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Markets Announcements Office
ASX Limited

Eagers Automotive enters Term Sheet to be exclusive Australian retailer for EV manufacturer BYD

- A new dealer group to be established for BYD products (which will be a joint venture in which Eagers Automotive will have a 49% interest) to become exclusive national dealership retailer for electric and hybrid vehicle manufacturer BYD
- Initial 5-year franchise agreement to provide an omni-channel retail footprint in all key markets in Australia
- The dealer group will leverage Eagers Automotive's retail expertise, scale, geographic diversity, flexible property portfolio and innovative omnichannel retail solutions including integrated digital experiences available online and in shopping centres, service factories and existing physical retail footprint.

Eagers Automotive Limited (ASX: APE) announces that it has entered into a non-binding Term Sheet with EVDirect.com to establish a new joint venture, the dealer group, as the exclusive national retailer for BYD, the electric and hybrid vehicle manufacturer, as it enters the Australian market. Eagers Automotive will have a 49% interest in the joint venture.

EVDirect.com has the exclusive distribution rights for BYD in Australia.

Under the Term Sheet, the dealer group will be created to operate under a national franchise agreement to provide retail sales and after-sales service centres for BYD in all key Australian markets for an initial period of 5 years.

Established in 1995 and based in Shenzhen, China, BYD is one of the world's largest and fastest growing automotive manufacturers, specialising purely in electric and hybrid electric vehicles. BYD expects to commence deliveries of its first electric vehicle (EV) model in the Australian market from July 2022 with plans to increase to six models by the end of 2023.

Eagers Automotive is committed to working expeditiously towards completion of due diligence and the finalisation of binding transaction documentation.

Commenting on the new joint venture, Eagers Automotive CEO Keith Thornton, said:

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"We are very excited to be the retail partner for BYD Australia and EVdirect.com as they enter the Australian market. BYD has clear ambitions to quickly grow its presence in Australia and increase EV penetration amongst Australian customers. This confirms Eagers Automotive at the forefront of Australia's transition to a cleaner vehicle future and recognises our national footprint, geographic diversity, retail expertise and commitment to providing innovative solutions for the future of automotive retail."

Luke Todd the founder and CEO of EVDirect.com said:

"With its unrivalled Australian network, retail expertise and leading customer proposition, Eagers Automotive will provide the foundation for BYD Australia to fast-track its expansion in the Australian market. BYD has an aspiration to grow into a top 5 automotive brand in Australia by sales volume in the next 18 months. BYD's EVs are known for leading edge technology, superior range and pricing that is on parity with comparable high-quality petrol vehicles, making them ideally suited to the Australian market."

BYD Australia Pty Ltd General Manager, Wing You, said:

"We have been impressed with the approach Eagers Automotive has adopted to provide retail solutions that are responsive to the changing demands of car buyers. It is very much aligned with our thinking and our plans to take BYD to market in Australia. When combined with their scale, track record and geographic reach in all key markets, we believe the new combined partnership will further complement the existing strategic plan to expedite BYD's ambitious growth plans."

About BYD

BYD ("Build Your Dreams") was founded in 1995 by Wang Chuanfu as a rechargeable battery manufacturer and has grown into one of the world's largest automotive manufacturers specialising purely in electric and hybrid-electric vehicles. Listed on the Hong Kong Stock Exchange, BYD is the fourth largest automaker in the world by market capitalisation, producing more than 1.5 million vehicles since being founded, with a record 603,783 units sold in 2021. BYD is headquartered in Shenzhen, primarily serving the China market and customers in Europe.

-ENDS-

Authorised for release by the Board.

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