

Bapcor Limited

(ASX: BAP)

ASX Release

17 September 2019

Vesting and issue of Performance Rights

Bapcor Limited (the **Company**) attaches an Appendix 3B reflecting changes in its issued capital, due to:

- the vesting and lapsing of Performance Rights previously issued in 2016 and 2017 to senior executives under the Company's Long Term Incentive Plan (**LTIP**) in respect of their FY17 long term incentives (**FY17 Performance Rights**); and
- the issue of new Performance Rights to senior executives under the LTIP in respect of their FY20 long term incentives (**FY20 Performance Rights**).

Vesting of FY17 Performance Rights

Each FY17 Performance Right entitles its holder to acquire one fully paid ordinary share in the Company if the applicable performance hurdles are met at the end of the three year performance period of 1 July 2016 to 30 June 2019 (**Performance Period**).

The performance hurdles are based on the Company's total shareholder return (**TSR**) relative to the TSR of peer group companies, and the Company's compound annual growth rate in earnings per share (**EPS**).

The achievement of the performance hurdles was independently tested by a third party against the Company's TSR and EPS performance over the Performance Period. The extent to which the FY17 Performance Rights have vested is as follows:

- Based on the Company's TSR performance over the Performance Period, none of the FY17 Performance Rights on issue linked to the TSR performance hurdle have vested.
- Based on the Company's EPS performance over the Performance Period, 100% of the FY17 Performance Rights on issue linked to the EPS performance hurdle have vested.

A total of 154,875 FY17 Performance Rights have vested, and the balance of 204,948 FY17 Performance Rights have lapsed (or been forfeited due to retirement).

Further details on the FY17 Performance Rights and their performance hurdles are provided in the Company's 2019 Remuneration Report.

A total of **154,875** underlying shares for the vested Performance Rights have been acquired on-market by Bapcor's Employee Share Trust, and transferred to the Performance Rights holders; these shares will be subject to a 12 month escrow period.

No new Bapcor shares have been issued upon the vesting of the FY17 Performance Rights.

Issue of FY20 Performance Rights

The Company has issued 355,588 FY20 Performance Rights to key executives (excluding Darryl Abotomey, the Managing Director and CEO) under the LTIP as FY20 long term incentive awards.

The FY20 Performance Rights will each vest into one ordinary share, subject to the satisfaction of performance hurdles, which will be tested over a 3 year performance period from 1 July 2019 to 30 June 2022.

The performance hurdles are as follows:

- 50% of the FY20 Performance Rights will be subject to a hurdle based on the Company's TSR relative to the TSR of a set of comparator companies over the 3 year performance period.
- 50% of the FY20 Performance Rights will be subject to a hurdle based on the Company's compound annual growth rate of basic EPS of between 7.5% and 15% over the 3 year performance period.

An additional 209,560 FY20 Performance Rights will be issued to Managing Director and CEO Darryl Abotomey, subject to shareholder approval which will be sought at the Company's upcoming 2019 Annual General Meeting.

-ENDS-

For further information, please contact:

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Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Bapcor Limited (**Bapcor** or the **Company**)

ABN

ABN 80 153 199 912

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares (Shares) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 355,588 Performance Rights |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <p>The Performance Rights were issued to key executives under the Company's Long Term Incentive Plan (Plan) as FY20 long term incentive awards.</p> <p>The Performance Rights will each vest into one ordinary share, subject to the satisfaction of performance hurdles, which will be tested over a 3 year performance period from 1 July 2019 to 30 June 2022.</p> <p>The performance hurdles are as follows:</p> <ul style="list-style-type: none"> 50% of the Performance Rights will be subject to a hurdle based on the Company's Total Shareholder Return (TSR) relative to the TSR of peer group companies. 50% of the Performance Rights will be subject to a hurdle based on the Company's compound annual growth rate (CAGR) in earnings per share (EPS). |

		No cash consideration is payable for the issue of the Performance Rights, or on the allocation of underlying shares to the holder upon vesting of the Performance Rights. Underlying shares that are allocated to holders upon vesting of Performance Rights will be subject to a 12-month escrow period.
4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: - the date from which they do - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	The Performance Rights will not be quoted or rank equally with any class of quoted securities. The underlying fully paid ordinary shares allocated to the holder upon vesting of the Performance Rights will be quoted on ASX. The underlying shares will rank equally with all other ordinary shares then on issue in the Company.
5	Issue price or consideration	The Performance Rights are issued for nil cash consideration.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The Performance Rights are issued to key executives of the Company as FY20 long term incentives under the Plan, as part of their total remuneration packages.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i	No
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	N/A

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	N/A	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of +securities issued under an exception in rule 7.2	355,588 Performance Rights	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	17 September 2019	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		283,480,597	Fully paid ordinary shares
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		1,218,766	Performance Rights issued under Bapcor's Long Term Incentive Plan

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A

+ See chapter 19 for defined terms.

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	*Issue date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of *securities
(tick one)

(a) ☐ *Securities described in Part 1

(b) ☐ All other *securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought
- 39 +Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?
- If the additional +securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

+ See chapter 19 for defined terms.

41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)	N/A
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		Number	+Class
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	N/A	

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Gregory Fox
Company Secretary
17 September 2019

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ⁺ ordinary securities on issue 12 months before the ⁺ issue date or date of agreement to issue	280,244,752
Add the following: - Number of fully paid ⁺ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid ⁺ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid ⁺ordinary securities that became fully paid in that 12 month period <i>Note:</i> - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	830,414 shares issued on 27 September 2018 1,008,479 shares issued on 12 April 2019
Subtract the number of fully paid ⁺ ordinary securities cancelled during that 12 month period	Nil
“A”	282,083,645

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	42,312,546
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: - Under an exception in rule 7.2 - Under rule 7.1A - With security holder approval under rule 7.1 or rule 7.4 Note: <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i>	1,396,952 shares issued on 5 December 2018
“C”	1,396,952
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	42,312,546
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	1,396,952
Total [“A” x 0.15] – “C”	40,915,594 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	N/A
Step 2: Calculate 10% of “A”	
“D” 	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items	
“E”	
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	
Total [“A” x 0.10] – “E”	<i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.