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Market Announcements Office  
ASX Limited

## EAGERS AUTOMOTIVE TO ACQUIRE CASTLE HILL SITE IN SYDNEY

- Strategically located site on 43,000 m<sup>2</sup> to be acquired from Charter Hall for \$76.25 million
- Site to deliver optimised dealership footprint via reconfiguration accommodating up to 8 brands plus the relocation of the Sydney-based EasyAuto123 and Carlins operations
- Transitioning from a leased to owned site strengthens tangible assets and delivers a \$15 million benefit over the existing lease term
- Potential to generate further rental savings and efficiencies under the Next100 strategy

Eagers Automotive Limited (ASX:APE) has entered into an agreement to acquire a Castle Hill property that it currently leases from Charter Hall for a purchase price of \$76.25 million.

While the 43,000m<sup>2</sup> square metre property is in a prime location on the corner of Victoria Avenue and Windsor Road in Sydney's Castle Hill, it is poorly configured and under-utilised, comprising three extra-large showrooms, 67 associated service bays and a number of outdated factory units.

Consistent with Eagers Automotive's Next100 Strategy, and in response to strong manufacturer interest in the location, Eagers Automotive plans to reconfigure the site over the coming years in order to optimise its dealership footprint via the accommodation of up to 8 automotive brands, while also relocating the Sydney-based operations of EasyAuto123 and Carlins to the site.

The acquisition will significantly reduce expenses, delivering an effective \$15 million benefit before taking into account any new franchises or the superior operating efficiencies that can be achieved at the site under our Next100 Strategy. The relocation of the Sydney-based operations of EasyAuto123 and Carlins will deliver a further benefit via the removal of \$2 million in annualised external rent.

The acquisition will be funded via the previously announced loan facility provided by Toyota Financial Service (TFS) and is scheduled to complete in January 2021.

ENDS

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Authorised for release by the Board.