BJ's Wholesale Club Investor Presentation

March 2025

BJ's Wholesale Club

Forward-Looking Statements:

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this presentation that do not relate to matters of historical fact should be considered forward-looking statements, including, without limitation, statements regarding our future results of operations and financial position; our anticipated fiscal 2025 outlook; the timing and amounts of any share repurchases under our current authorized share repurchase programs; and our strategic priorities and future progress, as well as statements that include the words “expect,” “intend,” “plan,” “confident,” “believe,” “project,” “forecast,” “estimate,” “may,” “should,” “anticipate” and similar statements of a future or forward-looking nature. These forward-looking statements are based on management’s current expectations. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to: uncertainties in the financial markets, including, without limitation, as a result of disruptions and instability in the banking and financial services industries or as a result of wars and global political conflicts, consumer and small business spending patterns and debt levels; our dependence on having a large and loyal membership; domestic and international economic conditions, including volatility in inflation or interest rates, supply chain disruptions, construction delays and exchange rates; our ability to procure the merchandise we sell at the best possible prices; the effects of competition and regulation; our dependence on vendors to supply us with quality merchandise at the right time and at the right price; breaches of security or privacy of member or business information; conditions affecting the acquisition, development, ownership or use of real estate; our capital spending; actions of vendors; our ability to attract and retain a qualified management team and other team members; costs associated with employees (generally including health care costs), energy and certain commodities, geopolitical conditions (including tariffs); changes in our product mix or in our revenues from gasoline sales; our failure to successfully maintain a relevant omnichannel experience for our members; risks related to our growth strategy to open new clubs; risks related to our e-commerce business; our ability to grow our BJ’s One Mastercard® program; and other important factors discussed under the caption “Risk Factors” in our Form 10-K filed with the U.S. Securities and Exchange Commission (“SEC”) on March 18, 2024, and subsequent filings with the SEC, which are accessible on the SEC’s website at www.sec.gov. These and other important factors could cause actual results to differ materially from those indicated by the forward-looking statements made in this presentation. Any such forward-looking statements represent management’s estimates as of the date of this presentation. While we may elect to update such forward-looking statements at some point in the future, unless required by law, we disclaim any obligation to do so, even if subsequent events cause our views to change. Thus, one should not assume that our silence over time means that actual events are bearing out as expressed or implied in such forward-looking statements. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this presentation.

Industry Information:

Market data and industry information used throughout this presentation are based on management’s knowledge of the industry and the good faith estimates of management. We also relied, to the extent available, upon management’s review of independent industry surveys and publications and other publicly available information prepared by a number of third-party sources. Although we believe that these sources are reliable, we cannot guarantee the accuracy or completeness of this information, and we have not independently verified this information. All of the market data and industry information used in this presentation involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. While we believe the estimated market position, market opportunity and market size information included in this presentation are generally reliable, such information, which is derived in part from management’s estimates and beliefs, is inherently uncertain and imprecise. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described above. These and other factors could cause results to differ materially from those expressed in our estimates and beliefs and in the estimates prepared by independent parties.

Non-GAAP Financial Measures:

We present adjusted EBITDA, adjusted EPS, adjusted free cash flow, and Net Debt to LTM adjusted EBITDA to help us describe our operating performance. Our presentation of these measures is intended as a supplemental measure of our performance that is not required by, or presented in accordance with, U.S. generally accepted accounting principles (“GAAP”). Adjusted EBITDA, adjusted free cash flow, and adjusted EBITDA margin should not be considered as an alternative to operating income (loss), net income (loss), earnings per share or any other performance measures derived in accordance with U.S. GAAP as measures of operating performance or operating cash flows or as measures of liquidity. Our presentation of adjusted EBITDA, adjusted free cash flow, and adjusted EBITDA margin should not be construed to imply that our future results will be unaffected by these items. A reconciliation of these non-GAAP financial measures to the most comparable GAAP financial measures are included in the Appendix to this presentation.

Q4 FY24: Stronger-than-expected quarter caps a record year

Our strategic priorities power a stronger future

- Improve member loyalty
- Unbeatable member experience
- Deliver value conveniently
- Grow our footprint

7.5M+
Members

$117.0 M
MFI[1] +7.9% vs. Q4 FY23

90%
Tenured renewal rate[2]

39%
Higher-tier penetration

Growing the size and quality of **membership** to **record** levels

Focus on **value** resonating with members, demonstrated by growth in **traffic, units sold and market share**

+26%
Digitally-enabled comparable sales growth

90%+
Digital sales fulfilled in-club

26%
Own brand penetration[2]

Opened **7** new clubs and **12** new gas stations in FY24

Acceleration in new club openings

At FYE24, the company operated **250** clubs and **186** gas stations[4]

Strong balance sheet and free cash flow provide strategic flexibility

- Capital allocation priority remains investing in the business
- Net debt to LTM adjusted EBITDA[3] of **0.5x**
- Returned **$190.9M** to shareholders via share repurchases (FY24)
- New **$1 billion** share repurchase program effective FY25

Q4 FY24 results[5]

$5.2B
Net sales -1.7% vs. Q4 FY23, or +5.4% ex. the extra week in Q4 FY23

+4.6%
Comparable club sales ex. the impact of gasoline vs. Q4 FY23

-10bps
Merchandise gross margin rate vs. Q4 FY23

$264.6M
Adjusted EBITDA[3] -9.0% vs. Q4 FY23

$0.93
Adjusted EPS[3] -16.2% vs. Q4 FY23, partially due to the extra week in Q4 FY23

$111.5M
Adjusted free cash flow[3]

[1] Membership fee income
[2] As of FY24. Stats reported annually
[3] Refer to Appendix section for a reconciliation of non-GAAP financial measures
[4] As of fiscal year ended February 1, 2025
[5] Net sales and net income for the 53rd week were approximately $353.4 million and $13.4 million, respectively

Key investment highlights

Advantaged **business model** in a favorable market backdrop

Loyal **membership** base that is growing in **size** and **quality**

Differentiated shopping experience focused on **fresh, value** and **convenience**

Accelerated **expansion** of highly profitable club base

Prudent **capital allocation** strategy maximizes **shareholder value**

The warehouse club model offers significant structural advantages

Operate efficiently

- Limited SKUs support pallet presentation, driving scale and inventory turns
- Requires less labor in club
- Efficient distribution
- Lower per square foot build-out costs

Constantly reinvest into value

- ~25% better prices than grocery[1]
- ~10x return on annual membership fee
- Compelling promotions and awards
- Fuel and services (tires, optical, etc.)

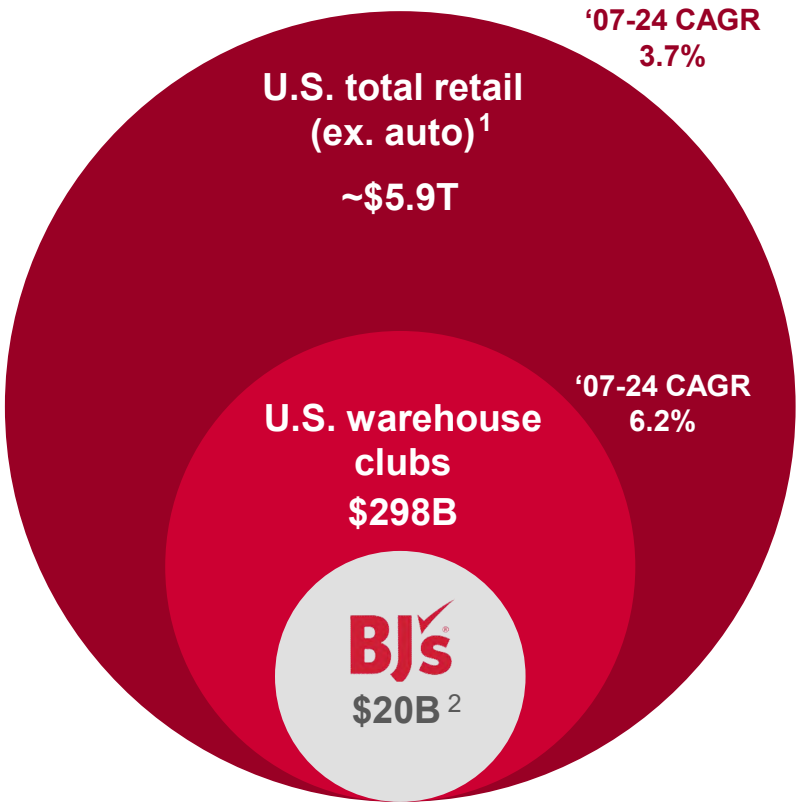
Earn member loyalty, stability and data

- 90% tenured renewal rate
- Membership fee drives spend consolidation and strong annuity
- Provides comprehensive data on members

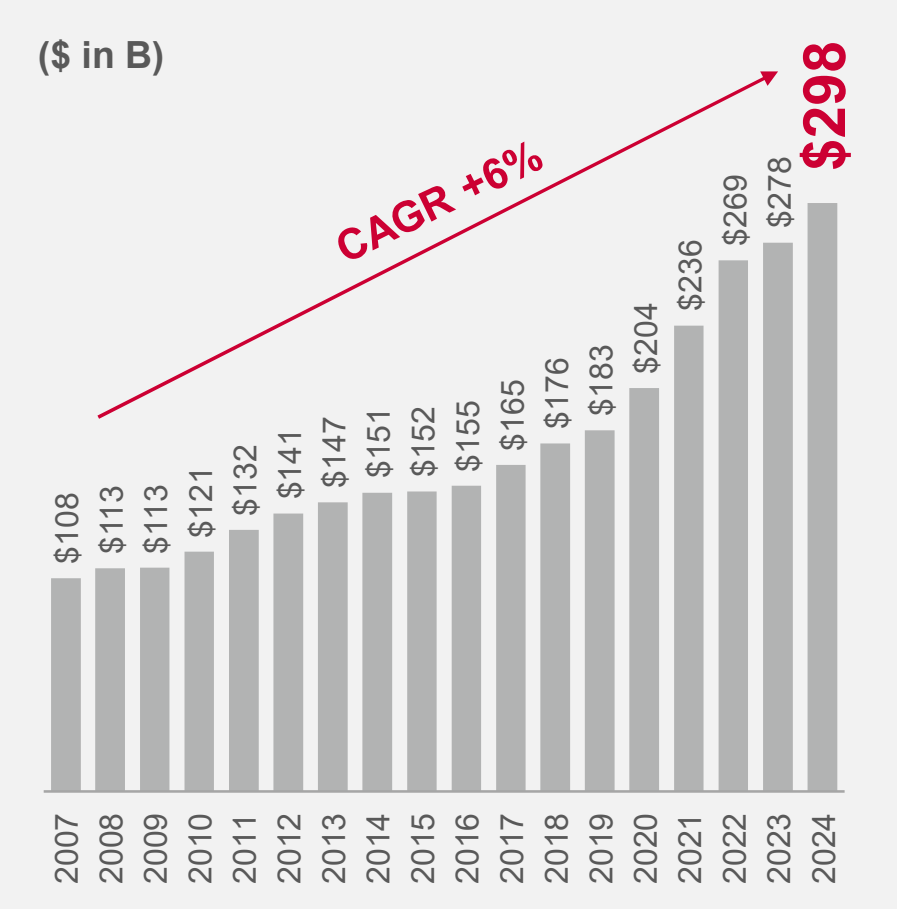
[1] 25% savings based on a representative basket of manufacturer-branded groceries compared to traditional supermarket competitors. For additional information, refer to our Form 10-K filed with the SEC on March 18, 2024

BJ's and the broader warehouse club channel is growing and taking share

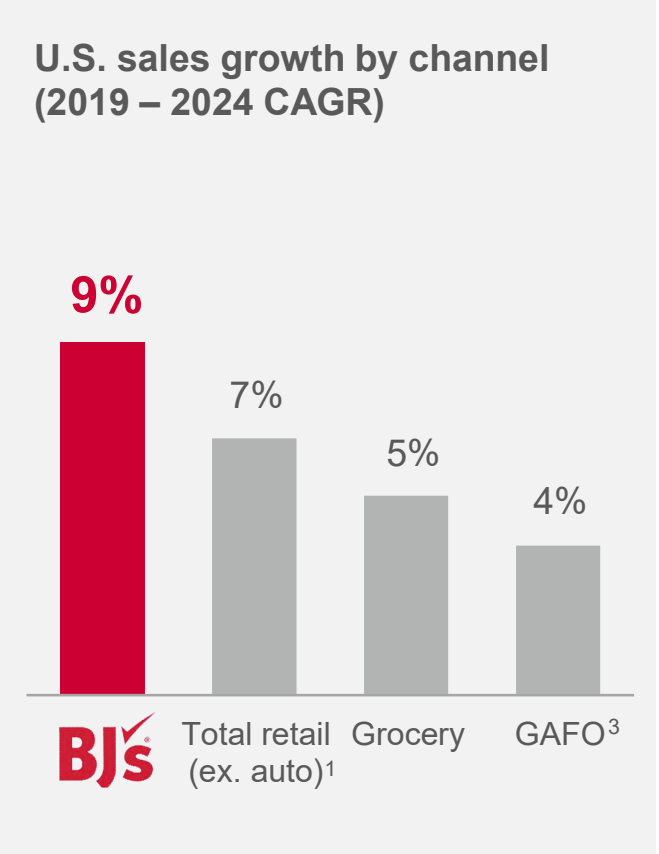
Total addressable market in U.S.



U.S. warehouse club market size



BJ's has outperformed, driving share gains



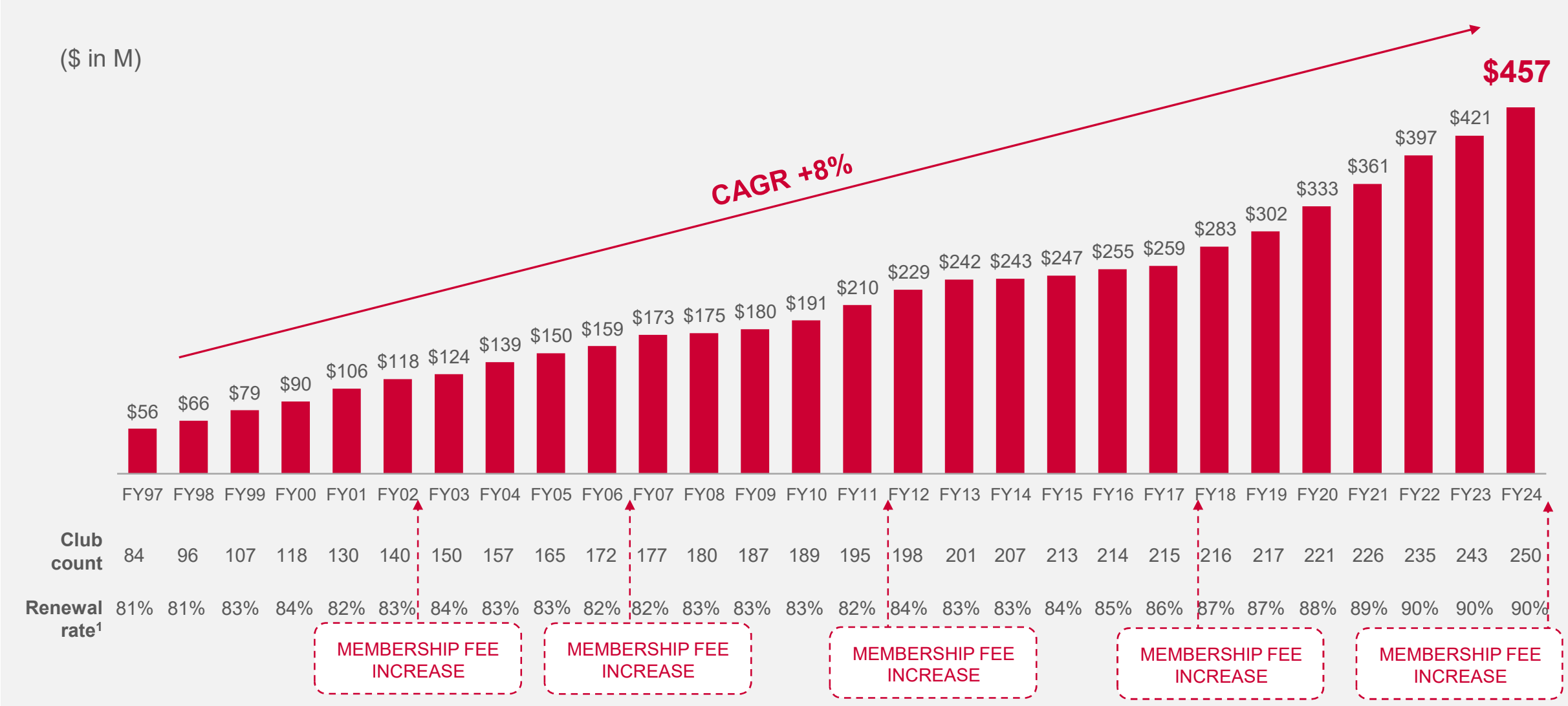
Source: HHC Publishing – 2024 Warehouse Club Focus; U.S. Census Bureau data (seasonally adjusted)

[1] Excludes auto and other motor vehicles

[2] BJ's FY24 net sales

[3] GAFO represents stores that specialize in merchandise including furniture & home furnishings, electronics & appliances, computers, clothing & accessories, sporting goods, hobby, book, music, general merchandise, and office supplies

MFI has grown every year for over 25 years



[1] Represents tenured renewal rate which is reported annually
Note: Club counts as of fiscal year end

BJ's go-to-market strategy is differentiated

vs. Club

- Broader assortment
- Smaller pack sizes
- Smaller club format
- Convenient locations
- Full-service deli

vs. Grocery

- ~25% lower prices[1]
- Treasure hunt
- Services & fuel

vs. Mass channel

- Price below mass channel break-even
- Larger pack sizes

[1] 25% savings based on a representative basket of manufacturer-branded groceries compared to traditional supermarket competitors. For additional information, refer to our Form 10-K filed with the SEC on March 18, 2024

We strive to deliver a great member experience grounded in value

How members save at BJ's

- Lower prices
- Fresh food and deli assortment can fulfill weekly grocery shopping needs
- Quality own brand products
- Digital app allows for convenient shopping and coupon usage
- Low-priced fuel and services
- Attractive credit card rewards

Illustrative member savings[1]

- EDLP savings
- Coupons
- Gas savings
- Higher-tier membership rewards

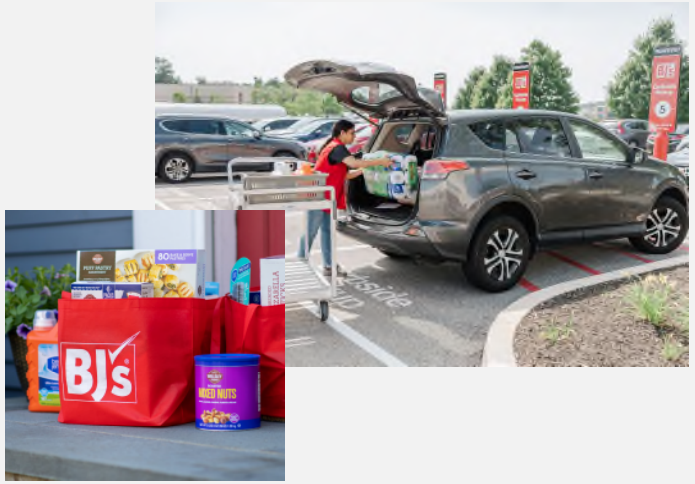
[1] Estimate of average annual member savings. Assumes Every Day Low Price ("EDLP") savings versus traditional grocery

Our goal is to deliver convenience to our members

1

Digitally-enabled sales

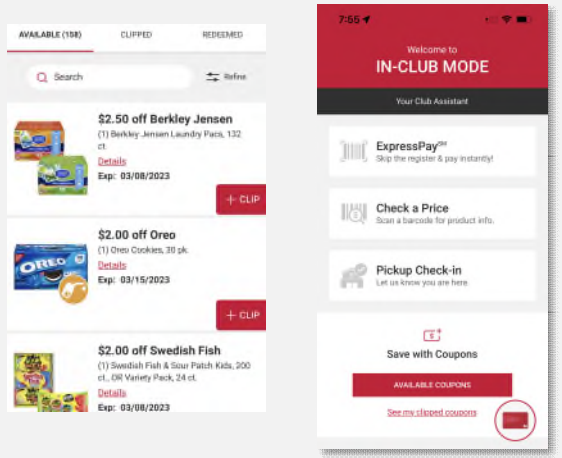
- BOPIC[1] / Curbside pickup
- Same-day delivery
- Ship-to-home, Express Pay, other[2]



2

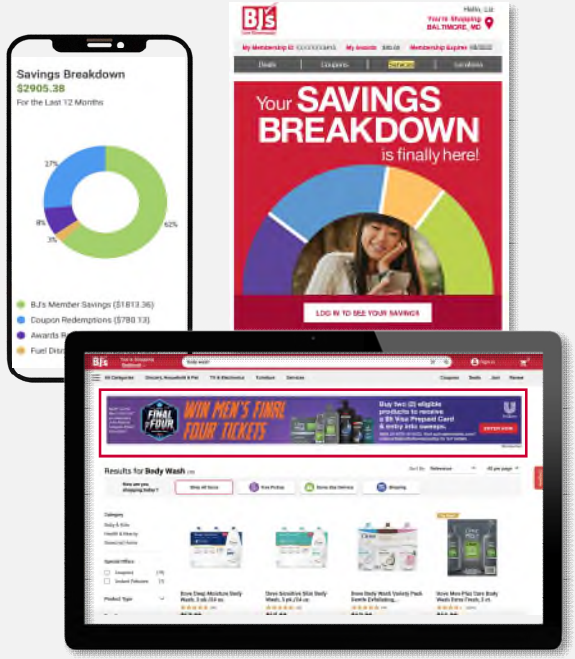
In-club conveniences

- Price scan
- In-club coupons
- Deli pre-ordering
- Product location



3

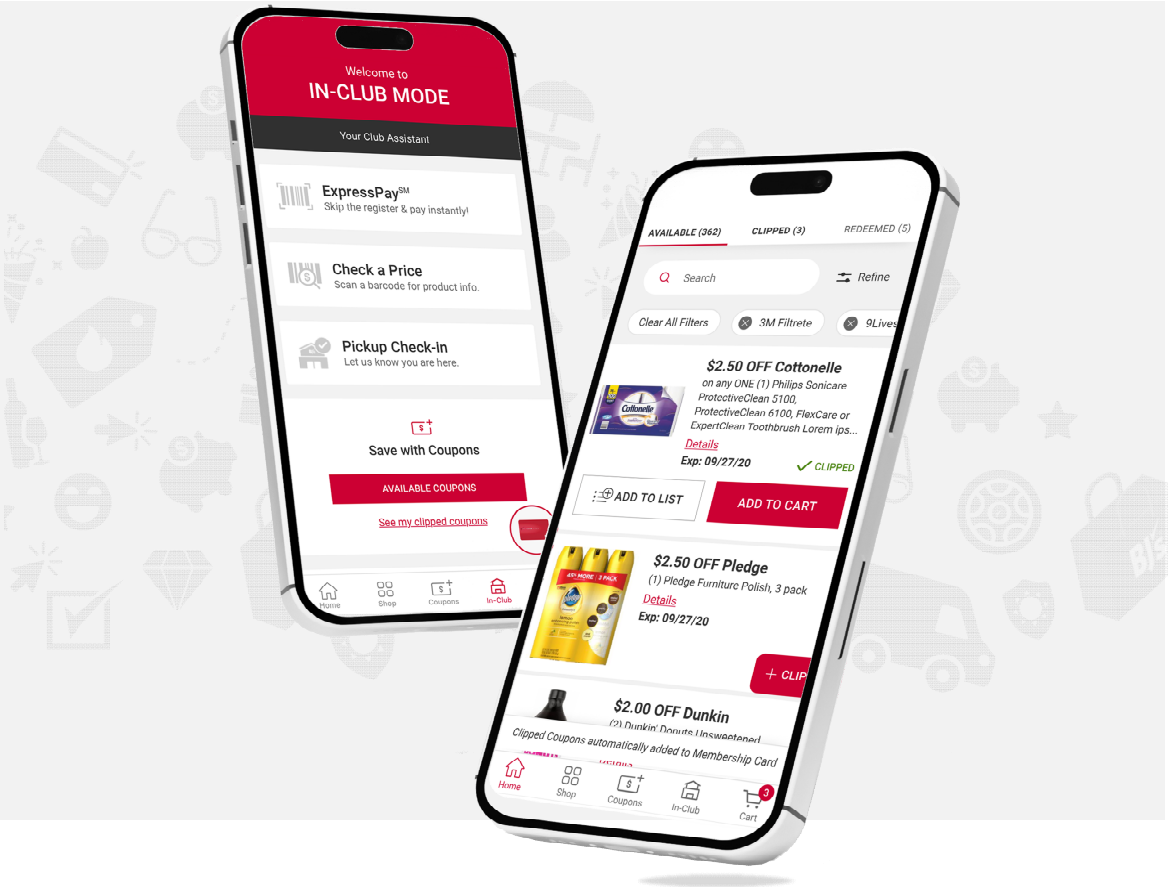
Targeted messaging and retail media program



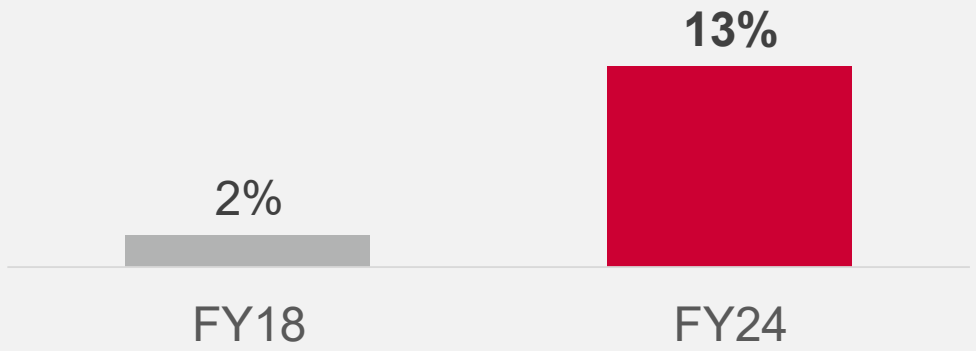
[1] Buy online, pick up in club
[2] All other digital offering e.g. services

Our digital offerings have contributed meaningfully to our growth

Digitally engaged[1] members are ~2x more valuable[2] driven by greater trips, spend and renewal



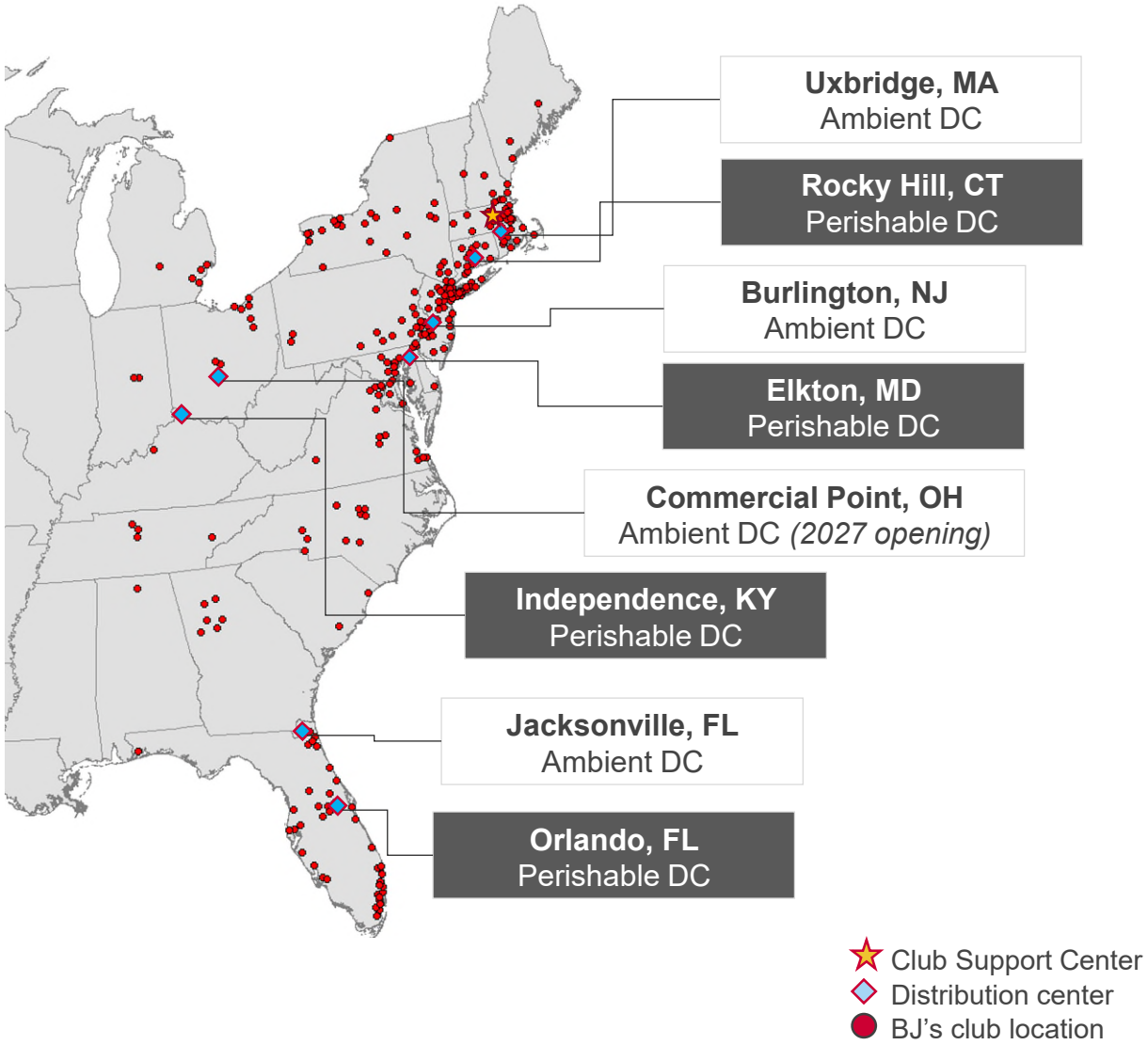
FY24 digitally-enabled comp sales grew 53% on a 2-yr stack



Digital penetration %[3]

[1] Members shopping online or in-club using digital conveniences through web or app properties in FY24
[2] Compared to members who only shop in-club
[3] As a % of merchandise sales

We have an advantaged real estate position built over 40+ years…



We have an industry leading footprint on the east coast and are expanding

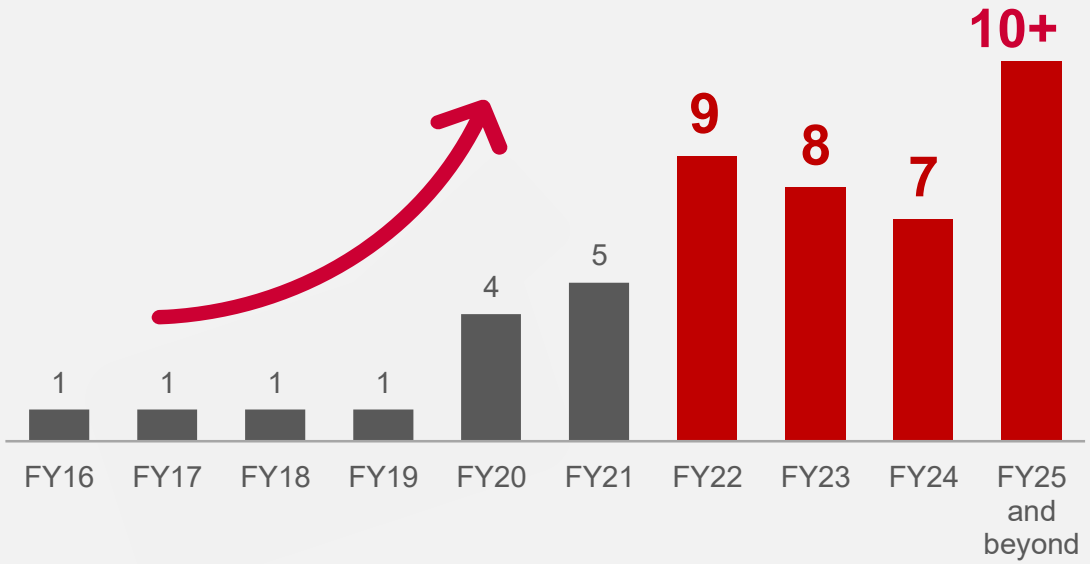
253	189	21
Clubs[1]	Gas stations[1]	States[1]

- Leading positions in core Eastern U.S. markets
- ~3x clubs vs. next largest competitor in New England[2]
- Entered 21st state (Louisville, KY) in early 2025

[1] As of March 7, 2025
[2] Refers to core New England markets: CT, MA, ME, NH, RI and VT; Compares to Costco and Sam's Club count as of latest published annual reports

…and have accelerated our growth in recent years

Club count growth



- Expect 10 to 12 new clubs per year
- Recent openings prove our model works
- New ambient DC in Commercial Point, OH to support growth (estimated 2027 opening)
- Strongest pipeline in company's history

We have delivered significant growth since 2018

FY24 vs. FY18

+58% Net sales	**+61%** MFI	**90%** Tenured renewal rate	**+92%** Adjusted EBITDA[1]
+205% Adjusted EPS[1]	**$2.7B** Cumulative adjusted free cash flow[1]	**0.5x** Net debt to adjusted EBITDA[1]	**$816M** Cumulative share repurchases

[1] Refer to Appendix section for a reconciliation of non-GAAP financial measures

Our long-term financial targets reflect continued momentum

Comparable club sales[1]	Total revenues	EPS
LSD% – MSD% growth	MSD% growth	HSD% – LDD% growth

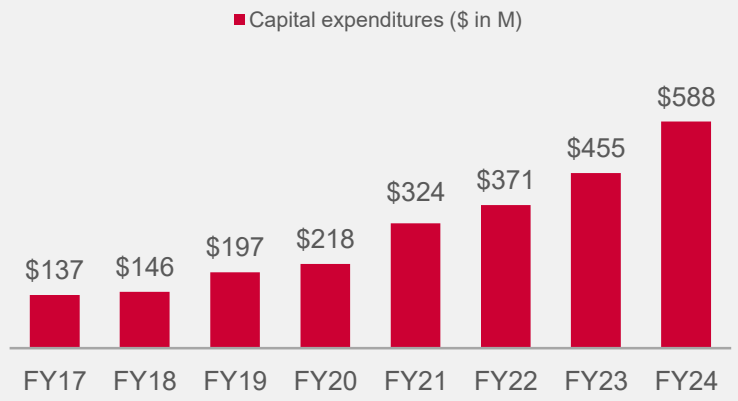
[1] Excluding the impact of gasoline sales

We are maximizing shareholder value through disciplined capital allocation

Reinvest for long-term growth

- Highest capital return priority remains investing in the business to support strategic growth priorities including footprint expansion
- FY22: Brought end-to-end perishable distribution network in-house via acquisition of four distribution centers[1]
- January 2025: Announced plans to build fourth ambient distribution center (2027 opening)

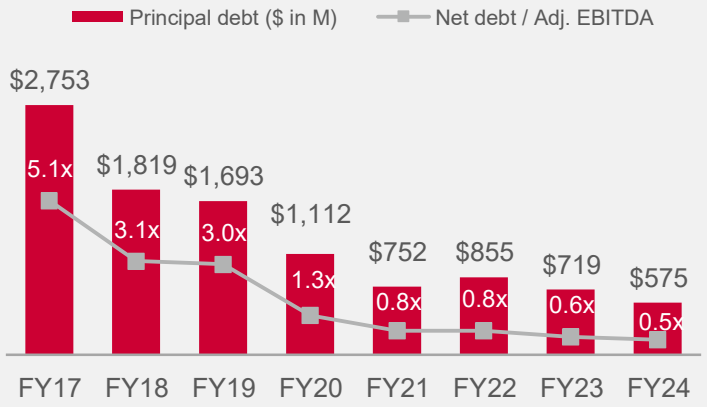
Capex ramping as new club openings accelerate



Maintain strong balance sheet

- De-levered balance sheet since 2018 initial public offering
- The company remains focused on maintaining balance sheet strength to maximize strategic flexibility

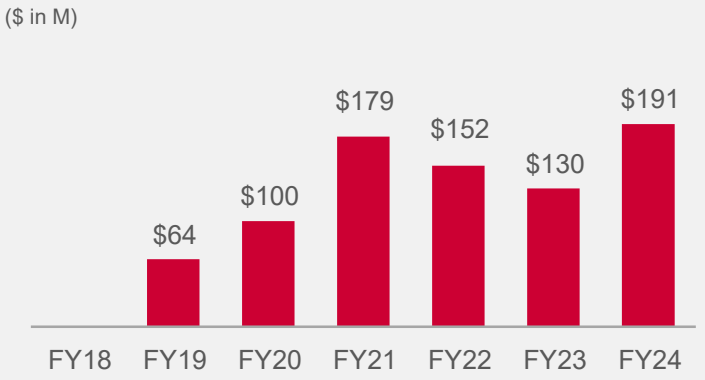
Reduced debt by $2B+ since FY17



Return cash to shareholders

- Share repurchase remains the preferred method of returning cash to shareholders
- Fully utilized company's four-year $500M share repurchase program which expired in January 2025
- New $1B share repurchase program expiring January 2029

$816M of shares buybacks since FY18[2]



[1] Transaction closed on May 2, 2022. Acquisition included related private transportation fleet
[2] Includes 2.5 million shares repurchased by the company in connection with the secondary offering of shares of the company's common stock by certain selling shareholders completed on June 27, 2019

Appendix

GAAP to non-GAAP reconciliations

Adjusted EBITDA

(in M)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Income from continuing operations	$ 52	$ 127	$ 188	$ 421	$ 427	$ 514	$ 524	$ 534
Interest expense, net	197	165	108	84	59	47	65	51
Provision (benefit) for income taxes	(28)	12	56	137	131	176	212	186
Depreciation and amortization	164	162	157	167	181	201	228	262
Compensatory payments related to options	78	-	-	-	-	-	-	-
Stock-based compensation expense	9	59	19	32	54	43	39	48
Management fees	8	3	-	-	-	-	-	-
Strategic consulting	30	33	11	-	-	-	-	-
Restructuring and other	9	1	4	-	2	-	14	8
Offering costs	-	4	2	-	-	-	-	-
Club closing costs and impairment charges	-	-	15	-	-	-	-	-
Acquisition and integration costs	-	-	-	-	4	12	-	-
Other adjustments	6	1	(3)	1	1	15	1	-
Adjusted EBITDA	**$ 525**	**$ 567**	**$ 558**	**$ 842**	**$ 859**	**$ 1,009**	**$ 1,082**	**$ 1,091**

Numbers may not foot due to rounding

Note: As of FY23, the company amended its adjusted EBITDA definition to exclude preopening expense and non-cash rent expense. All prior year periods have been recast to conform to the current period definition

GAAP to non-GAAP reconciliations

Net debt to LTM adjusted EBITDA

(in M)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Total debt	$ 2,712	$ 1,801	$ 1,681	$ 1,106	$ 749	$ 853	$ 717	$ 574
Less: Cash and cash equivalents	35	27	30	44	45	34	36	28
Net debt	**$ 2,677**	**$ 1,774**	**$ 1,650**	**$ 1,063**	**$ 703**	**$ 819**	**$ 681**	**$ 546**
LTM adjusted EBITDA	$ 525	$ 567	$ 558	$ 842	$ 859	$ 1,009	$ 1,082	$ 1,091
Net debt to LTM adjusted EBITDA	**5.1x**	**3.1x**	**3.0x**	**1.3x**	**0.8x**	**0.8x**	**0.6x**	**0.5x**

Numbers may not foot due to rounding
Note: As of FY23, the company amended its adjusted EBITDA definition to exclude preopening expense and non-cash rent expense. All prior year periods have been recast to conform to the current period definition

GAAP to non-GAAP reconciliations

Adjusted EPS

(in M, except per share data)	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Net income as reported	$ 127	$ 187	$ 421	$ 427	$ 513	$ 524	$ 534
Adjustments:							
Offering costs	4	2	-	-	-	-	-
Stock-based compensation related IPO	49	-	-	-	-	-	-
Management fees	3	-	-	-	-	-	-
Stock-based compensation related to acceleration of stock awards	-	-	-	17	-	-	-
Acquisition and integration costs	-	-	-	4	12	-	-
Home office transition costs	-	-	-	1	15	-	-
(Gain) loss on termination and impairment on discontinued operations club lease	4	15	-	-	1	-	-
(Gain) loss on cash flow hedge	-	-	7	6	(0)	-	-
(Gain) loss on sale leaseback transactions	-	(3)	-	-	-	-	-
Charges and write-offs related to debt	25	4	4	1	3	2	1
Restructuring and other	4	4	-	2	-	13	8
Tax impact of adjustments to net income	(31)	(6)	(3)	(9)	(9)	(4)	(3)
Adjusted net income	**$ 186**	**$ 203**	**$ 429**	**$ 449**	**$ 535**	**$ 535**	**$ 541**
Weighted-average diluted shares outstanding	140	139	139	138	136	135	134
EPS	$ 1.05	$ 1.35	$ 3.03	$ 3.09	$ 3.76	$ 3.88	$ 4.00
Adjusted EPS	**$ 1.33**	**$ 1.46**	**$ 3.09**	**$ 3.25**	**$ 3.92**	**$ 3.96**	**$ 4.05**

Numbers may not foot due to rounding

GAAP to non-GAAP reconciliations

Adjusted free cash flow

(in M)	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Net cash provided by operating activities	$ 427	$ 355	$ 869	$ 832	$ 788	$ 719	$ 901
Less: Additions to property & equipment, net of disposals	146	197	218	324	398	467	588
Plus: Proceeds from sale leaseback transactions	-	22	26	19	27	12	-
Adjusted free cash flow	**$ 281**	**$ 180**	**$ 676**	**$ 527**	**$ 418**	**$ 264**	**$ 313**

Numbers may not foot due to rounding