

Market Announcements Office – ASX Limited

Record FY22 Underlying Result & Record Dividend

Statutory Profit Before Tax	Record Underlying Operating Profit Before Tax	Strong Financial Position	Record Ordinary Final Fully Franked Dividend	Top line revenue growth expected in 2023 with:
\$442.2 million	\$405.2 million	\$631.1 million available liquidity	49.0 cents per share	<ul style="list-style-type: none"> Sustainable strong return on sales; A record order book;
(FY21: \$456.8 million)	(FY21: \$401.8 million)		(FY21: 42.5 cps)	

Eagers Automotive Limited (ASX: APE), Australia's leading automotive retail group, today announced its results for the twelve months ended 31 December 2022 (FY22).

The Company delivered a Statutory Profit Before Tax for FY22 of \$442.2 million and a record Underlying Operating Profit Before Tax for FY22 of \$405.2 million.

The record financial performance was underpinned by:

- continued strong demand for new and pre-owned cars;
- sustainable strong return on sales through a reset cost base and ongoing focus on technology enabled productivity improvements;
- the successful acquisition and integration of the ACT and South Australia multi-franchised dealership groups; and
- continued disciplined investment in strategic partnerships.

The FY22 statutory result included significant items of \$37.0 million net income before tax, predominately relating to the gain on sale of Bill Buckle Auto Group.

The Board has approved payment of a record, fully franked, ordinary final dividend of 49.0 cents per share, up 15.3% on FY21 (42.5 cents per share). The total ordinary dividend based on FY22 earnings was a record 71.0 cents per share, up 13.6% on FY21 (62.5 cents per share excluding the special dividend of 8.4 cents per share).



Commenting on the full year performance and outlook CEO Keith Thornton said:

"Our record full year underlying profit reflects the strength of ongoing market dynamics combined with our reset and more productive operating platform, while our **record dividend underlines the confidence the Board has in our outlook for 2023 and beyond.**

Our new car order bank grew by 74% in 2022, representing an all-time record level with an extended run-off period and providing material embedded gross profit that will support future trading results.

The industry is at an inflection point and Eagers Automotive is uniquely positioned to capitalise on its scale and expertise while leading the **generational shift towards a lower emission future.**"

Operational and Strategic Highlights

- Demand for new and used vehicles strengthened on 2021 levels, with new vehicle market demand continuing to materially outstrip deliveries, leading to further order book growth providing a strong foundation into 2023 and beyond.
- Successful acquisition and integration of the ACT and Newspot (South Australia) multi-franchised dealership groups and associated property acquisitions.
- Delivery of new automotive retail formats, such as AutoMall West in Brisbane and the continued focus on building Australia's largest national fixed price pre-owned business, easyauto123, which saw revenue increase by 25% and total volume up by 20.3%.
- Strategic partnerships established with existing OEMs and new entrants to ensure Eagers Automotive is uniquely best placed to lead the industry transition in the high growth new energy and low emission vehicle market.

Financial Position and Capital Management

Eagers Automotive is in a very strong financial position holding a substantial property portfolio and asset base, together with \$631.1 million of available liquidity at 31 December 2022.

During the period the Company acquired a further \$148.3 million of property via the prudent and disciplined allocation of capital to invest in strategic property assets. The total value of owned property at 31 December 2022 was \$607.6 million (up from \$448.3 million at 31 December 2021 excluding assets held for sale).

In June 2022, the Company announced its intention to conduct an on-market share buy-back of up to 10% of issued share capital. To 31 December 2022, the Company has bought back 1.5 million shares, representing 0.6% of shares on issue at the time of the buy-back announcement. The buy-back reflects the Board's prudent focus on active capital management and is testament to the Company's strong balance sheet and record available liquidity.

Outlook

We have commenced FY23 with a very strong foundation for the year ahead. Demand for new vehicles continues to outstrip supply as we transition to a new normal under which the industry operates with a sustainable order bank.

While we continue to closely monitor the macroeconomic environment, the Company remains in a very strong financial position and has a record order bank with a significant run-off period. We will continue to manage costs closely, driving productivity improvements across the business and leveraging the robust platform built over recent years to underpin a sustainable strong return on sales.

In 2023 and beyond, Eagers Automotive is focused on the following key initiatives to deliver earnings growth to its shareholders:

- ✓ Delivering top line revenue growth associated with the investments, new strategic partnerships and greenfield opportunities established during FY22.
- ✓ Maintaining our sustainable strong return on sales by leveraging new and existing margin levers, combined with cost base discipline and deliberate productivity improvements.
- ✓ Playing a leading role in the transition to new energy and low emission vehicles through our unique strategic partnerships and leveraging our scale and retail expertise in the Australian market.
- ✓ Continuing disciplined review of accretive and strategic M&A opportunities consistent with our Next100 Strategy as well as leveraging existing and new partnerships to create a distinct market advantage.

Authorised for release by the Board.

Analyst and Investor Call

10:00am AEDT Thursday 23 February 2023



Participants can register to receive dial-in details for the call using the following link:

<https://register.vevent.com/register/B1915de94afb0547e7bd2d67e648b3d1fc>



Participants may also wish to join a webcast of the results briefing using this link:

<https://edge.media-server.com/mmc/p/ecwd6ni8>



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