

14 December 2020
Market Announcements Office
ASX Limited

**EAGERS AUTOMOTIVE AGREES SALE OF DAIMLER TRUCK OPERATIONS AND MILPERRA PROPERTY
FOR \$108.0 MILLION**

- Sale to US-based Velocity Vehicle Group will deliver an estimated net gain before tax of \$32.0m - \$36.0 million¹, subject to external audit and adjustments on completion
- Continues ongoing simplification of Eagers Automotive business

Eagers Automotive Limited (ASX: APE) announces that it has executed a binding agreement for the sale of its Daimler truck business to Velocity Vehicle Group (“VVG”), a privately owned operator of commercial truck dealerships based in the United States. Eagers Automotive have also agreed commercial terms for the sale of the Milperra property, the location of the Stillwell Trucks operation, to VVG as part of the transaction.

VVG is an integrated network of commercial truck dealerships throughout the Southwest region of the United States of America, operating 36 commercial truck dealership locations. VVG is one of the key global partners with Daimler Truck and Bus and provides customers with a complete line-up of commercial vehicles and services including leasing, rentals, equipment financing, parts, service, specialty fabrication and collision repairs.

The Eagers Automotive Daimler truck business employs approximately 650 people at metropolitan and regional locations across Australia, including Brisbane, Newcastle, Sydney, Melbourne, Adelaide and Perth.

Eagers Automotive will continue to own and operate its existing Webster Truck and Isuzu Truck businesses, which are currently part of the automotive retail division. Following completion of the transaction, the Hino and Iveco operations will be incorporated into the automotive retail division, removing the requirement for a standalone National Trucks division.

CEO and Managing Director Martin Ward said:

“The divestment of our Daimler truck operations represents another key step in the ongoing simplification of our automotive retail business. VVG will be a great home for the Daimler truck business and offers an exciting future.”

¹ Excluding transaction costs and the impact of AASB 16 Leases.

The transaction is subject to conditions precedent including approval by the Foreign Investment Review Board (FIRB), consents of landlords and counterparties to material contracts, and satisfactory environmental condition reports.

Transaction completion is anticipated in Q1 2021.

ENDS

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Authorised for release by the Board.