











eaggers
automotive

UBS AUSTRALASIA CONFERENCE

Martin Ward | Chief Executive Officer

SIMPLIFYING FOR SUCCESS

Simplified model post AHG integration with enhanced scale over a national footprint

	2015-2019		2021 onwards
	 Established 1913		
Franchised Auto	✓	✓	✓
Franchised Trucks	✓	✓	✓
Independent Used Cars		easyauto123	easyauto123
Wholesale Auctions	✗		
Refrigerated Logistics	✗		✗
Other Distribution / Logistics	✗		✗
Property	STRATEGIC OWNERSHIP	ALL LEASED	STRATEGIC OWNERSHIP

FINANCIAL HIGHLIGHTS - UNDERLYING PROFIT

Profitable results in an unprecedented market through disciplined focus on COVID-19 response & strategic imperatives

UNDERLYING OPERATING PROFIT BEFORE TAX ¹ - \$ MILLION	1H (Jan-Jun)	3Q (Jul-Sep)	YTD (Jan-Sep)	4Q (Oct-Dec)	FY (Jan-Dec)
FY2019	52.9	13.7	66.5	33.8	100.4
FY2020	40.3	56.3	96.6	TBD	TBD
Mvmt	(23.7%)	311.0%	45.4%	TBD	TBD

(1) Underlying operating results refers to continuing operations, adjusted for significant items and including removal of Kloster Motor Group's (KMG) contribution from comparative financial information, outlined and reconciled to statutory results on slides 10 (HY20) and 31 (comparative financial information) of this Investor Presentation. Underlying operating figures are non-financial measures and have not been subject to audit by the company's external auditors.

(2) 1H19 revenue from continuing operations and underlying operating EBITDA & PBT from continuing operations adjusted for the removal of the Kloster Motor Group contribution for the period ended 30 June 2019. Eagers Automotive Limited divested of Kloster Motor Group in H2 2019.

STRATEGIC HIGHLIGHTS

Strategic priorities accelerated despite market conditions and COVID-19 business disruption

Next100 progress

Leveraging current market conditions to accelerate Next100 Strategy

Strong momentum with fixed price pre-owned car model

Cost out

Significant permanent annualised cost reductions of \$78m achieved during the initial response to COVID-19

Ongoing optimisation program

Synergies

Exceeded \$30m synergy target

Focus shifts to delivering on strategy to drive further operational efficiencies

Divestments

Continued rationalisation of dealership portfolio via non-core divestments

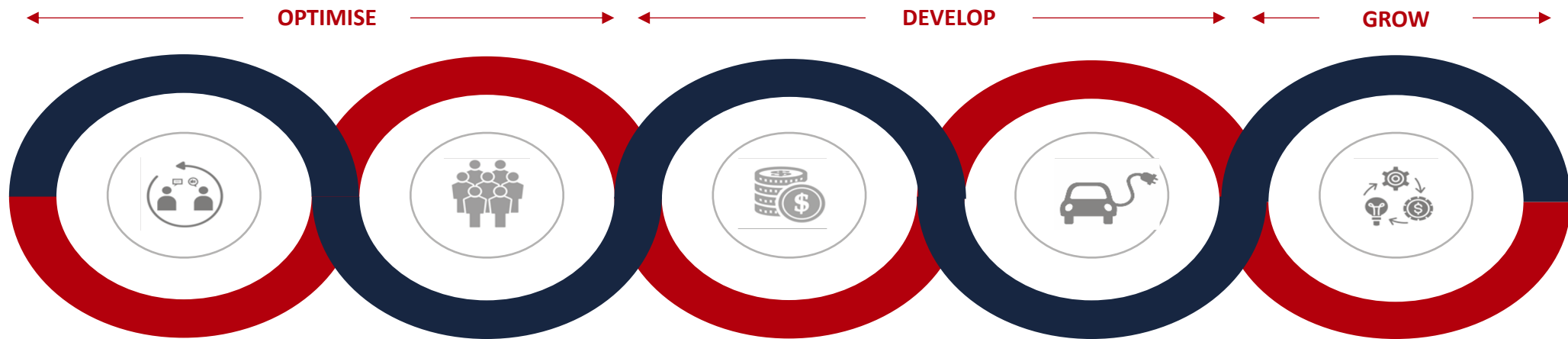
Completed sale of Refrigerated Logistics business¹



1 – Completed on 29 June 2020

NEXT100 STRATEGY

Providing integrated mobility solutions for the next 100 years



Engage our customers, everywhere

Online. At the airport. In shopping malls. In multi-brand service hubs. At home. At work.

Our flexible owned and leased property portfolio allows us to continue to evolve to fit our customers' lifestyles, circumstances, wants and needs.

Redefine our workforce

Our workforce: re-defined and re-imagined, based on our customers' journey.

This transformation is aimed at delivering an all new and vastly superior customer experience on a more sustainable and productive cost base

Deliver optimised vehicle finance solutions

Capitalise on the unique position our industry occupies in the distribution of motor vehicles, with the aim of becoming the preferred provider of automotive and mobility finance solutions.

Deliver ultra-competitive, highly tailored finance solutions sourced from our extensive funding relationships.

Support innovation

Support our partners to introduce ACE (autonomous, connected and electric) and other emerging product innovations.

Our partners cover circa 95% of the total market for new vehicles in Australia and are at the forefront of design, performance and innovation.

Reinvest with discipline

Disciplined use of shareholder funds combined with rigorous review of existing and new operations to support an unrelenting focus on long term wealth creation.

Utilise balance sheet strength to capitalise on evolving and emerging market trends.

EXCEED STAKEHOLDER EXPECTATIONS

Customers. Employees. Partners. Shareholders. Community.

COST BASE

Enhanced customer experience on a lower cost base

People

- Pre-emptive action as COVID-19 pandemic escalated
- Reduction of ~1,295 by June 2020 (vs Jan-20), saving an annualised \$72m

Property

- Leveraged current market conditions to accelerate property strategy
- Focus on rebalancing property portfolio following merger with AHG
- Early exit of 13 sites as part of restructuring activities

Inventory & Marketing

- Lowered stock levels and associated bailment, reduced holding costs
- Reduced controllable spend, accelerated development of EA123 website

ENGAGE OUR CUSTOMERS, EVERYWHERE



The future of automotive retail is an omni-channel offering which will allow us to engage with our customers online, at Auto Malls, at traditional showrooms, at home and at work

- Acceleration of our property strategy is the catalyst for delivering an enhanced customer experience on a substantially lower cost base
- Credit approval obtained for property funding for \$225.0 million from our OEM Captive Finance partners Toyota Financial Services and Volkswagen Financial Services
- Funding to be utilised to acquire strategically located sites that are currently leased
- Transformation of long-term leases into real tangible assets – delivering accretive returns and further strengthening our financial position
- These acquired sites facilitate the restructuring and exit of other sites, substantially lowering the cost base, without effecting our volume or income
- Key milestones achieved in relation to the BNE Auto Mall & Albion multi branded service hub

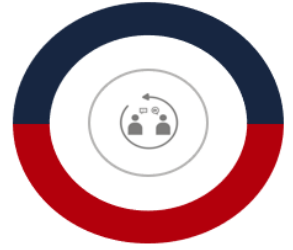
ANNOUNCED PROPERTY DEALS SUMMARY

Strong progress in rebalancing property portfolio from leased to owned allowing restructuring and consolidation

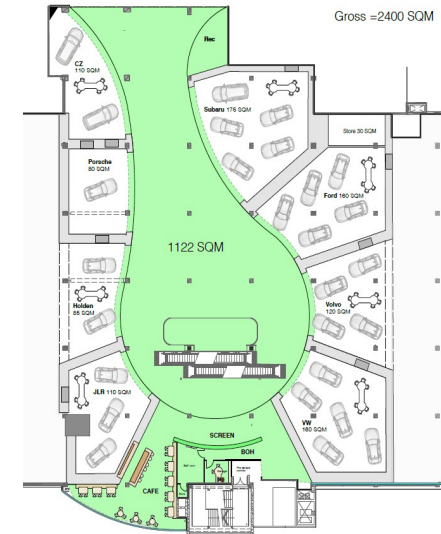
Announced	Expected Completion	Properties	Price	Property Cost Reduction
September 14 th	October 2020	8 Charter Hall Properties in WA/VIC/NSW/QLD	\$105m	\$4.8m* p/a
November 2 nd	January 2021	3 Wheatley Properties in WA	\$30.3m	\$3.7m* p/a
November 4 th	January 2021	1 Charter Hall Property in NSW	\$76.25m	\$4.0m* p/a

*A significant % of these cost reductions are achieved immediately i.e. during 2021 however a small proportion of some savings will not take effect until 2022/2023. Additionally, these savings are purely occupancy savings, further cost reductions (not defined) are expected due to consolidation into fewer sites.

ENGAGE OUR CUSTOMERS, EVERYWHERE



Key milestones achieved in relation to the BNE Auto Mall & Albion multi branded service hub



CONTINUED PORTFOLIO RE-STRUCTURING CONSISTENT WITH NEXT100 STRATEGY

- Caloundra City Auto Group divested 16th October 2020
- Beaudesert Nissan and Holden Service divested 4th November 2020
- Browns Plains Hyundai, Suzuki, Holden Service divested 12th November 2020
- Westpoint Honda acquired 12th November to support Automall West Strategy
- Browns Plains Mazda divested 13th November 2020



	Net
Annual Occupancy	(\$3.3M)
Headcount Reduction	135



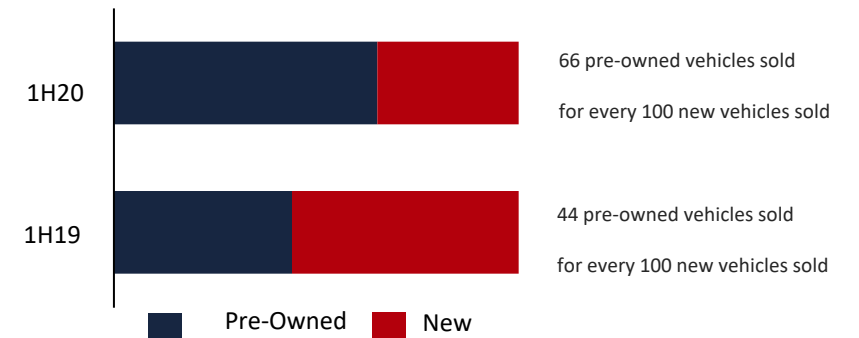
PRE-OWNED VEHICLE MARKET OPPORTUNITY

Australian New & Pre-Owned Vehicles Sales Market Size



Eagers Automotive ratio of pre-owned to new car sales moving in line with strategy:

- Australian total annual vehicle sales ~5.0m
- Pre-owned market ~4x new market size
- Total Australian Car parc ~19.8m¹ vehicles
- Average age of Australian vehicles is 10.4 years¹



¹ According to Australian Bureau of Statistics Motor Vehicle Census completed 31 January 2020

² Directions in Australia's Automotive Industry – report produced by Victorian Automobile Chamber of Commerce (VACC) on behalf of the Motor Trades Association of Australia (MTAA)

PRE-OWNED VEHICLE BUSINESS UPDATE

easyauto123 & Carlins Automotive Auctioneers partnering with national network to deliver growth and drive investment

- easyauto123 volume growth¹ every month since ownership
- easyauto123 profitable last 5 months
- Carlins profit up 192% YOY (9 months YTD)
- Cost out and productivity growth initiatives continuing
- New easyauto123 locations at Mile End (SA) and Manukau (Auckland, NZ) now trading



Key Enablers to Support Omni-Channel & Finance Strategy

- Deeper integration into Eagers Automotive delivering local capabilities, support and stock
- New inventory partnerships secured
- Omni-channel investment and website functionality development driving significant organic unpaid reach
- Click and Collect performance developing, October at circa 16% of delivered sales
- Online Finance Pre-Approval to be launched on easyauto123.com.au in December

¹ Except for sites closed due to COVID-19

OUTLOOK

Strong financial position, scale and geographic diversity to accelerate Next100 Strategy and support sustainable growth

Property

- Acquisition of strategically located sites that are currently leased
- Increased flexibility in property portfolio
- Enhanced customer experience on substantially lower cost base

Pre-Owned Vehicles

- Accelerate the scaling of our fixed price pre-owned vehicle business
- Reducing cost
- Omni-channel offering that delivers enhanced customer experience

Restructure & Growth

- Ongoing restructuring and growth opportunities as we continue to deliver on the Next100 Strategy

THANK YOU

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EA's results are reported under International Financial Reporting Standards (IFRS). However, EA also uses certain measures to manage and report on its business that are not recognised under Australian Accounting Standards or IFRS. These measures are collectively referred to in this presentation as 'non-IFRS financial measures' under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC. Management uses these non-IFRS financial measures to evaluate the performance and profitability of the overall business for internal management reporting as it better reflects what EA considers to be its underlying performance and EA believes that they are useful for investors to understand EA's financial condition and results of operations. The principal non-IFRS financial measure that is referred to in this presentation are Underlying Operating financial results. Management uses these and other measures to evaluate the underlying performance of EA. Unless otherwise specified, non-IFRS financial measures have not been subject to audit or review in accordance with Australian Accounting Standards. A reconciliation of Underlying Operating financial results to IFRS financial information is included in slides 10 (1H20) and 31 (comparative financial information) of this Investor Presentation.



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