27,492
Scope 1 and 2 (location-based)	28,321	29,885	28,440	27,562

Report judgements and measurement uncertainties

This Report includes forward-looking information relating to climate-related risks, opportunities and qualitative anticipated financial effects. This information is based on data and assumptions available at the reporting date and involved a degree of interpretation, as such, future realised outcomes may differ compared to what is stated in this Report.

The Group determined that the anticipated financial effects are not separately identifiable from broader economic, market, operational and geopolitical factors within the financial statements, and that the level of estimation uncertainty is such that resulting quantitative information would not be useful.

The climate scenario analysis and climate resilience disclosures outlined in the Strategy section of this Report rely on assumptions about future events that may not occur and are therefore inherently uncertain. Unpredictable future global GHG emissions and the dynamic nature of the earth's climate create uncertainties in physical climate scenario modelling. The unpredictable nature of government climate regulation, customer and OEM responses driving ZLEV uptake rates, ICE vehicle retirement rates and servicing needs create uncertainties in transition climate scenario modelling. The climate scenarios represent potential futures, not predictions, and are useful for assessing risks and informing strategic decisions, however, no single scenario should be interpreted as the most likely outcome.

As Bapcor's climate reporting, systems and controls mature, Bapcor's judgements and measurement methods will be refined. This may affect future assessments and disclosures or climate-related matters and financial effects.

Director's Declaration

The directors of Bapcor Limited declare that, in their opinion Bapcor Limited has taken reasonable steps to ensure that the substantive provisions of the Bapcor Limited Sustainability Report for the financial year ended 30 June 2026 set out on pages 110 to 124 are in accordance with the Corporations Act 2001 (C'th) ('the Act') including section 296C of the Act (compliance with applicable sustainability standards such as the Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures) and section 296D of the Act (climate statement disclosures).

This declaration is made on 27 August 2026 in accordance with a resolution by the Board of Directors of Bapcor Limited, and is signed for and on behalf of the board of directors by:

Lachlan Edwards
Chair

Chris Wilesmith
Chief Executive Officer and Managing Director

27 August 2026

WilliamBuck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Bapcor Limited

As lead auditor for the review of the specified Sustainability Disclosures in the Sustainability Report of Bapcor Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

— No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

— No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Bapcor Limited and the entities it controlled during the year.

William Buck

William Buck (NSW)
ABN 16 021 300 521

Mwamba Mwamba
Partner

Sydney, 27 August 2026

William Buck
ACCOUNTANTS & ADVISORS

Independent Auditor's Review Report on Specified Sustainability Disclosures to the Members of Bapcor Limited

Our conclusion

We have not become aware of any matter in the course of our review that makes us believe that the Sustainability Disclosures specified in the table below do not comply with Division 1 of Part 2M.3 of the Corporations Act 2001.

What was reviewed?

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report of Bapcor Limited (the Company) for the year ended 30 June 2026 as required by Australian Standards on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB):

Sustainability Disclosures	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (AASB S2) (including related general disclosures required by Appendix D)	Location in Sustainability Report
Governance	Paragraph 6	Section titled 'Governance'
Strategy – Risks and Opportunities	Subparagraphs 9(a), 10(a), and 10(b)	Section titled 'Strategy'
Scope 1 & 2 Emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	Section titled 'Metrics and targets'

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

Level 29, 66 Goulburn Street, Sydney NSW 2000 +61 2 8263 4000 nsw.info@williambuck.com
Level 7, 3 Horwood Place, Parramatta NSW 2150 +61 2 8263 4000 nsw.info@williambuck.com
Level 4, 23 National Circuit, Barton ACT 2600 +61 2 6126 8500 act.info@williambuck.com
williambuck.com

William Buck
ACCOUNTANTS & ADVISORS

Basis for conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the 'Summary of the work performed' section of our report below.

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to July 2025) (the Code), together with the ethical requirements in the Act, that are relevant to our review of the specified Sustainability Disclosures in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

We confirm that the independence declaration required by the Act, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report. Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information

The directors of the Company are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2026 but does not include the specified Sustainability Disclosures in the Sustainability Report and our auditor's review report thereon. Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

William Buck
ACCOUNTANTS & ADVISORS

Responsibilities of the directors for the specified Sustainability Disclosures

The directors of the Company are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the specified Sustainability Disclosures, in accordance with the Act that are free from material misstatement, whether due to fraud or error.

Inherent limitations

Inherent limitations exist in all assurance engagements due to selective testing of the information being examined. It is therefore possible that fraud, error, or material misstatement in the specified Sustainability Disclosures may occur and not be detected.

The climate-related risk management is an emerging area, and often uses data and methodologies that are developing and uncertain. The Report contains forward looking statements, including climate-related scenarios, targets, assumptions, climate projections, forecasts, statements of future intentions and estimates and judgements that have not yet occurred and may never occur. We do not provide assurance on the achievability of this prospective information.

Greenhouse gas emissions quantification is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.

Auditor’s responsibilities for the review of the specified Sustainability Disclosures

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity’s internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

WilliamBuck
ACCOUNTANTS & ADVISORS

Summary of the work performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Enquired with management to understand the governance structure and reporting process;
- Enquired with management to understand the process for developing the climate governance, strategy and metrics disclosures;
- Obtained an understanding of relevant processes, information flow and related systems for key data sets;
- Reviewed internal documentation including policies risk management frameworks and basis of preparation documents;
- Reviewed Bapcor Limited's process undertaken to identify climate-related risks and opportunities that could be reasonably be expected to affect the entity's prospects;
- Evaluated the appropriateness of Scope 1 and Scope 2 emission factors applied in the greenhouse gas emission processes; and
- Evaluated the presentation and disclosure of the selective sustainability information against the requirements of AASB S2.

William Buck

William Buck (NSW)
ABN 16 021 300 521

Mwamba Mwamba
Partner

Sydney, 27 August 2026

Bapcor Limited
Corporate directory
30 June 2026

Directors	Lachlan Edwards (Chair) Kathryn Spargo (Deputy Chair) Chris Wilesmith (Chief Executive Officer and Managing Director) Jacqueline Korhonen (Independent, Non-Executive Director) Patria Mann (Independent, Non-Executive Director) Annette Carey (Independent, Non-Executive Director)
Company secretary	George Sakoufakis
Notice of annual general meeting	The details of the annual general meeting of Bapcor Limited are: Date: 22 October 2026 Time: 1:30pm (AEDT) Address: 127-139 Link Road, Melbourne Airport, VIC, 3045
Registered office	127-139 Link Road Melbourne Airport VIC 3045 Australia
Share register	Computershare Investor Services Pty Ltd 452 Johnston Street Abbotsford VIC 3067 Australia Ph: +61 3 9415 4000 or 1300 850 505 (within Australia)
Auditor - Financial Report	PricewaterhouseCoopers 2 Riverside Quay Southbank VIC 3006 Australia
Auditor - Sustainability Report	William Buck Accountants & Advisors Level 29, 66 Goulburn Street Sydney NSW 2000 Australia
Stock exchange listing	Bapcor Limited shares are listed on the Australian Securities Exchange (ASX: BAP)
Website	www.bapcor.com.au