

14 December 2023

Markets Announcements Office
ASX Limited

**Chairman's Letter to Shareholders
General Meeting of Shareholders to Approve
Acquisition of Dealership Group in Victoria**

Attached is the Chairman's Letter to Shareholders for the General Meeting of shareholders of Eagers Automotive Limited (ASX:APE) scheduled for 30 January 2024.

-ENDS-

Authorised for release by the Board.

For more information:

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General Meeting of Shareholders to Approve Acquisition of Dealership Group in Victoria

- Large-scale expansion adding approximately \$1.0 billion in annual turnover.
- High-quality, well-balanced brand portfolio representing 12 leading brands with a weighting towards the prestige segment.
- Acquisition will add substantial scale to Eagers' Victorian operations which are forecast to grow to \$2.5 billion in annual turnover within this region alone.
- Three strategic properties to be acquired as part of the transaction, representing approximately 53,500 sqm in high profile locations in Brighton and Mulgrave.

Dear Shareholders,

You are invited to participate in a general meeting to be held on Tuesday, 30 January 2024 at 10.00 am (Qld time). It will be held as a hybrid meeting, giving shareholders an opportunity to attend either online or in person.

The notice of meeting and further details regarding the meeting are provided on the company's website at www.eagersautomotive.com.au under the *Shareholders* tab. I urge you to read their contents carefully.

Purpose of meeting

Shareholder approval is being sought for a strategic acquisition of a portfolio of automotive dealerships, and three associated properties, located in Victoria. Those dealerships comprise a well-balanced portfolio of brands, including BMW, Jaguar, Land Rover, Mercedes-Benz, MG, Mini, Mitsubishi, Nissan, Renault, Skoda, Volkswagen and Volvo.

Please see **attached** for further information on the proposed acquisition.

The sellers are entities associated with, and controlled by, Mr Nick Politis. Mr Politis is a director and substantial shareholder of Eagers Automotive. As a consequence of the acquisition, Mr Politis' investment in Eagers Automotive will increase, demonstrating his ongoing commitment to the company and its future growth and development.

Acquisition is fair and reasonable

An independent expert has provided a report examining the acquisition in order to assist shareholders with their assessment of the acquisition and their decision on whether to approve it. The independent expert has concluded that the acquisition is both **fair and reasonable** to shareholders who are not associated with the sellers. A copy of that report is included with the notice of meeting for your consideration.

Directors' interest in the proposed acquisition

Mr Nick Politis and Mr Daniel Ryan are directors of Eagers Automotive. They are also directors of each of the sellers, with Mr Politis having indirect control of each seller.

Due to their relationship with the sellers, neither Mr Politis nor Mr Ryan are making any recommendation to shareholders on the proposed acquisition.

Recommendation and voting intentions of your directors

All directors, other than Mr Politis and Mr Ryan, recommend that shareholders vote **in favour** of the resolution to approve the acquisition, and intend to vote all their shares in favour of the resolution.

Attending the general meeting

Information on how to attend and participate in the meeting is set out in the notice of meeting.

On behalf of the Board, I thank you for your consideration of the resolution.

A handwritten signature in dark ink, appearing to read 'Tim Crommelin', with a stylized flourish at the end.

Tim Crommelin
Chairman
Eagers Automotive Limited

Large Scale Strategic Acquisition in Victoria



Key Transaction Metrics

**\$0.9 – \$1.0
Billion**

Annual Turnover

12

Leading Brand Partners

770

Employees

53,500 sqm

of prime land and buildings to be acquired in high profile locations in Brighton & Mulgrave

Partners

VOLUME



RENAULT



SKODA



LUXURY



Dealerships

Eagers Existing Victorian Network

| | |
|----------------|--|
| Brighton | BYD |
| Dandenong | BYD, Ford, Hino, Iveco |
| Doncaster | Mercedes-Benz |
| Essendon | Ford, Kia, Land Rover, Mitsubishi, Volvo |
| Ferntree Gully | Toyota |
| Laverton North | Iveco |
| Melbourne City | Mazda, Hyundai |
| Preston | Toyota |
| Ringwood | Mercedes-Benz |
| South Morang | Toyota |
| Waverley | Toyota |
| Brooklyn | BYD, easyauto123, Carlins |

Proposed Acquisition – Dealership Group

| | |
|----------------|---|
| Brighton | Volkswagen, Mercedes-Benz |
| Essendon | BMW, Mini |
| Malvern | Jaguar, Land Rover |
| Melbourne City | Jaguar, Land Rover, Volkswagen, MG |
| Mornington | Mercedes-Benz |
| Mulgrave | Volkswagen, Nissan, Mitsubishi, MG, Renault, Skoda, Volvo |
| Toorak | Mercedes-Benz |



The transaction is subject to shareholder approval and customary conditions precedent including OEM, landlord and finance approvals.