



Company	Eagers Automotive
Code	APE
Meeting	AGM
Date	18 May 2022
Venue	Online and at Morgans Stockbroking, Brisbane
Monitor	Peter McNally

Number attendees at meeting	35 shareholders at venue plus 75 online
Number of holdings represented by ASA	39
Value of proxies	\$4.963m
Number of shares represented by ASA	450,900
Market capitalisation	\$2.95B
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	No. Requested but not offered.

Supply shortages delay new vehicle deliveries

Following two years of online meetings due to the pandemic the company moved to a hybrid format for this year's meeting and held it at Morgan's Stockbroking rather than the traditional APE head office location.

Just prior to the commencement of the meeting the company released a trading update which showed a 25% increase in their order book but an expected drop in net profit after tax for the year of about 10%. The company is struggling to deliver autos due to shortages precipitated by the war in Ukraine and China's COVID related lockdowns.

Your monitor posed a question regarding an embezzlement issue by a former employee. And the company responded by explaining how systems and processes had been changed to ensure a similar act could not happen again.

The company's Notice of Meeting included the re-election of director, Daniel Ryan, and advice of David Cowper's intention to retire after ten years on the board as a non-executive independent director unfortunately further reducing the number of independent NEDs.

Your monitor asked the company about its lack of board diversity and shortage of independent NEDs. The Chair emphasized that the company sees motor dealer experience as vital in its board

members. He further explained that the company's competition comes from other successful motor dealers and board members must understand the industry; their past experience is an important attribute to the success as a director of the company.

The director up for re-election, Dan Ryan, was easily re-elected with over 97% of the vote. The Remuneration Report was endorsed by a vote of over 98% in favour. This is a substantial improvement from the first strike the company received in 2019.

The day following the AGM the company announced to the market that it was entering a binding agreement to purchase more auto dealerships in Canberra. The deal was flagged in March and will see it acquire WFM Motors Pty Ltd from its major shareholder Nick Politis. The acquisition will require shareholder approval which will be sought at an EGM expected to take place in mid-July.