

ASX Announcement Bapcor Limited (ASX: BAP)

26 February 2025

2025 Half-Year Financial Results and Trading Update

Bapcor Limited (“Bapcor” or the “Company”, ASX: BAP), Asia Pacific’s leading provider of vehicle parts, accessories, equipment, service and solutions, today announces its financial results for the half-year ended 31 December 2024 (“1H25”).

1H25 Highlights¹

- Pro-forma group revenue² of \$987.8M, up 0.3% and pro-forma NPAT of \$45.5M, down 15.2% on PCP
 - Trade revenue up 1.9% and Trade EBITDA up 12.3% offset by weaker Retail and Specialist Wholesale segment
- Pro-forma EBITDA of \$132.5M, down 7.2% on PCP; up 6.2% on 2H24 following cost reduction initiatives
- Statutory group revenue of \$1,012.4M, down 0.5%
- Statutory NPAT of \$40.8M, down 13.0% on PCP
- Expect to reach upper end of \$20-\$30M cost savings target in FY25
- Cash conversion of 108.5% (62.4% in PCP) following disciplined capital management
- Net debt reduced by 9.7% to \$304.5M (vs \$337.1M at 30 June 2024)
- Interim fully franked dividend of 8.0 cps, payout ratio of 60% of pro-forma NPAT
- Strategic update to be provided in the week commencing 28 April 2025

Bapcor’s Executive Chair and CEO, Mr. Angus McKay said: “In my first six months we have been resolute in delivering on the actions previously outlined to right-size the cost base, enhance operational efficiencies and set us up to grow. We made significant progress during the half, with the benefits of these initiatives starting to be realised, as evidenced by our core Trade business growing EBITDA by 12.3%, however trading conditions remain challenging impacting our Retail, New Zealand and Specialist Wholesale divisions.

“We expect to deliver cost savings towards the top end of our \$20-30M target range in FY25 which will be second half weighted. We have been highly disciplined in how we manage working capital and our strong cash conversion has meant we were able to pay down debt, while investing to grow our Trade network and make significant strategic improvements in IT.

“There is a lot more to do and we are taking action to further simplify the business and strengthen our core operations while assessing how to optimise our underperforming segments.”

¹ All comparisons relate to 1H 24, unless stated otherwise.

² 1H24 & 1H25 pro forma numbers have been adjusted to exclude businesses sold or business classified as held for sale.



Progress Against Key Management Actions

During the half, management made significant progress in delivering against the actions outlined in its FY24 results. These are aimed at simplifying the business and improving operating efficiencies:

- Majority of head office headcount reduction completed towards end of Q1 FY25
- DC rationalisation program on track to reduce ~20% of small warehouses in FY25
- Consolidation of Specialist Networks with CVG and AEG operations fully integrated
- Network expansion in our core Trade segment with six new Burson stores, the merger of three stores and six further store openings planned for 2H25
- Sale of the non-core MTQ diesel fuel injection business was completed on 28 November 2024
- IT network upgrades including in SDWAN (fibre to store), Autobarn website, Data Lake and ERP system consolidation

In addition, the Group's operational review of its Retail and Wholesale businesses is ongoing with the findings due to be included in a broader Group strategy update to be provided in the week commencing 28 April.

Financial Performance³

	1H25	1H24	YoY
Revenue pro forma (\$M)	987.8	984.8	0.3%
EBITDA pro forma (\$M)	132.5	142.7	(7.2%)
NPAT pro forma (\$M)	45.5	53.7	(15.2%)
NPAT Statutory (\$M)	40.8	46.9	(13.0%)
Dividend per share(cps)	8.0c	9.5c	(1.5c)
Cash conversion	108.5%	62.4%	461bp
Net Debt (\$M)	304.5	332.7	(8.5%)
Leverage (ND / EBITDA)	1.65x	1.51x	(0.14x)

³ 1H24 & 1H25 pro forma numbers have been adjusted to exclude businesses sold or business classified as held for sale.

Cash, Balance Sheet and Dividend

Cash flows from operating activities were \$143.7M (1H24: \$89.0M). Bapcor delivered a significant improvement in cash conversion to 108.5% (1H24: 62.4%) as a result of strong working capital management.

Bapcor ended 1H25 with a net debt position of \$304.5m (FY24: \$337.1M). This represents a leverage ratio of 1.65x. There are no debt facilities expiring in 2025 with more than \$290M in undrawn committed facilities as at 31 December 2024.

The Board has declared an interim, fully franked dividend of 8.0 cps representing a payout ratio of 60% of pro-forma NPAT, at the top end of the company's payout range.

Trading Update and Outlook

Sales from 1 January to 14 February 2025 were up 0.5% with Trade up 3.7%⁴ offset by weakness in Retail and Wholesale.

Angus McKay said: "The start to 2H25 has been consistent with the return to work by the industry and we are confident with the balance of the year. With respect to our targeted \$20-30M savings, we expect to deliver at the top end of our stated range. Savings are expected from the DC rationalisation program and the full effect of our headcount reduction program implemented in the first half.

"We have clear focus areas for the second half as we continue to simplify the business and allocate our resources thoughtfully. As a management team we are confident that these initiatives will set us up to deliver sustainable growth over the long-term and we look forward to updating the market in more detail at our strategy briefing in the week commencing 28 April 2025."

Results webcast

Bapcor will host a results briefing today at 9:30am which participants can join via the following webcast link: https://event.webcasts.com/starthere.jsp?ei=1701244&tp_key=f74889aea2

Ends –

Issued by: Bapcor Limited ("Bapcor" or "the Company"), ASX:BAP, www.bapcor.com.au

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⁴ Gross sales, excluding intercompany eliminations and the impact of foreign currency translation and adjusted for the business held for sale and trading days