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SG Fleet Group
Integrated Mobility

ASX Announcement

Scheme Booklet registered with ASIC

21 February 2025

SG Fleet Group Limited (ASX: SGF) (**SG Fleet**) refers to the announcement made on 20 February 2025 in relation to the proposed acquisition by Westmann Bidco Pty Limited (**Bidco**), an entity owned and controlled by funds managed or advised by Pacific Equity Partners Pty Limited (**PEP**), of all the shares in SG Fleet by way of scheme of arrangement (**Scheme**), and the order made by the Supreme Court of New South Wales approving the convening of the Scheme Meetings (as defined below) to consider and vote on the resolution to approve the Scheme and approving the despatch of an explanatory statement providing information about the Scheme and notice of each Scheme Meeting (**Scheme Booklet**) to SG Fleet Shareholders.

Scheme Booklet

SG Fleet confirms that the Scheme Booklet has today been registered with the Australian Securities and Investments Commission (**ASIC**).

A copy of the Scheme Booklet is attached to this announcement and will be made available electronically for viewing and downloading at https://investors.sgfleet.com/Investors/.

The Scheme Booklet, including the Independent Expert's Report is expected to be provided to SG Fleet Shareholders on Monday, 3 March 2025. The Topco Securityholders' Agreement, Topco Constitution and Nominee Deed will also be provided to Relevant Management Shareholders on Monday, 3 March 2025.

The Scheme Booklet provides SG Fleet Shareholders with important information about the Scheme and SG Fleet Shareholders are advised to read the Scheme Booklet carefully in its entirety before making a decision on whether or not to vote in favour of the Scheme.

Unless otherwise indicated, capitalised terms used in this announcement have the meaning given to them in the Scheme Booklet dated 21 February 2025.

Independent Expert's Report

The Scheme Booklet includes a copy of the Independent Expert's Report, prepared by Grant Thornton Corporate Finance Pty Ltd (**Independent Expert**).

The Independent Expert has concluded that the Scheme is fair and reasonable and hence in the best interests of SG Fleet Shareholders in the absence of a superior proposal. The Independent Expert has assessed the full underlying value of a SG Fleet Share at between $3.35 to $3.80 per SG Fleet Share. The Cash Consideration of $3.50 per SG Fleet Share is within this valuation range.

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Based on the review of the qualitative and quantitative factors which affect the value of Topco Shares at the date of the Scheme Booklet as set out in sections 1.51-1.52 of the Independent Expert Report, the Independent Expert has concluded that the indicative value of the Topco Shares to be issued to the Relevant Management Shareholders is unlikely to be higher than the Cash Consideration of $3.50 per SG Fleet Share as at the date of the Scheme Booklet.

The Independent Expert's conclusions should be read in context with the full Independent Expert's Report.

SG Fleet Board recommendation

The SG Fleet Directors unanimously recommend that SG Fleet Shareholders vote in favour of the Scheme, in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SG Fleet Shareholders.[1]

Subject to the same qualifications, each SG Fleet Director has stated that he or she intends to vote in favour of the Scheme (in the case of all SG Fleet Directors who hold SG Fleet Shares (other than Robbie Blau and Kevin Wundram) at the General Scheme Meeting and, in the case of Robbie Blau and Kevin Wundram, at the Relevant Management Shareholder Scheme Meeting) in respect of all SG Fleet Shares controlled or held by them, or on their behalf.

When considering the recommendation of SG Fleet Directors, SG Fleet Shareholders should have regard to the interests of SG Fleet Directors, which are set out in detail in the Chairman's Letter, sections 2.2 and 11.1 of the Scheme Booklet.

Scheme Meetings

The meeting of general SG Fleet Shareholders, being all SG Fleet Shareholders other than the Relevant Management Shareholders (as defined below) (**General Shareholders**) (the **General Scheme Meeting),** at which General Shareholders will vote on the proposed Scheme, is currently expected to be held virtually at 3.00 pm (Sydney time) on Tuesday, 8 April 2025 via the Online Scheme Meeting Platform, which can be accessed at https://meetings.lumiconnect.com/300-026-255-965.

The separate meeting of SG Fleet Shareholders who are select members of SG Fleet management (**Relevant Management Shareholders**) (**Relevant Management Shareholder Scheme Meeting**, together with the General Scheme Meeting, the **Scheme Meetings**), at which Relevant Management Shareholders will vote on the proposed Scheme, is currently expected to be held immediately after the General Scheme Meeting, virtually at 4.00pm (Sydney time) on Tuesday, 8 April 2025 via the Online Scheme Meeting Platform, which can be accessed at https://meetings.lumiconnect.com/300-865-182-860.

General Shareholders and Relevant Management Shareholders who participate in the Scheme Meetings through the Online Scheme Meeting Platform will be able to listen to the Scheme Meetings, cast a vote and ask questions.

All registered SG Fleet Shareholders as at 7.00pm (Sydney time) on Friday, 4 April 2025 will be eligible to vote at the relevant Scheme Meeting.

All SG Fleet Shareholders are encouraged to vote by participating virtually through the relevant Online Scheme Meeting Platform, or by appointing a proxy, attorney or, if you are a body corporate, a duly appointed body corporate representative to attend the relevant Scheme Meeting and vote on your behalf.

[1] The SG Fleet Directors make this recommendation only in respect of the Cash Consideration, and make no recommendation to Relevant Management Shareholders in relation to the Scrip Consideration including in relation to whether the Relevant Management Shareholders should make an Election to receive Scrip Consideration.

Proxy Forms (including Proxy Forms lodged online), powers of attorney, and certificates of appointment of body corporate representatives for the relevant Scheme Meeting must be received by the SG Fleet Registry no later than 10.00am (Sydney time) on Friday, 4 April 2025.

SG Fleet Shareholders should carefully read the Scheme Booklet in full, including the Independent Expert's Report, before deciding how to vote. SG Fleet Shareholders should seek professional advice on their individual circumstances, as appropriate.

Further information

If you have any further questions in relation to the Scheme or the Scheme Booklet, please contact the Shareholder Information Line on (02) 8016 2858 Monday to Friday (excluding public holidays) between 8.30am and 5.30pm (Sydney time). The Shareholder Information Line will be available from 3 March 2025.

This announcement was authorised for release by Tawanda Mutengwa, Company Secretary of SG Fleet Group Limited.

For further information, please contact:

Yves Noldus
Corporate Services & Investor Relations Executive
SG Fleet Group Limited
Tel: 02 9494 1095 / 0401 416 686

SG Fleet Group Limited
Level 2, Building 3, 20 Bridge Street
Pymble, Sydney, NSW 2073 Australia
Locked Back 1003, Gordon, NSW 2072 Australia

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Scheme Booklet

For a scheme of arrangement between SG Fleet Group Limited and its shareholders in relation to the proposed acquisition of all SG Fleet Shares by Westmann Bidco Pty Limited, an entity ultimately owned and controlled by funds managed or advised by Pacific Equity Partners Pty Limited.

VOTE IN FAVOUR

SG FLEET DIRECTORS UNANIMOUSLY RECOMMEND THAT YOU VOTE IN FAVOUR OF THE SCHEME IN THE ABSENCE OF A SUPERIOR PROPOSAL AND SUBJECT TO THE INDEPENDENT EXPERT CONTINUING TO CONCLUDE THAT THE SCHEME IS IN THE BEST INTERESTS OF SG FLEET SHAREHOLDERS.[1]

THE INDEPENDENT EXPERT HAS CONCLUDED THAT THE SCHEME IS IN THE BEST INTERESTS OF SG FLEET SHAREHOLDERS IN THE ABSENCE OF A SUPERIOR PROPOSAL.

This is an important document and requires your immediate attention.

You should read this document carefully and in its entirety before deciding whether or not to vote in favour of the resolution to approve the Scheme. If you are in doubt as to what you should do, you should consult your legal, financial, taxation or other professional adviser.

If, after reading this Scheme Booklet, you have any questions about this Scheme Booklet or the Scheme or the number of SG Fleet Shares you hold, or how to vote, please call the Shareholder Information Line on (02) 8016 2858, Monday to Friday (excluding public holidays) between 8.30am and 5.30pm (Sydney time).

This Scheme Booklet has been sent to you as you are shown in the Register as holding SG Fleet Shares. If you have recently sold all of your SG Fleet Shares, please disregard this document.

1. The SG Fleet Directors make this recommendation only in respect of the Cash Consideration, and make no recommendation to Relevant Management Shareholders in relation to the Scrip Consideration including in relation to whether the Relevant Management Shareholders should make an Election to receive Scrip Consideration.

Financial Adviser

BofA SECURITIES

Legal Adviser

Gilbert + Tobin

sgfleet

Important Notices

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General

SG Fleet Shareholders should read this Scheme Booklet carefully and in its entirety before deciding how to vote on the relevant resolution to be considered at the relevant Scheme Meeting. If you are in doubt as to what you should do, you should consult your legal, financial, taxation or other professional adviser.

Defined terms

Capitalised terms used in this Scheme Booklet are defined in the Glossary in section 12 or where the relevant term first appears.

Responsibility for information

SG Fleet has prepared, and is responsible for, this Scheme Booklet (other than the Bidco Group Information, the Independent Expert's Report, and any other report or letter issued to SG Fleet by a third party). To the maximum extent permitted by law, the Bidco Group Parties are not responsible, and disclaim any responsibility or liability, for any information appearing in this Scheme Booklet other than the Bidco Group Information.

Bidco has prepared, and is responsible for, the Bidco Group Information. To the maximum extent permitted by law, the SG Fleet Group Parties are not responsible, and disclaim any responsibility or liability, for the Bidco Group Information.

The Independent Expert's Report set out in Attachment A has been prepared by, and is the responsibility of, the Independent Expert, and to the maximum extent permitted by law, the SG Fleet Group Parties and the Bidco Group Parties disclaim any responsibility or liability for the accuracy or completeness of the Independent Expert's Report.

No consenting party has withdrawn their consent to be named before the date of this Scheme Booklet.

No investment advice

The information in this Scheme Booklet does not, and should not be taken to, constitute financial product or investment advice.

This Scheme Booklet is intended for SG Fleet Shareholders collectively and has been prepared without reference to the investment objectives, financial or taxation situation, or particular needs of any individual SG Fleet Shareholder or any other person. It is important that you consider the information in this Scheme Booklet in light of your particular circumstances. This Scheme Booklet should not be relied on as the sole basis for any investment decision in relation to SG Fleet Shares and any decision as to whether or not to vote in favour of the Scheme.

Independent legal, financial, and taxation advice should be sought before making any investment decision in relation to your SG Fleet Shares and any decision as to whether or not to vote in favour of the Scheme. This Scheme Booklet should be read in its entirety before making a decision on whether or not to vote in favour of the Scheme. In particular, it is important that you consider the potential risks if the Scheme does not proceed, as set out in section 9, and the views of the Independent Expert set out in the Independent Expert's Report contained in Attachment A. If you are in doubt as to the course you should follow, you should consult an independent and appropriately licensed and authorised professional adviser immediately.

Regulatory information

This document is the explanatory statement for the Scheme for the purposes of section 412(1) of the Corporations Act. A copy of the proposed Scheme is included as Attachment D to this Scheme Booklet.

Other than with respect to the offer to subscribe for Topco Shares as part of the Scheme Consideration, this Scheme Booklet does not constitute or contain an offer to SG Fleet Shareholders or a solicitation of an offer from SG Fleet Shareholders, in any jurisdiction. This Scheme Booklet is not a disclosure document required by Chapter 6D of the Corporations Act. Subsection 708(17) of the Corporations Act provides that Chapter 6D of the Corporations Act does not apply in relation to arrangements under Part 5.1 of the Corporations Act approved at a meeting held as a result of an order under subsection 411(1) of the Corporations Act. Instead, SG Fleet Shareholders asked to vote on an arrangement at such a meeting must be provided with an explanatory statement as referred to above.

A copy of this Scheme Booklet was provided to ASIC for examination in accordance with section 411(2)(b) of the Corporations Act and was lodged with ASIC for registration under section 412(6) of the Corporations Act. It was then registered by ASIC under section 412(6) of the Corporations Act before being sent to SG Fleet Shareholders.

ASIC has been requested to provide a statement in accordance with section 411(17)(b) of the Corporations Act that ASIC has no objection to the Scheme. If ASIC provides that statement, then it will be produced to the Court at the time of the Second Court Hearing.

Neither ASIC nor any of its officers take any responsibility for the contents of this Scheme Booklet.

A copy of this Scheme Booklet will be lodged with ASX. Neither ASX nor any of its officers take any responsibility for the contents of this Scheme Booklet.

Important notice associated with Court order under subsection 411(1) of the Corporations Act

The fact that, under subsection 411(1) of the Corporations Act the Court has ordered that the Scheme Meetings be convened and has approved this Scheme Booklet required to accompany the Notice of General Scheme Meeting and the Notice of Relevant Management Shareholder Scheme Meeting, does not mean that the Court:

(a) has formed any view as to the merits of the proposed Scheme or as to how SG Fleet Shareholders should vote (on this matter SG Fleet Shareholders must reach their own decision); or

(b) has prepared, or is responsible for the content of, this Scheme Booklet.

An order of the Court under section 411(1) of the Corporations Act is not an endorsement by the Court of, or any other expression of opinion by the Court on, the Scheme.

Notice of General Scheme Meeting and Notice of Relevant Management Shareholder Scheme Meeting

The Notice of General Scheme Meeting is set out in Attachment B and the Notice of Relevant Management Shareholder Scheme Meeting is set out in Attachment C. A reference to 'the Scheme Booklet' in each of the Notice of General Scheme Meeting and Notice of Relevant Shareholder Scheme Meeting will be taken to include any supplementary scheme booklet in relation to the Scheme.

Notice regarding Second Court Hearing and if a SG Fleet Shareholder wishes to oppose the Scheme

At the Second Court Hearing, the Court will consider whether to approve the Scheme (following the vote at the Scheme Meetings).

Any SG Fleet Shareholder may appear at the Second Court Hearing, currently expected to be held at 9.15am (Sydney time) on Tuesday, 15 April 2025 at the Supreme Court of New South Wales, Law Courts Building, 184 Phillip Street, Sydney NSW 2000.

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Any SG Fleet Shareholder who wishes to oppose approval of the Scheme at the Second Court Hearing may do so by filing with the Court and serving on SG Fleet a notice of appearance in the prescribed form, together with any affidavit that the SG Fleet Shareholder proposes to rely on. The notice of appearance and affidavit must be served on SG Fleet at least one Business Day before the Second Court Hearing.

Disclaimer regarding forward-looking statements

This Scheme Booklet contains both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements.

The forward-looking statements in this Scheme Booklet are not based on historical facts, but rather reflect the current views of SG Fleet or, in relation to the Bidco Group Information, the Bidco Group, held only as at the Last Practicable Date concerning future information and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipated", "intending", "foreseeing", "likely", "should", "planned", "may", "estimated", "potential", or other similar words and phrases. Similarly, statements that describe SG Fleet's or the Bidco Group's objectives, plans, goals or expectations are or should be considered to be forward-looking statements.

The statements in this Scheme Booklet about the impact that the Scheme may have on the results of SG Fleet's operations, and the advantages and disadvantages anticipated to result from the Scheme, are also forward-looking statements.

Any forward-looking statements included in the Bidco Group Information have been made on reasonable grounds based on information known at the time. Although Bidco believes that the views reflected in any forward-looking statements included in the Bidco Group Information have been made on a reasonable basis, no assurance can be given that such views will prove to have been correct.

Any other forward-looking statements included in this Scheme Booklet and made by SG Fleet have been made on reasonable grounds based on information known at the time. Although SG Fleet believes that the views reflected in any forward-looking statements in this Scheme Booklet (other than the Bidco Group Information and the information in Attachment A of this Scheme Booklet) have been made on a reasonable basis, no assurance can be given that such views will prove to have been correct.

These forward-looking statements involve known and unknown risks, uncertainties, assumptions and are subject to a variety of other factors that may cause SG Fleet's or Bidco Group's actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. Some of the risks that SG Fleet Shareholders may be exposed to in relation to the Scheme are set out in section 9 of this Scheme Booklet. Forward looking statements are based on numerous assumptions regarding present and future business strategies and the industries as well as the general economic environment in which SG Fleet Group and the Bidco Group will operate in the future. Actual events or results may differ materially from events or results expressed or implied in any forward-looking statement and deviations as to future results, performance and achievements are both normal and to be expected. SG Fleet Shareholders should note that the historical financial performance of SG Fleet is no assurance of future financial performance of SG Fleet (whether the Scheme is implemented or not). SG Fleet Shareholders should review carefully all the information included in this Scheme Booklet. The forward-looking statements included in this Scheme Booklet are made only as at the Last Practicable Date.

None of SG Fleet, nor Bidco, nor any Bidco Group Member, nor any of their respective directors, employees or advisers or any person named in this Scheme Booklet or any person involved in the preparation of this Scheme Booklet gives any representation, assurance or guarantee to SG Fleet Shareholders that any forward-looking statements will occur or be achieved. SG Fleet Shareholders are cautioned not to place undue reliance on such forward-looking statements. All forward looking statements should be read in light of such risks and uncertainties explained above.

Subject to any continuing obligations under law, the ASX Listing Rules or the applicable rules of any securities exchange other than ASX, neither SG Fleet nor Bidco give any undertaking to update or revise any forward-looking statements after the date of this Scheme Booklet to reflect any change in expectations in relation to those statements or any change in events, conditions or circumstances on which any such statement is based.

Privacy and personal information

SG Fleet, Bidco and Bidco Group and their respective agents and representatives may collect personal information to implement the Scheme. The personal information may include the names, contact details and details of holdings of SG Fleet Shareholders, plus contact details of individuals appointed by SG Fleet Shareholders as proxies, corporate representatives or attorneys to vote at the Scheme Meetings. The collection of some of this information is required or authorised by the Corporations Act.

Boardroom advises that any personal information it holds about you (including your name, address, date of birth and details of the financial assets) is collected by Boardroom group organisations to administer your investment. Personal information is held on the public register in accordance with Chapter 2C of the Corporations Act. Some or all of your personal information may be disclosed to contracted third parties, or related Boardroom group companies in Australia and overseas. Your information may also be disclosed to Australian government agencies, law enforcement agencies and regulators, or as required under other Australian law, contract, and court or tribunal order. Shareholders who are individuals, and other individuals in respect of whom personal information is collected, have certain rights to access the personal information collected about them and should contact Boardroom if they wish to exercise those rights. For further details about Boardroom's personal information handling practices, including how you may access and correct your personal information and raise privacy concerns, visit Boardroom's website at https://boardroomlimited.com.au/wp-content/uploads/2023/12/Privacy-Policy-Online-Version.pdf for a copy of the Boardroom group condensed privacy statement, or contact Boardroom by phone on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia) Monday to Friday (excluding public holidays) between 8.30am and 5.00pm (Sydney time) to request a copy of Boardroom's complete privacy policy.

The personal information described above may be disclosed to securities brokers and third-party services providers (including print and mail service providers and parties otherwise involved in the conduct of the Scheme Meetings), and to SG Fleet and the Bidco Group and their respective Related Bodies Corporate and advisers to the extent necessary to conduct the Scheme Meetings and implement the Scheme. If the information outlined above is not collected, SG Fleet may be hindered in, or prevented from, conducting the Scheme Meetings or implementing the Scheme effectively or at all. SG Fleet Shareholders who appoint an individual as their proxy, corporate representative or attorney to vote at the Scheme Meetings should inform that individual of the matters outlined above and confirm they consent to SG Fleet and/or Bidco discussing matters related to the Scheme with such appointed representatives.

Important Notices continued

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Foreign jurisdictions

The release, publication or distribution of this Scheme Booklet in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons outside of Australia who come into possession of this Scheme Booklet should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

This Scheme Booklet and the Scheme is subject to Australian disclosure requirements, which may be different from the requirements applicable in other jurisdictions. This Scheme Booklet has been prepared in accordance with Australian law and the information contained in this Scheme Booklet may not be the same as that which would have been disclosed if this Scheme Booklet had been prepared in accordance with the laws and regulations outside Australia.

SG Fleet Shareholders who are nominees, trustees or custodians are encouraged to seek independent advice as to how they should proceed.

This Scheme Booklet and the Scheme does not constitute an offer of securities in any place which, or to any person whom, it would not be lawful to make such an offer.

Effect of rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Scheme Booklet are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Scheme Booklet.

Any discrepancies between totals in tables and financial statements, or in calculations, graphs, or charts are due to rounding. All financial and operational information set out in this Scheme Booklet is current as at the Last Practicable Date, unless otherwise stated.

References to Scheme Booklet, Sections and Attachments

References to Sections and Attachments are to the named Sections and Attachments in this Scheme Booklet.

Times and dates

Unless otherwise stated, all times and dates referred to in this Scheme Booklet are times and dates in Sydney, Australia. All times and dates relating to implementation of the Scheme referred to in this Scheme Booklet are indicative only and are subject to the Court approval process and the satisfaction or, where applicable, waiver of the conditions precedent to the implementation of the Scheme (see section 11.12(a)).

Currency

The financial amounts in this Scheme Booklet are expressed in Australian currency unless otherwise stated. A reference to $ and cents is to Australian currency, unless otherwise stated.

Charts and diagrams

Any diagrams, charts, graphs, or tables appearing in this Scheme Booklet are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, graphs, and tables is based on information available as at the Last Practicable Date.

Supplementary information and SG Fleet Shareholder Information Line

SG Fleet has established the SG Fleet Shareholder Information Line, which you should call if you have any questions or require further information about this Scheme Booklet or the Scheme. The telephone number is (02) 8016 2858, Monday to Friday (excluding public holidays) between 8.30am and 5.30pm (Sydney time). SG Fleet Shareholders should consult their legal, financial, or other professional adviser before making any decision regarding the Scheme.

In certain circumstances, SG Fleet may provide additional disclosure to SG Fleet Shareholders in relation to the Scheme after the date of this Scheme Booklet. To the extent applicable, SG Fleet Shareholders should have regard to any such supplemental information in determining how to vote in relation to the Scheme. Refer to Section 11.18 for information about the steps that SG Fleet will take if any such additional disclosure is required.

References to websites

Information contained in or accessible through the websites mentioned in this Scheme Booklet do not form part of this Scheme Booklet. All references to websites are for information purposes only.

Date

This Scheme Booklet is dated 21 February 2025.

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Letter from the Chairman of SG Fleet

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Dear SG Fleet Shareholder,

On behalf of the SG Fleet Board, I am pleased to provide you with this Scheme Booklet, which contains important information for your consideration in relation to the proposed acquisition of SG Fleet by Bidco, an entity ultimately owned and controlled by funds managed or advised by Pacific Equity Partners Pty Limited.

On 4 December 2024, SG Fleet announced that it had entered into a Scheme Implementation Deed with Bidco, under which it is proposed that Bidco will acquire 100% of the issued share capital of SG Fleet via a scheme of arrangement (a commonly used legal procedure in Australia to undertake an acquisition of a publicly listed company). The Scheme is subject to certain conditions precedent, including approval by SG Fleet Shareholders at the Scheme Meetings and Court approval.

Overview of the Cash Consideration

If the Scheme is approved and implemented, SG Fleet Shareholders (other than the Relevant Management Shareholders who make a valid Election to receive Scrip Consideration or a mix of the Cash Consideration and Scrip Consideration as described below) will receive $3.50 per SG Fleet Share.

The Cash Consideration of $3.50 per SG Fleet Share values SG Fleet's equity at approximately $1,227m[2] and represents a premium of:

- 31% to SG Fleet's closing share price as at 22 November 2024[3];
- 30% to the 1-month volume weighted average price (**VWAP**);
- 30% to the 3-month VWAP; and
- 25% to the 6-month VWAP.

Overview of the Scrip Consideration

As an alternative to receiving the Cash Consideration, SG Fleet Shareholders who are Relevant Management Shareholders, being certain members of SG Fleet management, have the option to elect to receive the Scrip Consideration for each SG Fleet Share held, comprising of 3.50 Topco Shares for each Scheme Share (or a combination of Cash Consideration and Scrip Consideration), with any fractional amounts rounded up or down to the nearest whole number. See section 6.2 for more information on the Scrip Consideration.

Directors' Recommendation

The SG Fleet Board has carefully considered the proposal presented in this Scheme Booklet.

SG Fleet Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SG Fleet Shareholders.[4]

Subject to the same qualifications, each SG Fleet Director has stated that he or she intends to vote in favour of the Scheme (in the case of all SG Fleet Directors who hold SG Fleet Shares (other than Robbie Blau and Kevin Wundram) at the General Scheme Meeting and, in the case of Robbie Blau and Kevin Wundram, at the Relevant Management Shareholder Scheme Meeting) in respect of all SG Fleet Shares controlled or held by them, or on their behalf.

Key reasons for the SG Fleet Directors unanimously recommending that you vote in favour of the Scheme, subject to the qualifications mentioned above, include:

- the Cash Consideration of $3.50 per SG Fleet Share represents a premium of 31% to the closing share price of SG Fleet Shares on 22 November 2024 of $2.67 per share;
- the Independent Expert has concluded that the Scheme is fair and reasonable and, therefore, in the best interests of SG Fleet Shareholders in the absence of a superior proposal;
- the Cash Consideration provides SG Fleet Shareholders with certainty of value and the opportunity to immediately realise their investment for cash, avoiding the uncertainties and risks associated with an investment in SG Fleet's business (which are discussed further in section 9.3 of this Scheme Booklet);
- since the announcement of the Scheme, and up to the Last Practicable Date, no Superior Proposal has emerged and no alternative proposal has been received;
- SG Fleet's share price may fall if the Scheme does not proceed and no comparable proposal or Superior Proposal emerges. On 22 November 2024, the trading day prior to the announcement of the Scheme, SG Fleet's closing share price was $2.67 per share. SG Fleet Shareholders should also consider the lack of liquidity in the trading of SG Fleet shares on the ASX with the average daily volume of shares traded for the 12 months ending on 22 November 2024 being 578,216 shares, which represents less than 0.2% of the outstanding shares of SG Fleet. Super Group's majority shareholding of 53.58% of all SG Fleet shares outstanding has limited the liquidity of shares traded and if the Scheme were not to proceed, Super Group will continue to be a majority shareholder;
- if the Scheme does not proceed, SG Fleet Shareholders will continue to be exposed to risks associated with an investment in SG Fleet's business rather than, in respect of SG Fleet Shareholders that receive the Cash Consideration, realising certain value for their SG Fleet Shares in a certain timeframe; and
- you will not incur any brokerage or stamp duty on the transfer of your SG Fleet Shares under the Scheme.

2. Based on total diluted shares outstanding of 350,481,302.
3. Last trading date prior to the announcement on the ASX on 25 November 2024 of the receipt of non-binding indicative proposal from PEP.
4. The SG Fleet Directors make this recommendation only in respect of the Cash Consideration, and make no recommendation to Relevant Management Shareholders in relation to the Scrip Consideration including in relation to whether the Relevant Management Shareholders should make an Election to receive Scrip Consideration.

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In forming their view that the Scheme is in the best interests of SG Fleet Shareholders, SG Fleet Directors considered the potential disadvantages of the Scheme proceeding and unanimously concluded the advantages outweighed the potential disadvantages in the interests of the Company.

Reasons why you may consider voting against the Scheme include:

- you may believe that there is potential for a superior proposal to be made in the foreseeable future;
- you may disagree with the SG Fleet Directors unanimous recommendation of the Scheme in respect of the Cash Consideration and the Independent Expert's conclusion and believe that the Scheme is not in your best interests;
- you may prefer to maintain a direct interest in SG Fleet as an ASX-listed company;
- you may believe that it is in your best interests to maintain your current investment and risk profile;
- you may believe that it is in your best interest to maintain your current investment and risk profile; and
- the taxation consequences of the Scheme may not suit your individual position or circumstances.

The Independent Expert has also noted that if the Scheme is not implemented, all other things being equal, it is likely that SG Fleet Shares will trade at a price below the Cash Consideration, at least in the short-term, however, in the longer-term SG Fleet's trading price may settle at a level higher than before the announcement of the Scheme if forecast growth and cost synergy expectations can be realised.

SG Fleet Directors considered those possibilities and also considered the future of the SG Fleet business and its stakeholders under the ownership of the Bidco Group in reaching their decision to recommend the Scheme in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SG Fleet Shareholders.

SG Fleet Directors unanimously believe that the benefits of the Scheme significantly outweigh its potential disadvantages.

Section 8 contains information on Bidco, including its rationale for the proposed acquisition of SG Fleet and current intentions for the SG Fleet business.

Recommendation of SG Fleet's Executive Directors

In considering the unanimous recommendation of SG Fleet Directors to vote in favour of the Scheme, SG Fleet Shareholders should have regard to the fact that, in relation to the recommendation of:

- Mr Robbie Blau, Chief Executive Officer and Executive Director of SG Fleet:
  - If the Scheme is implemented, in connection with the agreed treatment of the SG Fleet Equity Incentives set out in section 11.13, Mr Blau will become entitled to receive prior to the Scheme Record Date:
    - 452,147 SG Fleet Shares as a result of the accelerated vesting of 452,147 unvested SG Fleet Performance Rights; and
    - 2,312,601 SG Fleet Shares as a result of the accelerated vesting and automatic exercise of 5,971,251 unvested SG Fleet Options.

    This would mean that, subject to the Scheme becoming Effective, Mr Blau would receive a maximum amount of $1,582,514.50 as a result of the vesting of his SG Fleet Performance Rights and $8,094,103.95 as a result of the vesting and exercise of his SG Fleet Options, described in more detail in section 11.13.
  - Prior to the date of this Scheme Booklet, Mr Blau has also agreed to elect to receive the Scrip Consideration in respect of approximately 25% of the SG Fleet Shares that will be held or controlled by him as at the Scheme Record Date (which will include the SG Fleet Shares issued to him as a result of the vesting of his SG Fleet Performance Rights and the vesting and exercise of his SG Fleet Options as described above), representing Scrip Consideration of approximately $10,000,000 in value in aggregate and would therefore receive Cash Consideration (of $3.50 per SG Fleet Share) in respect of the remaining approximately 75% of the SG Fleet Shares held or controlled by him (representing Cash Consideration of approximately $29,246,228).
- Mr Kevin Wundram, Chief Financial Officer and Executive Director of SG Fleet:
  - If the Scheme is implemented, in connection with the agreed treatment of the SG Fleet Equity Incentives set out in section 11.13, Mr Wundram will become entitled to receive prior to the Scheme Record Date:
    - 170,650 SG Fleet Shares as a result of the accelerated vesting of 170,650 unvested SG Fleet Performance Rights; and
    - 353,891 SG Fleet Shares as a result of the accelerated vesting and automatic exercise of 1,255,184 unvested SG Fleet Options.

    This would mean that, subject to the Scheme becoming Effective, Mr Wundram would receive a maximum amount of $597,275.00 as a result of the vesting of his SG Fleet Performance Rights and $1,238,617.56 as a result of the vesting and exercise of his SG Fleet Options, described in more detail in section 11.13.
  - Prior to the date of this Scheme Booklet, Mr Wundram has also agreed to elect to receive the Scrip Consideration in respect of approximately 38% of the SG Fleet Shares that will be held or controlled by him as at the Scheme Record Date (which will include the SG Fleet Shares issued to him as a result of the vesting of his SG Fleet Performance Rights and the vesting and exercise of his SG Fleet Options as described above), representing Scrip Consideration of approximately $2,000,000 in value in aggregate and would therefore receive Cash Consideration (of $3.50 per SG Fleet Share) in respect of the remaining approximately 62% of the SG Fleet Shares held or controlled by him (representing Cash Consideration of approximately $3,202,193).

Despite these interests in the outcome of the Scheme (which will have no impact on the Scheme Consideration paid to SG Fleet Shareholders), each of Mr Blau and Mr Wundram consider that, given the importance of the Scheme and their role as Chief Executive Officer and Executive Director and Chief Financial Officer and Executive Director (respectively), it is important and appropriate for them to also provide a recommendation to SG Fleet Shareholders as part of the SG Fleet Board in relation to the Scheme.

The SG Fleet Board (excluding Mr Blau and Mr Wundram) also consider that it is appropriate for Mr Blau and Mr Wundram to make a recommendation on the Scheme given their intimate knowledge of SG Fleet's business and its key stakeholders as well as their deep industry knowledge and leadership position within SG Fleet.

Following Implementation of the Scheme, Mr Blau and Mr Wundram will continue in their roles as Chief Executive Officer and Chief Financial Officer, respectively.

Letter from the Chairman of SG Fleet continued

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Super Group Shareholder Meeting

Super Group Limited (**Super Group**), SG Fleet's major shareholder, is required to obtain approval from its shareholders by way of an extraordinary general meeting that it intends to hold on 25 February 2025 in order to support the Scheme. In this regard, Super Group has entered into a cooperation agreement with SG Fleet under which Super Group has agreed:

- to convene a general meeting of Super Group shareholders (**Super Group Shareholder Meeting**) with the unanimous recommendation of the Super Group Board (in the absence of a superior proposal and subject to the SG Fleet Independent Expert continuing to conclude that the Scheme is in the best interests of SG Fleet Shareholders); and
- not to dispose of any interest in its SG Fleet shareholding during the term of the Scheme Implementation Deed.

Independent Expert

SG Fleet has appointed Grant Thornton as the Independent Expert to assess the merits of the Scheme. The Independent Expert has concluded that the Scheme is fair and reasonable and, therefore, in the best interests of SG Fleet Shareholders in the absence of a Superior Proposal.

The Independent Expert has assessed the full underlying value of SG Fleet at between $3.35 and $3.80 per SG Fleet Share. The Cash Consideration of $3.50 per SG Fleet Share is within this valuation range.

Based on the review of the qualitative and quantitative factors which affect the value of Topco Shares at the date of the Scheme Booklet as set out in sections 1.51–1.52 of the Independent Expert Report, the Independent Expert has concluded that the indicative value of the Topco Shares to be issued to the Relevant Management Shareholders is unlikely to be higher than the Cash Consideration of $3.50 per SG Fleet Share as at the date of the Scheme Booklet.

A complete copy of the Independent Expert's Report is included as Attachment A to this Scheme Booklet.

How to vote

Your vote is important and will determine the future ownership of SG Fleet.

As the Relevant Management Shareholders are each entitled to elect to receive some or all of their Scheme Consideration as Scrip Consideration, the rights of the Relevant Management Shareholders under the Scheme are sufficiently different from those of the other SG Fleet Shareholders such that they will vote on the Scheme in a separate class, at a separate Scheme Meeting (being the Relevant Management Shareholder Scheme Meeting), to all other SG Fleet Shareholders (who will vote at the General Scheme Meeting).

The SG Fleet Board has decided to hold the General Scheme Meeting and Relevant Management Shareholder Scheme Meeting on the same day (with the Relevant Management Shareholder Scheme Meeting to immediately follow the General Scheme Meeting) and as virtual meetings through the Online Scheme Meeting Platform.

For the avoidance of doubt, the General Shareholders will vote at the General Scheme Meeting but will not be permitted to vote at the Relevant Shareholder Scheme Meeting. Equally, the Relevant Management Shareholders will vote at the Relevant Management Shareholder Scheme Meeting but will not be permitted to vote at the General Scheme Meeting.

The General Scheme Meeting is scheduled to be held at 3.00pm (Sydney time) on Tuesday, 8 April 2025, the Relevant Management Shareholder Scheme Meeting is to be held immediately following the General Scheme Meeting at 4.00pm (Sydney time) on Tuesday, 8 April 2025. Please refer to section 4, the Notice of General Scheme Meeting contained in Attachment B of this Scheme Booklet and Notice of Relevant Management Shareholder Scheme Meeting contained in Attachment C of this Scheme Booklet (together, the **Notices**) for information setting out how to participate in and vote at the Scheme Meetings.

For the Scheme to be implemented, the Scheme Resolutions must be approved by the Requisite Majorities of SG Fleet Shareholders at the Scheme Meetings. This requires more than 50% of SG Fleet Shareholders present and voting at each of the Scheme Meetings and at least 75% of total number of votes cast at each of the Scheme Meetings to be in favour of the Scheme Resolutions. The Scheme also requires Court approval. For information on how to vote please refer to the Notice relevant to you.

The SG Fleet Directors strongly encourage you to vote on this significant proposed transaction (and to vote in favour of it, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude the Scheme is in the best interests of SG Fleet Shareholders). You may vote on the Scheme Resolutions by attending the Scheme Meetings virtually via the Online Scheme Meeting Platform, or by appointing a proxy, attorney or body corporate representative to attend the Scheme Meetings and vote on your behalf. If you do not wish to or are unable to attend the Scheme Meetings via the Online Scheme Meeting Platform, I encourage you to vote on the Scheme Resolutions by completing the personalised proxy form accompanying the Scheme Booklet and returning it to https://www.votingonline.com.au/sgfscheme2025 so that it is received no later than 10.00am (Sydney time) on Friday, 4 April 2025.

Further Information

This Scheme Booklet sets out important information relating to the Scheme, including the reasons for SG Fleet Directors' recommendation and the Independent Expert's Report. It also sets out some of the reasons why you may wish to vote against the Scheme.

Please read this Scheme Booklet carefully and in its entirety as it contains important information that you should consider before you vote. You should also seek independent legal, financial, taxation or other professional advice before making an investment decision in relation to your SG Fleet Shares.

If you have any questions regarding the Scheme or this Scheme Booklet you should contact the SG Fleet Shareholder Information Line on (02) 8016 2858, Monday to Friday (excluding public holidays) between 8.30am and 5.30pm (Sydney time).

On behalf of the SG Fleet Directors, I thank you for your ongoing support and I look forward to receiving your vote at the relevant Scheme Meeting.

Yours sincerely,



Mr Andrew Reitzer

Key Dates

Key event	Date
First Court Date Court made orders approving dispatch of this Scheme Booklet and convening the Scheme Meetings.	9:15am (Sydney time) on Thursday, 20 February 2025
Election Time (for Relevant Management Shareholders only) Last time and date for receipt of an Election Form.	5:00pm (Sydney time) on Thursday, 3 April 2025
Proxy Form deadline Last time and date by which Proxy Forms (including Proxy Forms lodged online), powers of attorney, and certificates of appointment of body corporate representatives for the relevant Scheme Meeting must be received by the SG Fleet Share Registry.	10:00am (Sydney time) on Friday, 4 April 2025
Scheme Meeting Record Date Time and date for determining eligibility to vote at the relevant Scheme Meeting.	7.00pm (Sydney time) on Friday, 4 April 2025
General Scheme Meeting The General Scheme Meeting will be held as a virtual meeting. General Shareholders or duly appointed proxies, attorneys or corporate representatives of General Shareholders can attend, participate and vote at the General Scheme Meeting through the Online Scheme Meeting Platform. Full details of how to vote at the General Scheme Meeting is set out in section 4 and the Notice of General Scheme Meeting is set out in Attachment B to this Scheme Booklet.	3.00pm (Sydney time) on Tuesday, 8 April 2025
Relevant Management Shareholder Scheme Meeting To be held immediately following the General Scheme Meeting. The Relevant Management Shareholder Scheme Meeting will be held as a virtual meeting. Relevant Management Shareholders or duly appointed proxies, attorneys or corporate representatives of Relevant Management Shareholders can attend, participate and vote at the Relevant Management Shareholder Scheme Meeting through the Online Scheme Meeting Platform. Further details relating to the Relevant Management Shareholder Scheme Meeting is set out in section 4 and the Notice of Relevant Management Shareholder Scheme Meeting is set out in Attachment C to this Scheme Booklet.	4.00pm (Sydney time) on Tuesday, 8 April 2025

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Key Dates continued

Key event	Date
If the Scheme Resolutions are approved by the Requisite Majorities of SG Fleet Shareholders at the Scheme Meetings	
Second Court Hearing To seek Court orders to approve the Scheme.	9:15am (Sydney time) on Tuesday, 15 April 2025
Effective Date This is the date on which the Court order approving the Scheme is lodged with ASIC and the Scheme becomes Effective and binding on SG Fleet Shareholders. SG Fleet Shares will be suspended from trading at the close of trading on ASX on the Effective Date. If the Scheme proceeds, this will be the last day that SG Fleet Shares will trade on ASX.	Wednesday, 16 April 2025
Scheme Record Date Time and date for determining entitlements to the Scheme Consideration.	7.00pm (Sydney time) on Wednesday, 23 April 2025
Scheme Implementation Date The date on which the Scheme will be implemented and the Scheme Consideration will be provided.	Wednesday, 30 April 2025
Share certificates for Topco Shares The date by which Topco must send or procure the sending of a share certificate to each Relevant Management Shareholder who is a Key Manager or the Nominee and is entitled to receive Topco Shares.	Wednesday, 7 May 2025

Please note that all of the above dates and times are indicative only and subject to change. In particular, the date of the Scheme Meetings may be postponed or adjourned. Certain times and dates are conditional on the approval of the Scheme by SG Fleet Shareholders and by the Court. Any changes to the above timetable will be announced to ASX and notified on SG Fleet's website at https://investors.sgfleet.com/Investors/.

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1 Purpose of this Scheme Booklet

Purpose of this Scheme Booklet

The purpose of this Scheme Booklet is to explain the terms of the proposed Scheme, explain the manner in which the Scheme will be considered and implemented (if approved by the Requisite Majorities of SG Fleet Shareholders and by the Court) and provide you with information on the Scheme to assist you in your decision whether or not to vote in favour of the Scheme.

This Scheme Booklet includes the explanatory statement required to be sent to SG Fleet Shareholders in relation to the Scheme pursuant to section 412(1) of the Corporations Act.

The General Scheme Meeting is scheduled to be held at 3.00pm (Sydney time) on Tuesday, 8 April 2025, with the Relevant Management Shareholder Scheme Meeting to be held immediately following the General Scheme Meeting on Tuesday, 8 April 2025 at 4.00pm (Sydney time). Please refer to section 4 and the Notice of General Scheme Meeting contained in Attachment B of this Scheme Booklet and Notice of Relevant Management Shareholder Scheme Meeting contained in Attachment C of this Scheme Booklet (as applicable) for information setting out how to participate in and vote at the Scheme Meetings.

You should read this Scheme Booklet carefully and in full before deciding how to vote at the relevant Scheme Meeting. The Scheme has a number of advantages, disadvantages, and risks, which may affect SG Fleet Shareholders in different ways depending on their individual circumstances. SG Fleet Shareholders should seek professional advice on their particular circumstances as appropriate.

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2 Key considerations relevant to your vote

Key considerations relevant to your vote

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2.1 Summary of reasons why you might vote for or against the Scheme

Key reasons to vote in favour of the Scheme

- ✓ The SG Fleet Board unanimously recommends that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SG Fleet Shareholders.[5]
- ✓ The Cash Consideration of $3.50 per SG Fleet Share represents a premium of 31% to the closing share price of SG Fleet Shares on 22 November 2024 of $2.67.
- ✓ The Independent Expert has concluded that the Scheme is fair and reasonable and, therefore, in the best interests of SG Fleet Shareholders in the absence of a superior proposal.
- ✓ The Cash Consideration provides SG Fleet Shareholders with certainty of value and the opportunity to immediately realise their investment for cash, avoiding the uncertainties and risks associated with an investment in SG Fleet's business.
- ✓ Since the announcement of the Scheme, and up to the Last Practicable Date no Superior Proposal has emerged and no alternative proposal has been received.
- ✓ SG Fleet's share price may fall if the Scheme does not proceed and no comparable proposal or Superior Proposal emerges. On 22 November 2024, the day prior to the announcement of the Scheme, SG Fleet's closing share price was $2.67 per share. SG Fleet Shareholders should also consider the lack of liquidity in the trading of SG Fleet shares on the ASX with the average daily volume of shares traded for the 12 months ending on 22 November 2024, being 578,216 shares, which represents less than 0.2% of the outstanding shares of SG Fleet. Super Group's majority shareholding of 53.58% of all SG Fleet shares outstanding has limited the liquidity of shares traded and if the Scheme were not to proceed, Super Group will continue to be a majority shareholder.
- ✓ If the Scheme does not proceed, SG Fleet Shareholders will continue to be exposed to risks associated with an investment in SG Fleet's business rather than, for those SG Fleet Shareholders that receive the Cash Consideration, realising certain value for their SG Fleet Shares in a certain timeframe.
- ✓ You will not incur any brokerage charges or stamp duty on the transfer of your SG Fleet Shares under the Scheme.

For more information about the reasons to vote in favour of the Scheme, please see section 2.3 which SG Fleet Shareholders should read carefully and in its entirety.

Reasons not to vote in favour of the Scheme

- x You may believe that there is the potential for a superior proposal to be made in the foreseeable future.
- x You may disagree with the SG Fleet Board's unanimous recommendation of the Scheme in respect of the Cash Consideration and the opinion of the Independent Expert and consider that the Scheme is not in your best interests.
- x You may prefer to maintain a direct interest in SG Fleet as an ASX-listed company.
- x You may believe that it is in your best interests to maintain your current investment and risk profile; and
- x The taxation consequences of the Scheme may not suit your current financial position.

For more information about the reasons to vote against the Scheme, please see section 2.4 which SG Fleet Shareholders should read carefully and in its entirety.

SG Fleet Directors unanimously believe that the benefits of the Scheme significantly outweigh its potential disadvantages.

5. The SG Fleet Directors make this recommendation only in respect of the Cash Consideration, and make no recommendation to Relevant Management Shareholders in relation to the Scrip Consideration including in relation to whether the Relevant Management Shareholders should make an Election to receive Scrip Consideration.

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2.2 SG Fleet Directors' Recommendation

The SG Fleet Directors unanimously recommend that SG Fleet Shareholders vote in favour of the Scheme Resolutions at the Scheme Meetings, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SG Fleet Shareholders.[6]

Subject to the same qualifications, each SG Fleet Director states that he or she intends to vote in favour of the Scheme (in the case of all SG Fleet Directors who hold SG Fleet Shares (other than Robbie Blau and Kevin Wundram) at the General Scheme Meeting and, in the case of Robbie Blau and Kevin Wundram, at the Relevant Management Shareholder Scheme Meeting) in respect of all SG Fleet Shares controlled or held by them, or on their behalf.

In reaching their conclusion that the Scheme is in the best interests of SG Fleet Shareholders, the SG Fleet Directors have assessed the Scheme having regard to the reasons to vote in favour of, and against, the Scheme, as set out in this Scheme Booklet. The SG Fleet Directors' unanimous recommendation that SG Fleet Shareholders vote in favour of the Scheme, subject to the qualifications outlined above, is based on the Cash Consideration only. The SG Fleet Directors consider that the Cash Consideration recognises the value and future growth potential of SG Fleet.

The SG Fleet Directors make no recommendation to Relevant Management Shareholders in relation to the Scrip Consideration including in relation to whether the Relevant Management Shareholders should make an Election to receive Scrip Consideration. An investment in Topco involves risks that are materially different from, and in addition to, those risks that apply to their existing investment in SG Fleet as an ASX-listed company. As a result, whether the Topco Shares are an appropriate investment will depend significantly on the characteristics and risk profile of the individual Relevant Management Shareholder. Relevant Management Shareholders who are considering making an Election to receive the Scrip Consideration should consider the information in relation to the Scrip Consideration outlined above and further in this Scheme Booklet at section 6.2 and should obtain appropriate professional advice before making an Election.

Relevant Management Shareholders should carefully consider the risks associated with an investment in Topco set out in section 8.6.

The Relevant Interests of SG Fleet Directors in SG Fleet Shares, including the Relevant Interests and SG Fleet Performance Rights held by Mr Robbie Blau, Chief Executive Officer and Executive Director of SG Fleet and Mr Kevin Wundram, Chief Financial Officer and Executive Director of SG Fleet, as at the Last Practicable Date are set out in section 11.1. SG Fleet Shareholders should have regard to these interests including those of Mr Blau and Mr Wundram, when considering the SG Fleet Directors' recommendation in relation to the Scheme.

As noted in the Letter from the Chairman, in considering the unanimous recommendation of SG Fleet Directors to vote in favour of the Scheme, SG Fleet Shareholders should also have regard to the fact that, in relation to the recommendation of:

- Mr Robbie Blau, Chief Executive Officer and Executive Director of SG Fleet:
  - If the Scheme is implemented, in connection with the agreed treatment of the SG Fleet Equity Incentives set out in section 11.13, Mr Blau will become entitled to receive prior to the Scheme Record Date:
    - 452,147 SG Fleet Shares as a result of the accelerated vesting of 452,147 unvested SG Fleet Performance Rights; and
    - 2,312,601 SG Fleet Shares as a result of the accelerated vesting and automatic exercise of 5,971,251 unvested SG Fleet Options.

    This would mean that, subject to the Scheme becoming Effective, Mr Blau would receive a maximum amount of $1,582,514.50 as a result of the vesting of his SG Fleet Performance Rights and $8,094,103.95 as a result of the vesting and exercise of his SG Fleet Options, described in more detail in section 11.13.
  - Prior to the date of this Scheme Booklet, Mr Blau has also agreed to elect to receive the Scrip Consideration in respect of approximately 25% of the SG Fleet Shares that will be held or controlled by him as at the Scheme Record Date (which will include the SG Fleet Shares issued to him as a result of the vesting of his SG Fleet Performance Rights and the vesting and exercise of his SG Fleet Options as described above), representing Scrip Consideration of approximately $10,000,000 in value in aggregate and would therefore receive Cash Consideration (of $3.50 per SG Fleet Share) in respect of the remaining approximately 75% of the SG Fleet Shares held or controlled by him (representing Cash Consideration of approximately $29,246,228).
- Mr Kevin Wundram, Chief Financial Officer and Executive Director of SG Fleet:
  - If the Scheme is implemented, in connection with the agreed treatment of the SG Fleet Equity Incentives set out in section 11.13, Mr Wundram will become entitled to receive prior to the Scheme Record Date:
    - 170,650 SG Fleet Shares as a result of the accelerated vesting of 170,650 unvested SG Fleet Performance Rights; and
    - 353,891 SG Fleet Shares as a result of the accelerated vesting and automatic exercise of 1,255,184 unvested SG Fleet Options.

    This would mean that, subject to the Scheme becoming Effective, Mr Wundram would receive a maximum amount of $597,275.00 as a result of the vesting of his SG Fleet Performance Rights and $1,238,617.56 as a result of the vesting and exercise of his SG Fleet Options, described in more detail in section 11.13.
  - Prior to the date of this Scheme Booklet, Mr Wundram has also agreed to elect to receive the Scrip Consideration in respect of approximately 38% of the SG Fleet Shares that will be held or controlled by him as at the Scheme Record Date (which will include the SG Fleet Shares issued to him as a result of the vesting of his SG Fleet Performance Rights and the vesting and exercise of his SG Fleet Options as described above), representing Scrip Consideration of approximately $2,000,000 in value in aggregate and would therefore receive Cash Consideration (of $3.50 per SG Fleet Share) in respect of the remaining approximately 62% of the SG Fleet Shares held or controlled by him (representing Cash Consideration of approximately $3,202,193).

6. The SG Fleet Directors make this recommendation only in respect of the Cash Consideration, and make no recommendation to Relevant Management Shareholders in relation to the Scrip Consideration including in relation to whether the Relevant Management Shareholders should make an Election to receive Scrip Consideration.

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Despite these interests in the outcome of the Scheme (which will have no impact on the Scheme Consideration paid to SG Fleet Shareholders), each of Mr Blau and Mr Wundram consider that, given the importance of the Scheme and their role as Chief Executive Officer and Executive Director and Chief Financial Officer and Executive Director (respectively), it is important and appropriate for them to also provide a recommendation to SG Fleet Shareholders as part of the SG Fleet Board in relation to the Scheme.

The SG Fleet Board (excluding Mr Blau and Mr Wundram) also consider that it is appropriate for Mr Blau and Mr Wundram to make a recommendation on the Scheme given their intimate knowledge of SG Fleet's business and its key stakeholders, as well as their deep industry knowledge and leadership position within SG Fleet.

Following Implementation of the Scheme, Mr Blau and Mr Wundram will continue in their roles as Chief Executive Officer and Chief Financial Officer, respectively.

2.3 Reasons for recommendation and advantages of Scheme

(a) The Cash Consideration of $3.50 per SG Fleet Share represents an attractive premium to SG Fleet's recent share price performance

The Cash Consideration of $3.50 per SG Fleet Share values SG Fleet's equity at approximately $1,227m[7] and represents a premium of:

- 31% to SG Fleet's closing share price as at 22 November 2024[8];
- 30% to the 1-month VWAP;
- 30% to the 3-month VWAP; and
- 25% to the 6-month VWAP.

(b) The Independent Expert concluded that the Scheme is fair and reasonable and, therefore, in the best interests of SG Fleet Shareholders in the absence of a superior proposal

SG Fleet appointed the Independent Expert, Grant Thornton, to prepare the Independent Expert's Report, including an opinion as to whether the Scheme is in the best interests of SG Fleet Shareholders. The Independent Expert concluded that the Scheme is fair and reasonable and, therefore, in the best interests of SG Fleet Shareholders in the absence of a superior proposal.

Based on the review of the qualitative and quantitative factors which affect the value of Topco Shares at the date of the Scheme Booklet as set out in sections 1.51–1.52 of the Independent Expert Report, the Independent Expert has concluded that the indicative value of the Topco Shares to be issued to the Relevant Management Shareholders is unlikely to be higher than the Cash Consideration of $3.50 per SG Fleet Share as at the date of the Scheme Booklet.

The reasons why the Independent Expert has formed their conclusion that the Scheme is fair and reasonable and in the best interests of SG Fleet Shareholders are set out in the Independent Expert's Report.

A complete copy of the Independent Expert's Report is included as Attachment A to this Scheme Booklet and the SG Fleet Board encourages you to read this report in its entirety.

(c) The Cash Consideration represents certain value of $3.50 cash per SG Fleet Share

If the Scheme is approved and implemented, SG Fleet Shareholders (other than the Relevant Management Shareholders who make a valid Election to receive Scrip Consideration or a mix of the Cash Consideration and Scrip Consideration as described below) will receive the Cash Consideration of $3.50 for each SG Fleet Share held on the Scheme Record Date.

By contrast, if the Scheme does not proceed, the amount which SG Fleet Shareholders will be able to realise for their investment in SG Fleet Shares will be uncertain. The Scheme removes this uncertainty for SG Fleet Shareholders.

For details of risks relating to remaining a SG Fleet Shareholder if the Scheme does not go ahead, please see sections 9.2 and 9.3.

(d) No Superior Proposal has emerged and no alternative proposal has been received by the SG Fleet Board since the announcement of the Scheme

Since the announcement of the Scheme Implementation Deed on 4 December 2024, and up to the Last Practicable Date, no Superior Proposal has emerged, and no alternative proposal has been received by the SG Fleet Board.

The SG Fleet Directors are not currently aware, and as at the Last Practicable Date, have no basis to believe that any alternative proposal is likely to emerge.

(e) SG Fleet's share price may fall if the Scheme does not proceed and no comparable or Superior Proposal emerges

If the Scheme is not implemented, and no comparable proposal or Superior Proposal is received by the SG Fleet Board, then the price of SG Fleet Shares on ASX may fall.

The closing SG Fleet share price on 22 November 2024 was $2.67, being the last trading day prior to SG Fleet announcing it had entered into a Scheme Implementation Deed with Bidco that contemplates the Scheme.

Since then, SG Fleet's share price has increased by 29% up to $3.44 per SG Fleet Share as at the Last Practicable Date, reflecting a significant premium to any price SG Fleet Shares have traded over the preceding two-year period as reflected in the chart below.

The SG Fleet Directors are unable to predict the price at which SG Fleet Shares will trade in the future, but consider that in the absence of the implementation of the Scheme or a comparable proposal or Superior Proposal, the price of SG Fleet Shares may fall.

In addition, the future trading price of SG Fleet Shares will continue to be subject to market volatility if the Scheme is not implemented, compared to the certain value of $3.50 cash per SG Fleet Share available under the Scheme.

The Cash Consideration of $3.50 per SG Fleet Share values SG Fleet's equity at approximately $1,227m[9] and represents a premium of:

- 31% to SG Fleet's closing share price as at 22 November 2024[10];
- 30% to the 1-month VWAP;
- 30% to the 3-month VWAP; and
- 25% to the 6-month VWAP.

7. Based on total diluted shares outstanding of 350,481,302.
8. Last trading date prior to the announcement on the ASX on 25 November 2024 of the receipt of non-binding indicative proposal from PEP.
9. Based on total diluted shares outstanding of 350,481,302.
10. Last trading date prior to the announcement on the ASX on 25 November 2024 of the receipt of non-binding indicative proposal from PEP.

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SG Fleet Shareholders should also consider the lack of liquidity in the trading of SG Fleet Shares on the ASX with the average daily volume of shares traded for the 12 months ending on 22 November 2024 being 578,216 shares which represents less than 0.2% of the market capitalisation of SG Fleet. Super Group's majority shareholding of 53.58% of all SG Fleet shares outstanding has limited the liquidity of shares traded and if the Scheme were not to proceed, Super Group will continue to be a majority shareholder.

(f) If the Scheme does not proceed, SG Fleet Shareholders will continue to be exposed to risks associated with SG Fleet's business rather than realising certain value for their SG Fleet Shares in a certain timeframe

If the Scheme does not proceed, the amount which SG Fleet Shareholders will be able to realise in respect of their SG Fleet Shares, in terms of price and future dividends, will be uncertain and subject to a number of risks outlined in section 9.

Among other things, this will be subject to the performance of SG Fleet's business from time to time, general economic conditions and the movements in the share market.

The Scheme removes these risks and uncertainties for all SG Fleet Shareholders (other than the Relevant Management Shareholders who elect to receive some or all of their Scheme Consideration as Scrip Consideration) and allows SG Fleet Shareholders to fully exit their investment in SG Fleet at a price that the SG Fleet Directors consider compelling.

(g) You will not incur any brokerage or Australian stamp duty on the transfer of your SG Fleet Shares under the Scheme

If the Scheme is implemented, you will not incur any brokerage or Australian stamp duty on the transfer of your SG Fleet Shares to Bidco under the Scheme.

If you sell your SG Fleet Shares on ASX (rather than disposing of them as part of the Scheme), you may incur brokerage charges (and, potentially goods and services tax (**GST**) on those charges).

2.4 Reasons why SG Fleet Shareholders may consider voting against the Scheme

(a) You may believe that there is potential for a superior proposal to be made in the foreseeable future. However, no alternative proposal has been received since the announcement of the Scheme

Since the execution of the Scheme Implementation Deed on 4 December 2024 and as at the Last Practicable Date, no alternative proposal has emerged and the SG Fleet Directors are not aware, as at the Last Practicable Date, of any alternative proposal that is likely to emerge.

Under the Scheme Implementation Deed, for a Competing Proposal to be a Superior Proposal, it must (among other requirements) be "materially" more favourable to SG Fleet Shareholders than the Transaction. The Scheme Implementation Deed states that materiality is to be assessed having regard to the 4th and 5th paragraphs of section 8.7 of the ASX Listing Rules Guidance Note (**GN8**).

The 4th and 5th paragraphs of section 8.7 of GN8 provide the following guidance in relation to materiality:

- a price change of 10% or more will generally be considered to be material;
- a price change of 5% or less will generally be considered to not be material; and
- a price change of between 5% and 10% may be material.

Whether the Competing Proposal is a Superior Proposal is to be assessed and determined by the SG Fleet Board having regard to all aspects of the Competing Proposal and the Transaction including the identity, reputation and financial condition of the person making the Competing Proposal, consideration (including on a time value of money basis), conditionality, funding and timing, all relevant legal, regulatory and financial matters, and any other matters affecting the probability of the relevant proposal being completed in accordance with its terms.

The Scheme Implementation Deed prohibits SG Fleet from soliciting a Competing Proposal. However, SG Fleet is permitted to respond to any Competing Proposal provided that:

- the Competing Proposal is bona fide and is made by or on behalf of a person that the SG Fleet Board considers is of sufficient commercial standing; and
- the SG Fleet Board has determined in good faith after:
  - consultation with SG Fleet's financial advisers, that the Competing Proposal is or may reasonably be expected to lead to a Superior Proposal; and
  - receiving written advice from SG Fleet's external Australian legal advisers experienced in transactions of this nature, that failing to take the action or refusing to take the action (as the case may be) with respect to the Competing Proposal would, or would be reasonably likely to, be inconsistent with the fiduciary or statutory duties owed by the SG Fleet directors under applicable law, or it would otherwise be unlawful not to take that action

Further details of the key terms in the Scheme Implementation Deed are provided in section 11.12 of the Scheme Booklet.

(b) You may disagree with the SG Fleet Board's recommendation and the opinion of the Independent Expert and consider that the Scheme is not in your best interests

Despite the recommendation of the SG Fleet Board that the Scheme is in the best interests of SG Fleet Shareholders in the absence of a Superior Proposal[11], and the opinion of the Independent Expert that the Scheme is in the best interests of SG Fleet Shareholders in the absence of a superior proposal, you may believe that the Scheme is not in your best interests or that of other SG Fleet Shareholders.

(c) You may prefer to maintain a direct investment in SG Fleet as an ASX-listed company

You may wish to maintain your investment in SG Fleet in order to have an investment in a publicly listed company with the specific characteristics of SG Fleet in terms of industry, operational profile, size, capital structure, potential capital growth and potential dividend payments.

Implementation of the Scheme may result in a disadvantage to those who wish to maintain their investment profile in SG Fleet as an ASX-listed company. SG Fleet Shareholders who wish to maintain their investment profile may find it difficult to find an investment with a similar profile to that of SG Fleet and they may incur transaction costs undertaking any new investment.

11. The SG Fleet Directors make this recommendation only in respect of the Cash Consideration and make no recommendation to Relevant Management Shareholders in relation to the Scrip Consideration including in relation to whether the Relevant Management Shareholders should make an Election to receive Scrip Consideration.

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The Independent Expert has also noted that if the Scheme is not implemented, all other things being equal, it is likely that SG Fleet Shares will trade at a price below the Cash Consideration, at least in the short-term, however, in the longer-term SG Fleet's trading price may settle at a level higher than before the announcement of the Scheme if forecast growth and cost synergy expectations can be realised.

(d) You may believe it is in your best interests to maintain your current investment and risk profile

You may wish to keep your SG Fleet Shares as you may want to preserve your investment in a publicly listed company with the specific characteristics of SG Fleet. In particular, you may consider that, despite the risks relevant to SG Fleet's potential future operations (including those set out in section 9), SG Fleet may be able to return greater value from its assets by remaining independent or seeking alternative commercialisation strategies.

(e) The taxation consequences of the Scheme may not suit your current financial position

The taxation consequences of the Scheme for Scheme Shareholders may vary depending on each Scheme Shareholder's specific circumstances. You may consider that the tax consequences of transferring your Scheme Shares to Bidco under the Scheme are not attractive to you. For general information regarding the Australian tax consequences of the Scheme for Scheme Shareholders, see section 10 of this Scheme Booklet. However, as that information is general in nature and as each Scheme Shareholder's circumstances will vary, you should seek professional Australian (and, if relevant, foreign) taxation advice in relation to your particular circumstances.

2.5 Additional considerations relating to the Scheme

SG Fleet Shareholders should also take into account the following additional considerations in deciding how to vote on the Scheme:

(a) The Scheme may be implemented even if you vote against the Scheme or do not vote at all

SG Fleet Shareholders should be aware that if they do not vote, or vote against the Scheme, the Scheme may still be implemented if it is approved by the Requisite Majorities and by the Court (and all other conditions precedent under the Scheme Implementation Deed are satisfied or waived (as applicable)). If this occurs, SG Fleet Shares held on the Scheme Record Date will be transferred to Bidco and Scheme Shareholders will receive the Scheme Consideration, even though they voted against, or did not vote, on the Scheme.

(b) Conditionality of the Scheme

Implementation of the Scheme is subject to the satisfaction (or waiver) of a number of conditions precedent (summarised in section 11.12(a)). If the conditions precedent are not satisfied or waived (as applicable) in accordance with the terms of the Scheme Implementation Deed, the Scheme will not proceed and the SG Fleet Shareholders will not receive the Scheme Consideration.

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3 Next steps

Next steps

Step 1: Carefully read this Scheme Booklet

This is an important document and you should read it carefully and in its entirety before deciding how to vote at the Scheme Meetings.

Seek further information if required

If you have any questions in relation to the Scheme or the number of SG Fleet Shares you hold or how to vote, please call the Shareholder Information Line on (02) 8016 2858, Monday to Friday (excluding public holidays) between 8.30am and 5.30pm (Sydney time).

If you have any doubts as to the actions you should take or you have further questions, please contact your legal, financial, taxation or other professional adviser.

Step 2: Vote on the Scheme

As a SG Fleet Shareholder, you are entitled to vote on whether the Scheme should proceed at the Scheme Meetings.

Please refer to section 4 for details on how to vote at the Scheme Meetings you are eligible to vote at.

Why you should vote

As a SG Fleet Shareholder, you have a say in whether Bidco will acquire all the issued shares in SG Fleet. This is your opportunity to play a role in deciding the future of SG Fleet.

If you wish for the Scheme to proceed, is it important that you vote in favour of the relevant Scheme Resolution prior to or at the relevant Scheme Meeting. Further details of how to vote at the Scheme Meetings is set out in section 4 and in Notice of General Scheme Meeting and the Notice of Relevant Management Shareholders Scheme Meeting.

The SG Fleet Directors encourage you to seek independent legal, financial and taxation advice before making any investment decision and any decision as to whether or not to vote in favour of the Scheme and, if you are a Relevant Management Shareholder, whether or not to make an Election to receive the Scrip Consideration.

Step 3: Relevant Management Shareholders to consider whether to make an Election

If you are a Relevant Management Shareholder, you can make an Election to receive the Scrip Consideration.

If you do not make a valid Election and the Scheme is implemented, you will receive the Cash Consideration by default. For an Election to be valid an Election Form must be received by the SG Fleet Share Registry by no later than the Election Time.

For further information on how to make a valid Election, see section 6.7.

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4 How to vote

How to vote

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General Shareholders

General Shareholders entitled to vote at the General Scheme Meeting will be able to vote online via the Online Scheme Meeting Platform at https://meetings.lumiconnect.com/300-026-255-965.

Relevant Management Shareholders

Relevant Management Shareholders entitled to vote at the Relevant Management Shareholder Scheme Meeting will be able to vote online via the Online Scheme Meeting Platform at https://meetings.lumiconnect.com/300-865-182-860.

Joint holders

In the case of SG Fleet Shares held by joint holders, only one of the joint holders is entitled to vote. If more than one shareholder votes in respect of jointly held SG Fleet Shares, only the vote of the SG Fleet Shareholder whose name appears first in the Register will be counted.

Your vote is important

For the Scheme to be implemented, the Scheme Resolutions must be approved by SG Fleet Shareholders by the Requisite Majorities at each Scheme Meeting.

For this reason, the SG Fleet Directors unanimously recommend that you vote in favour of the Scheme Resolutions in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SG Fleet Shareholders.[12]

If you are unable to attend your relevant Scheme Meeting, the SG Fleet Directors urge you to complete and return, in the enclosed reply-paid envelope, the personalised proxy form that accompanies this Scheme Booklet or lodge your proxy form online (https://www.votingonline.com.au/sgfscheme2025) in accordance with the instructions given there. Further details on how to lodge your Proxy Form are set out below and in the Notice of General Scheme Meeting set out in Attachment B to this Scheme Booklet and the Notice of Relevant Management Shareholder Scheme Meeting set out in Attachment C.

Location and details of Scheme Meetings

The details of the General Scheme Meeting are as follows:

Location	https://meetings.lumiconnect.com/300-026-255-965
Meeting ID	300-026-255-965
Date	Tuesday, 8 April 2025
Time	3.00pm (Sydney time)

The details of the Relevant Management Shareholder Scheme Meeting are as follows:

Location	https://meetings.lumiconnect.com/300-865-182-860
Meeting ID	300-865-182-860
Date	Tuesday, 8 April 2025
Time	4.00pm (Sydney time)

Scheme Meetings

A copy of the Notice of General Scheme Meeting is set out in Attachment B to this Scheme Booklet. A copy of Notice of Relevant Management Shareholder Scheme Meeting is set out in Attachment C.

Section 6.3(b) provides details of the relevant Scheme Resolutions and the voting majorities that are required for the relevant Scheme Resolutions.

If the Scheme is not approved by the Requisite Majorities of SG Fleet Shareholders at each of the Scheme Meetings and approved by the Court, the Scheme will not proceed.

Voting online, by attorney or corporate representative

If you wish to vote, you must attend the relevant Scheme Meeting via the Online Scheme Meeting Platform.

If you cannot attend the relevant Scheme Meeting, you may appoint an attorney to participate and vote at the relevant Scheme Meeting by providing a duly executed power of attorney to the SG Fleet Share Registry by 10.00am (Sydney time) on Friday, 4 April 2025.

A body corporate that is a SG Fleet Shareholder may appoint an individual to act as its corporate representative by providing a duly executed certificate of appointment prior to the General Scheme Meeting by 10.00am (Sydney time) on Friday, 4 April 2025. The appointment must comply with the requirements of section 250D of the Corporations Act.

Voting by proxy

If you wish to appoint a proxy to attend and vote at the relevant Scheme Meeting on your behalf, please complete and sign the personalised proxy form accompanying this Scheme Booklet in accordance with the instructions set out on the proxy form or lodge your proxy form online at https://www.votingonline.com.au/sgfscheme2025 in accordance with the instructions given there. You may complete the proxy form in favour of the Chairperson of the relevant Scheme Meeting or appoint up to two proxies to attend and vote on your behalf at the relevant Scheme Meeting.

TO BE VALID, PROXY FORMS FOR THE SCHEME MEETING MUST BE RECEIVED BY THE SG FLEET SHARE REGISTRY OR SG FLEET BY NO LATER THAN 10.00AM (SYDNEY TIME) ON FRIDAY, 4 APRIL 2025.

Proxy forms, duly completed in accordance with the instructions set out on the proxy form, may be returned to the SG Fleet Share Registry:

- by posting them in the reply-paid envelope provided;
- by posting them to Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia;
- by delivering them in person to Boardroom Pty Limited, Level 8, 210 George Street Sydney NSW 2000 Australia;
- by faxing them to +61 2 9290 9655; or
- by submitting them online at https://www.votingonline.com.au/sgfscheme2025. To use the online voting facility, SG Fleet Shareholders will need their Voting Access Code (**VAC**) and their post code or country code.

If the proxy form is signed by an attorney, the original or a certified copy of the power of attorney must be received by SG Fleet Share Registry at the same time as the proxy form (unless previously provided to the SG Fleet Share Registry or SG Fleet).

Further information

Please refer to the Notice of General Scheme Meeting set out in Attachment B to this Scheme Booklet and the Notice of Relevant Management Shareholder Scheme Meeting set out in Attachment C of this Scheme Booklet for further information on voting procedures and details of the relevant Scheme Resolution to be voted on at the relevant Scheme Meeting (including who is entitled to attend the respective Scheme Meetings and vote on the respective Scheme Resolutions).

12. The SG Fleet Directors make this recommendation only in respect of the Cash Consideration, and make no recommendation to Relevant Management Shareholders in relation to the Scrip Consideration including in relation to whether the Relevant Management Shareholders should make an Election to receive Scrip Consideration.

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5 Frequently asked questions

Frequently asked questions

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This Scheme Booklet contains detailed information regarding the Scheme. This section provides summary answers to some questions you may have and will assist you to locate further detailed information in this Scheme Booklet. It is not intended to address all relevant issues for SG Fleet Shareholders. This section should be read together with the other parts of this Scheme Booklet.

Question	Answer	More Information
An Overview of the Scheme		
Why have I received this Scheme Booklet?	This Scheme Booklet has been sent to you because you are a SG Fleet Shareholder and SG Fleet Shareholders are being asked to vote on the Scheme which, if approved and implemented, will result in Bidco acquiring all the SG Fleet Shares and SG Fleet being removed from the ASX's official list. This Scheme Booklet is intended to help you decide how to vote on the relevant Scheme Resolution, which needs to be passed by the Requisite Majorities at each Scheme Meeting for the Scheme to proceed. You should carefully read this Booklet in its entirety before making any decision in relation to the Scheme.	Section 6
What is the Scheme?	The Scheme is a members' scheme of arrangement between SG Fleet and Scheme Shareholders, being those SG Fleet Shareholders who hold SG Fleet Shares as at the Scheme Record Date. A scheme of arrangement is a statutory procedure that is commonly used in Australia to undertake an acquisition of a publicly listed company. In addition to requiring Court approval, schemes of arrangement require a shareholder vote in favour of a resolution to implement the scheme of arrangement by the Requisite Majorities. If the Scheme is approved and implemented: – Bidco will acquire all the SG Fleet Shares; – SG Fleet will become a wholly owned subsidiary of Bidco and will be removed from ASX's official list; – General Shareholders who participate in the Scheme will receive the Cash Consideration for each SG Fleet Share held at the Scheme Record Date; – Relevant Management Shareholders who have made a valid Election to receive their Scheme Consideration as all Scrip Consideration, will receive Scrip Consideration in respect of all Scheme Shares held by that Relevant Management Shareholder on the Scheme Record Date; – Relevant Management Shareholders who have made a valid Election to receive their Scheme Consideration as all Cash Consideration, will receive Cash Consideration in respect of all Scheme Shares held by that Relevant Management Shareholder on the Scheme Record Date; – Relevant Management Shareholders who have made a valid Election to receive their Scheme Consideration as a mix of Cash Consideration and Scrip Consideration, will receive: – the Cash Consideration in respect of the percentage of Scheme Shares held by the Relevant Management Shareholder on the Scheme Record Date for which the Relevant Management Shareholder has made an Election (in the Election Form) to receive the Cash Consideration; *plus* – the Scrip Consideration in respect of the percentage of Scheme Shares held by the Relevant Management Shareholder on the Scheme Record Date for which the Relevant Management Shareholder has not made an Election (in the Election Form) to receive the Cash Consideration; and – Relevant Management Shareholders who have not made a valid Election, will receive their Scheme Consideration as Cash Consideration in respect of the Scheme Shares held by them on the Scheme Record Date.	Section 6
Who is Bidco?	Bidco is a special purpose vehicle that was incorporated on 26 November 2024 for the sole purpose of acquiring all of the Scheme Shares under the Scheme. Bidco is an Australian proprietary company limited by shares that has not engaged in any trading activities and does not hold any assets or liabilities, except for those arising in connection with its incorporation, the execution of transaction documents related to the Scheme, and other necessary actions to facilitate the Scheme. These actions include the incurrence of costs, fees, and expenses associated with the Scheme. Bidco is a wholly owned subsidiary of Midco, which is itself a wholly owned subsidiary of Mezzco, and Mezzco is a wholly owned subsidiary of Topco. If the Scheme becomes Effective, Bidco will hold all the Scheme Shares on the Implementation Date.	Section 8

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Question	Answer	More Information
Who is Topco?	Topco is a special purpose vehicle that was incorporated on 26 November 2024 for the purposes of: – directly holding all of the shares in Mezzco and indirectly holding all of the shares in Midco and Bidco; and – issuing Topco Shares to the PEP Shareholders and to the Relevant Management Shareholders who make a valid Election. Topco is an unlisted Australian public company limited by shares with no trading activities or assets (other than the shares in Mezzco) and liabilities, except those related to its incorporation, the execution of transaction documents for the Scheme (including entry into the Deed Poll), and other necessary actions to facilitate the Scheme. These actions include the incurrence of costs, fees, and expenses associated with the Scheme.	Section 8.4(d)
Who is PEP?	PEP was founded in 1998 and is a leading Australian based private equity firm which focuses on growth and expansion capital in Australia and New Zealand. PEP currently has approximately A$12 billion in assets under management. Funds managed or advised by PEP have made 46 platform investments and more than 170 follow-on business acquisitions. Funds managed or advised by PEP have a long and successful track record for owning businesses operating in Australia and New Zealand.	Section 8.2
What are Bidco's intentions for the SG Fleet business if the Scheme is implemented?	Bidco intends to delist SG Fleet from ASX, but otherwise continue to operate SG Fleet's business in its current form while providing support to pursue organic and acquisition-based growth opportunities, as appropriate.	Section 8.8
What is required for the Scheme to be implemented?	In order for the Scheme to be implemented, all conditions precedent under the Scheme Implementation Deed must be satisfied or waived (where applicable), including that the Scheme Resolutions must be approved by the Requisite Majorities at each of the Scheme Meetings and the Scheme must be approved by the Court. SG Fleet and Bidco must also undertake the steps set out in section 6.4 so that all of the SG Fleet Shares are transferred to Bidco and the SG Fleet Shareholders receive the Scheme Consideration. Details of this Scheme Resolutions and the voting majorities required to approve the Scheme Resolutions are set out in section 6.3.	Section 6.4
What do the SG Fleet Directors recommend?	The SG Fleet Directors unanimously recommend that you vote in favour of the Scheme Resolutions to approve the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SG Fleet Shareholders.[13] The reasons for this recommendation, and other matters that you may wish to take into consideration, are set out in section 2.	Section 2.2
How are the SG Fleet Directors intending to vote?	Each of the SG Fleet Directors states that he or she intends to vote in favour of the Scheme (in the case of all SG Fleet Directors who hold SG Fleet Shares (other than Robbie Blau and Kevin Wundram) at the General Scheme Meeting and, in the case of Robbie Blau and Kevin Wundram, at the Relevant Management Shareholder Scheme Meeting) in respect of all SG Fleet Shares controlled or held by them, or on their behalf, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SG Fleet Shareholders. The Relevant Interests of SG Fleet Directors in SG Fleet Shares as at the Last Practicable Date are set out in section 11.1.	Section 2.2

13. The SG Fleet Directors make this recommendation only in respect of the Cash Consideration, and make no recommendation to Relevant Management Shareholders in relation to the Scrip Consideration including in relation to whether the Relevant Management Shareholders should make an Election to receive Scrip Consideration. As described in more detail in the Chairman's Letter, section 2.2 and section 11.1, in considering the unanimous recommendation of SG Fleet Directors to vote in favour of the Scheme, SG Fleet Shareholders should have regard to the fact that, in relation to the recommendation of Mr Blau and Mr Wundram, if the Scheme is Implemented, Mr Blau and Mr Wundram will become entitled to receive SG Fleet Shares in connection with the agreed treatment of the SG Fleet Equity Incentives prior to the Scheme Record Date. Prior to the date of this Scheme Booklet, Mr Blau and Mr Wundram have also agreed to receive Scrip Consideration in respect of a portion of SG Fleet Shares held or controlled by them. Please refer to the Chairman's Letter, section 2.2 and section 11.1 for further details, including the total number of SG Fleet Shares held by Mr Blau and Mr Wundram, the maximum amount they will receive as a result of the vesting of their SG Fleet Performance Rights, and the total value of the Scrip Consideration and Cash Consideration, that Mr Blau and Mr Wundram will receive, respectively.

Fequently asked questions continued

Question	Answer	More Information
Do the SG Fleet Directors make any recommendation in respect of the Scrip Consideration?	The SG Fleet Directors make no recommendation to Relevant Management Shareholders in relation to the Scrip Consideration including in relation to whether the Relevant Management Shareholders should make an Election to receive Scrip Consideration. An investment in Topco involves risks that are materially different from, and in addition to, those risks that apply to their existing investment in SG Fleet as an ASX-listed company. As a result, whether the Topco Shares are an appropriate investment will depend significantly on the characteristics and risk profile of the individual Relevant Management Shareholder. Relevant Management Shareholders who are considering making an Election to receive the Scrip Consideration should consider the information in relation to the Scrip Consideration outlined above and further in this Scheme Booklet at section 6.2 and should obtain appropriate professional advice before making an Election.	Section 2.2
What is the Independent Expert's opinion of the Scheme?	The Independent Expert concluded that the Scheme is fair and reasonable and, therefore, in the best interests of SG Fleet Shareholders in the absence of a superior proposal. The Independent Expert has estimated the full underlying value of SG Fleet to be in the range of $3.35 and $3.80 per SG Fleet Share. Based on the review of the qualitative and quantitative factors which affect the value of Topco Shares at the date of the Scheme Booklet as set out in sections 1.51–1.52 of the Independent Expert Report, the Independent Expert has concluded that the indicative value of the Topco Shares to be issued to the Relevant Management Shareholders is unlikely to be higher than the Cash Consideration of $3.50 per SG Fleet Share as at the date of the Scheme Booklet. The SG Fleet Directors recommend that you read the Independent Expert's Report carefully and in its entirety. The Independent Expert's Report is included as Attachment A to this Scheme Booklet.	Attachment A
What if the Independent Expert changes its opinion?	If the Independent Expert changes its opinion: – this will be announced to ASX; – the SG Fleet Directors will carefully consider the Independent Expert's revised opinion; and – the SG Fleet Directors will advise you of their recommendation. Under the Scheme Implementation Deed, SG Fleet is not required to pay Bidco the Break Fee if any SG Fleet Director changes their Recommendation or Voting Intention in circumstances where the Independent Expert concludes in the Independent Expert's Report (including any update, revision or amendment thereto) that the Scheme is not in the best interests of Scheme Shareholders (other than where the sole or dominant reason for that conclusion is a result of the existence, announcement or publication of a Competing Proposal).	Section 11.12
What constitutes a Superior Proposal?	Under the Scheme Implementation Deed, for a Competing Proposal to be a Superior Proposal, it must (among other requirements) be "materially" more favourable to SG Fleet Shareholders than the Transaction. The Scheme Implementation Deed states that materiality is to be assessed having regard to the 4th and 5th paragraphs of section 8.7 of GN8. The 4th and 5th paragraphs of section 8.7 of GN8 provide the following guidance in relation to materiality: – a price change of 10% or more will generally be considered to be material; – a price change of 5% or less will generally be considered to not be material; and – a price change of between 5% and 10% may be material. Whether the Competing Proposal is a Superior Proposal is to be assessed and determined by the SG Fleet Board having regard to all aspects of the Competing Proposal and the Transaction including the identity, reputation and financial condition of the person making the Competing Proposal, consideration (including on a time value of money basis), conditionality, funding and timing, all relevant legal, regulatory and financial matters, and any other matters affecting the probability of the relevant proposal being completed in accordance with its terms.	Section 11.12(b)

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Question	Answer	More Information
Why should I consider voting in favour of the Scheme?	Reasons why you may consider voting in favour of the Scheme include: – the SG Fleet Board has unanimously recommended that you vote in favour of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SG Fleet Shareholders;[14] – the Independent Expert has concluded that the Scheme is fair and reasonable and, therefore, in the best interests of SG Fleet Shareholders in the absence of a superior proposal; – the Cash Consideration represents attractive value for SG Fleet Shareholders – being at a premium of 31% to the closing share price of SG Fleet Shares on 22 November 2024 of $2.67 per share; – you will receive $3.50 cash per SG Fleet Share for your investment in SG Fleet (unless you are a Relevant Management Shareholder who makes a valid Election to receive the Scrip Consideration); – since the announcement of the Scheme, and up to the Last Practicable Date, no Superior Proposal has emerged; – SG Fleet's share price may fall if the Scheme does not proceed and no comparable proposal or Superior Proposal is received. SG Fleet Shareholders should also consider the lack of liquidity in the trading of SG Fleet shares on the ASX with the average daily volume of shares traded for the 12 months ending on 22 November 2024 being 578,216 shares which represents less than 0.2% of the outstanding shares of SG Fleet. Super Group's majority shareholding of 53.58% of all SG Fleet shares outstanding has limited the liquidity of shares traded and if the Scheme were not to proceed, Super Group will continue to be a majority shareholder; – if the Scheme does not proceed, SG Fleet Shareholders will continue to be exposed to risks associated with an investment in SG Fleet's business rather than, for shareholders receiving the Cash Consideration, realising certain value for their SG Fleet Shares in a certain timeframe; and – no brokerage or Australian stamp duty will be payable by you on the transfer of your SG Fleet Shares under the Scheme.	Section 2.3
Why might I consider voting against the Scheme?	Reasons why you may consider voting against the Scheme include: – you may believe that there is the potential for a superior proposal to be made in the foreseeable future; – you may disagree with the SG Fleet Board's recommendation and the opinion of the Independent Expert and believe that the Scheme is not in your best interests; – you may prefer to maintain a direct interest in SG Fleet as an ASX-listed company; – you may believe that it is in your best interests to maintain your current investment and risk profile; and – the taxation consequences of the Scheme may not suit your current financial position.	Section 2.4

14. The SG Fleet Directors make this recommendation only in respect of the Cash Consideration, and make no recommendation to Relevant Management Shareholders in relation to the Scrip Consideration including in relation to whether the Relevant Management Shareholders should make an Election to receive Scrip Consideration.

Fequently asked questions continued

Question	Answer	More Information
What are the risks associated with an investment in SG Fleet if the Scheme does not become Effective?	If the Scheme is not approved by the Requisite Majorities of SG Fleet Shareholders at each of the Scheme Meetings or the Court: – SG Fleet will remain an ASX-listed company and you will remain a SG Fleet Shareholder; – SG Fleet Shareholders will not receive the Scheme Consideration; – in certain circumstances, SG Fleet may have to pay Bidco a break fee of $12.267 million; and – if no comparable proposal or Superior Proposal emerges, SG Fleet's share price may fall or trade at a price significantly below the Cash Consideration of $3.50 per SG Fleet Share. SG Fleet Shareholders should also consider the lack of liquidity in the trading of SG Fleet shares on the ASX with the average daily volume of shares traded for the 12 months ending on 22 November 2024 being 578,216 shares, which represents less than 0.2% of the market capitalisation of SG Fleet. Super Group's majority shareholding of 53.58% of all SG Fleet shares outstanding has limited the liquidity of shares traded and if the Scheme were not to proceed, Super Group will continue to be a majority shareholder. The Cash Consideration of $3.50 per SG Fleet Share values SG Fleet's equity at approximately $1,227m[15] and represents a premium of: – 31% to SG Fleet's closing share price as at 22 November 2024[16]; – 30% to the 1-month VWAP; – 30% to the 3-month VWAP; and – 25% to the 6-month VWAP. You will continue to be a SG Fleet Shareholder and participate in the future financial performance of SG Fleet's business and continue to be subject to the specific risks associated with an investment in SG Fleet's business and other general risks. Details of these risks are set out in section 9.	Section 9
An Overview of the Scheme Consideration		
What is the Scheme Consideration?	Under the Scheme, if the Scheme is approved and implemented, SG Fleet Shareholders will receive the Cash Consideration, unless you are a Relevant Management Shareholder who makes a valid Election to receive your Scheme Consideration as the Scrip Consideration or a mix of the Cash Consideration and Scrip Consideration.	Section 6.2
What is the Cash Consideration?	If the Scheme is approved and implemented, SG Fleet Shareholders (other than the Relevant Management Shareholders who make a valid Election to receive some or all of their Scheme Consideration as Scrip Consideration) will receive $3.50 per SG Fleet Share.	Section 6.2
What is the Scrip Consideration?	As an alternative to receiving the Cash Consideration, Relevant Management Shareholders have the option to elect to receive some or all of their Scheme Consideration as Scrip Consideration for each SG Fleet Share held. If the Scheme is approved and implemented, Relevant Management Shareholders who make a valid Election to receive Scrip Consideration or a mix of the Cash Consideration and Scrip Consideration will receive 3.5 Topco Shares for each relevant SG Fleet Share, with any fractional amounts rounded up or down to the nearest whole number. Please note that Topco Shares are not liquid and will not be listed on the ASX. For more information on the Topco Shares, please see section 8.6.	Section 8.6

15. Based on total diluted shares outstanding of 350,481,302.
16. Last trading date prior to the announcement on the ASX on 25 November 2024 of the receipt of non-binding indicative proposal from PEP.

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Question	Answer	More Information
How is Bidco and/or Bidco Group funding the Scheme Consideration?	Bidco intends to fund the Cash Consideration through a mix of debt and equity financing. It has entered into an Equity Commitment Letter under which each of the entities currently constituting the Fund irrevocably committed to pay Topco (by subscribing for fully paid Topco Shares) amounts necessary to meet Bidco's obligations to fund the Cash Consideration, less any amount to be contributed by the debt facilities. Bidco has also obtained commitments to provide debt facilities from Barclays Bank PLC, Citibank, N.A., Sydney Branch, Commonwealth Bank of Australia and Westpac Banking Corporation pursuant to a binding Debt Commitment Letter. Under the Debt Commitment Letter the lenders, have agreed to provide security secured syndicated facilities to Bidco. The proceeds that will be available to Bidco under the Syndicated Acquisition Facilities, together with the Equity Commitment Letter, are in excess of the amount required to fund the Maximum Cash Consideration.	Section 8.7
What is the premium of the Cash Consideration to SG Fleet's recent share price performance?	The Cash Consideration of $3.50 per SG Fleet Share values SG Fleet's equity at approximately $1,227m[17] and represents a premium of: – 31% to SG Fleet's closing share price as at 22 November 2024[18]; – 30% to the 1-month VWAP; – 30% to the 3-month VWAP; and – 25% to the 6-month VWAP.	Section 6.2
What is the maximum Cash Consideration payable by Bidco if the Scheme becomes Effective?	The maximum aggregate Cash Consideration payable by Bidco under the Scheme is $1,226,684,557, based on the number of SG Fleet Shares on issue as at the Last Practicable Date, and disregarding any Scrip Consideration elections, when added to the number of SG Fleet Shares to be issued to the holders of SG Fleet Performance Rights (see section 8.7).	Section 8.7
Who is entitled to participate in the Scheme?	Persons who hold SG Fleet Shares on the Scheme Record Date will participate in the Scheme and, if the Scheme is approved and implemented, those persons will receive the Scheme Consideration in respect of each SG Fleet Share held on the Scheme Record Date.	Section 6.2
When and how will I receive my Scheme Consideration?	If the Scheme becomes Effective SG Fleet Shareholders on the Register on the Scheme Record Date will be sent and/or issued (as applicable) the Scheme Consideration on the Implementation Date.	Section 6.4
How will I be paid the Cash Consideration?	All payments will be made by direct deposit into your nominated bank account, as advised to the SG Fleet Share Registry. If you have not nominated a bank account, payments will be made by cheque.	Section 6.4
Can all SG Fleet Shareholders elect to receive the Scrip Consideration?	No, Relevant Management Shareholders are the only SG Fleet Shareholders entitled to elect to receive some or all of their Scheme Consideration as Scrip Consideration.	Section 6.4(c)
How will I receive Scrip Consideration?	Relevant Management Shareholders receiving the Scrip Consideration will receive notification of their holding of scrip in Topco shortly after the Implementation Date.	Section 6.4(c)
What are the Australian taxation implications of the Scheme for you?	The Australian taxation implications for each Scheme Shareholder of the Scheme being implemented will vary depending on their specific taxation circumstances. General information about the Australian taxation consequences of the Scheme is set out in section 10. You should not rely on this general information as advice for your own affairs. As that information is general in nature, you should seek independent professional taxation advice with respect to your particular circumstances.	Section 10
Will I have to pay brokerage or Australian stamp duty?	No, you will not have to pay brokerage or stamp Australian duty if your SG Fleet Shares are acquired under the Scheme.	Section 10.6

17. Based on total diluted shares outstanding of 350,481,302.
18. Last trading date prior to the announcement on the ASX on 25 November 2024 of the receipt of non-binding indicative proposal from PEP.

Fequently asked questions continued

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Question	Answer	More Information
Can I sell my SG Fleet Shares now?	You can sell your SG Fleet Shares on-market at any time before the close of trading on ASX on the Effective Date. However, if you do so you will receive the prevailing on-market price set at the time of sale, which may not be the same price as the Cash Consideration, and you may also be required to pay brokerage. SG Fleet intends to apply to ASX for SG Fleet Shares to be suspended from official quotation on ASX from close of trading on the Effective Date. You will not be able to sell your SG Fleet Shares on-market after that time.	Section 11.9
Scheme, Voting and Approvals		
Are there any conditions that must be satisfied or waived in order for the Scheme to be implemented?	Yes. There are several conditions that must either be satisfied or waived (where applicable) for the Scheme to be implemented. The conditions of the Scheme are summarised in further detail in section 11.12(a) of this Scheme Booklet. SG Fleet Shareholders should also be aware that the Scheme Implementation Deed may be terminated in certain circumstances (details of which are summarised in section 11.12(d) of this Scheme Booklet). If the Scheme Implementation Deed is terminated, the Scheme will not proceed. As at the Last Practicable Date, SG Fleet is not aware of any circumstances that would cause any of these conditions to not be satisfied.	Section 11.12
What happens if these conditions are not satisfied or the Scheme Implementation Deed is terminated?	If the Scheme conditions are not satisfied or waived (where applicable), or the Scheme Implementation Deed is terminated, then the Scheme will not be implemented and, as set out in section 9.4(a) of this Scheme Booklet: – you will retain your SG Fleet Shares and they will not be acquired by Bidco; – you will not receive the Scheme Consideration; – SG Fleet will continue to operate as a stand-alone company listed on ASX; – if no comparable proposal or Superior Proposal emerges, then the SG Fleet share price may fall or trade at a price significantly below the Cash Consideration of $3.50 per SG Fleet Share. SG Fleet Shareholders should also consider the lack of liquidity in the trading of SG Fleet shares on the ASX with the average daily volume of shares traded for the 12 months ending on 22 November 2024 being 578,216 shares, which represents less than 0.2% of the outstanding shares of SG Fleet. Super Group's majority shareholding of 53.58% of all SG Fleet shares outstanding has limited the liquidity of shares traded and if the Scheme were not to proceed, Super Group will continue to be a majority shareholder; and – in certain circumstances, when the Scheme Implementation Deed is terminated, SG Fleet may have to pay Bidco a break fee of $12.267 million (see section 11.12(c)).	Section 9.4(a)
What happens if the Scheme is approved, all conditions are satisfied and it is implemented?	If the Scheme is implemented, all of your SG Fleet Shares will be transferred to Bidco under the Scheme, and you will receive the Cash Consideration or, if you are a Relevant Management Shareholder and you have made a valid Election to receive the Scrip Consideration or a mix of the Cash Consideration and Scrip Consideration.	Section 6.2
Can the Scheme be terminated?	The Scheme Implementation Deed may be terminated in certain circumstances, details of which are summarised in section 11.12(d). If the Scheme Implementation Deed is terminated, the Scheme will not proceed.	Section 11.12(d)
Why are there two meetings in relation to the Scheme?	There are two meetings in relation to the Scheme because the Relevant Management Shareholders are offered, and may elect to receive, a different form of consideration to the General Shareholders. Therefore, the Relevant Management Shareholders' rights under the Scheme are sufficiently different from those of the General Shareholders such that they constitute a separate class of members for the purposes of voting on the Scheme. This means that the Relevant Management Shareholders will not be permitted to vote at the General Scheme Meeting and will instead vote at the Relevant Management Shareholder Scheme Meeting. Equally, the General Shareholders will not be permitted to vote at the Relevant Management Shareholder Scheme Meeting.	Section 6.3(b)
Who is entitled to vote at the General Scheme Meeting?	All General Shareholders on the Register as at the Scheme Meeting Record Date are entitled to attend and vote at the General Scheme Meeting.	Section 4 and Attachment B

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Question	Answer	More Information
Who is entitled to vote at the Relevant Management Shareholder Scheme Meeting?	The Relevant Management Shareholders on the Register as at the Scheme Meeting Record Date are entitled to attend and vote at the Relevant Management Shareholder Scheme Meeting.	Section 4 and Attachment C
How do I vote?	You can vote on the relevant Scheme Resolution: – if you are General Shareholder, at the General Scheme Meeting via the Online Scheme Meeting Platform, or by proxy, corporate representative or attorney; or – if you are a Relevant Management Shareholder, at the Relevant Management Shareholder Scheme Meeting via the Online Scheme Meeting Platform or by proxy, corporate representative, or attorney. If you cannot attend the relevant Scheme Meeting, you may complete and return the enclosed personalised proxy form in accordance with the instructions or lodge your proxy form online at https://www.votingonline.com.au/sgfscheme2025 in accordance with the instructions given there. The deadline for lodging your proxy form for the Scheme Meetings is 10.00am (Sydney time) on Friday, 4 April 2025. Details of the Scheme Meetings and how to vote are in section 4 and in the Notice of General Scheme Meeting set out in Attachment B of this Scheme Booklet and Notice of Relevant Management Shareholder Scheme Meeting set out in Attachment C of this Scheme Booklet.	Section 4, Attachment B and Attachment C
When and where will the Scheme Meetings be held?	The General Scheme Meeting is expected to be held virtually on Tuesday, 8 April 2025 at 3.00pm (Sydney time) through the Online Scheme Meeting Platform at https://meetings.lumiconnect.com/300-026-255-965. The Relevant Management Shareholder Scheme Meeting is expected to be held virtually immediately after the General Scheme Meeting on Tuesday, 8 April 2025 at 4.00pm (Sydney time) through the Online Scheme Meeting Platform at https://meetings.lumiconnect.com/300-865-182-860.	Section 4
Is voting compulsory?	Voting is not compulsory. However, the Scheme will only be successful if it is approved by the Requisite Majorities of SG Fleet Shareholders at each of the Scheme Meetings so voting is important and SG Fleet Directors encourage you to vote. If the Scheme is approved, you will be bound by the Scheme whether or not you voted and whether or not you voted in favour of it.	Section 4

What voting majority is required to approve the Scheme?	The Scheme needs to be approved by the Requisite Majorities of SG Fleet Shareholders at each of the Scheme Meetings as set out in section 411(4)(a)(ii) of the Corporations Act, which is:
	– in relation to the General Scheme Resolution to be proposed at the General Scheme Meeting:
	  – at least 75% of the total number of votes cast on the General Scheme Resolution by the General Shareholders present and voting at the General Scheme Meeting (or by proxy, corporate representative, or attorney); and
	  – a majority in number (more than 50%) of the General Shareholders present and voting at the General Scheme Meeting (or by proxy, corporate representative, or attorney); and
	– in relation to the Relevant Management Shareholder Scheme Resolution to be proposed at the Relevant Management Shareholder Scheme Meeting:
	  – at least 75% of the total number of votes cast on the Relevant Management Shareholder Scheme Resolution by the Relevant Management Shareholders present and voting at the Relevant Management Shareholder Scheme Meeting (or by proxy, corporate representative, or attorney); and
	  – a majority in number (more than 50%) of the Relevant Management Shareholders present and voting at the Relevant Management Shareholder Scheme Meeting (or by proxy, corporate representative, or attorney).
		Section 6.3(b)

What happens if I do not vote or if I vote against the Scheme?	If you do not vote, or vote against the Scheme, the Scheme may not be approved at each of the Scheme Meetings by the Requisite Majorities of SG Fleet Shareholders. If this occurs then the Scheme will not proceed, you will not receive the Scheme Consideration and you will remain a SG Fleet Shareholder. However, if the Scheme is approved by the Requisite Majorities and the Scheme is implemented, your SG Fleet Shares will be transferred to Bidco under the Scheme and you will receive the Scheme Consideration.	Section 2.5(a)

Fequently asked questions continued

Question	Answer	More Information
Can I keep my SG Fleet Shares?	If the Scheme is implemented, your SG Fleet Shares will be transferred to Bidco. This will occur even if you did not vote at all or you voted against the relevant Scheme Resolution at the relevant Scheme Meeting.	Section 6.4
When will the results of the Scheme Meetings be available?	The results of each Scheme Meeting will be available shortly after the conclusion of the Scheme Meetings and will be announced to ASX once available. Even if each of the Scheme Resolutions are passed at the relevant Scheme Meeting by the Requisite Majorities, the Scheme will only proceed if Court approval of the Scheme is obtained, and all the other conditions precedent are satisfied or waived. The conditions of the Scheme are summarised in section 11.12(a).	Section 11.12(a)
What do I do if I oppose the Scheme?	If you, as a SG Fleet Shareholder, oppose the Scheme, you should: – attend the relevant Scheme Meeting either virtually via the Online Scheme Meeting Platform or by proxy and vote against the relevant Scheme Resolution; and/or – if SG Fleet Shareholders pass the Scheme Resolutions at the Scheme Meetings and you wish to appear and be heard at the Second Court Hearing and oppose the approval of the Scheme at the Second Court Hearing, you must lodge a notice of appearance in the prescribed form, together with any affidavit, at the Second Court Hearing, attend the Second Court Hearing and indicate opposition to the Scheme. Please see the "Important notices" section of this Scheme Booklet for further details under the heading "Notice regarding Second Court Hearing and if a SG Fleet Shareholder wishes to oppose the Scheme" on page 2.	Please see the "Important notices" section of this Scheme Booklet for further details under the heading "Notice regarding Second Court Hearing and if a SG Fleet Shareholder wishes to oppose the Scheme" on page 2.
Information for Relevant Management Shareholders only		
Who are the Relevant Management Shareholders?	For the purposes of the Scheme Implementation Deed, the Relevant Management Shareholders are Robbie Blau, Kevin Wundram, Andrew Mulcaster, David Fernandes, Michelle Thomas, Laura McLaren, Lindsay Underwood, Peter Davenport, Andrew Webb, each other entity or person related to these individuals agreed in writing between SG Fleet and Bidco and a Scheme Shareholder who is a senior management team member of the SG Fleet Group or other entity or person related to such individual as agreed in writing between SG Fleet and Bidco. The Relevant Management Shareholders are the only SG Fleet Shareholders entitled to elect to receive some or all of their Scheme Consideration as Scrip Consideration. Prior to the Election Time, each Relevant Management Shareholder is entitled to elect to receive their Scheme Consideration as either: – all Scrip Consideration; – all Cash Consideration; or – a mix of Cash Consideration and Scrip Consideration. All Relevant Management Shareholders are required to make their Election by the Election Time, being Thursday, 3 April 2025 at 5.00pm (Sydney time). As a requirement of entering into the Transaction, Bidco required certain members of senior management of SG Fleet to commit to roll certain of their existing interests in SG Fleet Shares into interests in Topco Shares. Under the Management Election Commitment Letter: – Chief Executive Officer and Executive Director, Robbie Blau has agreed to elect the Scrip Consideration in respect of approximately 25% of the SG Fleet Shares that will be held or controlled by him as at the Scheme Record Date (which will include the SG Fleet Shares issued to him as a result of the vesting of his SG Fleet Performance Rights and the vesting and exercise of his SG Fleet Options as described above), representing Scrip Consideration of approximately $10,000,000 in value in aggregate and would therefore receive Cash Consideration (of $3.50 per SG Fleet Share) in respect of the remaining approximately 75% of the SG Fleet Shares held or controlled by him (representing Cash Consideration of approximately $29,246,228); and – Chief Financial Officer and Executive Director, Kevin Wundram has agreed to elect the Scrip Consideration in respect of approximately 38% of the SG Fleet Shares that will be held or controlled by him as at the Scheme Record Date (which will include the SG Fleet Shares issued to him as a result of the vesting of his SG Fleet Performance Rights and the vesting and exercise of his SG Fleet Options as described above), representing Scrip Consideration of approximately $2,000,000 in value in aggregate and would therefore receive Cash Consideration (of $3.50 per SG Fleet Share) in respect of the remaining approximately 62% of the SG Fleet Shares held or controlled by him (representing Cash Consideration of approximately $3,202,193).	Section 6

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Question	Answer	More Information
What is the Topco Securityholders' Agreement?	Relevant Management Shareholders that receive the Scrip Consideration will become parties to the Topco Securityholders' Agreement which has been provided to each Relevant Management Shareholder. See section 8.9 for a summary of the key terms and conditions of the Topco Securityholders' Agreement.	Section 8.9
Why do the Relevant Management Shareholders vote separately from the other SG Fleet Shareholders?	As the Relevant Management Shareholders may elect to receive a different form of consideration under the Scheme to the General Shareholders (being the other SG Fleet Shareholders), their rights under the Scheme are sufficiently different from those of the General Shareholders such that they constitute a separate class of members for the purpose of voting on the Scheme. This means that the Relevant Management Shareholders will not be permitted to vote at the General Scheme Meeting and will instead vote at the Relevant Management Shareholder Scheme Meeting.	Section 4
How do I make an Election to receive Scrip Consideration?	You can only make an Election to receive Scrip Consideration if you are a Relevant Management Shareholder. If you are a Relevant Management Shareholder and wish to make an Election to receive the Scrip Consideration, you need to complete an Election Form in accordance with the instructions set out in the form and return it to the SG Fleet Share Registry by no later than the Election Time (being 5.00pm (Sydney time) on Thursday, 3 April 2025. If you do not make an Election or make an invalid Election and the Scheme is implemented, you will receive the Cash Consideration for all the SG Fleet Shares you hold on the Scheme Record Date.	Section 6.7
What should I consider when deciding whether to make an Election to receive Scrip Consideration?	Whether the Scrip Consideration is appropriate will depend significantly on the characteristics and risk profile of each Relevant Management Shareholder. It is important to understand that any investment in unlisted scrip in Topco would represent a fundamentally different investment than your current investment in SG Fleet. You should form your own view as to whether you wish to make an Election to receive the Scrip Consideration based on your own individual circumstances, financial situation, taxation position, investment objectives, and risk profile. Relevant Management Shareholders should carefully read section 8.6 for additional information on the risks associated with an investment in Topco and consider obtaining appropriate professional advice before making any Election to receive the Scrip Consideration.	Section 8.6
Other Questions		
What happens if a Competing Proposal is received?	Although no Competing Proposal has emerged as at the Last Practicable Date, under the Scheme Implementation Deed, SG Fleet is bound by certain exclusivity obligations, including in relation to a Competing Proposal. Subject to SG Fleet's exclusivity obligations under the Scheme Implementation Deed, if an unsolicited Competing Proposal for SG Fleet is received before the Scheme Meetings, the SG Fleet Directors will carefully consider a Competing Proposal and advise you of their recommendation.	Section 11.12(b)
When would SG Fleet have to pay a break fee?	SG Fleet must pay Bidco a break fee of $12.267 million in certain circumstances where the Scheme will not be implemented. The break fee will not be payable where the Scheme is not implemented due to SG Fleet not receiving approval by the Requisite Majorities of SG Fleet Shareholders at the Scheme Meetings.	Section 11.12(c)
Further Information		
What if I want further information?	If you have any questions about the Scheme or you would like additional copies of this Scheme Booklet, please contact the Shareholder Information Line on (02) 8016 2858, Monday to Friday between 8.30am and 5.30pm (Sydney time). For information about your individual financial or taxation circumstances please consult your financial, legal, taxation, or other professional adviser.	Section 6.10

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6 Overview of the Scheme

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6.1 Scheme

On 4 December 2024, SG Fleet announced that it had entered into the Scheme Implementation Deed with Bidco, under which it is proposed that Bidco will acquire all the SG Fleet Shares on issue by way of the Scheme.

If the Scheme is approved by SG Fleet Shareholders at the Scheme Meetings and by the Court, and if all other necessary approvals and conditions for the Scheme are satisfied or waived (as applicable), SG Fleet will become a wholly-owned subsidiary of Bidco and will be delisted from ASX.

This Scheme Booklet contains information that the SG Fleet Board considers is material to SG Fleet Shareholders in deciding whether or not to vote in favour of the Scheme. You should carefully read this Scheme Booklet as part of your consideration of the Scheme.

6.2 Scheme Consideration

If the Scheme becomes Effective and is implemented, the terms of the proposed Scheme provide that Scheme Shareholders will be entitled to receive:

- in the case of the General Shareholders, the Cash Consideration per Scheme Share held by them on the Scheme Record Date; and
- in the case of the Relevant Management Shareholders who have made a valid Election to receive the Scheme Consideration as:
  - all Scrip Consideration, the Scrip Consideration in respect of all of the Scheme Shares held by that Relevant Management Shareholder on the Scheme Record Date;
  - all Cash Consideration, the Cash Consideration per Scheme Share in respect of all of the Scheme Shares held by that Relevant Management Shareholder on the Scheme Record Date;
  - a mix of Cash Consideration and Scrip Consideration:
    - the Cash Consideration per Scheme Share in respect of the percentage of Scheme Shares held by that Relevant Management Shareholder on the Scheme Record Date for which the Relevant Management Shareholder has made an Election (in the Election Form) to receive the Cash Consideration; *plus*
    - the Scrip Consideration per Scheme Share in respect of the percentage of Scheme Shares held by the Relevant Management Shareholder on the Scheme Record Date for which the Relevant Management Shareholder has not made an Election (in the Election Form) to receive the Cash Consideration; and
- in the case of the Relevant Management Shareholders who have not made a valid Election, the Cash Consideration per Scheme Share held by them on the Scheme Record Date.

Overview of the Cash Consideration

If the Scheme is approved and implemented, SG Fleet Shareholders (other than the Relevant Management Shareholders who make a valid Election to receive some or all of their Scheme Consideration as Scrip Consideration as described below) will receive $3.50 per SG Fleet Share.

The Cash Consideration of $3.50 per SG Fleet Share values SG Fleet's equity at approximately $1,227m[19] and represents a premium of:

- 31% to SG Fleet's closing share price as at 22 November 2024[20];
- 30% to the 1-month VWAP;
- 30% to the 3-month VWAP; and
- 25% to the 6-month VWAP.

Overview of the Scrip Consideration

As an alternative to receiving the Cash Consideration, SG Fleet Shareholders who are Relevant Management Shareholders have the option to elect to receive the **Scrip Consideration** for each SG Fleet Share held, comprising of 3.50 Topco Shares for each Scheme Share with any fractional amounts rounded up or down to the nearest whole number.

6.3 Steps for implementing the Scheme

(a) Preliminary steps

SG Fleet and Bidco entered into the Scheme Implementation Deed on 4 December 2024 under which, among other things, SG Fleet agreed to propose the Scheme to the Scheme Shareholders.

Bidco and Topco have executed the Deed Poll. Under the Deed Poll, Bidco and Topco have each undertaken, in favour of each Scheme Shareholder, to provide, or procure the provision of, the Scheme Consideration for which each Scheme Shareholder is entitled under the Scheme and to perform its respective obligations under the Scheme, subject to the Scheme becoming Effective.

A copy of the Scheme Implementation Deed can be obtained from https://wwww.asx.com.au or https://investors.sgfleet.com/Investors/.

A copy of the Scheme is set out in Attachment D to this Scheme Booklet.

A copy of the Deed Poll is set out in Attachment E to this Scheme Booklet.

(b) Scheme Meetings

The Notice of General Scheme Meeting is set out in Attachment B to this Scheme Booklet. The Notice of Relevant Management Shareholder Scheme Meeting is set out in Attachment C to this Scheme Booklet.

The General Scheme Meeting is expected to be held at 3.00pm (Sydney time) on Tuesday, 8 April 2025 virtually through the Online Scheme Meeting Platform at https://meetings.lumiconnect.com/300-026-255-965.

The Relevant Management Shareholder Scheme Meeting is expected to be held immediately after the General Scheme Meeting at 4.00pm (Sydney time) on Tuesday, 8 April 2025 virtually through the Online Scheme Meeting Platform at https://meetings.lumiconnect.com/300-865-182-860.

All General Shareholders on the Register as at the Scheme Meeting Record Date are entitled to attend and vote at the General Scheme Meeting.

19. Based on total diluted shares outstanding of 350,481,302.
20. Last trading date prior to the announcement on the ASX on 25 November 2024 of the receipt of non-binding indicative proposal from PEP.

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The Relevant Management Shareholders on the Register as at the Scheme Meeting Record Date are entitled to attend and vote at the Relevant Management Shareholder Scheme Meeting.

There are two meetings in relation to the Scheme because the Relevant Management Shareholders are offered, and may elect to receive, a different form of consideration to the General Shareholders.

Therefore, the Relevant Management Shareholders' rights under the Scheme are sufficiently different from those of the General Shareholders such that they constitute a separate class of members for the purposes of voting on the Scheme.

This means that the Relevant Management Shareholders will not be permitted to vote at the General Scheme Meeting and will instead vote at the Relevant Management Shareholder Scheme Meeting.

Equally, the General Shareholders will not be permitted to vote at the Relevant Management Shareholder Scheme Meeting.

Instructions on how to attend and vote at the relevant Scheme Meeting virtually via the Online Scheme Meeting Platform, or to appoint a proxy to attend and vote on your behalf, are set out in section 4, in the Notice of General Scheme Meeting contained in Attachment B to this Scheme Booklet and the Notice of Relevant Management Shareholder Scheme Meeting contained in Attachment C to this Scheme Booklet.

The Scheme needs to be approved by the Requisite Majorities of SG Fleet Shareholders at each of the relevant Scheme Meetings as set out in section 411(4)(a)(ii) of the Corporations Act, which is:

- in relation to the General Scheme Resolution to be proposed at the General Scheme Meeting:
  - at least 75% of the total number of votes cast on the General Scheme Resolution by the General Shareholders present and voting at the General Scheme Meeting (virtually via the Online Scheme Meeting Platform, or by proxy, corporate representative or attorney); and
  - a majority in number (more than 50%) of the General Shareholders present and voting at the General Scheme Meeting (virtually via the Online Scheme Meeting Platform, or by proxy, corporate representative, or attorney) (the **Headcount Test**); and
- in relation to the Relevant Management Shareholder Scheme Resolution to be proposed at the Relevant Management Shareholder Scheme Meeting:
  - at least 75% of the total number of votes cast on the Relevant Management Shareholder Scheme Resolution by the Relevant Management Shareholders present and voting at the Relevant Management Shareholder Scheme Meeting (virtually via the Online Scheme Meeting Platform, or by proxy, corporate representative or attorney); and
  - a majority in number (more than 50%) of the Relevant Management Shareholders present and voting at the Relevant Management Shareholder Scheme Meeting (virtually via the Online Scheme Meeting Platform, or by proxy, corporate representative, or attorney) (the **Relevant Management Shareholder Headcount Test**).

It should be noted that the Court has the power to waive the Headcount Test and the Relevant Management Shareholder Headcount Test.

(c) Second Court Hearing

If:

(i) the Scheme Resolutions are approved by the Requisite Majorities of SG Fleet Shareholders at the Scheme Meetings; and

(ii) all conditions precedent of the Scheme have been satisfied or remain capable of being satisfied, or waived (if applicable),

SG Fleet will apply to the Court for orders approving the Scheme.

(d) Effective Date

If the Court makes orders approving the Scheme, SG Fleet will lodge with ASIC an office copy of the Court orders given under section 411(4)(b) of the Corporations Act approving the Scheme. It is anticipated that this will occur on the Business Day immediately following the Court Approval Date.

Once the Scheme becomes Effective:

(i) Bidco and Topco will become bound to provide or procure the provision of the Scheme Consideration as described in section 6.4(a) and section 6.4(c) below; and

(ii) subject to the provision of the Scheme Consideration by Bidco and Topco, SG Fleet will become bound to take the steps required for Bidco to become the holder of all SG Fleet Shares.

6.4 Implementation of the Scheme – Provision of Scheme Consideration

If the Scheme becomes Effective, the Scheme will be implemented by SG Fleet and Bidco (as applicable) undertaking the following steps:

(a) Provision of Aggregate Cash Consideration by Bidco

By no later than 5.00pm on the Business Day before the Implementation Date, Bidco will deposit (or will procure the deposit) in cleared funds an amount equal to the aggregate Cash Consideration payable to all Scheme Shareholders into the Trust Account for the purpose of paying the Cash Consideration to the Scheme Shareholders who are entitled to receive it (as set out in section 6.2 above). It is noted that under the Scheme, any interest on the amounts deposited (less the bank fees and other charges) will be credited to Bidco's account.

(b) Transfer of all SG Fleet Shares to Bidco

On the Implementation Date, all of the SG Fleet Shares will be transferred to Bidco by SG Fleet and SG Fleet will enter the name of Bidco in the Register in respect of all SG Fleet Shares.

(c) Provision of aggregate Scrip Consideration

Before 12.00pm (or such other time as SG Fleet and Bidco may agree in writing) on the Implementation date, Bidco must procure and Topco must ensure:

(i) the issuance to each Relevant Management Shareholder who is entitled to receive the Scrip Consideration pursuant to the Scheme, such number of Topco Shares to which the Relevant Management

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Shareholder is entitled as Scrip Consideration pursuant to the Scheme;

(ii) the entry in the Topco Register of the name and Registered Address of the Relevant Management Shareholder who is entitled to receive the Scrip Consideration pursuant to the Scheme (either directly or through the Nominee to hold as bare trustee for the relevant Scheme Shareholders is contemplated by clause 6.7(c) of the Scheme and the Topco Securityholders' Agreement); and

(iii) provide SG Fleet with written confirmation that it has satisfied each of the obligations set out in section 6.4(c)(i) and section 6.4(c)(ii).

6.5 Determination of persons entitled to Scheme Consideration

(a) Dealings on or prior to the Scheme Record Date

To establish the identity of the Scheme Shareholders, dealings in SG Fleet Shares will only be recognised if:

(i) in the case of dealings of the type to be effected using CHESS, the transferee is registered on the Register as a holder of the relevant SG Fleet Shares on or before the Scheme Record Date; and

(ii) in all other cases, registrable transfers or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received on or before the Scheme Record Date by the SG Fleet Share Registry,

and SG Fleet will not accept for registration nor recognise for any purpose (except a transfer to Bidco pursuant to the Scheme and any subsequent transfer by Bidco or its successors in title), any transfer or transmission application or other request in respect of SG Fleet Shares received after such times or received prior to these times and not in registrable or actionable form (as appropriate).

(b) Dealings after the Scheme Record Date

For the purposes of determining entitlements to Scheme Consideration, SG Fleet will maintain the Register in accordance with the terms of the Scheme until the Scheme Consideration has been paid to the Scheme Shareholders and the name and address of Bidco has been entered in the Register as the holder of all the SG Fleet Shares. The Register in this form will solely determine entitlements to the Scheme Consideration.

(i) Effect of share certificates and holding statements

As from the Scheme Record Date (and other than for Bidco following the Implementation Date), all statements of holding for SG Fleet Shares (other than statements of holding in favour of Bidco) will cease to have effect as documents of title in respect of those SG Fleet Shares.

(ii) Register

As from the Scheme Record Date, each entry on the Register (other than the entries on the Register in respect of Bidco and subsequent transferees) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the SG Fleet Shares relating to that entry.

6.6 Fractional entitlements

Where the calculation of the Scheme Consideration to be issued to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent or a fractional entitlement to a Topco Share, the fractional entitlement will:

(a) in the case of Topco Shares:

(i) where the entitlement is to half a Topco Share or more, be rounded up to the nearest whole number;

(ii) where the entitlement is to less than half a Topco Share, be rounded down to the nearest whole number; and

(b) in the case of Cash Consideration, be rounded down to the nearest whole cent.

6.7 For Relevant Management Shareholders Only – How do I make an Election to receive Scrip Consideration?

You can only make an Election to receive Scrip Consideration if you are a Relevant Management Shareholder.

If you are a Relevant Management Shareholder and wish to make an Election to receive the Scrip Consideration, you need to complete an Election Form in accordance with the instructions set out in the form and return it to the SG Fleet Share Registry by no later than the Election Time.

If you do not make an Election or make an invalid Election and the Scheme is implemented, you will receive the Cash Consideration for all the SG Fleet Shares you hold on the Scheme Record Date.

SG Fleet intends to apply to the ATO for a ruling on behalf of the Relevant Management Shareholders regarding the availability of roll-over relief under Subdivision 124-M of the ITAA 1997 in relation to the Scheme.

6.8 Delisting

If the Scheme becomes Effective, on and from the close of trading on the trading day following the Implementation Date (or such later date as is determined by Bidco and permitted by ASX), SG Fleet will apply for termination of the official quotation of SG Fleet Shares on ASX, and to be removed from the official list of ASX.

6.9 End Date

If the Scheme has not become Effective on or before the End Date, either SG Fleet or Bidco is able to terminate the Scheme Implementation Deed. If the Scheme Implementation Deed is terminated, the Scheme will not proceed.

6.10 Further questions

If you have any further questions, you should call the Shareholder Information Line on (02) 8016 2858, Monday to Friday (excluding public holidays) between 8.30am and 5.30pm (Sydney time).

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7 Information on SG Fleet

Information on SG Fleet

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7.1 Business overview

Overview

SG Fleet Group is a leading provider of integrated mobility solutions, including fleet management, vehicle leasing, and salary packaging services, with a presence across Australia, as well as in New Zealand and the United Kingdom. At the end of the 2024 financial year, SG Fleet employed approximately 1,300 staff worldwide and had over 277,000 vehicles under management.

Geographic Overview

SG Fleet has a broad geographic reach. It has a leading presence across both the corporate and the salary packaging sectors and is, by number of units managed, the largest diversified fleet management business in Australia. SG Fleet has a top 3 presence in New Zealand, and is a top 20 business in the UK market.

SG Fleet is headquartered in Pymble (Sydney), Australia and has a presence in all Australian states and the ACT, with 11 office locations. SG Fleet has 3 office locations in New Zealand and 2 in the United Kingdom.

Business model

SG Fleet offers a full spectrum of outsourced fleet management and leasing services to corporate and government customers.

SG Fleet's business activities for each of its jurisdictions are summarised in the table below:

Australia	New Zealand	United Kingdom
Provider of: – passenger and commercial vehicle operating leases, finance leases, and fleet management services for corporate and government customers – passenger vehicle novated leases and consumer finance for individuals – insurance products relating to leased and managed vehicles for corporate and government customers and for novated leases – disposal of passenger and commercial vehicles – other mobility solutions, including car share and subscription services – other vehicle-related services, such as mobility and EV consulting, and repairer portals	Provider of: – passenger and commercial vehicle operating and finance leases and fleet management services for corporate and government clients – disposal of passenger and commercial vehicles – insurance products relating to leased and managed vehicles for corporate and government customers – other vehicle-related services, such as mobility and EV consulting	Provider of: – contract hire, finance lease, daily rental, and fleet management services for passenger and commercial vehicles for corporate and government clients – vehicle salary sacrifice services for individuals – personal vehicle contract hire for individuals and sole traders – disposal of passenger and commercial vehicles – insurance products relating to salary sacrifice leases for individuals – other vehicle-related services, such as mobility and EV consulting

SG Fleet Group offers end-to-end fleet management services, supported by specialist expertise, technology, and scale. Services include:

- Fleet account management
- Pricing and quoting services
- Vehicle procurement and delivery
- Infringement management
- Fuel management, delivery of fuel cards, and reporting of fuel costs
- Registration management
- Toll management
- Maintenance management
- Reporting and invoicing services
- Changeover consulting
- Vehicle disposal services
- Lease funding
- Sale and leaseback arrangements
- Roadside assistance management
- Accident management
- Car share services
- Telematics
- Inspect365 online safety inspection system
- Zero-emission vehicle consulting and management
- Driver and vehicle safety solutions

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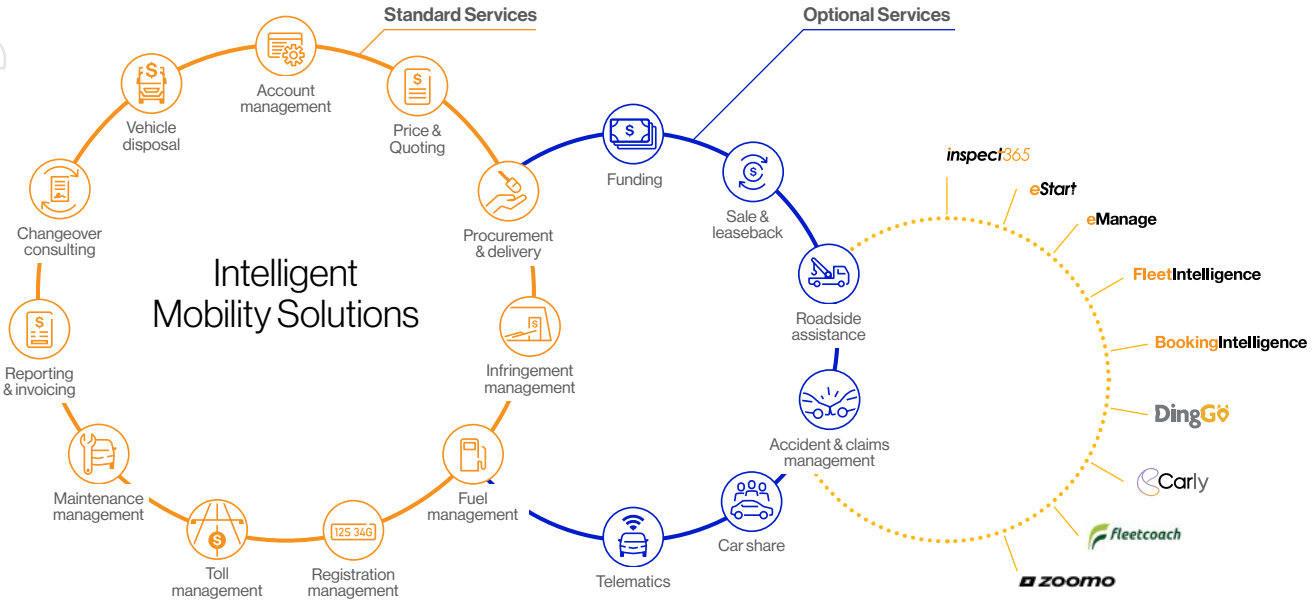

SG Fleet is a highly diversified business. Its business model is underpinned by diversity across key dimensions, including low customer concentration and a balanced mix of public and private sector customers, as well as a diverse mix of vehicle types, manufacturers, and models in its fleet.

Revenue sources are diversified and highly visible, with SG Fleet earning revenue at all stages of the vehicle life cycle, including upfront, in-life, and end-of-life stages. A high degree of visibility over future revenue is the result of the run-off profile of existing leases, the run-on profile of new vehicle deliveries, high rates of contract renewal, and a large proportion of revenue derived from recurring items such as contracted management and maintenance fees.

SG Fleet's reported revenue streams are:

- Rental and finance income, primarily earned in respect of on-balance sheet funded operating and finance leases and income generated by short-term rental vehicles, subscription vehicles, and certain principal & agency funded vehicles in inertia. Net rental and finance income is an annuity income stream, and its primary driver is the size of the on-balance sheet lease portfolio assets.
- Mobility services revenue, which includes the products and services required to keep a vehicle on the road in a safe and compliant manner, such as registering and insuring the vehicle, providing assistance in the event of a break-down or accident, telematics, safety inspections, and car-share bookings. Net mobility services revenue is an annuity income stream driven by the total fleet size and utilisation.
- Additional products and services revenue, generated by products that are not typically related to keeping the vehicle on the road and mobile, such as accessories, redundancy protection, the TradeAdvantage disposal service, and rebates. Additional products and services revenue is largely transactional in nature and its key driver is the volume of new funded deliveries, coupled with customer penetration rates.
- Finance commission, earned on leased vehicles funded off-balance sheet. Finance commission is largely transactional in nature and the primary driver is the volume of principal & agency-funded deliveries.
- Vehicle risk income, earned as a result of underwriting a long-term risk position on a vehicle at lease commencement, the ultimate financial outcome of which will depend on circumstances and market conditions that occur over the life of each vehicle. Vehicle risk income is made up of an end-of-lease component (profits earned from underwriting residual value risk) and an in-life component (profits earned from underwriting maintenance and other running costs). End-of-lease vehicle risk income is largely transactional in nature and its primary driver is the volume of operating lease disposals. In-life vehicle risk income is a combination of annuity and transactional income and is driven by the number of open-contract vehicles and vehicles with underwritten maintenance risk positions.

In the 2024 financial year, 66% of the company's revenue was recurring, 16% was earned up-front, and 18% was earned at the end of the lease.

SG Fleet funds vehicles under operating leases or finance leases, Typically, corporate (or tool-of-trade) vehicles are funded as an operating lease while novated (salary packaged lease) are structured as a finance lease.

In the case of an operating lease, SG Fleet is responsible for making a residual value payment to the third-party funders at the end of the lease term, assuming any risk associated with the potential difference between the actual disposal value and the agreed residual value. In the case of a finance lease, SG Fleet does not bear residual value risk as the lessee indemnifies the financier for the difference between the disposal value and the agreed residual value of the vehicle at the end of the lease.

While historically, SG Fleet has predominantly used principal and agency arrangements with third-party funders (who pay SG Fleet a financing commission for originating the lease), in the 2021 financial year, it embarked on a strategy to diversify its funding structure by developing a warehouse securitisation funding capability. In addition to increasing the proportion of higher forward visibility, recurring income, this capability provides SG Fleet with greater funding flexibility and lowers its funding concentration risk.

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Growth strategy

SG Fleet's growth is supported by a range of drivers:

- Growth from existing customers
- Winning new customers
- Greater product penetration amongst existing customers
- Inorganic growth

Growth from existing customers

SG Fleet has significant 'embedded growth' from recent customer wins, where the company will write new leases as the new fleets roll on. SG Fleet also targets greater penetration of its existing customer base by: (a) converting fleet management customers ('lite fleet') to full service leasing arrangements; (b) achieving a greater share of vehicles provided under a panel arrangement; and (c) achieving higher rates of replacement for existing vehicles reaching the end of their lease term.

Winning new customers

SG Fleet has a strong track record of winning new customers from competitors, as well as converting new customers that outsource their fleet management for the first time. The company identifies priority targets for new business development and an active customer retention program. In particular, it adopts an early engagement plan that educates potential customers on the benefits of outsourcing their fleet management.

Greater product penetration amongst existing customers

Additional growth is achieved by upselling multiple products to existing customers.

SG Fleet continuously adds products, features, and solutions to its service offering through its dedicated innovation capability. In-house developed solutions launched in recent years include the Inspect365 online safety inspection system and the eStart Zero-emission vehicle consulting and management service.

In addition, SG Fleet has selectively partnered with or made investments in solutions developed by other innovators in the mobility space, such as the DingGo repairer portal, Carly car subscription, and zoomo e-bikes.

The availability of these additional products and services has driven higher customer penetration, with 85% of SG Fleet customers taking multiple products in the 2024 financial year, compared to 42% four years prior.

Inorganic growth

Throughout its history, SG Fleet has successfully acquired and integrated several fleet management and novated leasing businesses, and regularly examines new acquisition opportunities to grow its presence in its chosen markets. Since its ASX listing in 2014, SG Fleet has acquired the nlc novated leasing business (2015), the Fleet Hire and Motiva fleet management and leasing businesses in the UK (2016) and the Australian and New Zealand businesses of international fleet management and leasing company LeasePlan Corporation NV (2021).

7.2 Recent Share Price Performance

On 22 November 2024, being the last trading day prior to media speculation regarding a possible change of control proposal for SG Fleet:

(a) The closing price of SG Fleet Shares on ASX was $2.67 per SG Fleet Share;

(b) The highest recorded daily closing price for SG Fleet Shares on ASX in the previous three months was $3.30 per SG Fleet Share on 26 August 2024; and

(c) The lowest recorded daily closing price for SG Fleet Shares on ASX in the previous three months was $2.50 per SG Fleet Share on 1 October 2024.

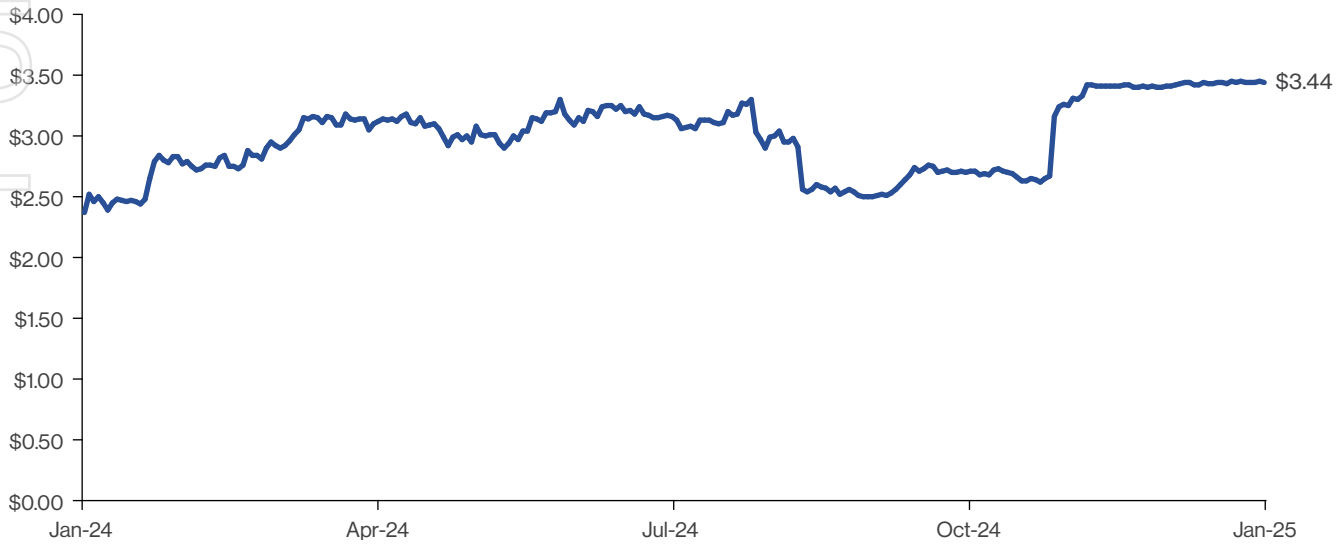
As at the Last Practicable Date:

(a) the closing price of SG Fleet Shares on ASX was $3.44 per SG Fleet Share;

(b) the highest recorded daily closing price for SG Fleet Shares on ASX in the previous three months was $3.45 per SG Fleet Share on 21 January 2025, 23 January 2025 and 30 January 2025; and

(c) the lowest recorded daily closing price for SG Fleet Shares on ASX in the previous three months was $2.62 per SG Fleet Share on 20 November 2024.

Share Price Performance to the Last Practicable Date



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7.3 SG Fleet Board and senior management

(a) SG Fleet Directors

At the Last Practicable Date, the SG Fleet Board is comprised of the following directors:

Name	Current position
Andrew Reitzer	Independent Non-Executive Director and Chairman
Robbie Blau	Chief Executive Officer and Executive Director
Cheryl Bart	Independent Non-Executive Director
Peter Mountford	Non-Executive Director
Louis Gunning	Non-Executive Director
Edwin Jankelowitz	Independent Non-Executive Director
Kevin Wundram	Chief Financial Officer and Executive Director

(b) SG Fleet Group senior management

At the Last Practicable Date, SG Fleet Group's senior management team is comprised of the following members:

Name	Current position
Robbie Blau	Chief Executive Officer and Executive Director
Kevin Wundram	Chief Financial Officer and Executive Director
Andy Mulcaster	Chief Commercial Officer
David Fernandes	Chief Operations Officer
Laura McLaren	Chief Legal Officer
Michelle Thomas	Chief Innovation and Product Officer
Lindsay Underwood	Chief People & Culture Officer

7.4 SG Fleet Directors' intentions

The Corporations Act requires a statement by the SG Fleet Directors of their intentions regarding SG Fleet's business. If the Scheme is implemented, the SG Fleet Board will be reconstituted in accordance with instructions from Bidco on or after the Implementation Date. Bidco intends to replace some or all members of the SG Fleet Board and SG Fleet Group with nominees of Bidco after the Implementation Date.

Accordingly, it is not possible for the SG Fleet Directors to provide a statement of their intentions regarding:

(a) the continuation of the business of SG Fleet or how SG Fleet's existing business will be conducted;

(b) any major changes to be made to the business of SG Fleet, including any redeployment of the fixed assets of SG Fleet; or

(c) the future employment of the present employees of SG Fleet,

in each case, on or after the Implementation Date.

If the Scheme is implemented, Bidco will acquire 100% control of SG Fleet. Bidco's current intentions in relation to SG Fleet's business and its directors if the Scheme is implemented are set out in section 8.8.

If the Scheme does not proceed, the SG Fleet Board intends that SG Fleet will continue its current strategic plans and will remain listed on ASX.

7.5 SG Fleet issued securities and capital structure

The capital structure of SG Fleet as at the Last Practicable Date is as follows:

Type of security	Number of securities
SG Fleet Shares	341,984,920
SG Fleet Options	13,438,762
SG Fleet Performance Rights	2,908,596
SG Fleet Restricted Equity Rights	1,113,758

See section 11.13 for further information on the treatment of the SG Fleet Equity Incentives in connection with the Scheme.

7.6 Substantial Shareholders

The substantial holders of SG Fleet Shares as at the Last Practicable Date are:

Name	Number of SG Fleet Shares	Voting Power in SG Fleet
Bluefin Investments	183,248,160	53.58%

The shareholdings listed in this section are as disclosed to SG Fleet by the shareholders in substantial holding notices or as otherwise notified by the SG Fleet Share Registry. Information regarding substantial holdings that arise, change, or cease after the date of the substantial holding notices disclosed to SG Fleet, or in respect of which the relevant announcement is not available on ASX's website (www.asx.com.au) is not included above.

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7.7 Historical financial Information

(a) Basis of preparation

This section 7.7 sets out a summary of historical financial information in relation to SG Fleet Group for the purposes of this Scheme Booklet. The financial information has been derived from SG Fleet Group's financial statements for the financial year ended 30 June 2024, which were audited by KPMG Australia.

The historical information of SG Fleet Group is presented in an abbreviated form and does not contain all the disclosures, presentation, statements or comparatives that are usually provided in an annual report prepared in accordance with the Corporations Act.

SG Fleet Group considers that for the purposes of this Scheme Booklet the historical information presented in an abbreviated form is more meaningful to SG Fleet Shareholders.

Further details about SG Fleet's financial performance can be found in:

- the financial statements for the financial year ended 30 June 2024 and 30 June 2023 (included in the Annual Report released to ASX on 20 September 2024); and
- the financial statements for the financial half year ended 31 December 2024 (included in the Half Year Report released to ASX on 18 February 2025),

each of which can be found on the SG Fleet Group's website (https://investors/sgfleet.com/Investors/) or ASX's website (www.asx.com.au).

(b) Historical consolidated income statement

	Consolidated		
	FY2023 $'000 (Restated)	**FY2024 $'000**	**1H 2025 $'000**
Revenue	1,044,897	1,112,432	638,745
Other income	12,500	–	–
Share of loss of associates accounted for using the equity method	(474)	(185)	(44)
Interest revenue calculated using the effective interest method	8,595	14,780	9,838
Total revenue and other income	1,065,518	1,127,027	648,539
Expenses			
Mobility services cost of sale	(73,870)	(78,488)	(39,106)
Vehicle risk cost of sale	(288,706)	(303,449)	(192,080)
Additional product and services cost of sale	(46,335)	(44,852)	(25,017)
Rental and finance cost of sale	(7,627)	(9,427)	(4,046)
Other direct costs	(19,606)	(27,356)	(11,161)
Depreciation and amortisation	(241,942)	(223,507)	(127,787)
Finance costs	(71,915)	(95,629)	(65,898)
Employee benefits expense	(151,729)	(172,422)	(90,668)
Occupancy costs	(4,018)	(3,775)	(2,435)
Technology and communication costs	(26,624)	(25,806)	(18,539)
Other expenses	(14,143)	(16,806)	(11,911)
Total expenses	(946,515)	(1,001,517)	(588,648)
Profit before income tax expense	119,003	125,510	(59,891)
Income tax expense	(35,005)	(35,849)	(18,828)
Profit after income tax expense for the year attributable to the owners of SG Fleet Group Limited	83,998	89,661	41,063
	Cents	**Cents**	**Cents**
Basic earnings per share	24.56	26.23	12.02
Diluted earnings per share	24.42	25.99	11.89

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	Consolidated		
	FY2023 $'000 (Restated)	FY2024 $'000	1H 2025 $'000
Profit after income tax expense for the year attributable to the owners of SG Fleet Group Limited	83,998	89,661	41,063
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation difference for foreign operations	5,646	(1,534)	2,535
Effective portion of changes in fair value of cash flow hedges, net of tax	(2,057)	(18,760)	(12,990)
Other comprehensive income for the year, net of tax	3,589	(20,294)	(10,455)
Total comprehensive income for the year attributable to the owners of SG Fleet Group Limited	87,587	69,367	30,608

(c) Historical consolidated statement of cash flows

	Consolidated		
	FY2023 $'000 (Restated)	FY2024 $'000	1H 2025 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)	1,137,646	1,207,494	729,640
Payments to suppliers and employees (inclusive of GST)	(704,355)	(771,703)	(472,497)
Cash generated from operations before investment in lease portfolio	433,291	435,791	257,143
Acquisition of operating and finance lease assets	(698,175)	(960,598)	(473,903)
Proceeds from disposal of operating lease assets (excluding vehicle risk income)	119,590	177,953	96,783
Capital receipts from finance lease assets	196,362	238,530	149,577
Interest received	8,595	14,459	9,685
Interest and other finance costs paid	(64,796)	(91,716)	(65,772)
Income taxes (paid)/refunded	23,038	(10,203)	(7,721)
Net cash (used in)/from operating activities	17,905	(195,784)	(34,208)
Cash flows from investing activities			
Payment for investments	(1,243)	–	–
Payments for property, plant, and equipment	(7,126)	(6,922)	(3,343)
Proceeds from disposal of property, plant, and equipment	405	1,402	389
Payments for intangibles	(5,533)	(11,044)	(5,497)
Payments for investments in associates	(782)	(1,198)	(502)
Net cash used in investing activities	(14,279)	(17,762)	(8,953)
Cash flows from financing activities			
Share awards settled through direct market acquisition	(1,759)	(8,774)	(2,098)
Proceeds from borrowings	145,045	543,581	164,080
Repayment of borrowings	(57,280)	(122,623)	(21,061)
Repayment of lease liabilities – right-of-use assets	(6,935)	(6,475)	(228)
Borrowing costs paid	(636)	(3,470)	(3,350)
Dividends paid	(53,774)	(57,676)	(83,212)
Net cash from financing activities	24,661	344,563	54,131
Net increase in cash and cash equivalents	28,287	131,017	10,970
Cash and cash equivalents at the beginning of the financial year	230,433	260,414	390,866
Effects of exchange rate changes on cash and cash equivalents	1,694	(565)	449
Cash and cash equivalents and restricted cash at the end of the financial year	260,414	390,866	402,285

Information on SG Fleet continued

(d) Historical consolidated statement of financial position

	Consolidated		
	FY2023 $'000 (Restated)	FY2024 $'000	1H 2025 $'000
Assets			
Cash and cash equivalents	92,848	204,479	196,182
Restricted cash	167,566	186,387	206,103
Finance lease, trade, and other receivables	814,060	1,106,233	1,193,637
Inventories	29,583	43,488	28,902
Derivative financial instruments	40,687	14,197	4,076
Prepayments	21,164	21,406	23,544
Income tax refund due	4,723	–	–
Investments – equity accounted	1,637	2,650	2,606
Investments – fair valued	6,438	5,961	5,929
Leased motor vehicle assets	1,010,814	1,112,368	1,143,182
Property, plant, and equipment	11,346	12,125	12,984
Intangibles	623,130	613,507	612,223
Right-of-use assets	25,715	19,432	18,784
Total assets	2,849,711	3,342,233	3,448,152
Liabilities			
Trade and other payables	275,803	314,976	294,412
Derivative financial instruments	26	1,637	8,934
Employee benefits	23,976	27,113	27,162
Provisions	31,860	37,205	38,636
Lease portfolio borrowings	1,296,404	1,715,280	1,860,451
Borrowings	300,814	299,402	25,167
Lease liabilities – right-of-use assets	25,956	20,528	302,149
Vehicle maintenance funds	140,509	145,777	20,227
Contract liabilities	72,642	77,372	155,415
Income tax	–	40,271	84,395
Deferred tax	99,103	71,957	92,635
Total liabilities	2,267,093	2,751,518	2,909,583
Net assets	582,618	590,715	538,569
Equity			
Issued capital	505,968	503,894	505,937
Reserves	(83,661)	(105,475)	(117,515)
Retained profits	160,311	192,296	150,147
Total equity	582,618	590,715	538,569

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7.8 Material changes to the financial position of SG Fleet since 31 December 2024

Other than as disclosed in the Scheme Booklet or announced to the ASX by SG Fleet, within the knowledge of the SG Fleet Board, as at the Last Practicable Date, the financial position of SG Fleet Group has not materially changed since 31 December 2024.

7.9 Publicly available information and continuous disclosure

SG Fleet is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a company listed on ASX, SG Fleet is subject to the ASX Listing Rules that require (subject to some exceptions) continuous disclosure of any information SG Fleet has that a reasonable person would expect to have a material effect on the price or value of SG Fleet Shares.

ASX maintains files containing publicly disclosed information about all companies listed on ASX. Information disclosed to ASX by SG Fleet is available on ASX's website at www.asx.com.au.

In addition, SG Fleet is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by SG Fleet may be obtained from an ASIC office.

SG Fleet Shareholders may obtain a copy of:

- SG Fleet's 2024 Annual Report and 2024 Half Year Report (being the most recent financial reports recently lodged with ASX before registration of this Scheme Booklet with ASIC); and
- all announcements given to ASX to date,

on ASX's website at www.asx.com.au.

A list of announcements made by SG Fleet to ASX from the time that SG Fleet announced that it and Bidco had entered into the Scheme Implementation Deed on 4 December 2024 to the Last Practicable Date:

Announcement	Date
Ceasing to be a substantial holder from WAM/WAX/WMI	9 December 2024
Becoming a substantial holder from UBS Group AG	16 December 2024
Ceasing to be a substantial holder from UBS Group AG	2 January 2025
Becoming a substantial holder from UBS Group AG	3 January 2025
Ceasing to be a substantial holder from UBS Group AG	6 January 2025
Becoming a substantial holder from UBS Group AG	13 January 2025
Ceasing to be a substantial holder from UBS Group AG	13 January 2025
Ceasing to be a substantial holder from UBS Group AG	15 January 2025
Becoming a substantial holder from UBS Group AG	24 January 2025

A substantial amount of information about SG Fleet, including financial information and releases to ASX, is available in electronic form on SG Fleet's website at https://investors.sgfleet.com/Investors.

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8 Information on Bidco

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8.1 Information about Bidco

The information concerning PEP and any Bidco Group Member in this section 8 has been provided by Bidco and is the responsibility of Bidco. SG Fleet and its directors do not assume any responsibility for the accuracy or completeness of this information.

8.2 Overview of PEP

PEP was founded in 1998 and is a leading Australian based private equity firm which focuses on growth and expansion capital in Australia and New Zealand. PEP currently has approximately A$12 billion in assets under management. Funds managed or advised by PEP have made 46 platform investments and more than 170 follow-on business acquisitions. Funds managed or advised by PEP have a long and successful track record for owning businesses operating in Australia and New Zealand. Such funds include, but are not limited to, PEP Fund VII.

Funds managed or advised by PEP have completed a number of recent relevant investments in Australia and New Zealand, including:

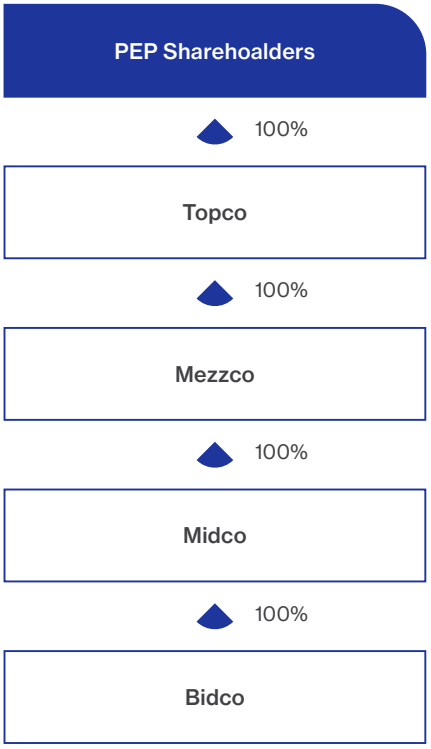
Healthia	a market leading integrated allied healthcare organisation;
Healthe Care	a leading Australian private hospital network operator;
Magentus (formerly, Citadel Group Limited)	provider of core software for medical specialists and secure records management software, technology and professional services to a diversified set of government clients in Australia and the UK;
iNova Pharmaceuticals	over the counter pharmaceuticals provider in Australia, Asia and South Africa focused on cold & flu and antibacterial products;
Evolution Healthcare	provider of private hospital and rehabilitation services in New Zealand;
Lifehealthcare	independent distributor of advanced medical devices and equipment in Australia and New Zealand; and
Zenith Energy	one of Australia's leading Independent Power Producers, specialising in tailored remote off-grid power generation and urban microgrids.

More information in relation to PEP can be found at https://www.pep.com.au/.

8.3 Ownership Structure

(a) Before implementation of the Scheme

As at the date of this Scheme Booklet, Bidco is a wholly owned subsidiary of Westmann MidCo Pty Ltd (ACN 682 624 111) (**Midco**), which in turn is a wholly owned subsidiary of Westmann Mezzco Pty Ltd (ACN 682 623 392) (**Mezzco**), which in turn is a wholly owned subsidiary of Topco. Topco is currently wholly owned by the PEP Shareholders (who will subscribe for additional Topco Shares prior to implementation of the Scheme to provide the equity funding required for the Cash Consideration as described further in section 8.7, below) as illustrated in the following structure diagram:



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(b) After implementation of the Scheme

If the Scheme is implemented, the PEP Shareholders and Relevant Management Shareholders who validly make an Election to receive some or all of their Scheme Consideration as Scrip Consideration (therefore, becoming Topco Shareholders), will wholly own Topco (with those Relevant Management Shareholders who are not Key Managers holding their Topco Shares beneficially through the Nominee). Topco will own SG Fleet through its wholly owned subsidiaries, Mezzco, Midco and Bidco, as illustrated in the below structure diagram:



8.4 Overview of Bidco Group

(a) Bidco

Bidco is a special purpose vehicle that was incorporated on 26 November 2024 for the sole purpose of acquiring all of the Scheme Shares under the Scheme. Bidco is an Australian proprietary company limited by shares that has not engaged in any trading activities and does not hold any assets or liabilities, except for those arising in connection with its incorporation, the execution of transaction documents related to the Scheme, and other necessary actions to facilitate the Scheme. These actions include the incurrence of costs, fees, and expenses associated with the Scheme. Bidco is a wholly owned subsidiary of Midco, which is itself a wholly owned subsidiary of Mezzco, and Mezzco is a wholly owned subsidiary of Topco. If the Scheme becomes Effective, Bidco will hold all the Scheme Shares on the Implementation Date.

(b) Midco

Midco is a special purpose vehicle that was incorporated on 26 November 2024 for the sole purpose of holding all of the shares in Bidco. Midco is an Australian proprietary company limited by shares with no trading activities or assets (other than the shares in Bidco) and liabilities, except those related to its incorporation, the execution of transaction documents for the Scheme, and other necessary actions to facilitate the Scheme. These actions include the incurrence of costs, fees, and expenses associated with the Scheme. Midco's shares are wholly owned by Mezzco, and Mezzco is a wholly owned subsidiary of Topco.

(c) Mezzco

Mezzco is a special purpose vehicle that was incorporated on 26 November 2024 for the sole purpose of holding all of the shares in Midco. Mezzco is an Australian proprietary company limited by shares with no trading activities or assets (other than the shares in Midco) and liabilities, except those related to its incorporation, the execution of transaction documents for the Scheme, and other necessary actions to facilitate the Scheme. These actions include the incurrence of costs, fees, and expenses associated with the Scheme. Mezzco's shares are wholly owned by Topco.

(d) Topco

Topco is a special purpose vehicle that was incorporated on 26 November 2024 for the purposes of:

- directly holding all of the shares in Mezzco and indirectly holding all of the shares in Midco and Bidco; and
- issuing Topco Shares to the PEP Shareholders and to the Relevant Management Shareholders who make a valid Election.

Topco is an unlisted Australian public company limited by shares with no trading activities or assets (other than the shares in Mezzco) and liabilities, except those related to its incorporation, the execution of transaction documents for the Scheme (including entry into the Deed Poll), and other necessary actions to facilitate the Scheme. These actions include the incurrence of costs, fees, and expenses.

The affairs of Topco are regulated under the Topco Constitution, and, on implementation of the Scheme, by the Topco Constitution (set out at Attachment H), Topco Securityholders' Agreement (set out at Attachment G) and the Nominee Deed (set out at Attachment I). The Topco Securityholders' Agreement and Topco Constitution have been provided to the Relevant Management Shareholders (being the only SG Fleet Shareholders who are entitled to make an election to receive Scrip Consideration). A summary of key rights and obligations attaching to the securities under the Topco Constitution and Topco Securityholders' Agreement are set out in section 8.9.

(e) PEP Shareholders

PEP manages or advises a number of unit trusts and limited partnerships known as Pacific Equity Partners Fund VII or PEP Fund VII (the **Fund**).

Certain entities and funds which comprise the Fund will be indirectly participating in the Scheme and will have an ownership interest in the Bidco Group on the Implementation Date. As at the Last Practicable Date, such entities and funds are to be:

- Pacific Equity Partners Fund VII, L.P. acting via its general partner Pacific Equity Partners Fund VII GP (Jersey) Limited; and
- Pacific Equity Partners Fund VII (Australasia) Pty Limited as trustee for Pacific Equity Partners Fund VII (Australasia).

For the purposes of the Scheme, the Fund, together with the co-investment vehicle established and controlled by PEP, being Puffin Coinvestment, L.P. acting via its general partner Pacific Equity Partners Puffin Coinvestment GP (Jersey) Limited (**PEP Co-Invest Vehicle**) and PEP Investments Pty Limited, are referred to as the **PEP Shareholders**.

Each of the PEP Shareholders has been established to invest in business opportunities in Australia and New Zealand. The PEP Shareholders are advised or managed by PEP. Refer to section 8.2 above for further information regarding PEP and its recent investments.

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8.5 Directors of the Bidco Group

As at the Last Practicable Date, the directors of each of Topco, Mezzco, Midco and Bidco are Mr Antony John Duthie, Mr Matthew William Robinson and Mr Scott Richard McKnight. Brief profiles of each of these directors are set out below.

Director	Profile
Antony John Duthie	Mr Antony John Duthie is a Managing Director at PEP and joined the firm in 2006. Before joining PEP, Antony was a Partner of Bain & Company with over 12 years of consulting experience in Australia, Asia and Europe. Tony received an MBA from INSEAD (Dean's List) and a BCom from the University of New South Wales.
Matthew William Robinson	Mr Matthew William Robinson is a Managing Director at PEP and joined the firm in 2009. Prior to joining PEP, he was a consultant with Bain & Company in Australia. Matthew was an Innovation Scholar at Macquarie University where he received a Bachelor of Commerce (Actuarial Studies) and was awarded the Vice Chancellor's Commendation for Academic Excellence.
Scott Richard McKnight	Mr Scott Richard McKnight is a director at PEP and joined the firm in 2015. Prior to joining PEP, he was an investment banker with Goldman Sachs in New Zealand. Scott received a Master of Business with distinction and a Bachelor of Commerce from the University of Otago and is a CFA charter holder.

8.6 Topco Shares

(a) Features of Topco Shares to be received as Scrip Consideration

As detailed in section 6, Relevant Management Shareholders are entitled to make an Election to receive all or part of their Scheme Consideration as Topco Shares. These Elections are as follows:

- 100% Cash Consideration;
- 100% Scrip Consideration; or
- any combination of Cash Consideration and Scrip Consideration as set out in the Relevant Management Shareholder's Election Form.

Topco Shares will be issued as fully paid and will rank equally (including from an economic perspective) with each other Topco Share.

Topco Shares are subject to certain restrictions which include, but are not limited to, restrictions with regard to shareholder approvals, director appointment rights, exit rights and restraints. Additionally, any dividends will be at the sole discretion of the board of Topco (**Topco Board**), having regard to the capital requirements (as well as the debt financing arrangements) of the Topco group. A summary of the Topco Securityholders' Agreement and significant rights and obligations attaching to Topco Shares is set out in section 8.9. The summary is not exhaustive and should be read subject to the full terms of the Topco Securityholders' Agreement and Topco Constitution, which have been provided to the Relevant Management Shareholders (being the only SG Fleet Shareholders who are entitled to make an election to receive Scrip Consideration).

Please refer to section 9.5 of this Scheme Booklet for discussion of the risks associated with the Scrip Consideration.

Relevant Management Shareholders considering making an election to receive Scrip Consideration should consult their legal, tax or financial advisers, accountant or stockbroker before electing the amount of Topco Shares to take up as Scheme Consideration and/or if they are uncertain about whether an investment in Topco suits their specific investment objectives. They should also carefully consider the information in this section 8.6 about the Topco Shares that comprise the Scrip Consideration. In particular, consideration should be given to the nature of Topco Shares, the risk factors relating to Topco Shares in light of a Relevant Management Shareholders' personal circumstances and the rights and obligations under both the Topco Constitution and the Topco Securityholders' Agreement.

8.7 Funding of the Scheme Consideration

(a) Maximum Cash Consideration

If the Scheme becomes Effective, the Scheme Consideration payable to Scheme Shareholders under the Scheme will be satisfied by a combination of:

- 100% Cash Consideration;
- 100% Scrip Consideration; or
- any combination of Cash Consideration and Scrip Consideration as set out in the Relevant Management Shareholders' Election Form.

If the Scheme becomes Effective:

- Scheme Shareholders who are not Relevant Management Shareholders will receive Cash Consideration; and/or
- Scheme Shareholders who are Relevant Management Shareholders will receive either 100% Cash Consideration, 100% Scrip Consideration, or any combination of Cash Consideration and Scrip Consideration as set out in the Relevant Management Shareholder's Election Form.

Based on the number of SG Fleet Shares on issue as at the Last Practicable Date:

- if no Relevant Management Shareholders make an Election to receive any Scrip Consideration, the maximum theoretical amount of Cash Consideration that Bidco may be required to pay to Scheme Shareholders under the Scheme is A$1,226.7 million (**Maximum Cash Consideration**). However, as set out at sections 2.2, 5 and 11.1, prior to the date of this Scheme Booklet, Robbie Blau has already agreed to elect to receive Scrip Consideration in respect of approximately 25% of the SG Fleet Shares held or controlled by him, and Kevin Wundram has already agreed to elect to receive Scrip Consideration in respect of approximately 38% of the SG Fleet Shares held or controlled by him. Accordingly, the amount of Cash Consideration will ultimately likely be less to the extent that other Relevant Management Shareholders also make Elections to receive some or all of their Scheme Consideration as the Scrip Consideration; and

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– the maximum number of Topco Shares that would be issued by Topco (on the assumption that every Relevant Management Shareholder (including Robbie Blau and Kevin Wundram) made an Election to receive 100% of their Scheme Consideration as Scrip Consideration) is 22,600,100 Topco Shares. This would represent approximately 9.5% of the total issued share capital of Topco on the Implementation Date.

The Scheme is not subject to a financing condition.

(b) Cash funding arrangements

Bidco intends to fund the Cash Consideration through a combination of:

– equity funding sourced from the Fund and Puffin Co-Invest Vehicle; and
– the Syndicated Acquisition Facilities (subject to meeting conditions precedent to drawdown).

Each of the funding sources is described below.

Equity funding

Bidco has a legally binding equity commitment letter from the Fund and PEP Co-Invest Vehicle, dated 4 December 2024 (**Equity Commitment Letter**) under which, each of the Fund and PEP Co-Invest Vehicle irrevocably commits to:

– pay to Topco, by way of subscribing for fully paid Topco Shares issued by Topco, such amounts as are necessary to meet Bidco's obligations to fund the Cash Consideration under the Scheme (less the amount of the Syndicated Acquisition Facilities which may be used to pay the Cash Consideration) in a maximum amount equal to each entity's relevant proportion as set out in the Equity Commitment Letter, which amounts to a total aggregate commitment of $750,000,000 (**Equity Funding**); and
– cause Topco to contribute that Equity Funding to Bidco (including via any intermediate holding company of Bidco) in sufficient time to allow Bidco to pay, to the extent necessary, the Cash Consideration in accordance with the Scheme.

The amount available under the Equity Commitment Letter is (together with the amount available under the Syndicated Acquisition Facilities referred to below) sufficient to fund the Maximum Cash Consideration.

The entities that constitute the Fund and Puffin Co-Invest Vehicle are severally responsible for providing the Equity Funding to Bidco under the Equity Commitment Letter.

The Equity Funding is conditional only on the Scheme becoming Effective (and is otherwise unconditional).

External Debt Facilities

Bidco entered into a binding debt commitment letter with Barclays Bank PLC, Citibank, N.A., Sydney Branch, Commonwealth Bank of Australia; and Westpac Banking Corporation (the **Lenders**), on 4 December 2024 (**Debt Commitment Letter**). Under the Debt Commitment Letter, the Lenders have agreed to provide senior secured syndicated facilities to Bidco (**Syndicated Acquisition Facilities**) in an aggregate amount of no less than $805,000,000.

The proceeds from the Syndicated Acquisition Facilities, along with the Equity Funding, exceed the amount required to fund the Maximum Cash Consideration.

The proceeds from the Syndicated Acquisition Facilities will be used for, among other purposes:

– funding part of the aggregate Scheme Consideration payable by Bidco;
– refinancing certain existing debt facilities of SG Fleet Group;
– paying costs and expenses incurred in connection with the Scheme and associated transactions; and
– providing acquisition and growth financing.

The funding of the Syndicated Acquisition Facilities is subject to the satisfaction of certain conditions precedent, which are customary for facilities of this type and include, among others:

– confirmation that the Effective Date (as defined in the Scheme Implementation Deed) has occurred;
– confirmation that there has been no amendment, variation, waiver, or termination under the Scheme Implementation Deed that would reasonably be expected to materially and adversely affect the interests of the Lenders (unless the Lenders have otherwise consented); and
– execution of definitive long-form syndicated facilities documentation (and related financing documentation) as described below.

It is expected that, prior to the Second Court Date, the Debt Commitment Letter will be superseded by a definitive long-form syndicated facilities agreement and related financing documentation between the parties to the Debt Commitment Letter and any other relevant parties. The material terms and conditions of these financing documents are outlined in the Debt Commitment Letter.

It is anticipated that the conditions precedent mentioned above will be satisfied before the Second Court Date (other than certain conditions that are intended to be satisfied concurrently with, or prior to, the first drawdown under the Syndicated Acquisition Facilities on the Implementation Date, including the payment of fees and expenses).

If all conditions precedent are satisfied or waived, then subject to the provisions set out in the paragraph below and provided it is not unlawful for the Lenders to do so, the Lenders must provide the funds for their portion of the commitments under the Syndicated Acquisition Facilities. As of the Last Practicable Date, Bidco is unaware of any reason why the conditions precedent will not be satisfied and is confident they will be satisfied in time to ensure full payment of the aggregate Scheme Consideration for the Scheme Shares as and when due under the terms of the Scheme.

The availability of the Syndicated Acquisition Facilities is subject to:

– the correctness of certain representations (as are customary for facilities of this kind);
– that certain events of default (as are customary for facilities of this kind) are not subsisting or would result from the drawing of the applicable facilities; or
– that a change of control in respect of Bidco and/or Midco has not occurred.

As of the Last Practicable Date, Bidco is not aware of the occurrence of any material misrepresentation, material event of default, change of control or any circumstance that would lead to any material representation, material event of default or change of control which would then give rise to a right to the Lenders to terminate the applicable facilities.

The representations and warranties to be provided by Bidco in relation to the Syndicated Acquisition Facilities are customary for a facility of this nature. As of the Last Practicable Date, Bidco is not aware of any breach or any circumstance that would lead to a breach of these representations and warranties.

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As at the Last Practicable Date, Bidco is also not aware of any reason why the Syndicated Acquisition Facilities will not be available to be drawn down for the purposes of acquiring the Scheme Shares as contemplated by the Scheme.

(c) Scrip Consideration

Bidco and Topco have entered into the Deed Poll to covenant in favour of the Scheme Shareholders to perform their respective obligations in relation to the Scheme. This includes the obligation to provide or procure the provision of the Scheme Consideration to the Scheme Shareholders in accordance with the terms of the Scheme, including for Topco to issue Topco Shares which are the subject of valid Elections by the Relevant Management Shareholders under the terms of the Scheme.

(d) Reasonable basis

Based on the arrangements outlined above, Bidco believes it has a reasonable basis for holding the view, and does hold the view, that it will be able to satisfy its obligations to fund the Scheme Consideration when due and payable under the terms of the Scheme.

8.8 Intentions if the Scheme is Implemented

(a) Overview

If the Scheme is implemented, Bidco will acquire all SG Fleet Shares, making SG Fleet a wholly owned subsidiary of Bidco. This section outlines Bidco's current intentions, should the Scheme proceed, regarding:

- the ongoing operation of SG Fleet's business;
- any major changes to SG Fleet's business; and
- the future employment of SG Fleet's current employees.

These intentions are aligned with the objectives of Midco, Mezzco, and Topco.

The statements in this section 8.8 reflect Bidco's current intentions based on the facts and circumstances known at the Last Practicable Date. These intentions and statements should be read in the context of applicable law, including the Corporations Act, the ASX Listing Rules, and the legal obligations of each SG Fleet Director at the time.

The intentions are based on information available to Bidco at the time, including non-public information provided by SG Fleet prior to entering the Scheme Implementation Deed, as well as the broader business environment. Bidco does not yet have full knowledge of all material information, facts and circumstances required to assess the operational, commercial, tax, and financial implications of these current intentions. Final decisions with respect to such matters will only be reached after Bidco has had an opportunity to undertake a detailed review of SG Fleet's business and material information, facts and circumstances at the relevant time following the Scheme's implementation. Accordingly, these intentions described below are statements of current intentions only and are subject to change as new information emerges or circumstances evolve.

(b) Business, operations, and assets

Subject to the findings of the post-implementation review outlined in section 8.8(a), Bidco currently intends to maintain the SG Fleet business in its existing form in the near term. As noted in section 8.8(a), Bidco plans to conduct a comprehensive review of SG Fleet's operations to determine the most effective way forward and ensure adequate support for the business. Any further decisions regarding the future direction of SG Fleet will be made after, and informed by, the results of this review.

PEP intends to establish arrangements with Topco regarding the time and resources PEP dedicates to working with Topco. These arrangements are still to be determined but may include, among other things, PEP's ongoing oversight and management of its investment in Topco, as well as involvement in transactions where PEP provides management and/or advisory services. Any such arrangement will be on terms that are commercial, at arm's length or subject to Topco shareholder approval, and consistent with market practice in the private equity sector.

Bidco does not currently intend to redeploy any of SG Fleet's fixed assets.

In line with standard private equity practices, the PEP Shareholders may seek to 'exit' their investment in SG Fleet in the future, subject to prevailing market conditions, the performance of the business, and other relevant factors at the time. There are no current plans to do this, and any decision to exit SG Fleet will be subject to the aforementioned factors.

(c) Changes to SG Fleet's constitution

Following implementation, Bidco intends to replace SG Fleet's constitution with one suitable for an Australian proprietary company limited by shares and thereby converting SG Fleet into an Australian proprietary company limited by shares.

(d) Directors

If the Scheme is implemented, pursuant to clause 6.10 of the Scheme Implementation Deed, the SG Fleet Board may be reconstituted with effect on and from the Implementation Date. As at the date of the Scheme Booklet, the post-implementation directors of SG Fleet have not been determined.

(e) Employees

Bidco considers SG Fleet's operating and management platform as an integral part of the business and its employees to be critical to the future success of the business. Post-implementation, Bidco intends to conduct a comprehensive review of SG Fleet's business to ensure it has the right mix and level of employees and skills to support future growth and enhance the business moving forward. Bidco does not, however, intend to deviate from management's current strategy, with Robbie Blau and Kevin Wundram continuing in their roles as CEO and CFO, respectively.

(f) SG Fleet to be delisted

If the Scheme is implemented, Bidco intends to instruct SG Fleet to apply to ASX for removal from its official list after the Implementation Date, with effect on or around the Business Day immediately following the Implementation Date, and for SG Fleet to be subsequently converted into a proprietary company limited by shares.

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8.9 Summary of Topco Securityholders' Agreement and Topco Constitution[21]

A summary of the key rights and obligations attaching to the Topco Shares is set out below. This summary is not exhaustive and should be read subject to the full terms of the Topco Securityholders' Agreement and the Topco Constitution which have been provided to the Relevant Management Shareholders (being the only SG Fleet Shareholders who are entitled to make an election to receive Scrip Consideration). The Topco Constitution and Topco Securityholders' Agreement provide that the terms of the Topco Securityholders' Agreement will prevail in the event of any inconsistency between the provisions of the Topco Constitution and Topco Securityholders' Agreement.

Capitalised terms used in this section which are not defined in this Scheme Booklet are bolded within the summary itself.

Topic	Overview
Parties to the Topco Securityholders' Agreement	PEP Shareholders. Relevant Management Shareholders who are Scheme Shareholders and who make a valid Election and any other person who has a management role in the Bidco Group and holds Topco Shares.
Issue and ranking of the Topco Shares	Immediately following Implementation, Topco will have one class of share on issue, being the Topco Shares. All Topco Shares subscribed for in connection with the Scheme and issued as Scrip Consideration will be issued at $1 per Topco Share.
Directors of Topco	On and from the Implementation Date, the Topco Board will comprise: (a) three directors nominated by certain of the PEP Shareholders (each, a **PEP Director**); (b) the CEO of Topco (who will be Robbie Blau); (c) the CFO of Topco (who will be Kevin Wundram); and (d) any other directors, as determined by certain of the PEP Shareholders. Certain of the PEP Shareholders may decide to increase or reduce the size of the Topco Board. However, Robbie Blau and Kevin Wundram (each, a **Manager Director**) will remain directors for so long as they are the CEO and CFO of Topco (as applicable) unless they decide that they no longer wish to be a director of Topco.
Board meetings	The Topco Board must meet at least six times a year, unless otherwise determined by the Topco Board. The quorum for a meeting is two Directors, of whom at least one is a PEP Director and at least one is a Manager Director. At an adjourned and reconvened meeting (of which directors must be given no less than 48 hours prior notice) the quorum is at least one PEP Director. Each Director will have one vote, provided that: (a) at any meeting of the Board the PEP Directors will together have the ability to cast such number of votes which is commensurate with the shareholding of the PEP Shareholders in Topco; and (b) each Manager Director shall have the number of votes commensurate with the aggregate number of securities held by all Relevant Management Shareholders and/or the Nominee divided by the number of Manager Directors present at the meeting. PEP Shareholders will have the right to appoint the Chairman of the Board. The Chairman will not have a casting vote.
Secretary of Topco	Tawanda Mutengwa will be the secretary of Topco from the date the Scheme is Implemented.
Dividends	Subject to the Corporations Act, a decision to pay, and the amount of any, dividends will be at the sole discretion of the Topco Board and any dividends declared will be paid to all Topco Shareholders.
Power of attorney	Each Relevant Management Shareholder who becomes a Topco Shareholder (**Appointor**) appoints, in respect of item (a), Topco, and in respect of items (b)-(d), each of the Manager Directors, as its attorney to exercise certain rights under the Topco Securityholders' Agreement. Under the terms of the appointment, the attorney may: (a) complete and execute documents for and on the Appointor's behalf as are necessary or otherwise appropriate to give effect to any actions of the Appointor, or any transactions in accordance with the Topco Securityholders' Agreement, including drag, exit provisions and shareholder approvals; (b) call for, agree to short notice being provided in respect of, speak at, and attend meetings of Topco Shareholders; (c) vote or grant a proxy in favour of any person to vote (or appoint an authorised representative to vote) on behalf of the Appointor (to the exclusion of the Appointor) at any meeting of Topco Shareholders; and (d) execute circulating shareholder resolutions on behalf of the Appointor.

21. As at the date of this Scheme Booklet, the Topco Securityholders' Agreement is not in final agreed form but is expected to be consistent with this summary. If the final agreed form of the Topco Securityholders' Agreement is not consistent with this summary, SG Fleet will make supplementary disclosure to update SG Fleet Shareholders.

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Topic	Overview
Transfer Restrictions	Other than as provided for under the Topco Securityholders' Agreement or a transfer to an affiliate (which will be a permitted transfer, subject to compliance with other applicable conditions in the Topco Securityholders' Agreement), no Topco Shareholder (other than PEP Shareholders) may assign, transfer or otherwise deal with their Topco Shares, or any rights in respect of any such Topco Shares, without the prior written consent of the Topco Board.
Pre-Emptive Rights Regime	The Topco Securityholders' Agreement will contain a customary pre-emptive rights regime which provides that Topco must not issue new Topco Shares or other securities in Topco unless the issuance is a pro rata issue, or falls within one of the customary exceptions.
Information Rights	Subject to the Corporations Act, Topco will be obliged to provide audited annual financial statements to all shareholders including each Relevant Management Shareholder (21 days prior to the annual general meeting of Topco or four months after the end of Topco's financial year, whichever is earlier).
Drag-Along Rights	If the PEP Shareholders receive an arm's length offer from a third party to acquire any of the securities that it holds in Topco, the PEP Shareholders may require the other Topco Shareholders to transfer an equivalent proportion of securities to such third party provided that the other Topco Shareholders receive the same economic benefits as the PEP Shareholders.
Tag-Along Rights	If the PEP Shareholders propose to dispose of some or all of its securities that they hold in Topco to a third party and have not exercised its Drag-Along Right, each other Topco Shareholder may elect to dispose of an equivalent proportion of securities on terms that deliver the same economic benefits as agreed between the PEP Shareholders and the relevant third party.
Roll-over of Continuing Managers	Each Relevant Management Shareholder who is a 'Continuing Manager' under the Topco Securityholders' Agreement agrees that on any transfer of Topco Shares to a third party (including any transfer effected via a drag-along or tag-along right), and only if required by such third party, to 'rollover' or 'reinvest' in the Topco business after the transfer, Continuing Managers undertake to negotiate reasonably and in good faith with such third party with a view to maximising the total value of the Bidco Group's business to that buyer.
Management fee and Fee Portion entitlements	As and when the Bidco Group pays a management fee (or equivalent) to the PEP Shareholders or an Affiliate of the PEP Shareholders, the Bidco Group must pay each Relevant Management Shareholder an amount equal to that Relevant Management Shareholder's percentage shareholding of the Topco Shares held by all Manager Shareholders multiplied by the fee(s) (**Fee Portion**), or otherwise make arrangements to make each Relevant Management Shareholder whole for their Fee Portion.

Price of Shares for Leavers	In the event a person who has a management role in the Bidco Group and who holds Topco Shares ceases to be employed, engaged or appointed as a non-executive director of any Bidco Group Member (a **Leaver**), the Leaver has the discretion to elect to either request the Topco Board to explore a sale of the Leaver's Topco Shares (**Sale Election**) or retain some or all of their Topco Shares (which election must be made at the time the person becomes a Leaver).
	
	In the event the person makes a Sale Election, the Topco Board has the absolute discretion to determine whether to have a Bidco Group Member or other person nominated by the Topco Board purchase some or all of the Leaver's Topco Shares (which discretion must be exercised within 6 months of the person making the Sale Election, unless otherwise agreed with the person), to deem that the Topco Shares have expired in accordance with the terms of issue, or otherwise determine that the Leaver may retain some or all of their Topco Shares.
	
	The price payable for the Topco Shares of a Leaver held by the Relevant Management Shareholder will be an amount equal to:
	
	if the Manager is a Bad Leaver:
	
	(a) in respect of Topco Shares, the lower of the fair market value and the value of the Cash Consideration per Topco Share; and
	(b) in respect of any securities that are options to acquire Topco Shares, the lower of the fair market value and the issue price of those securities.
	
	if the Manager is a Good Leaver:
	
	(a) in respect of Topco Shares, the fair market value of the Topco Shares; and
	(b) in respect of any securities that are options to acquire Topco Shares, the fair market value will be determined by the Board in its absolute discretion,
	
	in each case, measured as at the date the Manager became a Leaver.

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Topic	Overview
Exit Proposal	At any time, PEP Shareholders may give written notice to Topco and the other Topco Shareholders of its intention to seek an IPO, effect a sale of the Topco group or any member of the Topco group or otherwise affect a liquidation or winding up of some or all of the Topco group. In those circumstances, each other Topco Shareholder must work together with the PEP Shareholders in good faith, and use its reasonable endeavours, to ensure that an exit is affected in accordance with the notice provided by PEP Shareholders with a view to maximising the total value of the business following the exit. However, each Topco Shareholder will be entitled to participate in the exit on the same terms as each other Topco Shareholder of the same class, and the price per security must be the same for securities of the same class.
Restrictive Covenants	Each Relevant Management Shareholder will be subject to customary non-compete and non-solicit restrictive covenants preventing them from competing with any Group Member in Australia, New Zealand and the United Kingdom or soliciting any customer, supplier or employee of any Group Member (with customary exceptions).
Nominee arrangements	A Relevant Management Shareholder, who is not a Key Manager, will hold their title to Topco Shares through the Nominee and instruct the Nominee to exercise voting rights or take other steps as the registered holder of shares on its behalf.
Amendments to the Topco Securityholders' Agreement	The PEP Shareholders may amend the Topco Securityholders' Agreement without the approval of Topco or the other non-PEP Shareholders, except where the amendment materially adversely affects the economic rights or obligations of the Relevant Management Shareholders (taken as a whole as compared to the economic rights or legal obligations (as applicable) of the PEP Shareholders). In such case, the consent of the affected Topco Shareholders holding 75% or more of the Topco Shares is required.

8.10 Other Information

(a) No interests in SG Fleet Shares

As at the Last Practicable Date, Bidco and its associates do not have a Relevant Interest in any SG Fleet Shares.

(b) No dealings in SG Fleet Shares in previous four months

Except for the Scheme Consideration, which Bidco and Topco have agreed to provide under the Scheme, as outlined in the Scheme Implementation Deed and Deed Poll, neither Bidco nor any of its associates, has provided, nor agreed to provide, consideration for SG Fleet Shares under any transaction or agreement during the four-month period preceding the date of this Scheme Booklet.

(c) Pre-Scheme benefits

Neither Bidco, nor any of its associates have, during the period of four months before the date of this Scheme Booklet, given, or offered to give, or agreed to give, a benefit to another person which was likely to induce the other person or an associate to:

- vote in favour of the Scheme; or
- dispose of SG Fleet Shares,

where the benefit was not offered to all SG Fleet Shareholders under the Scheme.

(d) Benefits to SG Fleet Directors

Neither Bidco, nor any of its associates will be making any payment or giving any benefit to any current officers of SG Fleet or any SG Fleet Group member as compensation or consideration for, or otherwise in connection with, their resignation from their respective offices dependent on the Scheme being implemented.

(e) Other agreements or arrangements

Neither Bidco, any Bidco Group Member nor their associates has made any agreement or arrangement with an SG Fleet Director in connection with or conditional upon the outcome of the Scheme. Bidco notes that under the Topco Securityholders' Agreement, each of the SG Fleet CEO (Robbie Blau) and CFO (Kevin Wundram) will be directors of Topco.

8.11 No other material information

Except as disclosed elsewhere in this Scheme Booklet, there is no other material Bidco Group Information that is relevant to the decision-making process in relation to the Scheme. This refers to Bidco Group Information known to any director of Bidco as of the date of this Scheme Booklet, which has not already been disclosed to the SG Fleet Shareholders.

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9 Risks

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9.1 Introduction

In considering whether to vote in favour of the Scheme, SG Fleet Shareholders should be aware that there are a number of risks, both general and specifically relating to SG Fleet, which may affect the future operating and financial performance of SG Fleet and the price and/or value of SG Fleet Shares.

If the Scheme proceeds, SG Fleet Shareholders will receive the Scheme Consideration, will cease to hold SG Fleet Shares and will also no longer be exposed to the risks set out in this section 9 (and other risks to which SG Fleet may be exposed).

If the Scheme does not proceed, SG Fleet Shares will remain quoted on the ASX and SG Fleet Shareholders will continue to hold SG Fleet Shares and continue to be exposed to risks associated with an investment in SG Fleet including those set out in this section 9.

In deciding whether to vote in favour of the Scheme, SG Fleet Shareholders should read this Scheme Booklet carefully and in its entirety and consider the following risk factors as well as other information contained in this Scheme Booklet before voting on the Scheme. These risk factors do not take into account the individual investment objectives, financial situation, position or particular needs of SG Fleet Shareholders. In addition, this section 9 is a summary only and does not purport to list every risk that may be associated with an investment in SG Fleet now or in the future. There also may be additional risks and uncertainties not currently known to SG Fleet that may have a material adverse effect on SG Fleet's operating and financial performance and the value of SG Fleet Shares.

While the SG Fleet Directors unanimously recommend that SG Fleet Shareholders vote in favour of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SG Fleet Shareholders,[22] SG Fleet Shareholders are encouraged to make their own independent assessment as to whether to vote in favour of the Scheme.

9.2 General risks

SG Fleet is exposed to a number of general risks that could materially adversely affect its assets and liabilities, financial position, profits, prospects and potential to make further distributions to SG Fleet Shareholders, and the price and/or value of SG Fleet Shares. General risks that may impact on SG Fleet or the market for SG Fleet Shares include:

- changes in investor sentiment and overall performance of local and international stock markets;
- changes in general business, industry cycles and economic conditions including inflation, interest rates, exchange rates, the cost of energy and other utility costs, employment levels and consumer demand;
- failure to make or integrate any future acquisitions or business combinations (including the realisation of synergies), significant one-time write-offs or restructuring charges, and unanticipated costs and liabilities;
- changes in government, fiscal, monetary and regulatory policies, and international sanctions;
- loss of key personnel;
- interruptions at SG Fleet's workplaces arising from industrial disputes, work stoppages and accidents, cyber and other breach incidents, which may result in business operations delays;
- natural disasters and catastrophes, whether on a global, regional or local scale;
- pandemics; and
- changes in accounting standards which affect the financial performance and position reported by SG Fleet.

9.3 Risks relating to the business and operations of SG Fleet

In considering the Scheme, you should be aware that in addition to the general risk factors noted above, there are a number of risks specific to the industries in which SG Fleet operates, which could materially and adversely affect the future operating and financial performance of SG Fleet including those which are set out below.

Many of these risks are currently relevant to SG Fleet Shareholders and will continue to be relevant to SG Fleet Shareholders if:

- if the Scheme does not become Effective and you retain your current investment in SG Fleet; or
- in respect of Relevant Management Shareholders who have made a valid Election to receive some or all of their Scheme Consideration as Scrip Consideration, so that you receive Topco Shares which gives you an indirect exposure to the business of SG Fleet through Topco's shareholding in Bidco and Bidco's holding of 100% of the shares in an unlisted SG Fleet.

(a) Cyber security/data privacy

A successful cyber-attack could compromise the technology platforms used by SG Fleet Group and could result in the exfiltration and loss of information or breach of data privacy laws and/or customer agreements.

(b) Integration project execution

SG Fleet Group is undertaking a large-scale, multi-year, integration of the LeasePlan acquisition. This project includes an organisational restructure and multiple system migrations. Delays or failures in the execution of this project could adversely impact SG Fleet Group's operations and the achievement of synergy targets.

(c) Vehicle residual values

SG Fleet Group may inaccurately predict future market movements in used vehicle values. In the past few years used vehicle values were materially inflated due to disruptions in new vehicle supply. Recently new vehicle supply has improved which is driving the normalisation of used vehicle values. This has and will continue to cause a reduction in end of lease disposal profits.

(d) Regulatory

Demand for novated leases is driven by the tax concessions available to lessees under existing fringe benefits tax ('FBT') legislation. Changes to the FBT legislation may adversely impact the attractiveness of novated leasing, which would impact the profitability of SG Fleet Group's novated leasing channel.

The introduction of or changes to vehicle emissions legislation can influence both customer and vehicle manufacturer behaviour which has the potential to benefit or harm SG Fleet Group's financial performance.

22. The SG Fleet Directors make this recommendation only in respect of the Cash Consideration, and make no recommendation to Relevant Management Shareholders in relation to the Scrip Consideration including in relation to whether the Relevant Management Shareholders should make an Election to receive Scrip Consideration.

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(e) Funding

SG Fleet Group's operations are dependent on having access to competitively priced funding for lease portfolio assets. This funding is secured using two primary funding models, principal & agency and securitisation warehouses. A loss of access to funding or a material change to the terms of funding could adversely affect SG Fleet Group's ability to attract or retain customers.

SG Fleet Group's securitisation warehouses typically have twoyear terms. At the expiration date, SG Fleet Group is exposed to the risk that financiers may not have the appetite to extend the facility. If this occurs, the facility will enter an orderly amortisation phase, but no new business could be originated under the relevant facility.

SG Fleet Group is also exposed to the risk that the funding cost of the securitisation warehouses increases at the point of facility extension. An increase in funding costs would impact the profitability of the back-book as well as the ability to originate new leases at competitive pricing.

(f) Economic conditions

In the current inflationary environment, SG Fleet Group is exposed to the risk that it is unable to pass cost increases on to customers thereby adversely impacting profitability.

(g) People

SG Fleet Group's performance is largely dependent on its ability to attract and retain talent. Loss of key personnel could adversely affect financial performance and business growth.

(h) Credit

SG Fleet Group assumes material credit exposure to customers though its on-balance sheet funding model.

Adverse changes to the macroeconomic environment or industry-specific factors could trigger an increase in credit losses.

9.4 Risks relating to the Scheme

(a) Implications for SG Fleet and SG Fleet Shareholders if the Scheme is not implemented

If the Scheme does not become Effective and is not implemented, Scheme Shareholders will not receive the Scheme Consideration and, if no comparable proposal to the Scheme or Superior Proposal is received by the SG Fleet Board (or otherwise emerges) that is ultimately consummated, SG Fleet will continue to operate as a standalone ASX-listed entity.

Unless SG Fleet Shareholders choose to sell their SG Fleet Shares on ASX, SG Fleet Shareholders will continue to hold SG Fleet Shares and will be exposed to both the risks (including those set out section 9.2) and potential future benefits in retaining exposure to SG Fleet's business and assets.

The SG Fleet Share price will also remain subject to market volatility and, if no comparable proposal to the Scheme or Superior Proposal is received by the SG Fleet Board (or otherwise emerges), the SG Fleet Share price may fall or trade at a price below the Cash Consideration (including, potentially, to a price that is equal or close to the SG Fleet Share price of $2.67 on 22 November 2024 (being the last trading day prior to SG Fleet announcing it had entered into a Scheme Implementation Deed with Bidco which contemplates the Scheme) at least in the immediate near-term. SG Fleet Shareholders should also consider the lack of liquidity in the trading of SG Fleet shares on the ASX with the average daily volume of shares traded for the 12 months ending on 22 November 2024 being 578,216 shares, which represents less than 0.2% of the outstanding shares of SG Fleet. Super Group's majority shareholding of 53.58% of all SG Fleet shares outstanding has limited the liquidity of shares traded and if the Scheme were not to proceed, Super Group will continue to be a majority shareholder.

If the Scheme is not implemented, the SG Fleet Directors intend that SG Fleet will continue its current strategic plans and operate on a stand-alone basis and will remain listed on ASX. See section 7.4 for further information on the strategy and intentions of SG Fleet if the Scheme does not proceed.

While it is not possible to predict the future performance of SG Fleet or the SG Fleet Share price, in deciding whether or not to vote in favour of the Scheme, you should have regard to the prospects of SG Fleet on a stand-alone basis (that is, if the Scheme is not approved and implemented).

In addition, if the Scheme is not implemented:

(i) the advantages of the Scheme described in section 2.3 of this Scheme Booklet will not be realised and the relevant potential disadvantages and risks of the Scheme described in sections 2.4 and 9.4 (respectively) of this Scheme Booklet will not arise; and

(ii) as described in section 11.14, SG Fleet expects to pay an aggregate of approximately $3.7 million (excluding GST) in transaction costs in connection with the Scheme, being costs that have already been incurred as at the Last Practicable Date or are expected to be incurred even if the Scheme is not implemented (but excluding the Break Fee – see section 11.12(c) for information on the circumstances in which the Break Fee may be payable).

(b) The Scheme Implementation Deed may be terminated by SG Fleet or Bidco in certain circumstances and the Scheme is also subject to certain conditions precedent

Each of SG Fleet and Bidco has the right to terminate the Scheme Implementation Deed in certain circumstances, in which case the Scheme will not proceed. These termination rights are summarised in section 11.12(d) of this Scheme Booklet.

The Scheme is also subject to certain conditions precedent that must be satisfied (or, if applicable, waived) for the Scheme to become Effective. These conditions precedent are summarised in section 11.12(a). The failure of a condition precedent to be satisfied (or, if applicable, waived) may also give rise to a right for either SG Fleet or Bidco to terminate the Scheme Implementation Deed.

As at the Last Practicable Date, the SG Fleet Board is not aware of any circumstances that would cause any outstanding condition precedent not to be satisfied. Despite this, there is a possibility that one or more of the conditions precedent will not be satisfied (or, if applicable, waived) and that the Scheme will not proceed. There are a number of conditions precedent that are outside the control of SG Fleet, including, but not limited to, approval of the Scheme by the Requisite Majorities and the Court. In this regard, there is also a risk that some or all of the aspects of the SG Fleet Shareholder or Court approval required for the Scheme to proceed, may be delayed.

If, for any reason, all of the conditions precedent are not satisfied (or, if applicable, waived) and the Scheme does not proceed, or otherwise if the Scheme Implementation Deed is terminated, the SG Fleet Share price will continue to be subject to market volatility and, if no comparable proposal to the Scheme or Superior Proposal is received by the SG Fleet Board (or otherwise emerges), may fall (see section 2.3(e)).

(c) Australian taxation consequences for Scheme Shareholders

If the Scheme becomes Effective, there will be Australian taxation consequences for Scheme Shareholders, which may include tax being payable. For further information regarding general Australian taxation consequences of the Scheme for Scheme Shareholders, see section 10 of this Scheme Booklet.

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The Australian taxation consequences of the Scheme for Scheme Shareholders may vary depending on the nature and characteristics of Scheme Shareholders and their specific circumstances. Accordingly, you should seek professional taxation advice in relation to your circumstances.

(d) Risks if the Scheme is implemented

If the Scheme is implemented, you will no longer be a SG Fleet Shareholder and will forgo any future benefits that may result from being a SG Fleet Shareholder. In particular, if the Scheme is implemented, you will not be able to participate in the future financial and share price performance of SG Fleet, retain any exposure to SG Fleet's business or assets or have the opportunity to share in any value that could be generated by SG Fleet in the future. However, there is no guarantee as to SG Fleet's future performance, or its future share price and financial performance, as is the case with all investments in shares of ASX-listed companies. SG Fleet Shareholders may also consider that it would be difficult to identify or invest in alternative investments that have a similar investment profile to that of SG Fleet, or may incur transaction costs in undertaking any new investment.

9.5 Risks relating to Topco Shares held by Relevant Management Shareholders post implementation of the Scheme

This section 9.5 sets out some of the key risks relating to holding Topco Shares following implementation of the Scheme. These risks will only apply to Relevant Management Shareholders who make a valid Election to receive Scrip Consideration in exchange for all or some of their SG Fleet Shares.

(a) Risks associated with an investment in Topco post implementation of the Scheme

Relevant Management Shareholders who make a valid Election to receive Scrip Consideration should consider a number of risks that can be broadly classified as risks specific to an investment in Topco Shares post implementation of the Scheme and general risks relating to investing in unquoted securities. These risks may, individually or in combination, have a material adverse effect on any one or more of Topco's future financial performance, financial position, cash flows, distributions and their ability to dispose of Topco Shares if they wish to do so and consequently, on the outcome of an investment in Topco and the value of Topco Shares.

Relevant Management Shareholders should read the Scheme Booklet in its entirety, together with a copy of the Securityholders' Agreement that has been separately provided to them, and specifically consider the factors contained within this section 9.5 before making an Election to receive all or part of the Scheme Consideration as Scrip Consideration.

Relevant Management Shareholders should also carefully consider these factors in the light of their personal circumstances and seek professional advice from their accountant, tax adviser, stockbroker, lawyer or other professional adviser before deciding whether to make an Election to receive all or part of the Scheme Consideration as Scrip Consideration. There is no guarantee that Topco will achieve its stated objectives or any of its statements of current intentions as described in section 8.8.

This section 9.5 is not an exhaustive list of the risks associated with an investment in Topco. Further, many of these risks are outside the control of Bidco and either cannot be mitigated or can only be partially mitigated. The risk factors that apply to an investment in Topco post implementation of the Scheme are materially different from those that apply to an existing investment in SG Fleet.

(b) Risks specific to Topco and Topco Shares post implementation of the Scheme

(i) Different regulatory regime

Many of the protections available to shareholders of Australian listed companies are not available to shareholders of unlisted companies. For example, ASX listed companies are subject to continuous disclosure obligations under the ASX Listing Rules.

As Topco will be an unlisted public company and SG Fleet will be removed from the official list of the ASX following the Implementation Date, the ASX Listing Rules and, subject to certain conditions, Australia's takeover regime will not apply to the acquisition of Topco Shares and information that may have required disclosure under the ASX Listing Rules may not be available to Topco Shareholders.

There is a risk that, because of the different regulatory regime that applies to an investment in Topco, Topco Shareholders may not realise the outcome with respect to their investment that they had intended, or which might have been available were their investment in a listed entity.

(ii) Dividends

The declaration and payment of dividends by Topco will be at the sole discretion of the Topco Board.

The Topco Board's determination in respect of any dividend will have regard to matters including the working capital and other capital requirements of the Bidco Group as well as any restrictions imposed by the third party debt financing arrangements of the Bidco Group from time to time.

There is no guarantee that dividends will be paid or, if paid, the amount of such dividends.

(iii) Lack of liquidity

Topco, post implementation of the Scheme, will be an unlisted public company. As such, there will be no public market for the trading of Topco Shares post implementation of the Scheme, nor is there expected to be any such market in the future. There are also substantial restrictions on the ability of Topco Shareholders to transfer their Topco Shares under the Topco Securityholders' Agreement, further details of which are set out in section 8.9. This will result in Topco Shares being substantially illiquid. This may also affect the value of Topco Shares post implementation of the Scheme as well as the ability of Topco Shareholders to dispose of them, either at all or in a timely manner.

(iv) Lack of information

Given Topco will not be an ASX listed company following the implementation of the Scheme, Topco Shareholders will receive significantly less information and reports about SG Fleet than Scheme Shareholders currently receive.

As an unlisted company, there will not be any requirement for the consolidated Topco group's financial statements to include a corporate governance report, a declaration by the CEO and CFO that the statements give a true and fair view, an 'operating and financial review' and directors' report for each half-year.

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(v) Due diligence and reliance on information

Before executing the Scheme Implementation Deed, the Bidco Group undertook due diligence in respect of the SG Fleet Group on information provided for the purpose of considering the acquisition of SG Fleet and negotiating the Scheme Implementation Deed. Such investigations were carried out in a limited timeframe. Bidco is satisfied that it has sufficient information to proceed with the Scheme. The Bidco Group has prepared these risks on the basis of information regarding the SG Fleet Group that is known to the Bidco Group and accordingly there may be other risks associated with the SG Fleet Group that are currently unknown to Bidco. Additionally, there is a risk that the information currently available to the Bidco Group in respect of the SG Fleet Group may contain inaccuracies or have changed due to changes in the economy or other risk factors outside of the control of either the Bidco Group or the SG Fleet Group.

(vi) Minority rights

As Relevant Management Shareholders who receive Topco Shares will hold no more than approximately 9.5% of Topco's issued capital in aggregate, they will be subject to risks inherent in minority shareholdings. Broadly, these risks are characterised by the inability of minority shareholders to control the management and strategic direction of a company's affairs.

However, Relevant Management Shareholders who become Topco Shareholders will have access to certain protections provided under the Topco Securityholders' Agreement, such as pre-emptive rights on the issue of new shares, the right to be dragged on terms that are no less favourable than the terms offered to the PEP Shareholders, the right to tag on terms that are no less favourable than the terms offered to the PEP Shareholders, and other matters that require certain levels of Topco Shareholder approval. Furthermore, by operation of law under the Corporations Act, there are protections against minority shareholder oppression.

(vii) Exit by PEP Shareholders

Consistent with usual private equity practice, the PEP Shareholders may seek to 'exit' their investment in the SG Fleet business in the future. This is subject to the PEP Shareholders' preferences, prevailing market conditions, the performance of the business and other factors which may be considered relevant at the time. As such, the time period for any such exit is currently unknown and is at the discretion of the PEP Shareholders.

There is no guarantee that Topco Shareholders will be able to sell their Topco Shares if a decision to exit is not made by the PEP Shareholders. In particular, there will be no active market for the sale and purchase of Topco Shares following implementation of the Scheme and there are restrictions, in the Topco Securityholders' Agreement, on the ability of Topco Shareholders to sell or transfer their Topco Shares.

Conversely, if the PEP Shareholders make a decision to exit, Topco Shareholders may be required to sell their Topco Shares and/or roll-over or reinvest some or all of the proceeds of their Topco Shares in the structure of the new owner. See section 8.9 for further details. Topco Shareholders may not agree with the exit strategy adopted or receive the price and return on investment they expect.

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10 Australian taxation implications for Scheme Shareholders

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10.1 Introduction

This section 10 is a general summary of the key Australian taxation implications (including CGT, GST, and stamp duty) for certain Scheme Shareholders disposing of their Scheme Shares under the Scheme.

This summary has been prepared based on Australian tax laws and administrative practices of the ATO and other Australian tax or revenue authorities as at the Last Practicable Date(to the extent that those practices are publicly known), which may be subject to change periodically (including with retrospective effect), and does not anticipate changes in the current law either by way of legislative action or Court decision. This summary is general in nature, does not constitute taxation or financial advice and is not intended to be an authoritative or complete statement of the Australian taxation law applicable to the specific circumstances of each Scheme Shareholder. Scheme Shareholders should seek their own professional advice with respect to the taxation implications of the Scheme.

This summary is relevant to Scheme Participants who hold their Scheme Shares on capital account for Australian income tax purposes. This summary does not apply to Scheme Shareholders who:

- hold their Scheme Shares on revenue account, as trading stock or as assets used in carrying on a business;
- are subject to the "taxation of financial arrangements" rules in Division 230 of the ITAA 1997 in relation to gains and losses on their Scheme Shares;
- are subject to special tax rules applicable to certain classes of entities such as tax- exempt organisations, insurance companies, superannuation funds with accounts in a tax-free pension phase or dealers in securities;
- are partnerships, or individuals or entities who are partners of such partnerships;
- are temporary residents of Australia for Australian tax purposes;
- changed or change their tax residence while holding Scheme Shares;
- are non-residents for Australian tax purposes and who currently hold, or have at any time held, Scheme Shares through a permanent establishment in Australia;
- acquired their Scheme Shares or any rights in relation to the Scheme Shares, pursuant to an employee share or option scheme subject to Division 83A of the ITAA 1997;
- are under a legal disability;
- are taken to have acquired their Scheme Shares before 20 September 1985; or
- are subject to the investment manager regime under Subdivision 842-I of the ITAA 1997 in relation to their Scheme Shares.

This summary does not take into account or anticipate changes in Australian tax laws or future judicial or administrative interpretations of those tax laws after the date of this Scheme Booklet. This summary also does not take into account the tax laws of any jurisdiction other than Australia.

10.2 Disposal of SG Fleet Shares – residents of Australia

This Section 10 applies to Scheme Shareholders who are residents of Australia for Australian tax purposes and hold their Scheme Shares on capital account.

(a) CGT event

Under the Scheme, Scheme Shareholders will transfer their Scheme Shares to Bidco. This will result in a disposal of the Scheme Shares, which will trigger a CGT event for Australian tax purposes. The CGT event will happen on the date on which the transfer of Scheme Shares occurs, which will be on the Implementation Date.

(b) Calculation of capital gain or loss

Subject to the availability of roll-over relief (discussed below), Scheme Shareholders should make a capital gain from the disposal of their Scheme Shares to the extent that the capital proceeds (see below) received exceed the cost base of their Scheme Shares.

Conversely, Scheme Shareholders should make a capital loss from the disposal of their Scheme Shares to the extent that the capital proceeds received are less than the reduced cost base of their Scheme Shares. A capital loss may be used to offset a capital gain made in the same income year or may be carried forward to offset a capital gain made in future income years, subject to the satisfaction of certain loss recoupment tests. Capital losses cannot reduce or offset other income or non-capital gains.

Any resulting net capital gain after the application of any available capital losses and any available CGT discount (discussed below) should be included in a Scheme Shareholder's assessable income and may be subject to Australian income tax at the Scheme Shareholder's applicable tax rate.

(c) Capital proceeds

The capital proceeds received for the disposal of the Scheme Shares will be the Cash Consideration, unless you are a Relevant Management Shareholder in which case the capital proceeds will be as follows:

- If you make a valid Election to receive only the Scrip Consideration – the market value of Topco Shares that you receive under the Scheme;
- If you make a valid Election to receive or a mix of the Cash Consideration and Scrip Consideration – the Cash Consideration and the market value of Topco Shares that you receive under the Scheme.

(d) Cost base and reduced cost base

The cost base of a Scheme Shareholder's Scheme Shares will generally include the amount of money paid, or the value of any property given, in respect of the acquisition of the shares plus certain non-deductible incidental costs (such as brokerage fees) relating to the acquisition, holding and disposal of the Scheme Shares.

The reduced cost base of the Scheme Shares would usually be determined in a similar, but not identical, manner.

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(e) CGT discount

Scheme Shareholders that are individuals, complying superannuation entities or trusts who have held their Scheme Shares for at least 12 months (disregarding the date of acquisition and the date of disposal) may be entitled to apply the CGT discount to reduce the amount of a capital gain resulting from the disposal of their Scheme Shares (after being reduced by any current year capital losses and prior year capital losses). The CGT discount rate for individuals and trustees is 50% and the CGT discount rate for complying superannuation entities is 33⅓%. The CGT discount is not available to Scheme Shareholders that are companies or trusts that are taxed like companies.

The availability of the CGT discount to beneficiaries of the trusts will depend on the tax profile of the beneficiaries. Trustees should seek their own advice on how the CGT discount provisions will apply to them and beneficiaries.

(f) Availability of CGT roll-over relief

If a Scheme Shareholder that elects to receive Scrip Consideration or a mix of the Cash Consideration and Scrip Consideration makes a capital gain on the disposal of their Scheme Shares under the Scheme, they should be eligible to make a choice whether or not to seek CGT roll-over relief to defer some or all of that gain referable to the Scrip Consideration, in accordance with Subdivision 124-M of the ITAA 1997 and if Topco does not make a choice under subsection 124-795(4) of the ITAA 1997 to deny CGT roll-over relief. Under clause 4.5(c) of the Scheme Implementation Deed, Bidco undertakes and represents that, to the extent within its control, it will procure Topco to not make a choice under subsection 124-795(4) of the ITAA 1997 to deny CGT roll-over. CGT roll-over relief is not available in respect of Scheme Shares for which a Scheme Shareholder realises a capital loss on disposal or in respect of any part of the gain referable to the Cash Consideration.

Scheme Shareholders must make a choice to apply CGT roll-over relief before lodging their income tax return for the income year in which the Implementation Date occurs. A Scheme Shareholder will provide evidence of having made a choice to apply CGT roll-over relief by the way they prepare their income tax return (i.e. by excluding the disregarded capital gain from assessable income). There is no need for a Scheme Shareholder to lodge a separate notice with the ATO.

If a Scheme Shareholder chooses to apply CGT roll-over relief, the capital gain that they would otherwise make on the disposal of their Scheme Shares will be disregarded to the extent that the capital proceeds received are Topco Shares.

If CGT roll-over relief is available and chosen, the first element of the cost base and reduced cost base of the Topco Shares received by the Scheme Shareholder should equal a reasonable attribution of the Scheme Shareholder's cost base and reduced cost base (respectively) of their Scheme Shares for which CGT roll-over relief is obtained. The market value of the Scheme Shares that is attributable to the receipt of Cash Consideration is not included in the cost base or reduced cost base of the replacement Topco Share.

(g) Where CGT roll-over relief is not chosen or available

Where a Scheme Shareholder that elects to receive Scrip Consideration or a mix of the Cash Consideration and Scrip Consideration is not eligible for CGT roll-over relief or does not choose to apply CGT roll-over relief, as outlined above, any capital gain or capital loss made by the Scheme Shareholder from the disposal of their Scheme Shares will be taken into account in calculating their net capital gain for the income year (as discussed under 10.2(b)).

The first element of the cost base and reduced cost base of each Topco Share that the Scheme Shareholder receives should be equal to the market value of the Topco Share on the Implementation Date.

10.3 Disposal of SG Fleet Shares – non-residents of Australia

This section 10.3 applies to Scheme Shareholders who hold their Scheme Shares on capital account, are not residents of Australia for Australian tax purposes and who have not held their Scheme Shares at any time in carrying on business through a permanent establishment in Australia.

(a) Capital gains tax

Scheme Shareholders who are non-residents at the Implementation Date and who have not held their Scheme Shares at any time in carrying on business through a permanent establishment in Australia should only be subject to the Australian CGT rules if their Scheme Shares are 'indirect Australian real property interests'.

Scheme Shares may be characterised as 'indirect Australian real property interests' if both of the following requirements are satisfied:

- the Scheme Shareholder and its 'associates' hold a combined interest of at least 10% in Scheme Shares either at the time the Scheme Shares are disposed of (or are taken to have been disposed of) or for at least 12 months during the 24 months before the Scheme Shares are disposed of (for CGT purposes); and
- at the time the Scheme Shares are disposed of, more than 50% of the market value of SG Fleet's assets is attributable to direct or indirect interests in 'taxable Australian real property', being Australian real property (including leases of Australian land) or Australian mining, quarrying or prospecting rights over minerals, petroleum or quarrying materials situated in Australia.

SG Fleet has determined that based on the financial statements of SG Fleet, the Scheme Shares should not be indirect Australian real property interests, and no Australian CGT should be payable by non-residents who dispose of their Scheme Shares under the Scheme.

The CGT discount is generally not available to non-resident Scheme Shareholders, but may be available in part to those non-resident Scheme Shareholders who acquired, or are taken to have acquired, their Scheme Shares before 9 May 2012.

(b) CGT withholding

Broadly, where a non-resident disposes of an asset that is an 'indirect Australian real property interest' (discussed above), the purchaser may be required to withhold an amount equal to 15% of the first element of the cost base of the asset to the purchaser (which would usually equal the total consideration paid to acquire the asset i.e. the Scheme Consideration).

Bidco proposes to agree an approach with the ATO with respect to determining whether the capital gains withholding tax regime should apply to Scheme Shares held by certain non-resident Scheme Shareholders.

Under Bidco's proposed approach, Bidco, in co-operation with SG Fleet, may seek to clarify the status of particular Scheme Shareholders and require these Scheme Shareholders to provide Bidco with either:

- a declaration that they are an Australian tax resident or that their Scheme Shares are not an 'indirect Australian real property interest' (**Declaration Form**); or
- a notice of variation granted by the ATO varying the amount or rate of tax to be withheld (**Variation Notice**).

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Unless a signed Declaration Form or Variation Notice is provided to Bidco for these particular Scheme Shareholders, Bidco may withhold up to 15% of the Scheme Consideration payable to the Scheme Shareholder and pay that amount to the Commissioner of Taxation.

Non-resident Scheme Shareholders should consult with a professional tax adviser regarding their particular circumstances.

10.4 Implications of holding Topco Shares – residents of Australia

(a) Subsequent disposal of Topco Shares

As a consequence of participating in the Scheme, a Scheme Shareholder that elects to receive Scrip Consideration or a mix of the Cash Consideration and Scrip Consideration will cease to be a shareholder of SG Fleet and will become a shareholder of Topco.

If a Scheme Shareholder holds their Topco Shares on capital account and sells their Topco Shares after the Implementation Date, any gain or loss should be subject to CGT as the Topco Shares received by the Scheme Shareholder will be an asset for CGT purposes.

For Scheme Shareholders who choose for CGT roll-over relief to apply, the first element of the cost base or reduced cost base for the Topco Shares they own will equal the cost base or reduced cost base referred to in section 10.2(f) above.

For the purposes of determining whether the CGT discount applies on any subsequent disposal of the Topco Shares, the acquisition date for Scheme Shareholders who choose for CGT roll-over relief to apply will be the date on which they acquired (or are taken to have acquired) their original Scheme Shares.

If a choice for CGT roll-over relief is not made or roll-over relief is otherwise not available, the cost base of the Topco Shares is equal to the market value of the Topco Shares at the Implementation Date. The CGT discount is only available to reduce a capital gain for eligible shareholders once the Scheme Shareholder has held their Topco Shares for at least 12 months. Please refer to section 10.2(e) for a summary of Scheme Shareholders that may be eligible for the CGT discount.

(b) Dividends from Topco

Any dividends received from Topco and any franking credits attached to those dividends should be included in the assessable income of the Scheme Shareholder. If the Scheme Shareholder is an Australian resident individual or complying superannuation fund, to the extent that the shareholder's entitlement to franking credits exceeds their tax liability for the income year, those excess franking credits may be refunded to the shareholder.

Corporate shareholders are not eligible to receive a refund of excess franking credits.

Scheme Shareholders should obtain their own advice on the application of these rules to their personal circumstances.

10.5 GST

Scheme Shareholders may be charged GST on costs (such as adviser fees) that relate to their participation in the Scheme. Scheme Shareholders who are registered for GST may be restricted from claiming input tax credits for such costs.

The disposal of Scheme Shares by a Scheme Shareholder should not be subject to GST, regardless of whether a Scheme Shareholder is registered (or is required to be registered) for GST. This is on the basis such disposals should be an input taxed financial supply, or outside the scope of GST.

It is recommended that each Scheme Shareholder obtains independent advice in relation to whether any GST included in such acquisitions is recoverable.

10.6 Stamp duty

No stamp duty (including landholder duty) should be payable by any Scheme Shareholder on the disposal of its Scheme Shares on the basis that, pursuant to the Scheme Implementation Deed, Bidco will be contractually liable for any stamp duty that is payable on such disposal.

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11 Additional information

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11.1 Interests of SG Fleet Directors in SG Fleet Shares

The table below lists the Relevant Interests of SG Fleet Directors in SG Fleet Shares as at the Last Practicable Date.

SG Fleet Director	Position	Relevant Interest in SG Fleet Shares
Andrew Reitzer	Independent Non-Executive Director and Chairman	94,461
Robbie Blau	Chief Executive Officer and Executive Director	8,448,460
Cheryl Bart	Independent Non-Executive Director	30,665
Peter Mountford	Non-Executive Director	580,000
Louis Gunning	Non-Executive Director	Nil
Edwin Jankelowitz	Independent Non-Executive Director	23,000
Kevin Wundram	Chief Financial Officer and Executive Director	961,800

SG Fleet Directors who hold SG Fleet Shares, other than Robbie Blau and Kevin Wundram, will be entitled to vote at the General Scheme Meeting and, if the Scheme is implemented, will receive the Cash Consideration along with all other General Shareholders.

Robbie Blau and Kevin Wundram, will be entitled to vote at the Relevant Management Shareholder Scheme Meeting and, if the Scheme is implemented, will receive the Scheme Consideration in accordance with their Election along with all other Relevant Management Scheme Shareholders.

Each SG Fleet Director states that he or she intends to vote in favour of the Scheme in respect of all SG Fleet Shares controlled or held by them (in the case of all SG Fleet Directors who hold SG Fleet Shares (other than Robbie Blau and Kevin Wundram) at the General Scheme Meeting and, in the case of Robbie Blau and Kevin Wundram, at the Relevant Management Shareholder Scheme Meeting), or on their behalf, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SG Fleet Shareholders.

No SG Fleet Director acquired or disposed of a Relevant Interest in any SG Fleet Shares during the four months before the date of this Scheme Booklet.

As noted in the Letter from the Chairman and section 2.2, SG Fleet Shareholders should also have regard to the fact that, in relation to:

- Mr Robbie Blau, Chief Executive Officer and Executive Director of SG Fleet:
  - If the Scheme is implemented, in connection with the agreed treatment of the SG Fleet Equity Incentives set out in section 11.13, Mr Blau will become entitled to receive prior to the Scheme Record Date:
    - 452,147 SG Fleet Shares as a result of the accelerated vesting of 452,147 unvested SG Fleet Performance Rights; and
    - 2,312,601 SG Fleet Shares as a result of the accelerated vesting and automatic exercise of 5,971,251 unvested SG Fleet Options.

    This would mean that Mr Blau, subject to the Scheme becoming Effective, would receive a maximum amount of $1,582,514.50 as a result of the vesting of his SG Fleet Performance Rights and $8,094,103.95 as a result of the vesting and exercise of his SG Fleet Options, described in more detail in section 11.13.
  - Prior to the date of this Scheme Booklet, Mr Blau has agreed to elect to receive the Scrip Consideration in respect of approximately 25% of the SG Fleet Shares that will be held or controlled by him as at the Scheme Record Date (which will include the SG Fleet Shares issued to him as a result of the vesting of his SG Fleet Performance Rights and the vesting and exercise of his SG Fleet Options as described above), representing Scrip Consideration of approximately $10,000,000 in value in aggregate and would therefore receive Cash Consideration (of $3.50 per SG Fleet Share) in respect of the remaining approximately 75% of the SG Fleet Shares held or controlled by him (representing Cash Consideration of approximately $29,246,228).
- Mr Kevin Wundram, Chief Financial Officer and Executive Director of SG Fleet:
  - If the Scheme is implemented, in connection with the agreed treatment of the SG Fleet Equity Incentives set out in section 11.13, Mr Wundram will become entitled to receive prior to the Scheme Record Date:
    - 170,650 SG Fleet Shares as a result of the accelerated vesting of 170,650 unvested SG Fleet Performance Rights; and
    - 353,891 SG Fleet Shares as a result of the accelerated vesting and automatic exercise of 1,255,184 unvested SG Fleet Options.

    This would mean that, subject to the Scheme becoming Effective, Mr Wundram would receive a maximum amount of $597,275.00 as a result of the vesting of his SG Fleet Performance Rights and $1,238,617.56 as a result of the vesting and exercise of his SG Fleet Options, described in more detail in section 11.13.
  - Prior to the date of this Scheme Booklet, Mr Wundram has also agreed to elect to receive the Scrip Consideration in respect of approximately 38% of the SG Fleet Shares that will be held or controlled by him as at the Scheme Record Date (which will include the SG Fleet Shares issued to him as a result of the vesting of his SG Fleet Performance Rights and the vesting and exercise of his SG Fleet Options as described above), representing Scrip Consideration of approximately $2,000,000 in value in aggregate and would therefore receive Cash Consideration (of $3.50 per SG Fleet Share) in respect of the remaining approximately 62% of the SG Fleet Shares held or controlled by him (representing Cash Consideration of approximately $3,202,193).

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11.2 Interests of SG Fleet Directors in SG Fleet Equity Incentives

The table below lists the Relevant Interests of SG Fleet Directors in SG Fleet Equity Incentives as at the Last Practicable Date.

SG Fleet Director	Position	Relevant Interest in SG Fleet Shares
Andrew Reitzer	Independent Non-Executive Director and Chairman	Nil
Robbie Blau	Chief Executive Officer and Executive Director	– 5,971,251 SG Fleet Options – 452,147 SG Fleet Performance Rights
Cheryl Bart	Independent Non-Executive Director	Nil
Peter Mountford	Non-Executive Director	Nil
Louis Gunning	Non-Executive Director	Nil
Edwin Jankelowitz	Independent Non-Executive Director	Nil
Kevin Wundram	Chief Financial Officer and Executive Director	– 1,255,184 SG Fleet Options – 170,650 SG Fleet Performance Rights

See section 11.13 for details regarding the treatment of SG Fleet Equity Incentives in connection with the Scheme.

11.3 Interests of SG Fleet Directors in Bidco

As at the Last Practicable Date, no SG Fleet Director holds any shares in a Bidco Group Member.

11.4 Interests of SG Fleet Directors in contracts of a Bidco Group Member

No SG Fleet Director has an interest in any contract entered into by a Bidco Group Member.

11.5 Other interests of SG Fleet Directors

Other than as noted in section 11.1 above and as set out in section 11.6 below, no SG Fleet Director has any other interest, whether as a director, member or creditor of SG Fleet or otherwise, which is material to the Scheme, other than in their capacity as a holder of SG Fleet Shares or SG Fleet Equity Incentives.

11.6 Agreements or arrangements with SG Fleet Directors connected with or conditional on the Scheme

Other than the agreements and arrangements set out in section 11.1, there is no other agreements or arrangements made between any SG Fleet Director and any other person, including a Bidco Group member, in connection with or conditional upon the outcome of the Scheme.

11.7 Deeds of indemnity, insurance and access

SG Fleet Group has entered into deeds of indemnity, insurance and access with the directors and various executive officers of SG Fleet Group, on customary terms (**D&O Deeds**). The D&O Deeds include terms that provide for each SG Fleet Group Member to indemnify each of its directors and executive officers against any liability incurred by such persons in their capacity as a director or executive officer of the company to any person other than an SG Fleet Group Member.

SG Fleet Group also pays a premium in respect of a directors and officers insurance policy for the benefit of the directors and executive officers of SG Fleet Group.

If the Scheme is implemented, SG Fleet Group may enter into an arrangement to provide directors and officers run-off insurance for all SG Fleet Directors and executive officers for up to a 7 year period on terms consistent with the existing directors and officers insurance policy that SG Fleet Group has in place (**D&O Run-off Policy**).

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As at the Last Practicable Date, SG Fleet Group expects that the premium for entry into such run-off arrangement will be in the range of approximately $1.9m to $2.2m. The entry into such arrangements by SG Feet is permitted by clause 12.3 of the Scheme Implementation Deed.

11.8 Payments and other benefits to directors, secretaries or executive officers of SG Fleet in connection with retirement from or loss of office

There is no payment or other benefit proposed to be made or given to a director, secretary or executive officer of SG Fleet or any member of SG Fleet Group as compensation for loss of, or as consideration for or in connection with their retirement from, office in SG Fleet or any member of SG Fleet Group in connection with the Scheme.

11.9 Suspension of trading of SG Fleet Shares

If the Court approves the Scheme, SG Fleet will notify ASX. It is expected that suspension of trading on ASX in SG Fleet Shares will occur at the close of trading on the ASX on the Effective Date.

11.10 Deed Poll

Bidco and Topco have executed the Deed Poll. Under the Deed Poll, Bidco and Topco have each undertaken, in favour of each Scheme Shareholder, to provide, or procure the provision of, the Scheme Consideration for which each Scheme Shareholder is entitled under the Scheme and to perform its respective obligations under the Scheme, subject to the Scheme becoming Effective.

A copy of the Deed Poll is contained in Attachment E to this Scheme Booklet.

11.11 Warranty by Scheme Shareholders about their SG Fleet Shares

The effect of clause 9.4(a) of the Scheme is that all Scheme Shareholders, including those who vote against the Scheme and those who do not vote, will be deemed to have warranted to SG Fleet and Bidco, and to the extent enforceable, to have appointed and authorised SG Fleet as that Scheme Shareholder's agent and attorney to warrant to Bidco that all their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) will, at the date of transfer of them to Bidco under the Scheme, be fully paid and not subject to any of the encumbrances specified in that clause, and that they have full power and capacity to sell and transfer their Scheme Shares to Bidco together with all rights and entitlements attaching to those Scheme Shares. Clause 9.4(a) of the Scheme is set out in Attachment C to this Scheme Booklet.

11.12 Summary of Scheme Implementation Deed

On 4 December 2024, SG Fleet and Bidco entered into a Scheme Implementation Deed under which, among other things, SG Fleet agreed to propose the Scheme. The Scheme Implementation Deed sets out the parties' rights and obligations in connection with the Scheme.

A summary of the key elements of the Scheme Implementation Deed is set out below. A full copy of the Scheme Implementation Deed can be obtained from www.asx.com.au or https://investors.sgfleet.com/Investors/.

(a) Conditions precedent

Implementation of the Scheme is subject to the following conditions which must be satisfied or waived (where capable of waiver) before the Scheme can be implemented:

- **Foreign Investment Review Board (FIRB) Approval**: Bidco receives FIRB approval for the Scheme before 8.00am on the Second Court Date. This will involve either:
  - Bidco receiving a written notice under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (**FATA**) from the Treasurer (or his delegate) stating that, or to the effect that, the Commonwealth Government does not object to the acquisition or all the Scheme Shares by Bidco under the Transaction; or
  - following notice of the proposed acquisition of all the Scheme Shares by Bidco under the Transaction having been given by Bidco to the Treasurer under FATA, the Treasurer ceases to be empowered to make any order under Division 2 Part 3 of FATA.
- **OIO approval**: before 8.00am on the Second Court Date, Bidco receives in writing all consents required under the *Overseas Investment Act 2005* (NZ) and the *Overseas Investment Regulations 2005* (NZ) for the implementation of the Scheme either unconditionally or on terms that are acceptable to Bidco (acting reasonably).
- **FCA approval**: before 8.00am on the Second Court Date, Bidco and each other person who would, on implementation of the Scheme, acquire or increase control for the purposes of Part XII of the *Financial Services and Markets Act 2000* (**FMSA**) of any member of the SG Fleet Group which is a UK authorised person:
  - receives notice in writing pursuant to section 189(4)(a) of FSMA that the FCA has decided to approve each such acquisition or increase in control pursuant to section 185 of FSMA;
  - receives notice in writing pursuant to section 189(7) of FSMA that the FCA has decided to approve each such acquisition or increase of control subject to conditions; or
  - are treated as having received approval from the FCA, under section 189(6) of FSMA,

  in the case of notice pursuant to section 189(4)(a) or 189(7) of FSMA, either unconditionally or on terms that are acceptable to Bidco (acting reasonably).

Additional Information continued

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- **Restraints**: there is no legal restraint or prohibition preventing or materially restricting the Scheme or its implementation in effect at 8:00am on the Second Court Date.
- **Orders convening Scheme Meetings**: the Court orders the convening of the Scheme Meetings.
- **Shareholder approval**: the Scheme is approved by SG Fleet Shareholders at each of the Scheme Meetings by the Requisite Majorities.
- **Court approval**: the Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act.
- **ASIC and ASX approvals**: ASIC and ASX each issue or provide the necessary consents, waivers and approvals required or do such other acts that SG Fleet and Bidco agree (each acting reasonably) are necessary or desirable to implement the Scheme and none of those consents, waivers or approvals have been withdrawn, revoked or adversely amended before 8.00am on the Second Court Date.
- **No Prescribed Occurrence**: no Prescribed Occurrence occurs between the date of the Scheme Implementation Deed and 8:00am on the Second Court Date.
- **No Material Adverse Change**: no Material Adverse Change occurs between (and including) the date of the Scheme Implementation Deed and 8:00am on the Second Court Date.
- **Independent Expert's Report**: the Independent Expert in the Independent Expert's Report concludes that the Scheme is in the best interests of SG Fleet Shareholders and does not change or withdraw that conclusion before 8:00am on the Second Court Date.
- **Bidco funding**: certain warranties given by Bidco in the Scheme Implementation Deed in relation to Bidco's funding are true and correct as at the time or times they are given.
- **Relevant consents**: before 8:00am on the Second Court Date each counterparty to a Relevant Consent Contract provides to SG Fleet all necessary consents, approvals, amendments, exemptions or waivers in respect of the Transaction in a form satisfactory to Bidco and no such consents, approvals, exemptions or waivers have been withdrawn or revoked.

These conditions, and the provisions relating to the satisfaction or waiver of these conditions, are set out in full in clause 3 of the Scheme Implementation Deed. The Scheme will not proceed unless all conditions precedent are satisfied or waived (as applicable) in accordance with the Scheme Implementation Deed. As at the Last Practicable Date, SG Fleet is not aware of any circumstances that would cause any of these conditions not to be satisfied.

If a condition precedent fails or cannot be satisfied or waived (where capable of waiver) by the End Date, being the later of 30 June 2025 and such other day agreed in writing between Bidco and SG Fleet, either party may require the parties to consult in good faith for a period of 5 Business Days to determine whether the Scheme can proceed by way of alternative means or methods. If no agreement is reached within this 5 Business Day period, the Scheme Implementation Deed may be terminated.

(b) Exclusivity

The Scheme Implementation Deed contains certain exclusivity arrangements in favour of Bidco. These arrangements are in line with market practice in this regard, except as noted in this section 11.12(b) (and elsewhere in this Scheme Booklet in respect of the definition of Superior Proposal) and are summarised as follows:

- (**No existing discussions**) SG Fleet represented and warranted to Bidco that as at the date of the Scheme Implementation Deed, SG Fleet Group was not a party to any agreement, arrangement or understanding with a third party for the purpose of facilitating a Competing Proposal, was not engaged in discussions or negotiations about an actual, proposed or potential Competing Proposal, had ceased all communications with third parties in relation to an actual, proposed or potential Competing Proposal and had terminated any due diligence access for third parties related to an actual, proposed or potential Competing Proposal.
- (**No shop**) During the Exclusivity Period, SG Fleet must not, and must ensure that its Related Bodies Corporate and their respective Authorised Persons do not, solicit, invite, initiate or encourage any actual, potential or proposed Competing Proposal, or any enquiries, proposals, discussions or negotiations in relation to or that could reasonably be expected to lead to, an actual, proposed or potential Competing Proposal, or communicate any intention to do so.
- (**No talk**) During the Exclusivity Period, SG Fleet must not, and must ensure that its Related Bodies Corporate and their respective Authorised Persons do not, negotiate or enter into or participate in negotiations or discussions with any person or communicate any intention to do so in relation to (or which may reasonably be expected to lead to) an actual, proposed or potential Competing Proposal.
- (**no due diligence**) During the Exclusivity Period, SG Fleet must not, and must ensure that its Related Bodies Corporate and their respective Authorised Persons do not, without Bidco's prior written consent:
  - solicit, invite, initiate, or encourage any person (other than Bidco) to undertake due diligence investigations in respect of SG Fleet, its Related Bodies Corporate, or any of their businesses and operations, in connection with such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal; or
  - make available to any person (other than Bidco) or permit any such person to receive any non-public information relating to SG Fleet, its Related Bodies Corporate, or any of their businesses and operations, in connection with, or which would reasonably be encouraged or lead to, such person formulating, developing or finalising, or assisting the formulation, development or finalisation of a Competing Proposal.
- (**notification of approaches**) During the Exclusivity Period, SG Fleet must (whether direct or indirect, solicited or unsolicited and in writing or otherwise) promptly (and in any event within 48 hours) notify Bidco in writing of:
  - any approach, inquiry or proposal made by any person to SG Fleet, any of its Related Bodies Corporate or any of their respective Authorised Persons, to initiate any discussions or negotiations that concern an actual or proposed Competing Proposal;
  - any request made by any person to SG Fleet, any of its Related Bodies Corporate, or any of their respective Authorised Persons, for any information relating to SG Fleet, its Related Bodies Corporate, or any of their businesses and operations, in connection with such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of an actual or proposed Competing Proposal;
  - provision by SG Fleet, any of its Related Bodies Corporate or any of their respective Authorised Persons of any material non-public information concerning the business or operations of SG Fleet or the SG Fleet Group to any Third Party in connection with an actual, proposed or potential Competing Proposal,

  whether direct or indirect, solicited or unsolicited and in writing or otherwise.

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- SG Fleet must also notify Bidco in writing promptly (and in any event within 48 hours) after becoming aware of any material developments in relation to a Competing Proposal previously notified to Bidco pursuant to the notifications required above.
- (**Matching right**) During the Exclusivity Period, if SG Fleet receives a Competing Proposal and as a result, any SG Fleet Director proposes to either:
  - change, withdraw or modify his or her recommendation; or
  - approve or recommend entry into any agreement, commitment, arrangement or understanding relating to the Competing Proposal,

  SG Fleet must use its reasonable endeavours to ensure that no SG Fleet Director does so until:
  - the SG Fleet Board has determined, in good faith and subject to certain advice from external advisers that the Competing Proposal is (or may reasonably be expected to lead to) a Superior Proposal;
  - SG Fleet has given Bidco notice of the material terms and conditions of the Competing Proposal and at least 5 Business Days to amend the Transaction and make a proposal that would provide an equivalent or superior outcome to SG Fleet and SG Fleet Shareholders as a whole compared to the Competing Proposal; and
  - Bidco has not made such a proposal within that time frame.
- **Fiduciary out exception**: However, SG Fleet is not required to comply with its obligations under clause 9.5(b) and the 'no talk' and 'no due diligence' provisions in the Scheme Implementation Deed with respect of a Competing Proposal provided that:
  - the Competing Proposal is bona fide and is made by or on behalf of a person that the SG Fleet Board considers is of sufficient commercial standing; and
  - the SG Fleet Board has determined in good faith after:
    - consultation with SG Fleet's financial advisers, that the Competing Proposal is or may reasonably be expected to lead to a Superior Proposal; and
    - receiving written advice from SG Fleet's external Australian legal advisers experienced in transactions of this nature, that failing to take the action or refusing to take the action (as the case may be) with respect to the Competing Proposal would, or would be reasonably likely to, be inconsistent with the fiduciary or statutory duties owed by the SG Fleet Directors under applicable law, or it would otherwise be unlawful not to take that action.

  These exclusivity arrangements are set out in full in clause 9 of the Scheme Implementation Deed.
- (**Superior Proposal**) Under the Scheme Implementation Deed, for a Competing Proposal to be a Superior Proposal, the SG Fleet Board must determine, acting reasonably and in good faith and in order to satisfy what the SG Fleet Board reasonably considers to be its fiduciary or statutory duties (after having obtained written advice from SG Fleet's external legal adviser and financial advisers), that the Competing Proposal is:
  - reasonably capable of being valued and implemented; and
  - "materially" more favourable to SG Fleet Shareholders than the Transaction, having regard to the 4th and 5th paragraphs of section 8.7 of GN8,

  having regard to all aspects of the Competing Proposal and the Transaction including the identity, reputation and financial condition of the person making the Competing Proposal, consideration (including on a time value of money basis), conditionality, funding and timing, all relevant legal, regulatory and financial matters, and any other matters affecting the probability of the relevant proposal being completed in accordance with its terms.
- The 4th and 5th paragraphs of section 8.7 of GN8 provide the following guidance in relation to materiality:
  - a price change of 10% or more will generally be considered to be material;
  - a price change of 5% or less will generally be considered to not be material; and
  - a price change of between 5% and 10% may be material.

(c) Break Fee

SG Fleet has agreed to pay Bidco a break fee of $12.267 million (**Break Fee**) if:

- prior to the earlier of the Effective Date and the End Date, any SG Fleet Director:
  - fails to make a recommendation that the Scheme Shareholders vote in favour of the Scheme (**Recommendation**) or a statement that he or she intends to vote in favour of the Scheme in respect of all SG Fleet Shares controlled or held by, or on behalf of, that director (**Voting Intention**);
  - changes, withdraws, adversely modifies, or adversely qualifies their Recommendation or Voting Intention; or
  - makes a public statement indicating that he or she no longer supports the Scheme or recommends that SG Fleet Shareholders accept or vote in favour of a Competing Proposal,
- other than in circumstances where:
  - the Independent Expert concludes in the Independent Expert's report (including any update, revision or amendment thereto) that the Scheme is not in the best interests of Scheme Shareholders (other than where the sole or dominant reason for that conclusion is a result of the existence, announcement or publication of a Competing Proposal);
  - the change, withdrawal or modification of the Recommendation or Voting Intention occurs because of a requirement or request of the Court or a Government Agency that the relevant SG Fleet Director abstain or withdraw from making a Recommendation after the date of the Scheme Implementation Deed;
  - SG Fleet is entitled to terminate the Scheme Implementation Deed pursuant to its terms and has given the appropriate notice to Bidco; or
  - there is a failure of a Condition that is not waived, other than as a result of a breach by SG Fleet; or
- a Competing Proposal is made or announced before the End Date and, within 9 months of the Competing Proposal being announced, that Competing Proposal (or a subsequent Competing Proposal);
  - is completed, implemented or consummated; and
  - results in a person or persons (other than a member of the Bidco Group), obtaining Control of SG Fleet, merging or amalgamating with SG Fleet or acquiring (directly or indirectly) an interest in all or a substantial part of the business or assets of the SG Fleet Group; or
- Bidco validly terminates the Scheme Implementation Deed under clause 11.1(a) of the Scheme Implementation Deed and the Transaction does not complete,

provided that, for the avoidance of doubt, a statement made by SG Fleet or the SG Fleet Board to the effect that no action should be taken by SG Fleet Shareholders pending the assessment of a Competing Proposal by the SG Fleet Board or any statement contemplated by clause 9.6(g) of the Scheme Implementation Deed will not require SG Fleet to pay the Break Fee to Bidco.

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(d) Termination rights

The termination rights of SG Fleet and Bidco are set out in clause 11 of the Scheme Implementation Deed. In summary:

(**Termination by either party**) Either party may, by notice in writing to the other, terminate the Scheme Implementation Deed at any time prior to 8.00am on the Second Court Date if:

- the other party is in material breach of the Scheme Implementation Deed or (other than a representation or warranty not being true or correct) a representation and warranty given by the other party is not true and correct, where that breach is material in the context of the Transaction as a whole and, if the breach is capable of remedy, the breach is not remedied within 10 Business Days of the notification of the breach being given; or
- a condition precedent has not been satisfied (or becomes incapable of being satisfied) or waived (where capable of waiver) by the End Date and, in certain circumstances, SG Fleet and Bidco are unable to agree on a course of action; or
- at any time if the Effective Date for the Scheme has not occurred, or will not occur, on or before the End Date.

(**Termination by SG Fleet**) SG Fleet may, by notice in writing to Bidco, terminate the Scheme Implementation Deed at any time prior to 8:00am on the Second Court Date if, at any time before then, a majority of the SG Fleet Board has changed, withdrawn or modified their Recommendation or Voting intention of the Scheme; and

(**Termination by Bidco**) Bidco may, by notice in writing to SG Fleet, terminate the Scheme Implementation Deed at any time prior to 8:00am on the Second Court Date if, at any time before then, any SG Fleet Director:

- fails to make the Recommendation or Voting Intention;
- adversely changes, adversely modifies, adversely qualifies or withdraws their Recommendation or Voting Intention;
- recommends or supports a Competing Proposal; or

makes a public statement to the effect that he or she no longer supports the Transaction.

11.13 SG Fleet's Equity Incentives

(a) Overview of SG Fleet's Equity Incentives

SG Fleet operates an equity incentive plan pursuant to the equity incentive plan rules (**EIP Rules**) pursuant to which the Board can offer certain incentive securities to eligible employees.

As at the Last Practicable Date, SG Fleet had on issue the following SG Fleet Equity Incentives:

(i) 13,438,762 SG Fleet Options;

(ii) 2,908,596 SG Fleet Performance Rights; and

(iii) 1,113,758 SG Fleet Restricted Equity Rights.

(b) Intended treatment of the SG Fleet Equity Incentives in connection with the Scheme

Subject to the Scheme becoming Effective, under the Scheme Implementation Deed, prior to 8.00am on the Second Court Date, SG Fleet must take such action as is agreed between the parties to ensure that all SG Fleet Equity Incentives will be dealt with at the SG Fleet Board's discretion, such that no SG Fleet Equity Incentives are in existence and all rights attached to any SG Fleet Equity Incentives have been extinguished on the Business Day prior to the Scheme Record Date.

Performance Rights

Accordingly, as required under the Scheme Implementation Deed and permitted under the EIP Rules, SG Fleet's Board (with the executive directors who hold SG Fleet Performance Rights abstaining in respect of SG Fleet Performance Rights held by them) resolved, subject to the Scheme becoming Effective, that a 'Change of Control Event' occurred under the EIP Rules and to waive the vesting conditions attached to all unvested SG Fleet Performance Rights such that the 2,908,596 SG Fleet Performance Rights on issue may vest on an accelerated basis by their respective holders between the Effective Date and up to (but not including) the date that is the Business Day prior to the Scheme Record Date.

Options

Accordingly, as required under the Scheme Implementation Deed and permitted under the EIP Rules, SG Fleet's Board (with the executive directors who hold SG Fleet Options abstaining in respect of SG Fleet Options held by them) resolved, subject to the Scheme becoming Effective, that a 'Change of Control Event' occurred under the EIP Rules and to waive the vesting conditions attached to all 13,438,762 SG Fleet Options such that such SG Fleet Options are automatically exercised on a cashless exercise basis and covered to SG Fleet Shares to the value of the SG Fleet Option profit so that they may be acquired under the Scheme.

Restricted Equity Rights

In relation to the SG Fleet Restricted Equity Rights, the 2024 Annual Report has stated that those rights are subject only to a service condition[23] and there are no performance conditions attached. SG Fleet Restricted Equity Rights do not carry a right to receive any dividends. If rights vest and are exercised to receive shares, those shares are eligible to receive dividends. There is no exercise price.[24]

Accordingly, as required under the Scheme Implementation Deed and permitted under the EIP Rules, SG Fleet's Board (with the executive directors who hold SG Fleet Restricted Equity Rights abstaining in respect of SG Fleet Restricted Equity Rights held by them) resolved, subject to the Scheme becoming Effective, that a 'Change of Control Event' occurred under the EIP Rules and to waive the vesting conditions attached to all unvested SG Fleet Restricted Equity Rights such that the 1,113,758 SG Fleet Restricted Equity Rights on issue may vest on an accelerated basis by their respective holders between the Effective Date and up to (but not including) the date that is the Business Day prior to the Scheme Record Date.

11.14 Transaction costs

Each of the persons named in section 11.16 below is performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet and will be entitled to receive professional fees for those professional, advisory or other services (as applicable). If the Scheme is implemented, SG Fleet expects to pay an aggregate of approximately $9.6 million (excluding GST) in transaction costs in connection with the Scheme, which includes:

(a) fees and expenses for professional services paid or payable to:

(i) BofA Securities for acting as financial adviser to SG Fleet;

(ii) Gilbert + Tobin for acting as legal adviser to SG Fleet;

(iii) Boardroom for acting as the SG Fleet Share Registry;

(iv) Grant Thornton for acting as Independent Expert; and

23. The rights vest in two tranches: 50% at the end of year 3, and 50% at the end of year 4.
24. Section 7.2 of Annual Report.

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(b) other fees and expenses associated with the Court proceedings, Scheme Booklet design, printing and distribution, convening and holding the Scheme Meetings and other general and administrative expenses relating to the Scheme.

If the Scheme is not implemented, SG Fleet expects to pay an aggregate of approximately $3.7 million (excluding GST) in transaction costs in connection with the Scheme, being costs that have already been incurred as at the Last Practicable Date or are expected to be incurred even if the Scheme is not implemented (but excluding the Break Fee – see section 11.12(c) for information on the circumstances in which the Break Fee may be payable).

11.15 ASIC relief

ASIC has granted SG Fleet relief with respect to Paragraph 8302(d) of Part 3 of Schedule 8 of the Corporations Regulations which requires this Scheme Booklet to set out particulars of any payment or benefit proposed to be made or given to any director, secretary or executive officer of SG Fleet or a Related Body Corporate (each a Relevant Person) as compensation for loss of office in SG Fleet or a Related Body Corporate, so that the Scheme Booklet is only required to set out such particulars to the extent they arise in connection with or are affected by the Scheme.

ASIC has granted SG Fleet also proposes to seek relief with respect to Paragraph 8302(h) of Part 3 of Schedule 8 of the Corporations Regulations which requires this Scheme Booklet to set out whether, within the knowledge of the SG Fleet Directors, the financial position of SG Fleet has materially changed since the date of the last balance sheet laid before SG Fleet Shareholders in accordance with sections 314 or 317 of the Corporations Act.

11.16 Consents

(a) The following parties have given, and have not withdrawn before the date of this Scheme Booklet, their consent to be named in this Scheme Booklet in the form and context in which they are named:

(i) BofA Securities as financial adviser to SG Fleet;

(ii) Boardroom as the manager of the SG Fleet Share Registry; and

(iii) Gilbert + Tobin as legal adviser to SG Fleet in relation to the Scheme.

(b) The Independent Expert has given and has not withdrawn its consent to be named in this Scheme Booklet and to the inclusion of the Independent Expert's Report in Attachment A to this Scheme Booklet and to the references to the Independent Expert's Report in this Scheme Booklet being made in the form and context in which each such reference is included.

(c) Bidco Group has given and has not withdrawn its consent to the inclusion of the Bidco Group Information in this Scheme Booklet in the form and context in which the Bidco Group Information is included.

(d) Each person named in this section 11.16:

(i) has not authorised or caused the issue of this Scheme Booklet;

(ii) does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based, other than as specified in this section 11.16; and

(iii) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Scheme Booklet, other than a reference to its name and the statement (if any) included in this Scheme Booklet with the consent of that party as specified in this section 11.16.

11.17 Documents available

An electronic version of this Scheme Booklet including the Independent Expert's Report and the Scheme Implementation Deed are available for viewing and downloading online at SG Fleet's website at https://investors/sgfleet.com/Investors/.

11.18 Supplementary information

If SG Fleet becomes aware of any of the following between the date of lodgement of this Scheme Booklet for registration with ASIC and the Court Approval Date:

- a material statement in this Scheme Booklet is false or misleading;
- a material omission from this Scheme Booklet;
- a significant change affecting a matter in this Scheme Booklet; or
- a significant new matter has arisen, and it would have been required to be included in this Scheme Booklet if known about at the date of lodgement with ASIC,

depending on the nature and timing of the changed circumstances, and subject to obtaining any relevant approvals, SG Fleet may circulate and publish any supplementary document by:

- making an announcement to ASX;
- placing an advertisement in a prominently published newspaper that is circulated generally throughout Australia;
- posting the supplementary document to SG Fleet Shareholders at their registered address as shown in the Register; or
- posting a statement on SG Fleet's website at https://investors.sgfleet.com/Investors/;

as SG Fleet in its absolute discretion considers appropriate.

11.19 Other

(a) Registration of Scheme Booklet with ASIC

This Scheme Booklet was registered with ASIC on 21 February 2025 in accordance with section 411(2)(b) of the Corporations Act.

(b) Other material information

Other than as contained or referred to in this Scheme Booklet, including the Independent Expert's Report and the information that is contained in the Attachments to this Scheme Booklet, there is no other information that is material to the making of a decision by a SG Fleet Shareholder whether or not to vote in favour of the Scheme Resolutions to approve the Scheme, being information that is known to any SG Fleet Director and which has not previously been disclosed to SG Fleet Shareholders.

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12 Glossary

Glossary

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In this Scheme Booklet unless the context otherwise requires:

$ means Australian dollars unless otherwise stated.

Adviser means any person who is engaged to provide professional advice of any type (including legal, accounting, consulting, or financial advice) to SG Fleet or Bidco.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning set out in section 12 of the Corporations Act, as if section 12(1) included a reference to this Scheme Booklet and on the basis that SG Fleet is the 'designated body'.

ASX means ASX Limited (ACN 008 624 691) or, as the context requires, the financial market operated by it.

AU Securitisation Trust means each of the following trusts established under the document entitled 'The Autonomy Trusts Master Trust Deed' dated 8 May 2020 and the applicable trust creation deed:

(a) Autonomy 2020-1 Warehouse Trust (ABN 11 574 951 747);

(b) Autonomy Bespoke 2021 RV Trust (ABN 26 556 713 676);

(c) Autonomy Bespoke 2021 Trust (ABN 91 783 718 277); and

(d) Autonomy 2021-1 Trust Warehouse Trust (ABN 15 932 189 569).

ASX Listing Rules means the official listing rules, from time to time, of ASX.

ATO means the Australian Taxation Office.

Authorised Person means, in respect of a person:

(a) a director, officer, contractor, agent, or employee of the person;

(b) an Adviser of the person; and

(c) a director, officer or employee of an Adviser of the person.

Bidco means Westmann Bidco Pty Limited (ACN 682 625 109) of Level 31, 126-130 Phillip Street Sydney NSW 2000.

Bidco Group means Bidco and each of its Related Bodies Corporate (including Midco, Mezzco and Topco) excluding, at any time, SG Fleet and its Subsidiaries to the extent that SG Fleet and its Subsidiaries are not subsidiaries of Bidco at that time**.**

Bidco Group Member means a member of the Bidco Group.

Bidco Group Information means the information contained in this Scheme Booklet:

(a) in section 8;

(b) under the heading "Bidco" on page 48; and

(c) the answers to each of the following questions in section 5;

(i) 'Who is Bidco?';

(ii) 'Who is Topco?';

(iii) 'Who is PEP?';

(iv) 'What are Bidco's intentions for the SG Fleet business if the Scheme is implemented?';

(v) 'How is Bidco and/or Bidco Group funding the Scheme Consideration?'; and

(vi) 'What is the Scrip Consideration?'.

Bidco Group Parties means the Bidco Group and its directors, officers, employees and advisers.

Boardroom means Boardroom Pty Ltd of Level 8, 210 George Street, Sydney, NSW 2000.

Break Fee means $12,267,000.

Business Day means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Sydney, New South Wales.

Cash Consideration means A$3.50 per Scheme Share.

CGT means capital gains tax.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd and ASX Clear Pty Limited, which provides for electronic share transfers in Australia.

Competing Proposal means any offer, proposal, agreement, arrangement or transaction, whether existing before, on or after the date of the Scheme Implementation Deed, which, if entered into or completed, could mean that a person other than Bidco or its Associates would:

(a) directly or indirectly acquire voting power in, or have a right to acquire a legal, beneficial or economic interest in, or control of, more than 15% of the securities in any member of the SG Fleet Group;

(b) acquire Control of any member of the SG Fleet Group;

(c) directly or indirectly acquire or become the holder of, or otherwise acquire or have a right to acquire a legal, beneficial or economic interest in, or control of, all or substantially all or material part of the business or assets of any member of the SG Fleet Group;

(d) otherwise directly or indirectly acquire, be stapled with or merge with SG Fleet; or

(e) require SG Fleet to abandon, or otherwise fail to proceed with, a Transaction,

whether by way of a takeover bid, scheme of arrangement, shareholder approved acquisition, capital reduction, buy back, sale, lease or purchase of shares, other securities or assets, assignment of assets or liabilities, joint venture, dual listed company (or other synthetic merger), deed of company arrangements, any debt for equity arrangement or other transaction or arrangement.

Control has the meaning given to that term in section 50AA of the Corporations Act. **Controlled** has the equivalent meaning.

Corporations Act means the *Corporations Act 2001* (Cth), as amended as amended by any applicable ASIC class order, ASIC legislative instrument or ASIC relief.

Corporations Regulations means the Corporations Regulations 2001 (Cth).

Court means the Supreme Court of New South Wales or any other court of competent jurisdiction under the Corporations Act as the parties may agree in writing.

Court Approval Date means the date when the Court grants its approval to the Scheme under section 411(4)(b) of the Corporations Act.

Deed Poll means the deed poll in the form of Attachment E to this Scheme Booklet, executed by Bidco and Topco in favour of Scheme Shareholders.

Disclosure Letter means the letter so entitled from SG Fleet provided to Bidco on 4 December 2024 and countersigned by Bidco.

Due Diligence Materials means the information in relation to the SG Fleet Group disclosed in writing by or on behalf of SG Fleet to Bidco and its Representatives prior to the date the of the Scheme Implementation Deed in:

(a) the Online Data Room; and

(b) any written answers as contained in the Online Data Room to requests for further information made by Bidco and its Representatives.

Glossary continued

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D&O Deeds has the meaning given to it in section 11.7.

Effective means, when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to that Scheme.

Effective Date, with respect to the Scheme, means the date on which the Scheme becomes Effective.

EIP Rules has the meaning given to it in section 11.13(a).

Election means a valid election by a Relevant Management Shareholder to receive their Scheme Consideration either:

(a) in the form of Scrip Consideration in respect of all Scheme Shares held by that Relevant Management Shareholder on the Scheme Record Date;

(b) in the form of Cash Consideration in respect of all Scheme Shares held by that Relevant Management Shareholder on the Scheme Record Date; or

(c) partly in the form of Cash Consideration and partly in the form of Scrip Consideration in respect of the Scheme Shares held by that Relevant Management Shareholder on the Scheme Record Date,

made in accordance with clause 4.3 of the Scheme Implementation Deed and otherwise in accordance with the Scheme.

Election Form means the form issued by SG Fleet for the purposes of a Relevant Management Shareholder making an Election, in a form agreed to by Bidco and SG Fleet.

Election Time means 5.00pm on the third Business Day before the date of the Scheme Meetings, or such other date as agreed in writing between Bidco and SG Fleet.

End Date means the later of:

(a) 30 June 2025; and

(b) such other date and time agreed in writing between Bidco and SG Fleet.

Exclusivity Period means the period commencing on the date of the Scheme Implementation Deed and ending on the earliest of:

(c) the End Date;

(d) the Effective Date; and

(e) the date the Scheme Implementation Deed is terminated in accordance with its terms.

Fairly Disclosed means disclosed in sufficient detail to enable a reasonable and sophisticated recipient of the relevant information who is experienced in transactions of the nature of the Transaction, to identify the nature, substance and potential impact of the relevant fact, matter, circumstance or event.

FATA means the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

First Court Date means the first day on which an application made to the Court for an order under section 411(1) of the Corporations Act directing SG Fleet to convene the Scheme Meetings to consider the Scheme is heard (or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard), with such hearing being the **First Court Hearing.**

FCA means the UK Financial Conduct Authority.

FMSA means the *Financial Services and Markets Act 2000*.

General Scheme Meeting means the meeting of General Shareholders ordered by the Court to be convened under subsection 411(1) of the Corporations Act to consider and vote on the Scheme at 3.00pm (Sydney time) on Tuesday, 8 April 2025 and includes any meeting convened following any adjournment or postponement of that meeting.

General Scheme Resolution means the resolution to approve the Scheme to be voted on at the General Scheme Meeting, the form of which is set out in the Notice of General Scheme Meeting in Attachment B.

General Shareholder means the SG Fleet Shareholders other than the Relevant Management Shareholders.

Government Agency means any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, tax authority, competition authority or entity and includes any minister, FIRB, ASIC, ASX and any regulatory organisation established under statute or any stock exchange.

Group Trusts means the AU Securitisation Trusts and the NZ Securitisation Trust.

GST means a goods and services tax or similar value added tax levied or imposed under the GST Law.

GST Law has the meaning given to it in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Headcount Test has the meaning given to it in section 6.3 of this Scheme Booklet.

Implementation Date means, with respect to the Scheme, the seventh Business Day, or such other Business Day as the parties agree, following the Scheme Record Date.

Independent Expert means Grant Thornton Australia Limited (ACN 127 556 389).

Independent Expert's Report means the report prepared by the Independent Expert, a copy of which is set out in Attachment A to this Scheme Booklet.

ITAA 1936 means *Income Tax Assessment Act 1936* (Cth).

ITAA 1997 means *Income Tax Assessment Act 1997* (Cth).

Insolvency Event has the meaning given to it in the Scheme Implementation Deed.

Key Manager means:

(a) Robbie Blau;

(b) Kevin Wundram;

(c) Andrew Mulcaster;

(d) David Fernandes;

(e) Michelle Thomas;

(f) Laura McLaren;

(g) Lindsay Underwood;

(h) Peter Davenport;

(i) Andrew Webb; and

(j) each other entity or person related to the above individuals agreed in writing between SGF and Bidco following the date of the Scheme Implementation Deed.

Last Practicable Date means 31 January 2025.

Lender means:

(a) Barclays Bank PLC;

(c) Citibank, N.A., Sydney Branch;

(d) Commonwealth Bank of Australia; and

(e) Westpac Banking Corporation.

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Management Election Commitment Letter means the management election letter entered into by the Key Managers (as that term is defined in the Scheme Implementation Deed) on 4 December 2024.

Material Adverse Change means an event, occurrence or matter (including, for the avoidance of doubt, a one off event or a recurring event) that occurs after the date of the Scheme Implementation Deed, or which occurs on, or occurred before the date of the Scheme Implementation Deed, but which becomes known to Bidco after the date of the Scheme Implementation Deed (**Specified Event**), and which (individually or when aggregated with other Specified Events) has had, or is reasonably likely to have, the effect of:

(a) diminishing the consolidated net assets of the SG Fleet Group by 5% or more, as compared to what the consolidated net assets of the SG Fleet Group could reasonably be expected to have been but for the relevant Specified Event(s); or

(b) diminishing the consolidated annual Operating EBITDA of the SG Fleet Group (on a recurring basis) by at least 12.5% (calculated after taking into account any Specified Event(s) that has or could reasonably be expected to have a positive effect on consolidated annual Operating EBITDA), as compared to what the consolidated annual Operating EBITDA of the SG Fleet Group (on a recurring basis) could reasonably be expected to have been but for the Specified Event(s),

in each case other than a Specified Event:

(c) required to be done or procured by SG Fleet pursuant to the Scheme Implementation Deed or the Transaction or expressly permitted by the Scheme Implementation Deed or the Scheme, or is otherwise approved, consented to or requested by Bidco in writing;

(d) to the extent that it was Fairly Disclosed in the Disclosure Letter or the Due Diligence Materials;

(e) to the extent it was Fairly Disclosed by SG Fleet to ASX or in a publicly available document lodged with ASIC, in each case for or on behalf of the SG Fleet in the 2 year period before the date of the Scheme Implementation Deed;

(f) actually known to Bidco prior to the date of Scheme Implementation Deed;

(g) arising from any act or omission of Bidco;

(h) relating to costs and expenses incurred by SG Fleet associated with the Transaction process, including all fees payable to external advisers of SG Fleet, to the extent such amounts are Fairly Disclosed in the Disclosure Letter or the Due Diligence Materials; or

(i) which arise from:

  (i) general economic, political or business conditions, including changes or disruptions to, or fluctuations in, domestic or international financial markets, commodity prices, interest rates or exchange rates (to the extent that the effect of the change, disruption, or fluctuation is not materially disproportionate to the SG Fleet relative to the other participants in the same industry);

  (ii) acts of terrorism, outbreak or escalation of war (whether or not declared), major hostilities, civil unrest, act of god, natural disaster or adverse weather conditions or the like;

  (iii) general outbreaks or escalation of illness (including COVID-19 or any mutation, variation or derivative) or the like, or from any law, order, rule or direction of any Government Agency in relation thereto; or

  (iv) changes to accounting standards or policies or the interpretation of them, applicable laws or policies of a Government Agency in Australia (to the extent the effect of the change is not materially disproportionate to the SG Fleet relative to the other participants in the same industry).

Mezzco means Westmann Mezzco Pty Limited (ACN 682 623 392), being a wholly owned subsidiary of Topco.

Nominee means Pacific Custodians Pty Limited, an independent third party trustee company appointed by Topco under clause 19.1 of the Topco Securityholders' Agreement to hold Topco Shares on bare trust pursuant to the terms of the Nominee Deed and the Topco Securityholders' Agreement.

Nominee Deed means the nominee deed to be entered into between Topco and the Nominee.

NZ Securitisation Trust means the Autonomy NZ 2021-2 Trust.

Online Data Room means the documents and information (including, for the avoidance of doubt, information and responses to questions or requests for information from Bidco and its Representatives provided by SG Fleet or its Representatives via the "Q&A" function) contained in the Ansarada online data room entitled "Project Albatross" to which Bidco and its Representatives were given access prior to the date of the Scheme Implementation Deed, an electronic copy of which has been provided to Bidco by SG Fleet or its Representatives on or before the date of the Scheme Implementation Deed.

Online Scheme Meeting Platform has the meaning given to it in section 4.

Operating EBITDA means underlying earnings inclusive of all expense for depreciation and all interest income, and interest expenses on the lease portfolio but before any other interest, tax, any other depreciation and amortisation, adjusted to exclude one-time, irregular and non-recurring items, calculated in accordance with the accounting policies and practices applied by the SG Fleet Group as at the date of the Scheme Implementation Deed and used in SG Fleet Group's financial report for 30 June 2024.

PEP means the Australia private equity firm that is a member of a group of companies that manages or advises, among other entities, a number of unit trusts and limited partnerships operating as investment funds.

PEP Fund VII means Pacific Equity Partners Fund VII.

PEP Shareholders means the Initial PEP Securityholders (as that term is defined in the Securityholders' Agreement) and any of their affiliates who hold shares, options and any other class of securities issued by Topco, from time to time.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Prescribed Occurrence means the occurrence of any of the following on or after the date of the Scheme Implementation Deed and before 8.00am on the Second Court Date:

(a) SG Fleet converts all or any of its securities into a larger or smaller number of securities (see section 254H of the Corporations Act);

(b) any member of the SG Fleet Group resolves to reduce its share capital in any way or reclassifying, combining, splitting, redeeming or repurchasing any of its securities;

(c) any member of the SG Fleet Group:

  (i) enters into a buy-back agreement; or

  (ii) resolves to approve the terms of a buy-back agreement under subsections 257C(1) or 257D(1) of the Corporations Act;

Glossary continued

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(d) any member of the SG Fleet Group declares, pays or distributes any dividend, distribution, bonus, special payment or other share of its profits or assets (whether in cash or in specie) to SG Fleet Shareholders;

(e) any member of the SG Fleet Group issues shares, or grants an option over its shares, or agrees to make such an issue of shares or grant such an option, other than:

(i) where the shares or other securities are issued, or where the options are granted, to SG Fleet or an entity that is a wholly-owned Subsidiary of SG Fleet, provided that SG Fleet itself is not the issuing entity; or

(ii) in connection with the treatment of the SG Fleet Equity Incentives as contemplated by clause 4.2(b) of the Scheme Implementation Deed;

(f) any member of the SG Fleet Group issues, or agrees to issue, securities convertible into shares (including convertible notes and any issue, or agreement to issue, performance rights or options or debt securities);

(g) any member of the SG Fleet Group disposes, or agrees to dispose, of the whole, or a substantial part, of the business or property of the SG Fleet Group (whether by way of a single transaction or series of related transactions);

(h) any member of the SG Fleet Group creates or agrees to create any Encumbrance over the whole, or a substantial part, of its business or property, other than in the usual and ordinary course of business consistent with past practice;

(i) any member of the SG Fleet Group making any change to its constitution or constituent documents, other than where a SG Fleet Group Member is not material in the context of the SG Fleet Group (taken as a whole) makes a change to its constitution that does not materially affect the Transaction or the SG Fleet Group (or its business);

(j) any member of the SG Fleet Group becomes Insolvent; or

(k) a 'stop funding event' or 'amortisation event' (in each case however described) occurring under any of the SG Fleet Group's revolving securitisation warehouse facilities;

(l) any member of the SG Fleet Group ceasing or threatening to cease, the whole or a material part of its business, provided that a Prescribed Occurrence will not include any matter:

(m) expressly required to be done or procured by SG Fleet pursuant to the Scheme Implementation Deed or the Scheme;

(n) to the extent it is Fairly Disclosed in filings of SG Fleet with ASX or in a publicly available document lodged with ASIC in the 2-year period prior to the date of the Scheme Implementation Deed;

(o) to the extent it is Fairly Disclosed in the Disclosure Letter or the Due Diligence Materials;

(p) required by law or an order of court or Government Agency;

(q) expressly permitted by the Scheme Implementation Deed; or

(r) the undertaking of which Bidco has approved in writing (which approval must not

(s) be unreasonably withheld, conditioned or delayed).

Proxy Form means the proxy form for the relevant Scheme Meeting, a sample of which accompanies this Scheme Booklet or as the context requires, any replacement or substitute proxy form provided by or on behalf of SG Fleet.

Recommendation has the meaning given to it in section 11.12(c).

Register means the register of SG Fleet Shareholders maintained by or on behalf of SG Fleet in accordance with section 168(1) of the Corporations Act.

Related Body Corporate has the meaning given to it in section 50 of the Corporations Act and includes any body corporate that would be a related body corporate if section 48(2) of the Corporations Act was omitted.

Relevant Interest has the same meaning as given by sections 608 and 609 of the Corporations Act.

Relevant Management Shareholder means:

(a) Robbie Blau;

(b) Kevin Wundram;

(c) Andrew Mulcaster;

(d) David Fernandes;

(e) Michelle Thomas;

(f) Laura McLaren;

(g) Lindsay Underwood;

(h) Peter Davenport;

(i) Andrew Webb;

(j) each other entity or person related to the above individuals agreed in writing between SG Fleet and Bidco on or prior to, or as soon as reasonably practicable following, the date of the Scheme Implementation Deed; and

(k) a Scheme Shareholder who is a senior management team member of the SG Fleet Group or other entity or person related to such individual as agreed in writing between SG Fleet and Bidco on or prior to, or as soon as reasonably practicable following, the date of the Scheme Implementation Deed.

Relevant Management Shareholder Headcount Test has the meaning given to it in section 6.3 of this Scheme Booklet.

Relevant Management Shareholder Scheme Meeting means the meeting of Relevant Management Shareholders ordered by the Court to be convened under subsection 411(1) of the Corporations Act to consider and vote on the Scheme to be held immediately after the General Scheme Meeting at 4.00pm (Sydney time) on Tuesday, 8 April 2025 and includes any meeting convened following any adjournment or postponement of that meeting.

Relevant Management Shareholder Scheme Resolution means the resolution to approve the Scheme to be voted on at the Relevant Management Shareholder Meeting, the form of which is set out in the Notice of Relevant Management Shareholder Meeting in Attachment C.

Representative of a party includes an employee, agent, officer, director, adviser, partner, joint venturer or sub-contractor of that party.

Requisite Majorities means the majorities required under section 411(4)(a)(ii) of the Corporations Act, being:

(a) a majority in number (more than 50%) of SG Fleet Shareholders present and voting at the Scheme Meetings virtually by the Online Scheme Meeting Platform, by proxy, by attorney or, in the case of corporate SG Fleet Shareholders, by a corporate representative); and

(b) at least 75% of the total number of votes cast on the Scheme Resolutions at the Scheme Meetings.

The Court has the power to waive the requirement in paragraph (a) of this definition.

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Scheme means the proposed scheme of arrangement pursuant to Part 5.1 of the Corporations Act between SG Fleet and Scheme Shareholders in respect of all Scheme Shares, substantially in the form set out in Attachment C or in such other form as the parties agree in writing, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and approved in writing by each party.

Scheme Booklet means this scheme booklet in relation to the Scheme.

Scheme Consideration means the Cash Consideration and/or Scrip Consideration to be provided to each Scheme Shareholder for the transfer to Bidco of each Scheme Share on the Scheme Record Date as determined in accordance with clause 4.2 of the Scheme Implementation Deed.

Scheme Implementation Deed means the Scheme Implementation Deed dated 4 December 2024 between SG Fleet and Bidco, a copy of which was released to ASX on 4 December 2024.

Scheme Meetings means the General Scheme Meeting and/or the Relevant Management Shareholder Scheme Meeting (as applicable).

Scheme Record Date means, in respect of the Scheme, 5.00pm on the third Business Day (or such other Business Day as the parties agree in writing) following the Effective Date.

Scheme Resolutions means each of the General Scheme Resolution as set out in the Notice of General Scheme Meeting at Attachment B of this Scheme Booklet and the Relevant Management Shareholder Scheme Resolution as set out in the Notice of Relevant Management Shareholder Scheme Meeting at Attachment C of this Scheme Booklet and **Scheme Resolution** means either of them (as the context requires).

Scheme Shareholder means a person who holds one or more Scheme Shares.

Scheme Share means a SG Fleet Share on issue as at the Scheme Record Date.

Scrip Consideration means 3.50 Topco Shares for each Scheme Share, with any fractional amounts rounded up or down to the nearest whole number.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard (or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard), with such hearing being the **Second Court Hearing**.

SG Fleet means SG Fleet Group Limited (ACN 167 554 574).

SG Fleet Board means the Board of Directors of SG Fleet.

SG Fleet Equity Incentives means the SG Fleet Options, SG Fleet Performance Rights and SG Fleet Restricted Equity Rights as set out in Schedule 7 of the Scheme Implementation Deed and any other rights to SG Fleet Shares issued under SG Fleet Group employee incentive arrangements (or similar).

SG Fleet Director or **your Director** means a director of SG Fleet.

SG Fleet Group means SG Fleet, its Subsidiaries and the Group Trusts and **SG Fleet Group Member** will be construed accordingly.

SG Fleet Group Parties means the SG Fleet Group and its directors, officers, employees and advisers.

SG Fleet Options means the options to acquire SG Fleet Shares issued under SG Fleet's long term incentive scheme as set out in Schedule 7 of the Scheme Implementation Deed.

SG Fleet Performance Rights means the outstanding performance rights issued under SG Fleet's long term incentive scheme as set out in Schedule 7 of the Scheme Implementation Deed.

SG Fleet Restricted Equity Rights means the rights to acquire shares in SG Fleet at no cost subject to a service-based deferral issued under SG Fleet's short term incentive scheme as set out in Schedule 7 of the Scheme Implementation Deed.

SG Fleet Share means a fully paid ordinary share issued in the capital of SG Fleet.

SG Fleet Shareholder means each person who is registered in the Register as the holder of SG Fleet Shares.

SG Fleet Share Registry means Boardroom, or any replacement share registry services provided to SG Fleet.

Subsidiary has the meaning given to that term in section 46 of the Corporations Act, amended as necessary such that:

(a) a body corporate or a trust will also be taken to be a Subsidiary of an entity if it is controlled by that entity (as defined in section 50AA of the Corporations Act);

(b) a trust may be a Subsidiary, for the purpose of which a unit or other beneficial interest in the trust will be regarded as a share (ignoring the operation of section 48(2) of the Corporations Act); and

(c) an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a body corporate.

Superior Proposal means a bona fide written Competing Proposal that is received by SG Fleet and which the SG Fleet Board determines, acting reasonably and in good faith and in order to satisfy what the SG Fleet Board reasonably considers to be its fiduciary or statutory duties (after having obtained written advice from SG Fleet's external legal adviser and financial advisers):

(a) is reasonably capable of being valued and implemented; and

(b) would, if completed substantially in accordance with its terms, be likely to be a transaction materially[25] more favourable to SG Fleet Shareholders than the Transaction (as the Transaction may be amended or varied following the application of the matching rights set out in clause 9.6 of the Scheme Implementation Deed);

having regard to all aspects of the Competing Proposal and the Transaction (as the Transaction may be amended or varied following the application of the matching rights set out in clause 9.6 of the Scheme Implementation Deed) including the identity, reputation and financial condition of the person making the Competing Proposal, consideration (including on a time value of money basis), conditionality, funding, certainty and timing, all relevant legal, regulatory and financial matters, and any other matters affecting the probability of the relevant proposal being completed in accordance with its terms.

Topco means Westmann Topco Limited (ACN 682 621 003), being the ultimate holding company of Bidco.

Topco Constitution means the constitution of Topco.

Topco Shares means a fully paid ordinary shares in the capital of Topco and **Topco Share** means any one of them.

Topco Securityholders' Agreement means the securityholders' agreement to be entered into by the shareholders of Topco on or after the Implementation Date to govern the affairs of Topco.

Third Party means a person other than Bidco, Topco, another member of the Bidco Group, any Related Body Corporate of the Bidco Group, and their respective associates.

25. Having regard to the 4th and 5th paragraph of section 8.7 of the ASX Listing Rules Guidance Note 8.

Glossary continued

Transaction means the proposed acquisition by Bidco, in accordance with the terms and conditions of the Scheme Implementation Deed, of all of the SG Fleet Shares through the implementation of the Scheme.

Treasurer means the Treasurer of the Commonwealth of Australia.

Trust Account means an Australian dollar denominated trust account with an ADI operated by the SG Fleet Share Registry as trustee for the benefit of the Scheme Shareholders.

VWAP means volume weighted average price.

Voting Intention has the meaning given to it in section 11.12(c).

Voting Power has the meaning given to it in the Corporations Act.

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Attachment A – Independent Expert's Report

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SG Fleet Group Limited

Independent Expert's Report and Financial Services Guide

20 February 2025

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Grant Thornton

Directors
SG Fleet Group Limited
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Pymble NSW 2073

20 February 2025

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Introduction

1.1 SG Fleet is a provider of integrated mobility solutions such as fleet management, vehicle leasing, and salary packaging services with operations across Australia, New Zealand, and the United Kingdom. Founded in 1988 and listed on the ASX since 2014, the Company manages complex vehicle fleets for both the public and private sectors, including passenger and light and heavy commercial vehicles under several lease types including corporate, finance, and novated leases. At 30 June 2024 the Company had 277,000 vehicles under management.

1.2 Pacific Equity Partners is an Australian based private equity firm founded in 1998, with c. A$12 billion in assets under management focused on growth and expansion capital in Australia and NZ. Since inception, funds managed or advised by PEP have completed 46 primary transactions and over 170 follow-on investments.

1.3 Following the receipt of a NBIO on 25 November 2024, on 4 December 2024, SG Fleet entered into a binding Scheme Implementation Deed with Westmann Bidco Pty Limited, an entity owned and controlled by funds managed and advised by PEP, for the acquisition of all SG Fleet Shares by way of Scheme of Arrangement for a cash consideration of A$3.50 per share.

1.4 Certain SG Fleet Shareholders who are Relevant Management Shareholders will be able to elect to receive all or part of the Scheme Consideration (at their election) in the form of scrip in Topco[1] at a price equivalent to A$3.50 per share based on an exchange ratio of 3.50 Topco Shares for each SG Fleet Share. SG Fleet Shareholders who are Relevant Management Shareholders represent a different class member for the purpose of the Scheme.

1.5 The Scheme is subject to the conditions precedent set out in paragraph 2.2 of this IER, including approval by SG Fleet Shareholders and the Supreme Court of NSW, and no material adverse change or SG Fleet prescribed occurrence. The SID includes customary exclusivity commitments in favour of PEP, including no shop, and no talk obligations, as well as notification and matching rights, subject to customary fiduciary out provisions which allow the SG Fleet Board to consider any competing proposals that are, or may reasonably be expected, to lead to a superior proposal.

1.6 Super Group is SG Fleet's major shareholder, who at the time of the Scheme announcement owned 53.58% of the SG Fleet Shares. Super Group and SG Fleet have entered into a cooperation agreement under which the Board of Super Group has agreed, among other things, to convene a general meeting of Super Group's shareholders[2] with the unanimous recommendation of the Super Group Board to vote in favour of the Scheme, in the absence of a superior proposal and subject to the SG Fleet Independent Expert concluding that the Scheme is in the best interest of SG Fleet Shareholders.

[1] Topco is the ultimate parent entity of Westmann Bidco Pty Limited.
[2] Super Group is required to obtain approval from its shareholders by way of an extraordinary general meeting in order to vote its holding in SG Fleet in favour of the Scheme.

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1.7 Subject to no superior proposal emerging and an Independent Expert concluding and continuing to conclude that the Scheme is in the best interests of SG Fleet Shareholders, the Directors of SG Fleet unanimously recommend Shareholders to vote in favour of the Scheme. Subject to the same qualifications, each Director intends to vote all the SG Fleet Shares held or controlled by them at the time of the Scheme meeting in favour of the Scheme.

Purpose of the Report

1.8 The Directors have requested Grant Thornton Corporate Finance to prepare an IER stating whether the Scheme is in the best interests of security holders of the Company for the purposes of Section 411 of the Corporations Act.

1.9 When preparing this IER, Grant Thornton Corporate Finance has had regard to the Australian Securities and Investment Commission's Regulatory Guide 111 Contents of expert reports and Regulatory Guide 112 Independence of experts. The IER also includes other information and disclosures as required by ASIC.

Summary of opinion

1.10 Grant Thornton Corporate Finance has concluded that the Scheme is FAIR AND REASONABLE and hence in the BEST INTERESTS of Shareholders in the absence of a superior alternative proposal emerging based on the following:

- **The Cash Consideration is FAIR AND REASONABLE.**
- **The value of the Scrip Consideration, which only the SG Fleet Shareholders who are Relevant Management Shareholders can elect to receive, is not higher than the Cash Consideration as at the date of this Report.**

Fairness Assessment

1.11 In forming our opinion, Grant Thornton Corporate Finance has considered whether the Cash Consideration is fair and reasonable to Shareholders and, as part of that consideration, has had regard to other quantitative and qualitative considerations.

1.12 Grant Thornton Corporate Finance has compared the fair market value per SG Fleet Share before the Scheme on a control basis with the Cash Consideration. The following table summarises our fairness assessment.

Figure 1 - Fairness assessment

Fairness assessment A$ per SG Fleet share (unless otherwise stated)	Section Reference	Low	High
Fair market value of SG Fleet shares (control basis)	7	3.35	3.80
Cash consideration	1	3.50	3.50
Premium/(discount)		**0.15**	**(0.30)**
Premium/(discount) (%)		4.5%	(7.9%)
FAIRNESS ASSESSMENT		**FAIR**	

Source: GTCF analysis

1.13 The Cash Consideration of A$3.50 per share is within the range of the fair market values of SG Fleet on a control basis. Accordingly, we conclude that the Cash Consideration is FAIR to SG Fleet Shareholders.

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1.14 SG Fleet Shareholders should be aware that our assessment of the value per SG Fleet Share should not be considered to reflect the price at which SG Fleet Shares may trade if the Scheme is not implemented. The price at which SG Fleet Shares will ultimately trade depends on a range of factors, including the available public market for SG Fleet Shares, macroeconomic conditions, and the performance of SG Fleet's business.

1.15 We have assessed the fair market value of SG Fleet Shares by relying upon the DCF Method as our primary approach, which we have cross-checked based on the PE Multiple Method and the Quoted Security Pricing Method.

DCF Method

1.16 Our assessment is based on the net present value of the real, geared, post-tax cash flows available to equity holders and our adopted cost of equity. The basis of the cash flow forecasts utilised in our assessment are Internal Projections prepared by Management for the discrete period between FY25 and FY29[3].

1.17 The Internal Projections are ultimately driven by the underlying total fleet forecast. Each individual fleet component (corporate fleet, novated fleet, and lite fleet) is estimated based on various underlying assumptions regarding future annual orders, deliveries, extensions and terminations. These forecasts are combined with per unit revenue assumptions to derive annual net revenue, along with forecasts of various operating expense and cash flow items.

1.18 There are a number of key commercial assumptions in the Internal Projections that have a material impact on the assessed value of SG Fleet which we have discussed below, together with our benchmarking and sensitivity scenarios.

Orders growth and pipeline

1.19 Corporate and novated fleet order growth is anticipated to be particularly robust in the early years of the discrete period, however, this is expected to normalise at some point in the future. In relation to the Internal Projections, we specifically note the following:

- For novated fleets, order growth and pipeline are largely supported by current government FBT exemptions that bolster underlying demand for hybrid and electric vehicles through novated leases.
- For corporate fleets, the strong short-term growth is largely underpinned by the unwinding of the abnormal order pipeline accumulated during the COVID-19 period, which currently stands at c. 3.5x historical levels. The Internal Projections forecast annual new deliveries in excess of annual orders for the entirety of the forecast period, although deliveries numbers are converging toward annual orders. It is uncertain when order pipelines will reach a normalised state, or what this normalised state may be, but we consider it may be unsustainable for annual deliveries to exceed annual orders in the long term and would expect annual deliveries to align with annual orders at some point.
- Overall, the order growth profile adopted in the Internal Projections results in forecast net revenue growth percentage over the discrete forecast period that exceeds investment analysts estimates of net revenue growth for both SG Fleet and FleetPartners.

1.20 As a result of the above, in our valuation assessment we have considered alternative scenarios in which we have adjusted order growth to result in net revenue forecasts that are more in line with the average forecasts of investment analysts that cover SG Fleet. While analysts do not typically present underlying annual order forecasts, under this

[3] Our valuation assessment is based on the balance sheet as at 31 December 2024 and includes cash flows estimates for the six months to 30 June 2025.

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valuation scenario we have considered net revenue as a proxy for order growth expectations, given order growth and delivery pipeline expectations are a key driver of net revenue in this industry.

Net EOL income

1.21 The primary driver of forecast vehicle risk income in the Internal Projections is net EOL income per vehicle. The industry continues to experience the normalisation of net EOL income per vehicle after the abnormally high residual values during COVID-19, which were driven by supply constraints in new vehicles. The gradual unwinding of elevated used vehicle prices is currently occurring, however, used vehicle prices still remain elevated compared with pre-pandemic prices. The level at which used vehicle residual values normalise, as well as the timing of this normalisation, are largely uncertain. The Internal Projections forecast net EOL income per vehicle to normalise at a level higher than pre-Covid of approximately A$1,500 per vehicle and the expectations disclosed by FleetPartners of c. A$1,000 per vehicle[4]. The assumption in the Internal Projections is driven by significant new car price inflation that has occurred in previous years and the reduction of the carpool supporting the used car market due to the significant decline in new cars sales during the pandemic, which has a flow on effect on the future used car market.

1.22 Whilst the assumptions adopted in the Internal Projections seem reasonable, we believe it appropriate to also present alternative scenarios assuming a net EOL income of A$1,500 and A$2,000 per vehicle. At the date of this report we have not seen any evidence to suggest that the EOL income may normalise at a higher level than estimated in the Internal Projections, however we have illustrated a sensitivity scenario assuming net EOL of A$3,000 for completeness.

LeasePlan ANZ synergies

1.23 The business is forecast to achieve material cost synergies related to employee expenses and technology costs as a result of the LeasePlan ANZ acquisition. The Internal Projections capture these expected synergies in full across FY26 and FY27 and Management is confident that the business integration is progressing as expected and the forecast cost savings will be achieved in full. Nonetheless, given the cost synergies are yet to be realised, they pose a risk to the achievability of the cash flows, and it is possible that actual synergies may fall short of expectations due to various unexpected integration challenges, operational complexities, and unforeseen costs. Business combinations of the scale of the LeasePlan ANZ acquisition are highly complex, and despite meticulous planning and preparation may, not proceed as anticipated.

1.24 To incorporate the above risks in our valuation assessment we have considered a number of alternative valuation scenarios that assume different outcomes with regard to the timing and realisations of these cost synergies. We have considered valuation scenarios where the absolute amount of synergies realised are reduced, as well as scenarios where we incorporate a partial delay of varying degrees in the timing of the realisation of cost synergies. We have also presented a valuation scenario where 110% of the cost synergies are achieved, but we are of the opinion that a pool of potential purchasers may not be prepared to pay for this upside.

Borrowing

1.25 As our valuation assessment is based on the net cash flows available to equity holders, the assumptions in relation to future borrowing have a significant impact on the net cash flows.

[4] FleetPartners FY24 Results Investor Presentation. We note that each individual business will set expectations of normalised EOL income per vehicle based on their own internal pricing strategy with respect to aggressive or conservative expectations. Normalised expectations of net EOL income per vehicle between any two firms may not therefore be directly comparable, but nonetheless, we consider this comparison informative in assessing SG Fleet's forward looking expectations.

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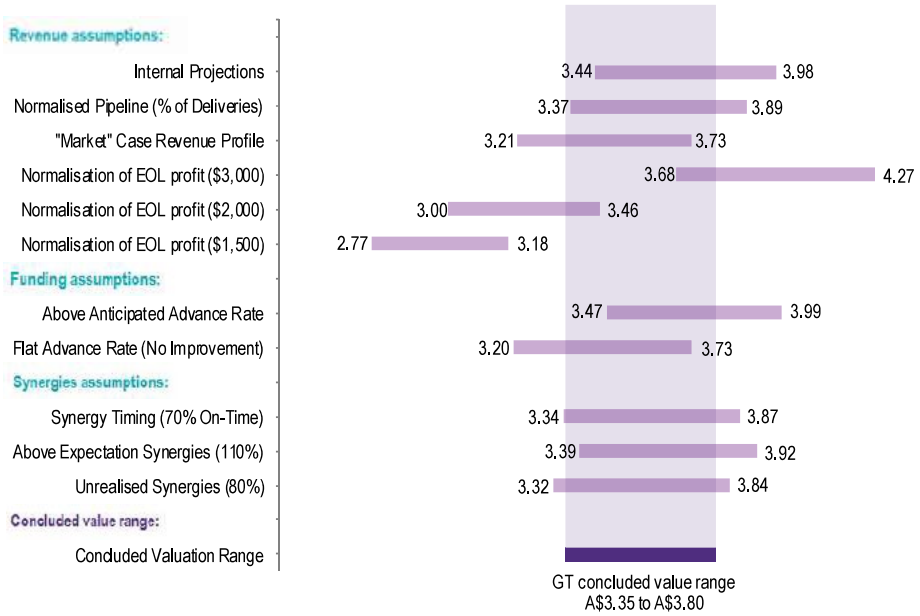
1.26 The Internal Projections forecast an increase in the advance rate[5] in FY25, FY26, and FY27, before stabilising in the outer years of the forecast period. This forecast increase in advance rate is on the basis that after a few additional years of origination history, the business will be able to approach credit rating agencies to apply for credit rating to the warehouse facilities, which is expected to improve terms (i.e. higher advance rate). Whilst the expectation seems reasonable, the quantum of the potential increase in the advance rates is difficult to predict and hence we have run some alternative scenarios.

Summary of values

1.27 Based on the sensitivities on some of the key assumptions discussed above, we have summarised in Figure 2 below our assessed fair market value of SG Fleet on a control basis. In the net present value of the future cash flows, we have adopted a cost of equity between 10.4% and 11.7% on a nominal basis, or between 7.7% and 8.9% on a real basis[6].

Figure 2 - Valuation sensitivities and assessed value range



Source: Internal Projections and GTCF Analysis
Notes: (1) Our assessed value per share includes the value of the business's minority investments in DingGo and Zoomo, totalling approximately A$8.5 million as at 31 December 2024. Refer to Section 7 for further detail. (2) Our assessed value is based on total diluted shares outstanding of 350,481,302, comprising 341,984,920 ordinary shares outstanding (including treasury shares), 4,474,028 outstanding options expected to be exercised, 2,908,596 performance rights expected to be exercised, and 1,113,758 restricted equity rights expected to be exercised. Refer to Section 7 for further detail.

1.28 Our selected valuation range largely overlaps with most of the scenarios, and it reflects a risk adjusted value range for the Company. We note that the valuation range where the EOL income normalises in line with the level seen before the COVID-19 period is outside our selected value per share as we do not consider it likely based on 1) The level of

[5] The advance rate refers to the percentage of the value of lease portfolio assets in the securitised warehouse that SG Fleet is able to access as lease asset borrowings. For example, if total lease portfolio assets in the securitised warehouse equal A$1 billion, an advance rate of 85% would allow the Company to access A$850 million of financing.
[6] We have calculated the real cost of equity as (((1+nominal cost of equity) / (1+rate of inflation)) - 1). We have adopted an inflation rate of 2.5% on the basis that it is the midpoint of the Reserve Bank of Australia's target range for inflation of 2.0% to 3.0%. For example, the low end of the range the real cost of equity is calculated as (((1+0.104) / (1+0.025)) - 1) = c. 7.7%.

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EOL income at 31 December 2024; 2) New car price inflation; and 3) The reduction of second hand carpool in the system following the supply glut during the COVID-19 period.

PE Multiple approach

1.29 We have cross-checked the valuation conclusions under the DCF Method having regard to the PE Multiples of comparable listed companies and recent transactions involving companies with similar operations to SG Fleet. We consider a PE multiple to be the most appropriate metric, as the capital structure of Fleet Management Organisations with large borrowings related to the fleet portfolio often reflect that of a finance company rather than a traditional industrial company, and the cashflows associated with these lease books are an integral part of operations.

1.30 Below we have set out the PE Multiples of SG Fleet implied in our valuation assessment based on the DCF Method.

Figure 3 - Implied PE Multiple

Implied PE Multiple	DCF Method	
A$m (except where stated otherwise)	Low	High
Implied Total Equity Value (control basis) (excl. minority investments)[1]	1,165.6	1,323.4
FY24 NPATA (actual)	99.6	
LTM NPATA (actual)[2]	98.3	
FY25 NPATA (Management guidance)[3]	91.5	
FY26 NPATA (consensus forecast)	101.9	
FY24 P/E (actual)	**11.7x**	**13.3x**
LTM P/E (actual)	**11.9x**	**13.5x**
FY25 P/E (forecast)	**12.7x**	**14.5x**
FY26 P/E (forecast)	**11.4x**	**13.0x**

Source: GT Model, S&P Global, GTCF analysis.
Notes: (1) Equity value on is based on the equity value from the DCF Method excluding the minority investments. (2) LTM NPATA = FY24 results + 1H FY25 - 1H FY24. (3) FY25 NPATA is representative of Managements guidance as released in August 2024 and represents the midpoint of the range (A$88 million to A$95 million).

1.31 In comparing to the listed peers we have primarily referred to a FY26 forecast PE Multiple as we consider this to reflect a more normalised cost structure and operating environment for SG Fleet, particularly once the LeasePlan ANZ synergies are realised. Conversely, for precedent transactions we have referred to SG Fleet's LTM PE Multiple, as these comparative transactions are on a historical earnings basis.

1.32 In our research of comparable companies and transactions, we initially focused on FMO, however, given the majority of these businesses are privately owned, we extended our search to include salary packaging and employee benefit management firms, which have some overlapping service offerings with SG Fleet, though we note these other service offerings account for a relatively smaller portion of SG Fleet's revenue.

1.33 In the graph below, we have summarised the PE Multiple implied in our valuation assessment alongside the multiples of selected listed companies and transactions (refer to Section 8 for additional detail).

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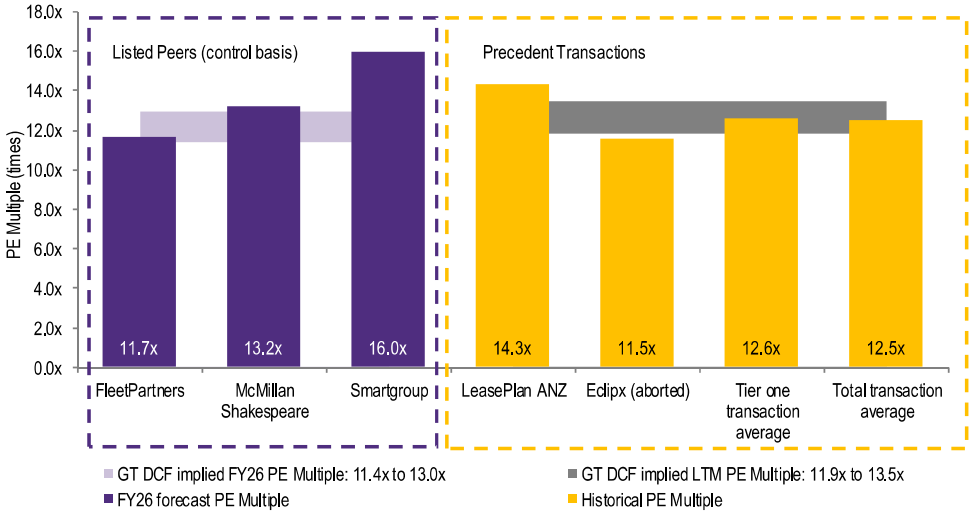
Figure 4 - GT Implied PE Multiples compared to selected listed companies and transactions



Source: S&P Global, MergerMarket, Company announcements, GTCF analysis.
Notes: (1) Listed peers represent the FY26 forecast multiples as sourced from S&P Global. (2) Precedent transactions represent historical multiples. (3) We have applied a control premium of 30% to the market capitalisations of each listed company taken as at 24 January 2025. Market capitalisations of those companies listed on a foreign market exchange have been converted into A$ using the forex spot rates obtained from S&P Global as at 25 January 2024.

1.34 Based on our PE Multiple cross check with the selected listed companies and transactions, we consider the implied PE Multiple in the DCF Method to be reasonable due to the factors summarised below:

1.35 In relation to the FY26 forecast PE Multiple for listed peers, we note:

- It is at a slight premium to that of FleetPartners. We consider FleetPartners to be the most comparable listed peer, as a FMO business based in Australia and New Zealand, operating in comparable market segments, providing similar types of operating, finance and novated lease products, as well as other fleet management and technology solutions. This premium in our view is reasonable with consideration to: 1) The expectation that SG Fleet's cost base will reset to a sustainable ongoing level once the final phase of the LeasePlan ANZ integration is completed and the expected cost synergies are realised; 2) Investment analysts' anticipation of a decrease in FleetPartners' NPATA due to subdued growth, particularly in New Zealand, in addition to lower EOL income and reduced management fees, which are expected to impact the company's profitability; and 3) SG Fleet's NTM PE multiple has historically traded at a premium to that of FleetPartners of c. 11.2% (since January 2021, and prior to the announcement of the Scheme). Notwithstanding this, we note that FleetPartners' funding structure is comparatively more attractive than that of SG Fleet, with c. 75% of the fleet funded on balance sheet[7] compared to c. 62%[8]. This is a benefit to FleetPartners as larger on balance sheet funding provides greater exposure to recurring annuity style revenue.

- Although we have included McMillan Shakespeare and Smartgroup in Figure 4, we note that their revenue and business models are largely related to salary packaging and remuneration services with limited/no on balance sheet leases. As a result the capital requirements, yields, and profitability of these businesses are materially different from SG Fleet, and as such they generally trade at a slightly higher PE Multiples. As a result of these differences, we

[7] As at 30 September 2024.
[8] As at 30 June 2024.

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have primarily focussed on FleetPartners in our analysis, however we note that the relativity of the PE Multiple implied in our DCF Method with those of MMS and Smartgroup is reasonable.

1.36 In relation to the LTM PE Multiple for the comparable transactions, we note that:

- It is slightly below the implied PE Multiple of the LeasePlan ANZ acquisition. We consider this reasonable as the LeasePlan ANZ transaction was transformative to SG Fleet, enhancing financial and operational performance with attractive on balance sheet leases funding structures and higher recurring revenue, which may have demanded a premium. Further, the level of synergies that SG Fleet could extract from the LeasePlan ANZ acquisition are not available to a financial buyer of SG Fleet like PEP or other private equity firms which represent a likely pool of potential purchasers for the Company.

- It is slightly above the implied multiple of the Eclipx transaction, which we note was ultimately aborted due to a significant downgrade in company performance[9].

- The multiple is within the average range of both the tier one and all transactions PE Multiple, notwithstanding the varying levels of comparability.

Quoted Security Price Method

1.37 The Cash Consideration of A$3.50 per share implies a control premium calculated on the trading prices immediately before the announcement of the Scheme which is broadly in line with the midpoint of the range typically observed for successful transactions in the Australian capital markets of between 20% to 40%, with a median and average premium of c. 34% and 30%, respectively (refer to Appendix E for details).

Figure 5 - Control premium implied in Cash Consideration

Control premium implied in Cash Consideration A$ (except where stated otherwise)	VWAP	Implied premium to VWAP
Up to 24 November 2024	3.50	
1 day	2.67	31.1%
5 day	2.65	32.2%
1 month	2.69	30.1%
3 month	2.70	29.5%

Source: S&P Global, GTCF Analysis.

1.38 However, the analysis above requires further investigation as SG Fleet was trading between c. A$3.10 and A$3.30 per share during the period between June 2024 to August 2024, which was shortly before the announcement of the PEP Indicative Proposal in November 2024, as set out in the graph below.

[9] Although aborted, we find the multiple agreed upon in the SID relevant for our analysis, notably as it was a contested transaction with SGF submitting an indicative, non-binding offer before the SID was finalised.

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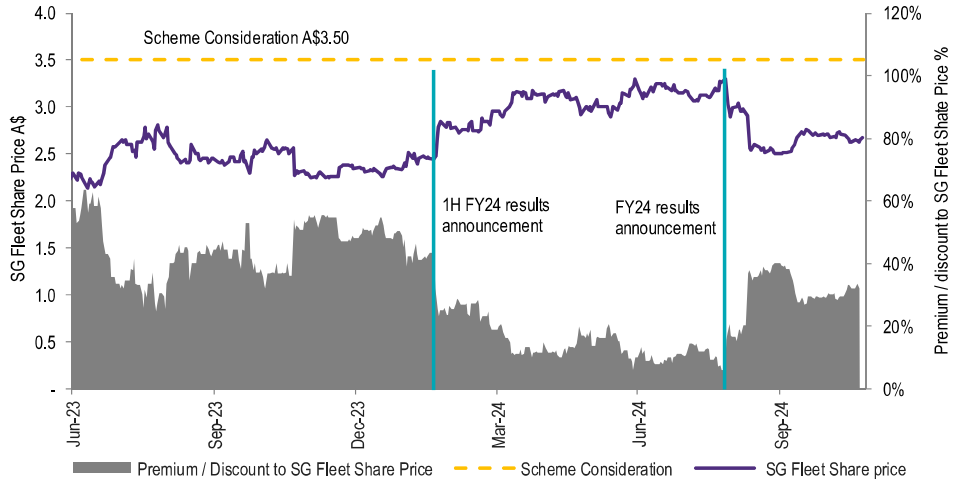
Figure 6 - SG Fleet Historical share trading price compared to Cash Consideration and implied control premium



Source: S&P Global, GTCF Analysis.

1.39 In our detailed analysis in Section 9 we have attempted to understand whether the significant decline in SG Fleet's trading prices following the release of the FY24 results was primarily attributed to negative short-term market sentiment after the FY25 guidance disclosed by SG Fleet, or if it indicates a more permanent adjustment in the underlying value of the business, noting that part of the decline is due to the stock trading on an ex-dividend basis.

1.40 SG Fleet's share price increased materially after the release of 1H FY24 results from A$2.44 on 19 February 2024 to A$2.84 on 23 February 2024 and it continued its upward trend to a closing price of A$3.30 on 26 August 2024. The Company reported a 7.7% increase in NPATA, a 10.8% increase in net revenue and EPS growth of 8.5%, contributing to a declared interim dividend that was 7.7% higher than pcp (H1 FY24 vs H1 FY23). Whilst Management did not release earnings guidance for the full FY24, investment analysts increased their FY25 and FY26 NPATA earnings by an average of 6.3% and 9.4%, respectively, which supported the continued growth in the trading prices.

1.41 With this positive share price momentum, SG Fleet Shares traded up to A$3.30 on 26 August and then declined c. 12% to A$2.90 on 29 August after the release of the FY24 accounts, and a further 14.8% on 10 September 2024 when the stock started trading on an ex-dividend basis[10]. From its peak of A$3.30 in late August to the trough of c. A$2.50 on 1 October 2024, SG Fleet trading prices reduced by c. 24.2%, significantly more than the dividend yield (including the special dividend) of c. 7.3%[11].

1.42 This reduction occurred notwithstanding that SG Fleet reported positive FY24 results with NPATA growth of 19.2%.

1.43 In our opinion the decline in share price after the FY24 results was primarily attributable to the FY25 earnings guidance released by Management of FY25 underlying NPATA between A$88 million and A$95 million, below the A$99.6 million achieved in FY24. This reduction in the FY25 underlying NPAT was primarily attributed to increased interest costs on corporate debt upon expiry of the fixed interest rate swap, temporary increases in technology and FTEs spend in the final phase of the LeasePlan ANZ migration program and further normalisation of the operating environment. We also note that it was accompanied with disclosure in the Management presentation[12] pointing to a delay in the expected

[10] The results included the declaration of a final FY24 dividend of 24.3 cents, of which 15.0 cents was a special dividend.
[11] Calculated as the dividend of 24.3c divided by the peak trading price of A$3.30.
[12] FY24 Results Investor Presentation released on 27 August 2024 - page 27.

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timing to realise the cost synergies associated with the LeasePlan ANZ acquisition, although the overall value did not change.

1.44 A review of brokers' reports in the period following the FY24 results indicates that the brokers were generally surprised by the forecast interest rate increase of c. A$7.3 million in the FY25 guidance, despite a disclosure in the FY23 annual report that c. A$246 million of bullet swaps with a 0.65% fixed rate would mature in September 2024, which should have led the market to anticipate this increase in costs. Further, the timing of the realisation of revenue and costs synergies expected from the LeasePlan ANZ acquisition was updated in the FY24 accounts, including a split in the expected timing of revenue and cost synergies for the first time, with revenue synergies extended beyond FY29 and cost synergies delayed to FY26. This may have also contributed to the reduction in trading prices.

1.45 As a result of the above, investment analysts adjusted down their NPATA forecast for FY25 and FY26, as set out below.

Figure 7 - Changes in consensus estimates

Broker consensus estimate NPATA	Pre 1H FY24 results		Post 1H FY24 results		Post FY24 results	
A$m	FY25	FY26	FY25	FY26	FY25	FY26
Broker 1	92.3	95.2	97.9	104.5	92.1	101.9
Broker 2	106.0	125.0	113.8	131.9	91.8	113.4
Broker 3	94.5	95.5	100.5	101.4	90.5	101.9
Average	**97.6**	**105.2**	**104.1**	**112.6**	**91.5**	**105.7**
Median	**94.5**	**95.5**	**100.5**	**104.5**	**91.8**	**101.9**

Source: S&P Global, GTCF Analysis.

1.46 In summary, we believe that the significant reduction in SG Fleet's trading prices (excluding the effect of trading ex-dividend) following the release of the FY24 accounts was primarily due to the market adjusting its growth expectations and short- to medium-term financial performance of the Company. Simultaneously, it is plausible that the substantial decline in trading prices (excluding the ex-dividend component) also reflected a degree of negative market sentiment given that: 1) The delay in the realisation of the cost synergies to FY26 was merely a timing issue, and the Company reaffirmed its target of A$20 million in cost synergies; 2) The market could not reasonably expect the Company to continue to pay a fixed swap rate of 0.65% on its corporate facility in the long term; and 3) Management had indicated several times in the past that it expected the operating environment to normalise in the period ahead in the FY23 and 1H FY24 accounts.

1.47 Based on the above we are of the opinion that whilst the timing of the bid may have been opportunistic as it occurred in a period of short-term volatility with negative market sentiment, we conclude that the premium for control implied in the Scheme is in line with the historical transactions in the Australian market.

Scrip Consideration

1.48 SG Fleet Shareholders who are Relevant Management Shareholders electing to receive all or part of the consideration in Topco Shares will receive 3.5 Topco Shares for each SG Fleet Share. Only SG Fleet Shareholders who are Relevant Management Shareholders can elect to receive the Scrip Consideration, and hence they form a different class of members for the purpose of the Scheme.

1.49 As part of our fairness assessment of the Cash Consideration, we have investigated whether the Scrip Consideration offered to the SG Fleet Shareholders who are Relevant Management Shareholders is greater value than the Cash

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Consideration at the date of this Report. However, we have not been engaged to form an opinion, and we have not formed an opinion, on the fairness of the Scrip Consideration.

1.50 We have been instructed that Topco will not hold, directly or indirectly, any other businesses in addition to its investment in SG Fleet if the Scheme is implemented. Generally speaking, when two investments are substantially comparable, investors tend to place more value on a security that is more liquid, with the ultimate and most liquid asset being cash. Hence, holding parcel shares in an unlisted company like Topco via the Scrip Consideration is expected to have a lower value, at least in the immediate term and all other things being the same, compared with receiving the Cash Consideration, as Topco shares are not readily marketable.

1.51 In order to account for the lack of marketability and the minority position of SG Fleet Shareholders in Topco, it is appropriate in our opinion to apply a discount to the Cash Consideration to estimate the value of the Scrip Consideration at the date of this Report. The size of the discount depends on a range of factors, including the following:

- *The prospect for liquidity within a known timeframe*. The shorter the expected holding period for an investment and the more certainty is the potential prospective transaction or IPO, the lower the discount. In this regard, we note that private equity investors such as PEP typically hold their investments for 3 to 5 years, and during this period they aim to grow the business and streamline operations in order to maximise their returns on exit. Whilst a liquidity event may not eventuate in the short term, there is a degree of certainty for minority shareholders that an exit will occur at some stage in the future.

- *The dividend policy of the company*. A company will usually attract a lower marketability discount if it has a sustainable and consistent dividend policy, as the shareholders receive returns periodically over the life of the investment, as opposed to only at disposal of the investment. Based on Topco's Shareholders' Deed, dividends will be payable at the sole discretion of the Topco Board, which is controlled by PEP. Typical private equity investee companies focus on creating value for shareholders by growing and streamlining the business, both organically and via acquisitions, rather than distributing dividends along the way. In our opinion, it is unlikely that SG Fleet Shareholders who are Relevant Management Shareholders electing to receive the Scrip Consideration will receive material dividend distributions during their holding of Topco shares.

- *The pool of potential buyers*. The greater the pool of potential buyers, the lower the level of marketability discount. Further, PEP may consider exiting via an initial public offering.

- *Capital structure of Bidco*. Class A Shares to be held by PEP only, and Class B Shares to be held by SG Fleet Shareholders who are Relevant Management Shareholders who elect to receive the Scrip Consideration, will have the same rights in relation to distributions and on winding-up.

- *The level of risk in the industry and in the Company*. Typically, a higher level of risk in the industry is associated with a higher marketability discount. The underlying principle is that the potential adverse impact of risk factors is enhanced by the inability to dispose of the investments in a liquid market. The industry in which the Company operates is quite stable and defensive.

- *Topco Securityholders' Agreement*. In our assessment of the discount, we have also considered the following key provisions included in the Topco Securityholders' Agreement:

  - Tag and drag-along rights: SG Fleet Shareholders who are Relevant Management Shareholders will benefit from the usual drag/tag along rights associated with private equity investors.

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- Transfer restriction: The ability of SG Fleet Shareholders who are Relevant Management Shareholders to dispose of their Topco Shares not associated with tag and drag along rights is limited.

1.52 In addition, we have also considered the following:

- Based on the tag-along provision in the Topco Securityholders' Agreement, SG Fleet Shareholders who are Relevant Management Shareholders will be able to exit their investment on terms no less favourable than PEP, being the controlling shareholder, although this may not occur for a number of years and there is no certainty that it will occur for a higher value than the Cash Consideration.

- The Topco Securityholders' Agreement allows PEP to charge a management service fee. The management fee may reduce the profitability of Topco during the holding period, all else equal. However, private equity investors have a well-established track-record of streamlining costs and operations, and such cost savings may partially or fully offset the additional cost of the management fee. Further, the management fee is not likely to affect the value of the business on exit.

- It is common for private equity owners to increase the business's underlying gearing, thereby increasing the associated equity risk.

1.53 **Based on the above considerations, a discount should be applied to the Scrip Consideration compared with the Cash Consideration to account for the above factors. In our opinion, the value of the Scrip Consideration is not higher than the Cash Consideration at the date of this Report**.

1.54 Notwithstanding our conclusions above, it is not feasible to undertake an accurate estimate of the value range of the Scrip Consideration due to the following:

- The cost structure of Topco after implementation of the Scheme is unknown at the time of this Report and it will be affected by the review of the operations that will be conducted, the strategic objectives and priorities of the new owner and changes implemented to the cost structure.

- Consistent with other private equity investments, PEP may charge a management fee to Topco, however this may not necessarily result in an increase of the cost structure given that by being privatised, SG Fleet will no longer incur public listing costs such as ASIC and ASX listing fees, investors relation, regular financial reporting, etc. and other areas of cost saving which may be identified by PEP.

- The capital structure of Topco, including the debt provided by PE equity and by third parties, is yet to be finalised at the date of this Report and this is required assess the equity value of Topco. It is not uncommon for PE-owned investments to exhibit a funding structure more weighted towards debt compared with the circumstances before the acquisition when SG Fleet was a public company. This debt will rank senior to the equity in Topco and hence will affect the value of equity in Topco. In addition, a higher level of debt increases the financial risk of the business and it may adversely affect it in a downturn and curtail its ability to grow and reduce the operational flexibility.

- Whilst this not expected to be a material issue but the capital structure of Topco will be affected by the elections made by the Relevant Management Shareholders to receive the Scrip Consideration, the Cash Consideration or a mix of them.

- We are not able to estimate the value of the business at exit with a reasonable basis. Also, the timing of the exit is uncertain.

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1.55 Refer to the Scheme Booklet for a detailed description of Topco and the various agreements, rights, and obligations.

Reasonableness Assessment

1.56 Under RG 111, the Scheme is reasonable if it is fair. Notwithstanding the above, we have summarised below the advantages, disadvantages and other factors in relation to Scheme.

Advantages

Premium for control

1.57 A premium for control is applicable when the acquisition of control of a company or business would give rise to benefits such as the ability to realise synergies, access technology, access tax benefits, and control of the board of Directors of the Company. The Cash Consideration of A$3.50 per SG Fleet Share represents a premium of:

- 31.1% to closing share price immediately before the announcement of the Scheme;
- 32.2% to the five-day VWAP prior to 24 November 2024;
- 30.1% to the 1-month VWAP prior to 24 November 2024; and
- 29.5% to the 3-month VWAP prior to 24 November 2024.

1.58 This premium for control is unlikely to be available to SG Fleet Shareholders in the absence of the Scheme or an alternative transaction.

Certainty of the cash consideration

1.59 SG Fleet Shareholders have the opportunity to receive a certain cash amount at a premium to the trading price of SG Fleet before the announcement of the Scheme, and at a premium to the price that SG Fleet Shares may trade in the short term in the absence of the Scheme or an alternative transaction. If the Scheme is implemented, SG Fleet Shareholders will no longer be exposed to the ongoing risks associated with holding an investment in SG Fleet, which are summarised below in a non-exhaustive manner:

- *Realisation of growth* - SG Fleet's forecast growth in the Internal Projections is in excess of broker consensus growth forecasts for both SG Fleet and its closest listed peer FleetPartners. Whilst SG Fleet is considered a market leader, the need to meet above market growth may pose a risk for the business in the absence of the Scheme.
- *Realisation of cost synergies* - A key driver of SG Fleet's NPATA growth is annual cost synergies related to the LeasePlan ANZ acquisition that the business expects to crystallise in FY26 and FY27. While Management is confident that the final phase of the integration program remains on track and the cost synergies will be realised in full, this remains a risk until they are fully realised, which may have an adverse impact on future trading prices in the absence of the Scheme.
- *Car sharing and electrification of vehicles* - The industry in which SG Fleet operates is currently going through a period of transition, primarily with regard to the global uptake of hybrid and electric vehicles and the transition, still in infancy, toward a usage model of vehicle ownership, evidenced by the strong recent growth in the ride and car sharing industries. While Management is confident that the Company is well poised to face the inevitable changes

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expected in the industry over coming years and decades, it is ultimately uncertain how the business will adapt to these changes, if new strong competition will emerge, and how the market will evolve.

- *Industry growth* - The new vehicle industry in Australia is characterised as mature and has been relatively stable over the years at c. 1.2 million of new car sales per year. After a short-term decline in new car sales to c. 900 thousand in CY20 on the back of COVID-19 related supply constraints, new car sales recovered and remained at c. 1.2 million in CY23 with CY24. This would suggest the market has recovered broadly in line with similar levels to pre-Covid, and the flat sales experienced in CY24 would be indicative that it appears that material market growth beyond this annual sales figure is unlikely. Australia already has a relatively high vehicle ownership rate per capita, leaving little room for continued market growth in new car sales.

- *Potential increase competition* - It is observed that, similar to SG Fleet and FleetPartners, competitors like McMillan Shakespeare and Smartgroup are considering expanding their on balance sheet funded leases, albeit currently on a smaller scale. In FY22, MMS introduced onboard finance, a funding warehouse designed to complement existing Principal and Agency funders, with the aim of enhancing profitability and providing a secure, flexible funding option for novated lease customers. Following ASIC's credit license approval in April 2022, MMS began financing novated leases through its RemServ and Maxxia brands, targeting 20% of novated leases to be financed via the warehouse. In FY22, Smartgroup initiated a pilot for balance sheet funding of fleet vehicles, though this is still in its early stages. Consequently, there is a risk that key market players may further expand into SG Fleet's core operating space, thereby increasing competition.

- *Control of major shareholder* - Super Group is SG Fleet's major shareholder, who at the time of the Scheme announcement owned 53.58% of SG Fleet Shares. This controlling interest reduces the takeover contestability of the Company as a change of control transaction will not occur without the agreement of Super Group. If the Scheme is not implemented, it may cast doubt on the ability of minority shareholders to effectively exit their investments in conjunction with a change of control transaction which may reduce liquidity going forward, with an adverse impact on the trading prices.

Sale process

1.60 The Scheme was the outcome of an extensive sale process undertaken by the Company with the assistance of its financial advisers during which numerous potential suitors were approached and Management engaged with several interested parties. The list of parties included both Australian and global entities, including interest from both financial sponsors and strategic investors. Several parties undertook varying levels of due diligence, and multiple parties engaged advisors to seriously consider potential opportunities.

1.61 The Scheme is the outcome of a fulsome sale process in which multiple parties were canvased, resulting in a single offer, being PEP's Indicative Proposal.

No brokerage costs

1.62 SG Fleet Shareholders will be able to realise their investment in SG Fleet without incurring any brokerage or stamp duty costs.

Disadvantages

Timing of the transaction is potentially opportunistic

1.63 The timing of the Scheme is potentially opportunistic due to the following:

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- The Company has not yet had the opportunity to crystallise most of the cost savings associated with the LeasePlan ANZ acquisition which are expected in FY26 and FY27. If the forecast cost synergies are eventually realised in full, there is likely to be a material uplift in profitability for the business, which may lead to an uplift in future dividends and future share price growth (in the absence of the Scheme). If the Scheme is implemented, SG Fleet Shareholders would effectively have endured the challenges of the integration process without experiencing the full benefits that may eventuate, which would ultimately accrue to the new owner. Whilst the trading prices of SG Fleet would reflect the market's view of the value of the synergies and they are incorporated into our valuation assessment, it is possible that the actual re-rating (in the absence of the Scheme), if the synergies are effectively realised at the same level anticipated by Management, may be greater.

- On the back of the release of the full-year FY24 accounts and FY25 guidance, it is possible that trading prices before the announcement of the Scheme may have been affected by short term negative sentiment, which is usually temporary and transitory in nature.

Lack of participation in future potential growth of the business

1.64 If the Scheme is implemented, SG Fleet shareholders will not be able to participate in any additional growth opportunities the business may experience, which we have summarised below in a non-exhaustive manner:

- The business has recently come off the back of a robust financial performance in FY24 as a result of the operating environment during COVID-19 leading a strong recovery in orders, delivery pipelines and abnormally high net EOL income per vehicle. While it is clear that these factors are normalising, it is possible that this normalisation may take longer than currently expected, and operating conditions may remain more favourable as outlined in the 1H FY25 accounts.

- Management expects business profitability to improve over the coming years as cost synergies from the LeasePlan ANZ acquisition are realised, but SG Fleet Shareholders will not be able to participate in this potential improved profitability if the Scheme is implemented. Although, as previously discussed, cost synergies are reflected into our valuation assessment.

- The industry is undergoing a stage of transition at present, with a shift toward hybrid and electric vehicles underway and evidence of a broad industry transition toward a vehicle usage model. These changes may present opportunities for the Company, which current SG Fleet Shareholders would not be able to participate in if the Scheme goes ahead.

- Only SG Fleet Shareholders who are Relevant Management Shareholders will have the opportunity to elect to receive all or part of their consideration in scrip and invest alongside private equity and potentially benefit by the track record and ability of PEP to grow the business. This may generate returns in excess of those that the SG Fleet Shareholders who are Relevant Management Shareholders may be able to generate if they elect to receive the Cash Consideration or invest the Cash Consideration in alternative assets with a similar risk profile.

FY25 dividend retained by PEP

1.65 SG Fleet has a history of paying regular interim and final dividends on an increasing basis each year[13]. FY23 dividends comprised an interim and final dividend of 8.9 cents and 7.3 cents, respectively, and FY24 comprised an interim and final dividend of 9.6 cents and 24.3 cents, respectively (including a special dividend of 15 cents per share).

[13] Excluding the COVID-19 period, where the quantum of total annual dividends declined in CY19 and CY20.

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1.66 Under the SID, SG Fleet is prevented from declaring, paying, or distributing any dividend, distribution, bonus, special payment, or other share of profit, which are listed as a Prescribed Occurrences. Accordingly, while the Scheme may not be implemented until the beginning of Q4 of FY25, PEP effectively retain any dividend that has accrued YTD up to implementation of the Scheme.

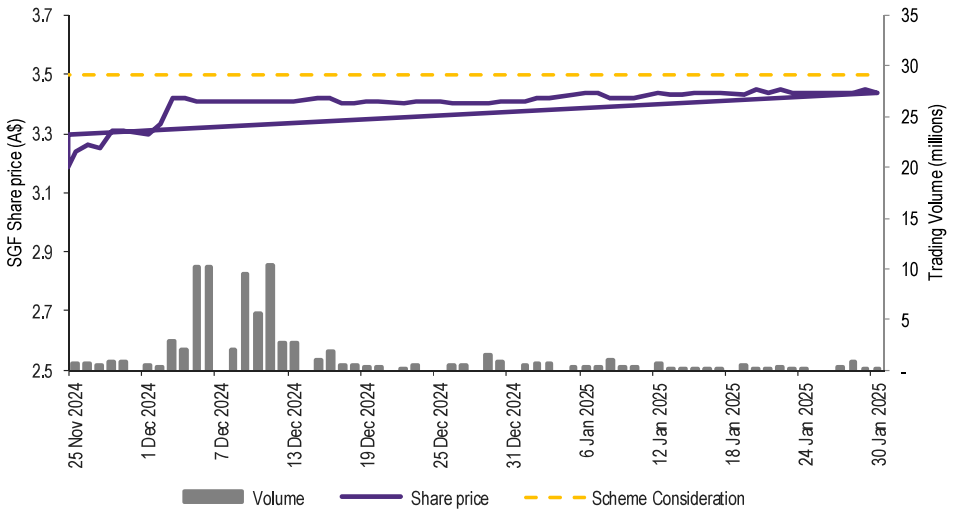
1.67 This retention of profit distributions that would otherwise have been owing the SG Fleet Shareholders is mitigated by the fact that our valuation assessment reflects the retained cash amount that would have otherwise been declared as a dividend. However, SG Fleet Shareholders may have potentially received additional benefits in the form of franking credits.

Other factors

Share price after the announcement

1.68 As set out below, upon the announcement of the PEP Indicative Proposal on 25 November 2024, the share price of SG Fleet has increased by 18.4% to A$3.16, and by a further 8.3% to A$3.42 on 4 December 2024 when the SID was released. Since then, SG Fleet has been traded substantially in line with the Cash Consideration, which is usually an indication of general support from investors, a perceived low risk of the Scheme not being implemented, and limited expectations for a superior proposal.

Figure 8 - Trading price and trading volume of SG Fleet after the announcement of PEP Indicative Proposal



Sources: S&P Global, GTCF Analysis.

Prospects of a superior offer

1.69 Whilst SG Fleet has agreed not to solicit any competing proposals or, subject to a fiduciary exception, to participate in discussions or negotiations in relation to any competing proposals, there are no material impediments to an alternative proposal being submitted by potentially interested parties. The transaction process may act as a catalyst for all interested parties and it will provide significant additional information in the Scheme Booklet and Independent Expert's Report to enable such potential acquirers to assess the merits of potential alternative transactions. If a superior proposal emerges before SG Fleet Shareholders cast their vote on the Scheme, the Scheme meeting may be adjourned or SG Fleet Shareholders may vote against it. In our opinion, given any potential new bidder would need to

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engage with SG Fleet's major shareholder Super Group before being able to meaningfully progress any potential proposal, this represents a further potential impediment.

1.70 We note that in the event that a competing superior proposal is announced and completed, SG Fleet may be required to pay a break fee of c. A$12.3 million to PEP. The break fee may also become payable under certain other customary circumstances. See the Scheme Booklet for further detail.

Implications if the Scheme is not implemented

1.71 If the Scheme is not implemented, all other things being equal, it is likely that SG Fleet Shares will trade at a price below the Cash Consideration, at least in the short-term. In our opinion, the prospect of SG Fleet Shares trading above Cash Consideration in the short term is limited, however, in the longer-term SG Fleet's trading price may settle at a level higher than before the announcement of the Scheme if forecast growth and cost synergy expectations can be realised.

1.72 We note that in the period after the announcement of the Initial PEP NBIO, FleetPartners' closing trading prices have reduced from A$3.25 on 22 November 2024 to A$2.87 on 30 January 2025, or c. 12% reduction. In the absence of the Scheme, all other things being the same, the trading prices of SG Fleet may have followed a similar pattern.

Tax implications

1.73 Acceptance of the Cash Consideration may crystallise a capital gains tax liability for SG Fleet Shareholders, however the taxation consequences for SG Fleet Shareholders will vary according to their individual circumstances and will be impacted by various factors. SG Fleet Shareholders should read the overview of tax implications of the Scheme set out in the Scheme Booklet and also seek independent financial and tax advice.

Conclusion on the reasonableness

1.74 Based on the qualitative factors identified above, it is our opinion that the **Scheme is REASONABLE**.

Overall conclusion

1.75 After considering the abovementioned quantitative and qualitative factors, Grant Thornton Corporate Finance has concluded that the Scheme is FAIR AND REASONABLE and hence in the BEST INTERESTS of SG Fleet Shareholders in the absence of a superior alternative proposal emerging.

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Other matters

1.76 Grant Thornton Corporate Finance has prepared a Financial Services Guide in accordance with the Corporations Act. The Financial Services Guide is set out in the following section.

1.77 In preparing this report we have considered the interests of SG Fleet Shareholders as a whole. Accordingly, this report only contains general financial advice and does not consider the personal objectives, financial situations or requirements of individual shareholders.

Yours faithfully

GRANT THORNTON CORPORATE FINANCE PTY LTD



ANDREA DE CIAN

Director



JANNAYA JAMES

Director

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Financial Services Guide

Grant Thornton Corporate Finance Pty Ltd

Grant Thornton Corporate Finance carries on a business, and has a registered office, at Level 26, 225 George Street, Sydney NSW 2000. Grant Thornton Corporate Finance holds Australian Financial Services Licence No 247140 authorising it to provide financial product advice in relation to securities and superannuation funds to wholesale and retail clients.

Grant Thornton Corporate Finance has been engaged by SG Fleet Group Limited to provide general financial product advice in the form of an independent expert's report in relation to the Scheme. This report is included in the Scheme Booklet outlining the Scheme.

Financial Services Guide

This Financial Services Guide has been prepared in accordance with the Corporations Act, 2001 and provides important information to help retail clients make a decision as to their use of general financial product advice in a report, the services we provide, information about us, our dispute resolution process and how we are remunerated.

General financial product advice

In our report we provide general financial product advice. The advice in a report does not take into account your personal objectives, financial situation or needs.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal retail financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

Remuneration

When providing the Report, Grant Thornton Corporate Finance's client is the Company. Grant Thornton Corporate Finance receives its remuneration from the Company. In respect of the Report, Grant Thornton Corporate Finance will receive from SG Fleet a fixed fee of A$300,000 (plus GST) which is based on commercial rates, plus reimbursement of out-of-pocket expenses for the preparation of the report. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority.

Except for the fees referred to above, no related body corporate of Grant Thornton Corporate Finance, or any of the directors or employees of Grant Thornton Corporate Finance or any of those related bodies or any associate receives any other remuneration or other benefit attributable to the preparation of and provision of this report.

Independence

Grant Thornton Corporate Finance is required to be independent of SG Fleet Group Limited and Pacific Equity Partners in order to provide this report. The guidelines for independence in the preparation of

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independent expert's reports are set out in RG 112 Independence of expert issued by ASIC. The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

"Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with SG Fleet and PEP (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation the Scheme.

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Scheme, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the transaction. Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

Grant Thornton Corporate Finance considers itself to be independent in terms of RG 112 "Independence of expert" issued by the ASIC."

Complaints process

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Australian Financial Compliance Authority (membership no. 11800). All complaints must be in writing and addressed to the Chief Executive Officer at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Australian Financial Compliance Authority who can be contacted at:

Australian Financial Compliance Authority
GPO Box 3
Melbourne, VIC 3001
Telephone: 1800 931 678

Grant Thornton Corporate Finance is only responsible for this report and FSG. Complaints or questions about the Scheme should not be directed to Grant Thornton Corporate Finance. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

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2. Outline of the Scheme

Key terms of the Scheme

2.1 *Consideration* – Under the Scheme, SG Fleet Shareholders will be entitled to receive A$3.50 in cash for each SG Fleet Share. Certain SG Fleet Shareholders who are Relevant Management Shareholders will be able to elect to receive all or part of the Scheme Consideration (at their election) in the form of scrip in Topco[14] at a price equivalent to A$3.50 per share based on an exchange ratio of 3.50 Topco Shares for each SG Fleet Share. SG Fleet Shareholders who are Relevant Management Shareholders represent a different class member for the purpose of the Scheme.

2.2 *Conditions precedent* – We have set out below the key conditions precedent included in the SID, each of which must be satisfied or waived, if capable of waiver, before the Scheme can become effective (refer to the Scheme Booklet for a comprehensive list):

- Approval of the Scheme by SG Fleet Shareholders and by the Court.
- Receipt and/or fulfilment of required regulatory approvals, including in relation to FIRB, OIO, and UK FCA.
- ASIC and ASX each issue or provide the consents, waivers, and approvals required to implement the Scheme.
- The Independent Expert concludes, and continues to conclude, that the Scheme is in the best interests of SG Fleet Shareholders.
- No SG Fleet prescribed occurrences and no material adverse change (as defined in the SID).
- Other conditions precedent typical for a transaction of this type.

2.3 *Equity Incentives* – SG Fleet has 13,438,762 Options, 2,908,596 Performance Rights, and 1,113,758 Restricted Equity Rights on issue. Subject to the Scheme becoming effective, the SG Fleet Board will exercise its discretion to accelerate the vesting of the equity incentives such that the holders are issued SG Fleet Shares which are then eligible to be included in the Scheme.

2.4 *Break Fee* – A break-fee of A$12,267,000 (exclusive of GST) may become payable by SG Fleet to Bidco if the Scheme does not proceed due to:

- Any of the Directors failing to make the recommendation to vote in favour of the Scheme (as defined in the SID), adversely changes, withdraws, adversely modifies or adversely qualifies the recommendation to vote in favour of the Scheme, or publicly indicates they no longer recommend the Scheme or recommends, supports, or endorses a competing proposal (as defined in the SID), except in limited circumstances as set out in the SID.
- A competing proposal (as defined in the SID) is made or announced before the end of the exclusivity period and, within nine months thereafter, that competing proposal or a subsequent competing proposal is completed, implemented, or consummated and results in a person or persons (other than a member

[14] Topco is the ultimate parent entity of Westmann Bidco Pty Limited.

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of the Bidder Group), obtaining control of SG Fleet, merging, or amalgamating with SG Fleet or acquiring (directly or indirectly) an interest in all or a substantial part of the business or assets of SG Fleet.

- Bidco terminates the SID due to a material breach by SG Fleet of the terms of the SID.

2.5 *Major shareholder's support* – SG Fleet's major shareholder, Super Group, who at the time of the Scheme announcement owned 53.58% of the SG Fleet Shares, is required to obtain approval from its shareholders by way of an extraordinary general meeting in order to vote its holding in SG Fleet in favour of the Scheme. This approval is required under Super Group's local stock exchange rules. Super Group and SG Fleet have entered into a cooperation agreement under which Super Group has agreed to convene a general meeting of Super Group's shareholders with the unanimous recommendation of the Super Group Board to vote in favour of the Scheme, in the absence of a superior proposal and subject to the SG Fleet Independent Expert concluding that the Scheme is in the best interest of SG Fleet Shareholders. Under the cooperation agreement, Super Group has agreed not to dispose of any interest in its SG Fleet shareholding during the term of the SID. Super Group intends to hold this meeting in February 2025 in order to support the Scheme.

2.6 *Other* – The SID contains customary exclusivity provisions, including no shop and no talk restrictions, restrictions on providing or making available information or access to due diligence (with the no talk and no due diligence restrictions subject to a fiduciary carve-out), notification rights in certain circumstances, and a matching counterproposal right for PEP in the event the Directors receive a competing proposal.

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3. Purpose and scope of the report

Purpose

Section 411 of the Corporations Act

3.1 Section 411 of the Corporations Act regulates Schemes of Arrangement between companies and their members. Part 3 of Schedule 8 prescribes information to be sent to shareholders and creditors in relation to members' and creditors' Schemes of Arrangement pursuant to Section 411 of the Corporations Act.

3.2 Part 3 of Schedule 8 (clauses 8303 and 8306) of the Corporations Regulations requires an independent expert's report in relation to a Scheme of Arrangement to be prepared when a party to that scheme has a shareholding greater than 30% in the company subject to the scheme, or where any of its directors are also directors of the company subject to the scheme. In those circumstances, the independent expert's report must state whether a scheme is in the best interests of shareholders and state reasons for that opinion. Even where there is no requirement for an independent expert's report, documentation for a Scheme of Arrangement typically includes an independent expert's report.

3.3 While there is no legal requirement for an Independent Expert Report to be prepared in respect of the Scheme, the Directors have requested Grant Thornton Corporate Finance to prepare an independent expert's report to express an opinion as to whether the Scheme is in the best interests of SG Fleet Shareholders.

Basis of assessment

3.4 In determining whether the Scheme is in the best interests of the Company's members, Grant Thornton Corporate Finance has had regard to relevant Regulatory Guides issued by the ASIC, including Regulatory Guide 111 Content of expert reports, Regulatory Guide 60 Schemes of arrangement, and Regulatory Guide 112 Independence of experts. The IER will also include other information and disclosures as required by ASIC. We note that neither the Corporations Act nor the Corporations Regulations define the term "in the best interests of members".

3.5 RG 111 establishes certain guidelines in respect of independent expert's reports prepared for the purposes of the Corporations Act. RG 111 is framed largely in relation to reports prepared pursuant to Section 640 of the Corporations Act and comments on the meaning of "fair and reasonable" in the context of a takeover offer. RG 111 requires an independent expert report prepared for a change of control transaction implemented by way of Scheme of Arrangement to undertake an analysis substantially the same as for a takeover bid. However, the opinion of the expert should be whether or not the proposed scheme is "in the best interests of the members of the company". If an expert were to conclude that a proposal was "fair and reasonable" if it was in the form of a takeover bid, it will also conclude that the proposed scheme is "in the best interests of the members of the company".

3.6 Pursuant to RG 111, an offer is "fair" if the value of the offer price or consideration is equal to or greater than the value of the securities that are subject of the offer. A comparison must be made assuming 100% ownership of the target company (among other matters).

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3.7 RG 111 considers an offer to be "reasonable" if it is fair. An offer may also be reasonable if, despite not being "fair" but after considering other significant factors, the expert believes that there are sufficient reasons for shareholders to accept the offer in the absence of any higher bid before the close of the offer.

3.8 In our opinion, the most appropriate way to evaluate the fairness of the Scheme is to compare the fair market value of SG Fleet on a control basis with the market value of the Cash Consideration. We have also ensured that the Scrip Consideration, which is only available to the SG Fleet Shareholders who are Relevant Management Shareholders, does not provide superior value compared with the Cash Consideration.

3.9 In considering whether the Scheme is in the best interests of SG Fleet Shareholders, we have considered a number of factors, including:

- Whether the Scheme is fair;
- The implications to SG Fleet Shareholders if the Scheme is not implemented;
- Other likely advantages and disadvantages associated with the Scheme; and
- Other costs and risks associated with Scheme that could potentially affect SG Fleet Shareholders.

Independence

3.10 Prior to accepting this engagement, Grant Thornton Corporate Finance (a 100% subsidiary of Grant Thornton Australia Limited) considered its independence with respect to the Scheme with reference to RG 112 issued by ASIC.

3.11 Grant Thornton Corporate Finance has no involvement with, or interest in, the outcome of the approval of the Scheme other than that of an independent expert. Grant Thornton Corporate Finance is entitled to receive a fee based on commercial rates and including reimbursement of out-of-pocket expenses for the preparation of this report. Except for these fees, Grant Thornton Corporate Finance will not be entitled to any other pecuniary or other benefit, whether direct or indirect, in connection with the issuing of this report. The payment of this fee is in no way contingent upon the successful implementation of the Scheme.

3.12 In our opinion, Grant Thornton Corporate Finance is independent of SG Fleet and its Directors and all other relevant parties of the Scheme.

Compliance with APES 225 Valuation Services

3.13 This report has been prepared in accordance with the requirements of the professional standard APES 225 Valuation Services as issued by the Accounting Professional & Ethical Standards Board. In accordance with the requirements of APES 225, we advise that this assignment is a Valuation Engagement as defined by that standard as follows:

3.14 "An Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Member is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Member at that time."

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4. Industry overview

Overview and business model

4.1 The Vehicle Leasing and Fleet Management Industry encompasses a range of services and solutions aimed at efficiently managing novated leases and commercial vehicle operations on a large scale. Industry participants, such as SG Fleet, provide a number of different products and solutions that relieve enterprises and government entities of the complex and potentially costly administrative processes required to procure, maintain, and dispose of their own fleets, as well as provide time efficient and cost-effective novated leasing products for individuals.

4.2 Products offered by the Vehicle Leasing and Fleet Management Industry in Australia can be broken down into the following segments. For the avoidance of doubt, for the remainder of this section, where we refer to "fleet manager", we are referring to the outsourced manager that operates or overseas a fleet of novated lease vehicles and/or a commercially managed fleet on behalf of a customer:

- *Fleet Management* - comprises of vehicle management services that cover the operations of a coordinated fleet. Fleet managers are typically able to conduct these services at higher efficiency and lower cost given their specialised expertise, economies of scale, access to lower funding costs, and long-standing relationships with vendors. Furthermore, fleet management services are often end-to-end, covering the entire vehicle's life cycle as discussed below:
  - Vehicle acquisition - Fleet managers finance and procure vehicles on behalf of customers and assist with, or completely manage the process of pricing and quoting, funding, acquiring, accessorising, and delivering fleet vehicles.
  - In-life services - Encompasses all fleet costs associated with the maintenance and continued operation of the leased vehicle. This includes, but is not limited to, mobility services such as vehicle registration and renewal, scheduled vehicle servicing, tyre replacement, insurance, etc. Fleet managers may also provide other products and services unrelated to vehicle operation such as vehicle accessories, redundancy protection, etc.
  - Disposal - For certain leases, once a lease contract expires, vehicle disposal is handled by the fleet manager. This effectively transfers the risk of residual value of the vehicle and disposal costs to the lease manager and removes the administrative burden of managing fleet disposals for the customer.
- *Vehicle leasing* - is comprised of various lease types and products that allow enterprise and government customers to lease vehicles for a specific period typically ranging between two and five years. This product often includes options to provide an end-to-end solution for the life of the lease, including maintenance and on-going operational services. Vehicle leasing typically falls under two main categories, being corporate and novated leases. Both corporate and novated leases can be funded either on balance sheet or off balance sheet. .
  - Corporate leases refer to 'tool of trade' vehicles leased to corporate and government clients, which are typically broken down as:
    - Operating lease - Under an operating lease, the fleet manager provides the customer with exclusive use of a vehicle for the life of the lease. At the end of the lease, the customer is required to return the vehicle to the fleet manager. Under this contract, the fleet manager bears

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the financial risk associated with the residual value of the vehicle at the end of the lease, subject to some pre-agreed terms regarding kilometres, wear and tear, damage, etc. Operating leases can include sale and leaseback arrangements, where a customer sells their vehicles to the leasing and fleet management company with an agreement to immediately lease the vehicle back.

- Finance lease - Similar to an operating lease, however, the fleet manager does not bear residual value risk as the customer is required to take ownership of the vehicle at the end of the lease or compensate the lessor for any shortfall between the agreed residual value at inception of the lease and the actual value at the conclusion of the lease.

- Salary packaging/novated leasing[15] - comprises of salary sacrifice product packages where employees agree to reduce a portion of their pre-tax salary in exchange for an equivalent benefit paid by their employer. This benefit is often arranged in the form of a leased vehicle, or the packaging of other allowable expenses. This type of product benefits employees by reducing their taxable income and reducing administrative burdens of vehicle ownership, particularly if the lease includes maintenance and operational management.

4.3 Market participants typically finance these fleets using two main funding methodologies, as summarised below:

- *On balance sheet funding* - consists of securitised and non-securitised funding. Securitised funding usually involves multiple financiers that provide loan notes to a bankruptcy-remote securitisation warehouse with the condition of a lien on (an) agreed asset(s). Non-securitised funding refers to any form of on balance sheet funding that is not a securitisation warehouse, such as a line of credit, a revolving facility, or a hire purchase.

- *Off balance sheet funding* - consists of principal and agent funding from third party financiers. Similar to on balance sheet funding, the fleet manager arranges the funding of leases on behalf of the customer from a third-party financier/lessor. The financier/lessor retains the credit risk and the fleet manager assumes the residual value risk.

Market Size and Demand Drivers

4.4 Demand in the Vehicle Leasing and Fleet Management Industry is mostly driven by large enterprises (who may offer novated leasing options to their employees or have a fleet of commercial vehicles available), freight transport operators, and governments. These entities often require lease contracts that can accommodate fleets at scale, with larger participants signing contracts involving potentially thousands of vehicles. As a result, industry performance is particularly sensitive to changes in contract terms and shifts in customer demand. We have set out some key demand drivers as follows:

- *Economic factors* - Motor vehicles are generally considered an expensive asset to acquire and therefore economic conditions significantly impact general demand for new motor vehicles and, consequently, fleet management and vehicle leasing products. Factors such as interest rates, overall economic growth and prosperity, and global fuel prices all influence demand in this industry.

[15] Though not specifically distinct from a financing or operating lease, we have included here the definition of salary packing/novated leasing for the readers benefit, as this provides important context for discussion throughout the report.

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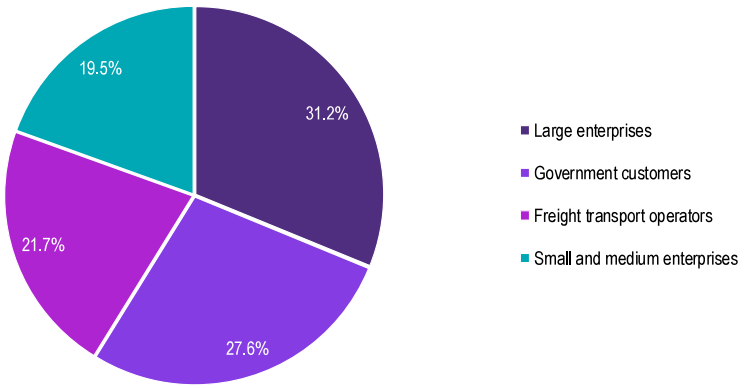
- *Demand for private transportation* - Demand for transportation is directly correlated with the performance of the industry. During COVID-19, travel restrictions and isolation protocols decreased traffic volumes and, consequently, the need for leased vehicles. Further, the availability and convenience of public transport infrastructure impacts the demand for private vehicles as a method of transportation. Continued improvement of public transport, particularly connecting main city centres and surrounding suburban areas, is likely to have an impact on demand for products in this industry.

- *Trends in customer preferences* - Changes in consumer trends for new vehicles, technology, pricing, and features result in constantly evolving consumer preferences regarding vehicles. This impacts the industry by constantly changing underlying demand for various vehicles and products, and the extent to which specific vehicles can be marketed, acquired, and disposed. Recent examples include the increase in popularity of compact SUVs, hybrids, and the uplift in the adoption of EVs.

- *Regulatory environment* - Demand for novated leases is driven by changes in tax concessions and associated government policy. For instance, in 2013, the Australian Government announced changes to how FBT is calculated, which affected novated leasing, impacting industry performance. Further, in 2022, the Australian Government introduced legislation for the exemption of FBT on eligible electric vehicles in order to increase the uptake of EVs. The current government will complete a review of this exemption in mid-2027.

4.5 We have summarised the four key client markets for the Vehicle Leasing and Fleet Management Industry below.

Figure 9 - Forecast FY25 revenue by customer market for the Vehicle Leasing and Fleet Management Industry in Australia



Sources: IBISWorld, GTCF Analysis.
Notes: (1) Regarding the categorisation of revenue by customer market, we note that industry data sources can vary significantly based on differences in how data providers categories and amalgamated customer and revenue data. (2) The above percentages are not definitively correct and are intended to provide a broad overview of the main customers in the industry, notwithstanding the fact that these individual percentages may vary significantly between different data sources.

Key Industry Revenue

4.6 The Vehicle Leasing and Fleet Management Industry in Australia is considered mature and relatively stable.

4.7 We have outlined a summary of the key revenue streams and service offerings provided by the Vehicle Leasing and Fleet Management Industry below:

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- *Rental and Finance Income* - Rental and finance income is derived from leased vehicles primarily funded on balance sheet. Rental income is generated by vehicles under operating leases, and finance income is generated by vehicles under a finance lease.

- *Vehicle Risk Income (VRI)* - VRI is derived from underwriting a long-term risk position on a vehicle at lease commencement. The financial outcome depends on various maintenance/operating circumstances, as well as used car market conditions over the vehicle's life. VRI includes an end-of-lease (EOL) component (revenues from the sale of vehicles due to underwriting residual value risk) and an in-life component (revenues from underwriting maintenance and other running costs). EOL VRI is largely transactional, driven by the volume of operating lease disposals and used vehicle pricing. In-life VRI combines annuity and transactional income, driven by the number of open-contract vehicles and those with underwritten maintenance risk positions. We note that EOL VRI is earned exclusively on operating leases as this lease structure sees the vehicle returned to SG Fleet at the end of the lease term.

- *Mobility Services Income* - Mobility services revenue encompasses the products and services necessary to maintain a vehicle's roadworthiness and compliance. This includes income from vehicle registration and insurance, breakdown or accident assistance, telematics, and safety inspections and is earned on both the on balance sheet and off balance sheet fleet. Mobility services income also includes income from car-share bookings. This revenue stream is annuity based, primarily driven by the size of the funded fleet, and recognised over time due to continuous performance obligations provided to customers throughout the lease term.

- *Additional Products and Services* - Revenue from additional products and services is generated by items not typically related to keeping the vehicle operational. This includes income associated with the sale of vehicle accessories (e.g. electronics, EV charge cables, window tint, bull bars etc.), early termination for products, and redundancy insurance commissions. This income stream is largely transactional, with the key revenue drivers being the volume of funded deliveries and the additional products' penetration rates. Revenue from the sale of these products and services is recognised upon receipt or when the right to receive payment is established and the performance obligation is satisfied. For example, upfront establishment fees are recognised over the contract term, while revenue related to such items as the waiver of the lessee's wear and tear obligations is recognised at the end of the lease term.

- *Finance Commission* - Finance commission income is earned on leased vehicles funded off balance sheet. This income stream is largely transactional and incurs no direct costs. The key driver is the volume of Principal & Agency funded deliveries. Introductory commissions are recognised in profit or loss in full at the point in time when the finance is introduced to the relevant financier. Trailing commissions for the collection and distribution of ongoing customer rentals to the financier are recognised over time.

Key growth drivers

Economic fundamentals

4.8 Motor vehicles are generally considered an expensive asset that requires careful consideration before acquisition. As a result, market activity and levels of discretionary income are moderately correlated with the performance of vehicle leasing and hiring, partly offset by a lag given the contractual revenue nature of the industry. We provide a brief economic memo of relevant geographies beyond Australia in the context

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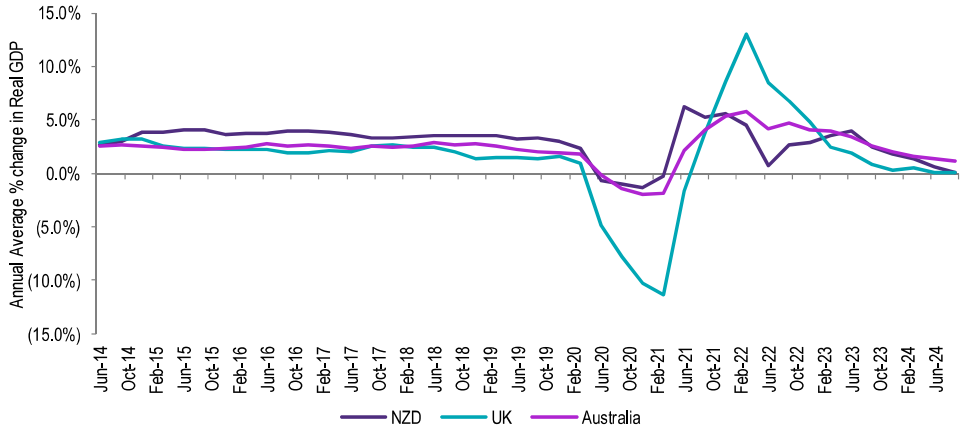
of the Vehicle Leasing and Fleet Management Industry below. We have also provided the real GDP growth movement between June 2014 and September 2024 in Figure 10.

Figure 10 - Real GDP growth for Australia, New Zealand, and the UK



Source: Royal Bank of New Zealand, Stats NZ, GTCF Analysis.

New Zealand

4.9 Similar to Australia, New Zealand economic indicators demonstrate a normalisation of economic conditions post-recovery from the COVID-19 pandemic. Real GDP growth has largely returned to levels in line with pre-pandemic figures, with growth between FY21 to FY24 averaging c. 3.5% compared to c. 3.2%[16] in the period prior to COVID -19. However, as shown in Figure 10, partial volatility post-FY21 can still be observed, mostly driven by movements in cash rates as the Reserve Bank of New Zealand aims to bring inflation back to its target range of 1.0% to 3.0%. As at September 2024, annual CPI rates declined to 2.2%, being the first time New Zealand has met its target inflation range since the pandemic.

4.10 Going forward, subdued economic conditions in New Zealand are expected to stabilise, which will likely positively impact the Vehicle Leasing and Fleet Management Industry. Supporting this, the Motor Industry Association of New Zealand (MIA) reported an uplift in vehicle registrations in New Zealand as at December 2024 of c. 5.6%, reflecting a partial recovery from past market volatility. Additionally, the MIA commented that regulatory changes are the key risk moving forward for the industry instead of market volatility, citing the expiry of the Clean Car Discount in December 2023 and the need for vehicle industries to navigate the more recent, more strict Clean Car Standards.

United Kingdom

4.11 Although the economies of the United Kingdom and Australia are broadly similar, the United Kingdom was disproportionally impacted by the COVID-19 pandemic, with a higher number of detected viral strains. Accordingly, the UK experienced higher volatility in real GDP growth rates compared to Australia and New Zealand, with growth rates fluctuating between c. -11.4% and c. 13.0% in March 2021 and March 2022, respectively. Although, after continuous efforts from the UK Government including the Furlough Scheme and Bounce Back Loan Scheme, UK GDP growth rates are showing signs of normalisation.

[16] Pre pandemic average real GDP growth calculated using an average of quarterly growth rates between FY14 and CY19

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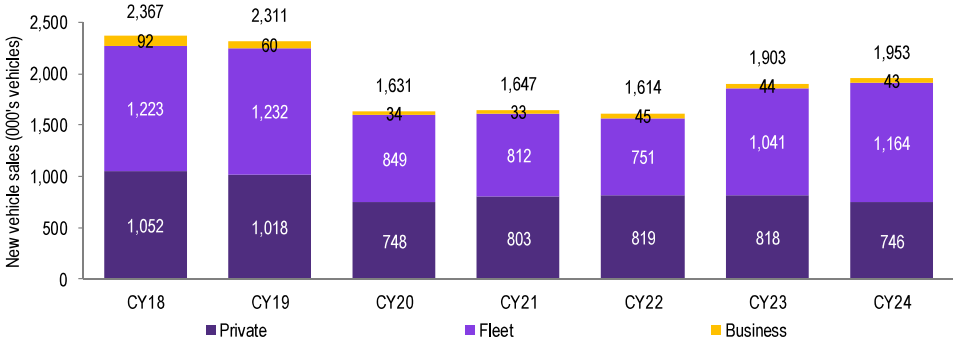
4.12 Given recent market volatility, new vehicle registrations have not fully recovered to pre-COVID-19 levels, with recent recovery in CY23 and CY24 mostly being driven by fleet businesses looking to upgrade their vehicles based on compelling tax incentives on battery electric vehicles for non-private buyers. However, despite government incentives such as the 2% BIK tax rate, private new car registrations continue to exhibit weak demand due to concerns over the economic climate, and EV pricing and charging infrastructure. Going forward there is a risk that new car registrations plateau as fleet businesses complete the replenishment/upgrading of their existing fleets and private vehicle registrations do not pick up. We have outlined below new car registrations in the UK, showcasing that registrations remain below CY18 and CY19 levels, primarily driven by the lack of recovery in private registrations.

Figure 11 - New car registrations in the United Kingdom



Source: SMMT, GTCF analysis.

Business confidence

4.13 Consumer sentiment and business confidence plays a role in the growth of the motor vehicle industry in Australia and is therefore a key driver of growth in the Vehicle Leasing and Fleet Management Industry. High disposable income and wealth increases discretionary spending, which in turn promotes demand for private vehicles. The relationship between business confidence and the Vehicle Leasing and Fleet Management Industry is more complex, and higher/lower business confidence does not necessarily relate in higher/lower activity in the Vehicle Lease and Fleet Management Industry. For example, during the pandemic, when the drop in business confidence across geographies (as displayed in Figure 12) was closely associated with cuts in non-core business expenditure likely led to some businesses assessing their fleet size. Alternatively, some businesses may have reacted to the significant uncertainty and need to carefully manage capital by seeking greater efficiency in the management of their fleet or considering the opportunity to generate short-term capital via sale and lease back agreements. Such examples emphasise that the relationship between business confidence and Vehicle Leasing and Fleet Management Industry revenue is not necessarily linear or easily predictable. Notwithstanding this complex relationship, post-recovery, corporate buyers are expected to rebound, driven by the need to upgrade their fleets to newer, more efficient models after a period of supply shortages in order to preserve current operations and increase productivity. However, this growth in the industry is expected to be partly offset by the ongoing cost of living pressures driven by elevated interest rate policies that governments have taken to control inflation.

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Figure 12 - OECD Business confidence index across selected geographies



Source: OECD Business confidence index, GTCF analysis.

New and used vehicle sales

4.14 The performance of the Vehicle Leasing and Fleet Management Industry is closely linked to new and used vehicle sales as it represents both the demand for the industry and the trends in client preferences, such as the shift towards EVs and fuel-efficient automobiles. Below we discuss the key vehicle markets that drive the Vehicle Leasing and Fleet Management Industry.

New car market

4.15 The new car market is a key growth driver for the Vehicle Leasing and Fleet Management Industry due to its correlation with consumer and business confidence, and demand for vehicles. Elevated new car sales grow the potential volume of leases as underlying vehicle demand increases. Higher general vehicle demand provides fleet operators with more opportunities to pitch alternate vehicle solutions, and provide incentives such as customisation, a larger variety of options, lower prices, etc. Additionally, growth in demand for new vehicles may indirectly increase the pricing and demand for used vehicles, as some purchasers may be priced out of buying new vehicles if excessive demand increases new vehicle prices. We note, however, that this may be partly offset by the fact that increased activity in the new car market will inevitably uplift supply in the used car market, which may ultimately place downward pressure on used car prices. In Figure 13, we have set out historical new car sales volume in Australia split by client type.

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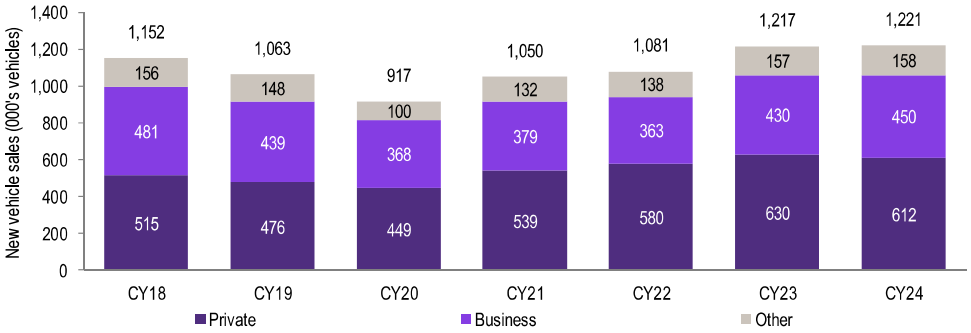
Figure 13 - New car sales volume in Australia



Sources: VFACTS, GTCF analysis
Notes: (1) 2024 VFACTS Private and Business split figures includes Polestar car sales to March and Tesla car sales to June. Due to this, CY24 total presented in the chart of c. 1.22 million is marginally lower than actual total new vehicle sales of c. 1.24 million reported by VFACTs. (2): "Other" category includes Rental, Heavy Commercial and Government vehicle sales.

4.16 As set out in the charts above, the number of vehicles sold in the Australian new car market has recently recovered back in line with CY18 numbers. According to VFACTS[17], the annual new car sales in Australia have recovered to c. 1.2 million in CY24, up 6.0% against CY18. As discussed above, the initial decline was largely driven by production and supply chain constraints, which were both caused by the pandemic, which reduced global production, slowed economies, and generally created a volatile macroeconomic environment over the past five years.

4.17 As constraints eased, demand quickly recovered as clients attempted to fulfil vehicle purchases that were previously delayed. Post-recovery, as order backlogs are fulfilled, demand for new car sales is expected to normalise, with IBISWorld estimating dealing volumes to increase at a CAGR of c. 1.3% over the five years between 2024 and 2029[18]. We note that whilst CY24 was a strong result for vehicle sales, the market softened towards the end of 2024, with expectations for this trend to continue into 2025 due to cost-of-living pressures. Toyota, the largest vehicle brand in Australia, in January 2025, forecast new vehicle sales for CY25 to be between 1.17 million and 1.18 million[19], a c. 5.4% to 4.6% decline respectively from c. 1.24 million sales in CY24. This was mostly attributed to Australia being one of the most competitive vehicle markets in the world, which is expected to drive heavy discounting during CY25 as the vehicle market continues to clear excess stock.

4.18 The Australian new car market is also likely to be indirectly impacted over the short- to medium-term by international trade policy in both the United States and Europe, designed to protect the domestic automotive industry of these countries from the rapidly expanding Chinese EV manufacturing market. In early 2024, the United States increased the tariff on certain Chinese imports (including EVs) from 25% to 100%, and since then, President Donald Trump vowed to place further tariffs on Chinese imports to the United States, though the specific policy position proposed is not clear. In Europe, policymakers at the European Commission are also considering further tariffs on Chinese EV manufacturers in a bid to support local European automobile production. Although the outcome of such political posturing is uncertain, it is clear that further tariffs on Chinese EV manufacturers may drive surplus EV product from China to Australian markets, potentially resulting in a significant influx of Chinese EVs that may saturate the new car market in Australia. The impact of cheaper EVs entering Australia will likely result in closer vehicle price parity between Internal Combustion Engine (ICE) vehicles and EVs, potentially shifting consumer

[17] The source of motor vehicle sales data for the Australian Bureau of Statistics.
[18] IBISWorld report - New Passenger Motor Vehicle Sales, released May 2024
[19] Article published by MyCar.com *"Toyota forecasts slower sales and price reductions in 2025"*, released 6 January 2025

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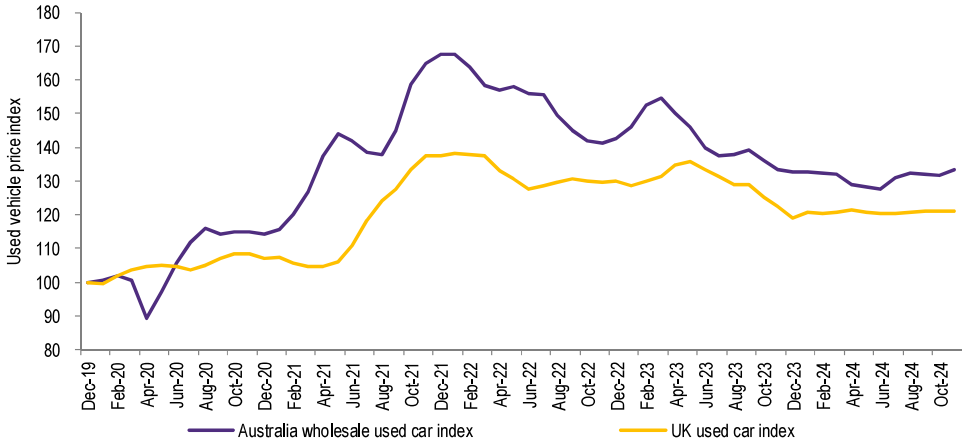
demand from existing brands to newer entrants. This could lead to increased discounting in CY25 whilst existing manufacturers adjust vehicle supply in the Australian market.

4.19 Although Australia no longer has any domestic manufacturing, it is generally considered to have a highly diverse automotive market that continues to expand as more international OEMs, particularly Chinese manufacturers, become available in the Australian market. In contrast, the United Kingdom market may experience a reduction in diversity of OEMs in the local market over the coming years as more stringent emissions requirements for vehicle sales in the United Kingdom may lead some manufacturers to reconsider their presence in the market.

Used car market

4.20 As the supply of new cars was significantly constrained during the pandemic, excess demand naturally transferred to the used car market. As shown in Figure 14, average prices of used vehicles saw significant uplifts during the pandemic, with a two-year CAGR of c. 29.4% between CY19 and CY21. This increase in used car values translated to higher profits for the industry, with participants benefiting from higher vehicle residual values and a larger used car market to sell to, especially considering the existence of delays up to 18 months for certain new vehicle models. Going forward, rising borrowing costs and recovering supply chains, in conjunction with future expected discounting by manufactures to clear excessive stock, are expected to put downward pressure on used vehicle pricing as volume is expected to normalise in the used car market.

Figure 14 - Used vehicle price index rebased to December 2019



Source: GTCF analysis, Cox Automotive Dec24 used vehicle value index, Office for National Statistics CPI index second hand cars
Notes: (1) Australia used car index is exclusive of retail second hand car sale prices.

Electric vehicles

4.21 Growing concerns around climate change have led to significantly higher adoption of EVs as a result of increased public policy incentives from governments, and a broader focus on the environment in general. As shown in

4.22 Figure 15, global EV penetration rates have grown consistently from approximately 4.2% in CY20 to 18% in CY23, with total EV sales rising to 13.8 million in CY23 compared to c. 3.0 million in CY20[20]. While this

[20] Global EV Outlook 2024 released by the International Energy Agency, PDF, pg.11

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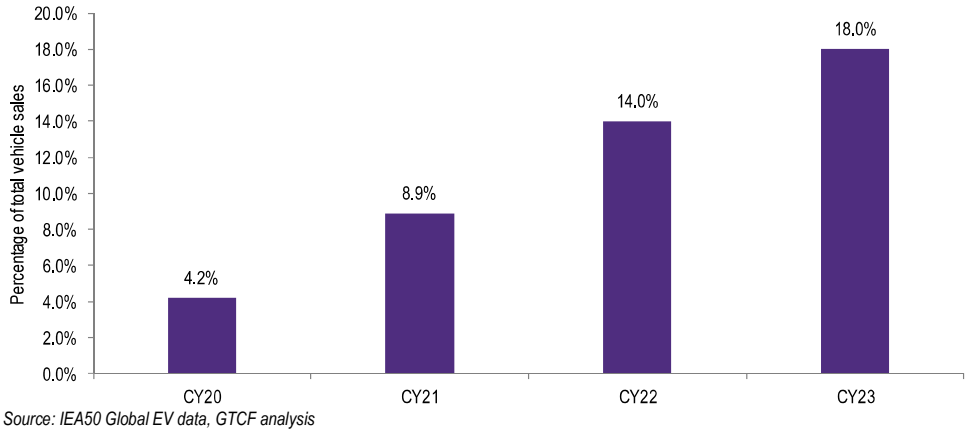
trend remains positive, global EV sales are mostly concentrated in a handful of leading developed markets. For example, in CY23, just under 60%, or approximately 8.1 million new registrations for EVs, were in China, with c. 25% in Europe, and 10% in the United States.

Figure 15 - Historical average global electric vehicle penetration

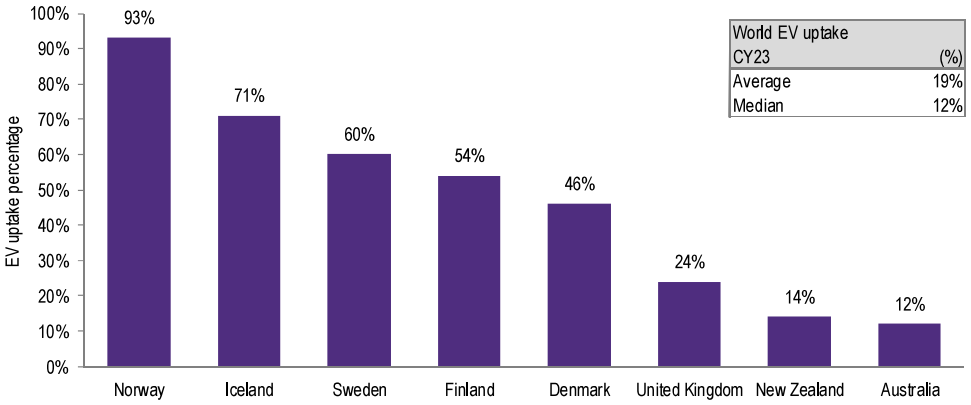


Source: IEA50 Global EV data, GTCF analysis

4.23 As penetration in these leading markets plateau, global EV penetration rates and sales volumes may stagnate and further growth in EV penetration will likely need to be derived from changes in government policies and infrastructure initiatives by other countries.

4.24 According to CSIRO projections, adoption of EVs in Australia is early stage and marginally behind world averages as at CY23 (as displayed in Figure 16). This was mostly driven by a delayed adoption of EV incentives and investments in charging infrastructure. In conjunction with general consumer anxiety due to a lack of model choice, pricing, and concerns over battery range, Australians are continuing to prefer hybrid vehicles over pure electric vehicles in the short term. Although, as Australia's EV penetration rates catch up to the global average, it is uncertain where penetration rates will ultimately settle.

Figure 16 - CY23 electric vehicle penetration of selected countries



Source: IEA50 Global EV data, GTCF analysis

4.25 As shown in Figure 17, in Australia, penetration rates are expected to increase substantially from c. 12% in CY23 to c. 78.3% in CY35. As stated in paragraph 4.21, although public sentiment and shifting demand indicate positive growth for EVs globally, we note that the degree of EV penetration rates is dependent on

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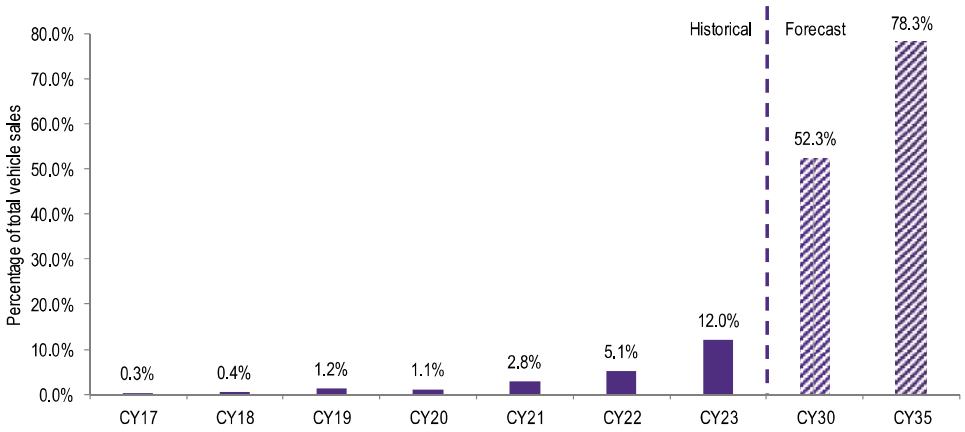
factors such as changes in government policies and investments in infrastructure. Notwithstanding this uncertainty, the shift to EVs is expected to fundamentally alter the use and mix of vehicle leases across the leasing market.

Figure 17 - Electric vehicle historical and forecast penetration in Australia



Source: CSIRO EV projections 2023, IEA50 Global EV data, GTCF analysis.

4.26 Below, we have summarised some potential key impacts on the Vehicle Leasing and Fleet Management Industry as a result of the changing fleet mix due to increasing demand for EVs:

- *Positive support for novated leases* - With ongoing refinements of emission or environmental standards, clients are becoming more inclined to utilise novated EV leases in order to enjoy rebates or tax incentives. According to FleetPartners' September 2024 annual report, EVs represented c. 53% of new novated leases during the September-ending financial year. The company cited government incentives such as the Electric Car Discount as the largest driver of this movement. The most recent notable benefit to EV adoption introduced in Australia is the New Fringe Benefits Tax legislation introduced in 2022, which enabled salaried employees to pay a novated lease on an electric vehicle from their pre-taxable income without incurring the usual fringe benefits tax. However, we note the current government has recently advised that this policy will be reviewed in 2027. As electric vehicle prices continue to fall and parity is reached with ICE vehicles, the government may make changes to this policy in the longer term.

- *Residual values* - The EV market is still in relative infancy when compared to the traditional internal combustion engine vehicle market. As the penetration of EVs has increased significantly over recent years, the market has grown very quickly and this has resulted in highly volatile residual values for EVs. This was primarily due to the volatile pricing of new EVs as a result of rapidly changing technology and market pricing strategies from OEMs that often involve heavy discounting. Exacerbating this volatility is the pace of technological development, particularly with respect to battery technology, which is critical to EVs. This rapid change, coupled with the infancy of the market, creates considerable residual value risk for the operating leases of industry participants as it is difficult for participants to forecast residual EV values with sufficient accuracy.

Market transition to a usage model

4.27 Recent market trends suggest that the automotive industry is in the early stages of shifting to a "usage" model which, given the relationship between the broader automotive industry and the Vehicle Leasing and

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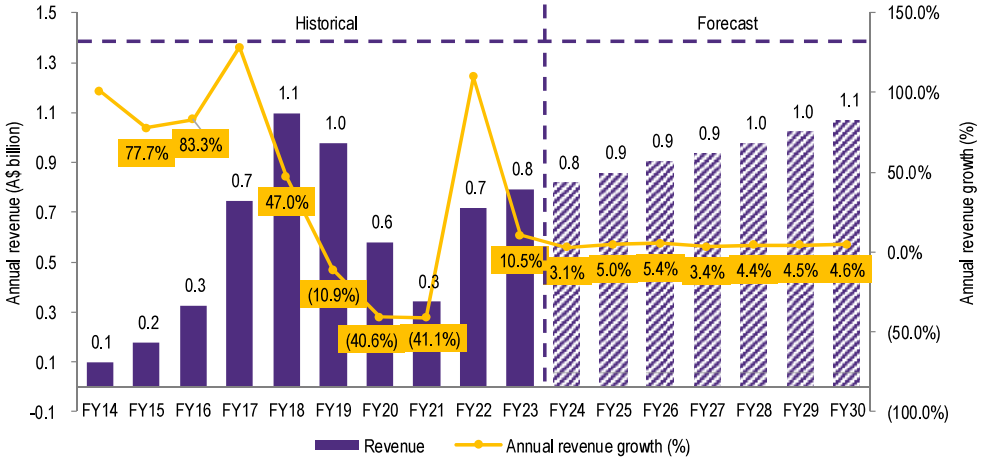
Fleet Management Industry, is anticipated to have potential ramifications for fleet management and leasing companies. Under the usage model, users are transitioning away from individual private vehicle ownership toward non-ownership subscription or short-term rental-based usage of vehicles. Evidence of this trend can be observed from the rapid industry growth exhibited by car sharing and ride sharing services presented in Figure 18 below, with collective revenue from both industries increasing at a 9-year CAGR of c. 25.8% between FY14 to FY23. The initial growth between FY14 and FY18 was mostly driven by rising urbanisation, which raised consumer demand for more convenient and affordable modes of transportation.

4.28 As the car sharing and ride sharing industry continue to grow, competition with services offered by fleet management and vehicle leasing companies is expected to intensify. However, given the infancy of the transition to a usage model, the future impact on the Vehicle Leasing and Fleet Management Industry is uncertain. For example, due to the focus on convenience and affordability, clients that adhere to the usage model may be inclined to shift from private vehicle ownership to leasing, a potential medium-to-long-term opportunity for the Vehicle Leasing and Fleet Management Industry as overall demand for novated leasing or fleet management services would increase. However, this trend may also pose a long-term risk to the industry if the transition to a usage model accelerates further, as users may opt for an even more short-term or subscription-based models such as car share services and avoid corporate fleet or leasing entirely. The trend towards a usage model is very early stage, and while the exact impact on the Vehicle Leasing and Fleet Management Industry is uncertain, it appears clear that it will present both opportunities and risks to the industry going forward.

Figure 18 - Historical and forecast revenue for the Car sharing and Ride sharing Industry in Australia



Source: IBISWorld, GTCF analysis
Notes: (1) Revenue figures were calculated via the sum of two IBISWorld industry reports: a) Ridesharing Services in Australia Industry b) Car Sharing Providers in Australia. (2) IBISWorld figures are based on reports released on May 2024

Key competitors

4.29 The Vehicle Leasing and Fleet Management Industry in Australia has consistently remained a highly competitive market with moderate concentration. This is mostly due to the nature of the service, where a number of close substitutes such as vehicle ownership and ridesharing services incentivises industry participants to consistently innovate to differentiate and retain clients. Hence, despite a fairly consolidated

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market, with the top four largest companies making up approximately 48% of the marke[21]t, competition between the largest industry participants and other medium-sized businesses remains high.

4.30 Market players in the Vehicle Leasing and Fleet Management Industry in Australia compete on pricing, service offerings, specialised servicing, reputation and client relationship history and management. We have briefly summarised the key players in the Vehicle Leasing and Fleet Management Industry below, excluding SG Fleet, which is one of the largest players:

- Toyota Finance Australia Limited - Provides vehicle financing and fleet management solutions in Australia. The company offers services including vehicle leasing, fleet management, maintenance and optimisation, telematics, accident management, and vehicle disposals.
- FleetPartners Group Limited - Provides fleet management service in Australia and New Zealand. The company primarily focuses on vehicle asset leasing and management, novated leasing, salary packaging, vehicle accessories and sale solutions.
- Orix Australia - Private subsidiary of Orix Corporation which engages in the acquisition, financing, management and disposal of vehicles in Australia and New Zealand.
- Element Fleet Management Corp - Via the subsidiary Custom Fleet, provides fleet management services to clients in Canada, Mexico, Australia and New Zealand. The company offers end-to-end fleet electric vehicle services, including on-the-road support and charging infrastructure.
- Smartgroup Corporation Ltd - Offers outsourced employee benefit services, vehicle services and software, distribution, and administration services in Australia.
- McMillan Shakespeare Limited - Offers salary packaging, novated leasing, disability plan management, vehicle management, and other vehicle-related financial products and services in Australia and New Zealand.
- Fleetcare - private company that provides fleet management solutions in Australia. The company offers vehicle purchasing, re-marketing, repairs and maintenance, FBT management, and salary packaging services.

Barriers to Entry

4.31 The Vehicle Leasing and Fleet Management Industry in Australia has several barriers to entry, including:

- *Capital intensity* - Operating within the Vehicle Leasing and Fleet Management Industry in Australia requires the acquisition of a diverse and large number of vehicles, an appropriate vehicle management platform, and often the development of online portals or software. Furthermore, the industry is characterised by the need to change and adapt quickly, as customers expect their shifting preferences to be promptly catered to and often demand convenient access to the latest available vehicles and technology. This requires participants to have the capital available to continuously fund re-investments

[21] Regarding the categorisation of revenue, and market share calculations, we note that industry data sources can vary significantly based on differences in how data providers categories and amalgamated customer and revenue data. These percentages are not definitively correct and are intended to provide a broad overview of the main customers in the industry, notwithstanding the fact that these individual percentages may vary significantly between different data sources.

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in the fleet. Without the benefit of scale, continuous fleet maintenance and adjustments to vehicle mix may prove difficult and hamper an entrant's ability to grow in the industry.

- *Concentrated market* - The Vehicle Leasing and Fleet Management Industry in Australia has undergone consolidation due to the industry's benefit from scale. As a result, the major participants in the industry hold high supply chain purchasing power, hold key relationships and contracts with clients, and are able to offer a diverse range of products and services. Additionally, most revenues generated in the industry are associated with long-term leasing contracts with large enterprises that exhibit little churn. As a result, entrants may have difficulties competing and establishing an initial market presence.

- *Regulation* - Due to the nature of vehicle ownership, the Australian motor vehicle industry (a key underlying driver of demand for the Vehicle Leasing and Fleet Management Industry) is covered by several regulations that set standards for the safety, dealings, and import/export of vehicles in Australia. As a result, there are ongoing costs associated with compliance such as vehicle registration, roadworthiness certificates, compulsory insurance, etc. that industry participants will need to navigate.

Regulatory Environment and Government Policy

4.32 The Vehicle Leasing and Fleet Management Industry in Australia is both directly and indirectly impacted by a number of government policies and regulations, particularly given the scrutiny the motor vehicle market has experienced in recent years (and will continue to experience) in light of the continually increasing global awareness of environmental issues and policy. Regulatory policy is likely to have a key impact on the motor vehicle market over the coming decades, with specific policies likely to target the Fleet Leasing Industry itself, as demonstrated by the recent emerging presence of hybrid and EV vehicles and the FBT EV exemptions that were introduced by the government to further encourage adoption, as discussed previously.

Indirect regulatory impacts

4.33 Over the past decade, there has been a significant increase in the global awareness of environmental issues and policy. This increased awareness has resulted in substantial attention to industries that are responsible for high levels of pollution, such as the motor vehicle industry, resulting in new policies and regulation that have a material impact on the design and production of motor vehicles, which will in turn impact new vehicle sales, a factor impacting the Vehicle Leasing and Fleet Management Industry. For example, the United Kingdom has committed to banning the sale of new 100% ICE vehicles by the year 2030, a commitment which has faced significant public scrutiny.

4.34 While Australia has not yet made any commitments or set any targets for similar bans, Australia is a party to the Paris Agreement and has made a commitment to reach net zero greenhouse gas emissions by 2050. To achieve such targets, it is highly likely that similar regulations and commitments with respect to the sale of ICE vehicles will be considered in Australia as have been considered in other leading developed nations. For example, as at the time of writing, the Australian Capital Territory Government is exploring options to prevent the sale of new light ICE vehicles (e.g., petrol and diesel cars), from 2035.

Direct regulatory impacts

4.35 In addition to the indirect regulatory impact on the Vehicle Leasing and Fleet Management Industry discussed above, the Vehicle Leasing and Fleet Management Industry is also directly impacted by various policies and regulations designed to support similar environmental goals. For example, in 2022, the

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Australian government introduced FBT exemptions for eligible EVs in an effort to encourage the adoption of EVs among large novated fleet operations by making them more affordable to lease on a large scale. These FBT exemptions are one of the primary drivers of the recent increase in EV penetration in the Vehicle Leasing and Fleet Management Industry, which continues to have an impact on the industry, and demonstrate the significant influence that new regulatory standards and government policy are likely to have on the Vehicle Leasing and Fleet Management Industry over the coming years. Below we detail the main legislations in relevant geographies that are expected to have a major impact on the industry:

- New Fringe Benefits Tax legislation - consists of an FBT exemption introduced by the Australian Government in July 2022 that is expected to undergo revision in 2027. The legislation allows employees to take out a novated lease on a zero or low emission vehicle and pay entirely from their pre-tax income without incurring any FBT. Since its introduction, EV uptake increased strongly in Australia, with EV sales increasing to 196,868 vehicles in 2023, up c. 126% from 87,217 in 2022[22]. This increase in demand drove an increase in the number of novated leases. Although notably, on April 2025, plug-in hybrid EVs will no longer be eligible for the FBT exemption, which may hamper future EV growth driven by the legislation.

- Temporary full expensing - During the COVID-19 pandemic, the Australian Government introduced temporary full expensing in October 2020, which ended on 30 June 2023. The initiative was created with the purpose of bolstering business by encouraging investments in equipment purchases via deductions. Companies were permitted to claim an immediate tax benefit for paying for an asset that was to be used for a taxable purpose. Hence, under this allowance, buybacks were mostly considered the optimal form of capital distribution for businesses, excluding franking credits that are not expected to accrue until FY26. Given the asset intensive nature of the Vehicle Leasing and Fleet Management Industry, this legislation materially benefits companies in the sector.

- Clean Car Standard - Introduced in FY23, in preparation for the expiry of the Clean Car Discount legislation in December 2023, the New Zealand Government introduced the standard to limit the amount of carbon dioxide new and used imported vehicles can emit. Although prospects for EVs are still positive, given the aforementioned limits imposed by the Clean Car Standard, the change in regulation notably reduced total EVs registrations due to the lack of a rebate incentive. According to the Ministry of Transport, total vehicle registrations for battery electric vehicles declined c. 70% to 8,108 registrations in 2024 from 27,426 in 2023. In percentages, battery electric vehicle registrations dropped from c. 18.3% of total vehicle registrations to c. 8.0% in 2023 and 2024 respectively.

[22] Federal Chamber of Automotive Industries news release on Jan24 "Australia breaks all-time new vehicle sales in 2023"

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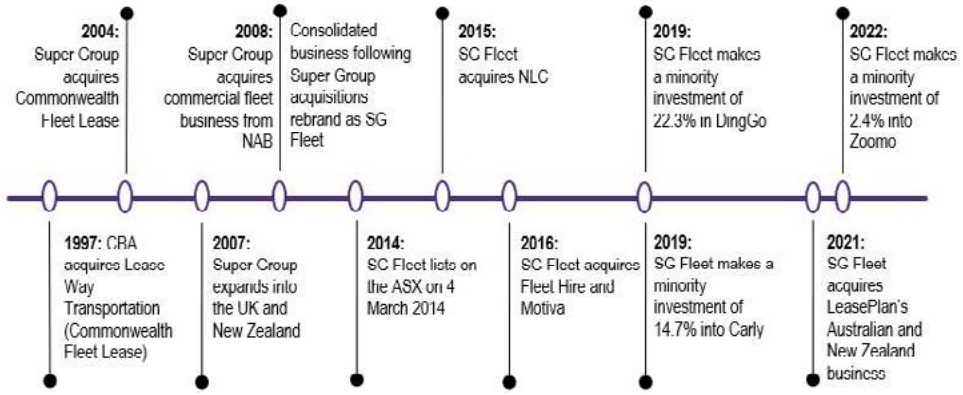
5. Profile of SG Fleet

Introduction and history of the business

5.1 SG Fleet is a leading provider of integrated mobility solutions, offering traditional and novated leasing as well as fleet management services to mainly corporate and government clients across Australia, New Zealand, and the United Kingdom. As at 30 June 2024, the Company managed c. 270,000 vehicles worldwide, serving around 2,000 customers with a workforce of over 1,300 employees.

5.2 Since its establishment in 1988, SG Fleet has undergone significant changes, including several acquisitions of brands and operating businesses. We provide a brief timeline of key events for the Company in Figure 19 below.

Figure 19 - Key events for SG Fleet



Source: Management, GTCF Analysis.

Details of previous acquisitions

LeasePlan ANZ acquisition

5.3 In September 2021, SG Fleet completed the acquisition of LeasePlan's operations in ANZ, which were previously part of the Netherlands-based LeasePlan Corporation and provides fleet management and leasing services in Australia and New Zealand, for a purchase price of c. A$387 million comprising a mix of cash and SG Fleet Shares. At the time of acquisition, LeasePlan ANZ managed 102,918 vehicles, representing an asset pool of c. A$1.4 billion. The acquisition of LeasePlan ANZ was a significant event in SG Fleet's history and was driven by some key strategic factors, including the following:

- *Operational scale* - Significantly increased SG Fleet's operational scale, including the total amount financed on-balance sheet and the number of vehicles under management, which has assisted in delivering a more cost-effective product offering and a broader range of products and services to its clients.

- *Funding optimisation* - Prior to the acquisition of LeasePlan ANZ, SG Fleet's lease portfolio funding mix was predominately reliant on Principal and Agency off balance sheet funding, whilst LeasePlan ANZ held c. 94% of its fleet on balance sheet. SG Fleet sought to increase its on-balance sheet funded

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income as it creates a predictable stream of lease income relating to the long-term leasing contracts with fixed payments, resembling an annuity-style revenue model.

- *Synergies* - Upon announcement of the proposed acquisition, SG Fleet outlined that it had anticipated generating c. A$20 million in pre-tax run-rate synergies per annum following the migration of LeasePlan ANZ's operations and systems (which was expected in year 3), comprising the following.

  - Occupancy - A large portion of the original estimated occupancy synergies have been extracted as all state offices have been integrated, excluding NSW, with additional synergies to come as leases relating to further LeasePlan ANZ premises that are no longer required are terminated.

  - Headcount - As at 30 June 2024, headcount post-acquisition had grown significantly predominately attributable to the integration of staff from the acquisition of LeasePlan ANZ and associated integration activities, as well as new hires in operational segments to assist with greater workloads and customer enquiries relating to the greater than average vehicle order pipeline. Management has indicated that post-migration of the two businesses into the same systems, system rationalisation, process improvement, and digitisation are expected to generate cost savings in excess of what was estimated at the time of acquisition.

  - IT cost synergies - IT cost synergies have yet to be realised as at 30 June 2024, with the expectation that the reduction in the number of systems in use, contractor and vendor costs, the rationalisation of technology platforms and streamlining of solution delivery will create synergies greater than expected at acquisition.

  - Revenue synergies - Revenue synergies were quantified with reference to the introduction of SG Fleet products to LeasePlan ANZ customers, primarily being aftermarket products included in corporate and novated leases (such as window tint, carpet and mates, signage and vehicle wraps, electronics and other) as well as the TradeAdvantage offering, SG Fleet's disposal model, and an expected reduction in the cost of funds. We understand, as at 30 June 2024, a portion of synergies relating to the accessory sales and TradeAdvantage had been realised but they are expected to grow as LeasePlan ANZ leases are integrated to the MILES platform.

Other acquisitions and minority investments

5.4 In November 2015 SG Fleet acquired NLC, a leading Australian specialist manager/provider of novated leases, consumer vehicle finance, and vehicle sourcing for c. A$200 million. This acquisition aimed to combine SG Fleet's novated business with NLC's consumer-focused model, creating a larger and more diversified novated segment.

5.5 In 2016, SG Fleet acquired Fleet Hire and Motiva Group, two prominent UK-based fleet management companies, for a combined price of c. GBP$32.0 million to increase its presence in the UK market. Fleet Hire specialised in integrated contract hire, vehicle salary sacrifice, short-term rental, fleet management, and telematics offerings with a fleet size of c. 6,500 at the time of acquisition. Motiva Group provided contract hire, short-term rental, and other fleet management services with a fleet size of c. 4,300 at the time of acquisition. Both businesses allowed for further penetration into the UK market, and an existing customer base that was characterised by low concentration and high retention rates.

5.6 Additionally, SG Fleet has made strategic minority investments in three innovative companies that align with SG Fleet's strategy to diversify its service offerings and tap into emerging trends in the mobility sector:

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- DingGo - A digital platform that connects customers with automotive repair services and provides accident management services to SG Fleet's customers. SG Fleet had an interest of 28.82% in the issued capital as at 30 June 2024, with a carry value of A$2.6 million (equity accounted).

- Carly - Carly Holdings Limited is listed on the ASX and provides innovative mobility solutions, primarily through its flexible car subscription service. Carly operates the platform Carly.co, which is Australia's first flexible car subscription service. Trading in Carly shares has been suspended on the ASX since 19 September 2024 pending an announcement on its funding. As at 30 June 2024, SG Fleet held an investment stake of c. 14.7% with an initial investment of c. A$2.2 million invested in 2019 via an equity placement and several follow-on investments totalling c. A$2.4 million.

- Zoomo - Zoomo is a company specialising in electric bikes (e-bikes) designed for delivery and logistics applications. Zoomo was founded in 2017 and headquartered in Sydney, with operations in multiple regions including North America and Europe. As at 30 June 2024, SG Fleet held an investment stake of c. 2.4% in Zoomo with a total investment of c. A$5.9 million.

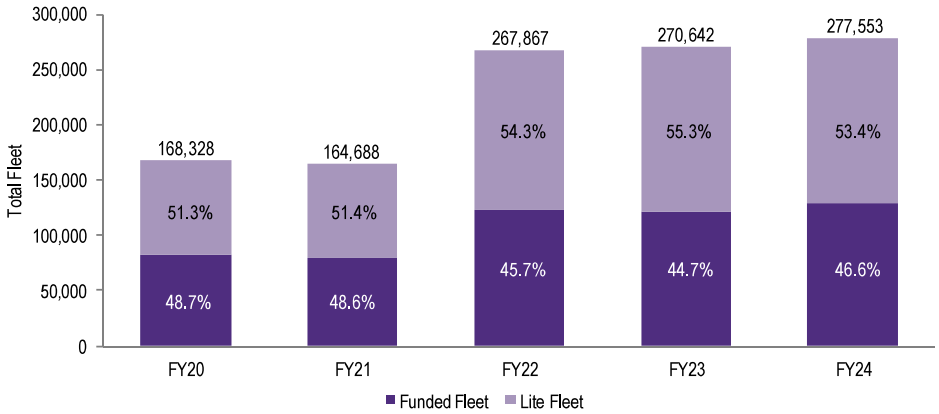
Fleet profile and associated revenue streams

5.7 SG Fleet's c. 278k managed vehicles as at 30 June 2024 are split into operating and finance leases (mainly novated leases) and some are on-balance sheet funded by SG Fleet via warehouse facilities or by third parties. Additionally, a portion of the fleet are vehicles where funding is not provided, described as the lite fleet. Operating leases usually involve corporate and government clients, whereas finance leases are for novated customers. Corporate leases are offered in Australia, New Zealand and the United Kingdom, however novated leases are not offered in New Zealand.

5.8 SG Fleet's customer base spans government and private sectors, including telecommunications, utilities, retail, banking, infrastructure, and mining. SG Fleet maintains strong relationships with major clients, many of whom have been with the company for over a decade.

5.9 Below, we outline the growth in SG Fleet's funded and lite fleet since FY20.

Figure 20 - SG Fleet's funded and lite fleet growth



Source: Management, SG Fleet Investor Presentations (FY21, FY22, FY23 and FY24), Reclassification of P&L and Additional Fleet Disclosures 2022, GTCF Analysis.

5.10 SG Fleet's fleet was impacted by certain market trends and events in the last few years, including the following:

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- The LeasePlan ANZ acquisition contributed significantly to fleet growth, with SG Fleet acquiring 47,113[23] on balance sheet funded vehicles (mainly corporate fleet) which increased from 4,319[24] vehicles as at 30 June 2021 to 51,669[25] as at 30 June 2022[26].

- In the last couple of years, EV car deliveries have increased significantly, but SG Fleet has made the strategic decision to limit its operating lease exposure to EVs, with the business preferring to focus on hybrid vehicles. This is due to the following:

  - Corporate clients have been reluctant to integrate electric vehicles into their fleet, primarily due to the higher average cost per vehicle, concerns regarding the limited regional recharging infrastructure and vehicles' range and autonomy.

  - SG Fleet views the price volatility of EVs as a risk for the business in terms of the impact on the residual value. This risk could be further intensified in the short to medium term if the United States imposes substantial tariffs on EV imports from China, potentially leading to an influx of these vehicles into the Australian market further impacting prices.

- The corporate fleet has remained largely flat between FY22 and FY24 at around 70,000 vehicles as COVID-19 related supply chain issues led to disruptions in the delivery of orders and a significant increase in the delivery pipeline. As supply constraints have eased, particularly in FY24, corporate new deliveries have increased by c. 39.9% and novated lease deliveries increased by c. 36.8%[27]. We understand from Management that deliveries in the novated segment were less impacted than corporate deliveries as novated drivers are typically more flexible in their vehicle choice and will pivot to an available vehicle, notwithstanding the fact it may be a different make and model to their original preference, as long as the delivery timeframe and pricing position remains attractive.

5.11 Based on the discussion above, we have presented below both the corporate and novated total fleet sizes since July 2021. We note that as with FMOs more generally, SG Fleet has sought to increase its portion of on balance sheet fleet to grow its annuity-style revenue model, a strategy which was accelerated with the acquisition of LeasePlan ANZ.

[23] SG Fleet FY22 Investor Presentation.
[24] Ibid.
[25] Ibid.
[26] Including 237 net deliveries and terminations vehicles.
[27] SG Fleet FY24 Investor Presentation.

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Figure - 21 SG Fleet corporate ONBS funded fleet

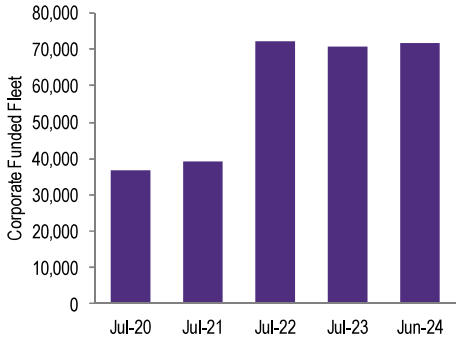
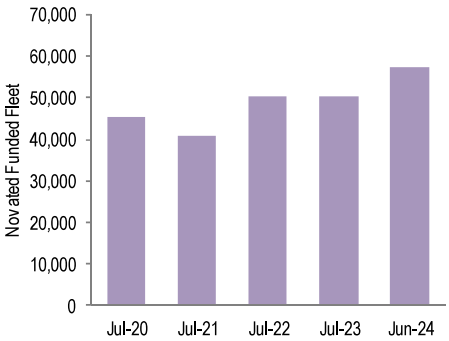


Figure 22 - SG Fleet novated ONBS funded fleet

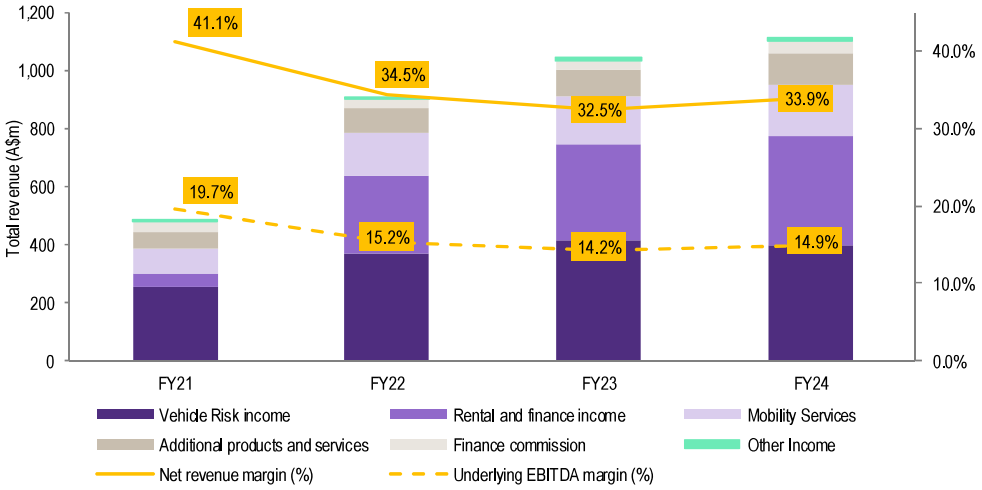


Source: Management, SG Fleet Investor Presentations (2021, 2022, 2023 and 2024) and GTCF Analysis.

5.12 Similar to other FMOs, SG Fleet generates a diverse range of revenue streams from its fleet management activities. These revenue streams vary based on the funding structure of the fleet (on balance sheet vs off balance sheet), the lease arrangement (Operating Lease vs Finance Lease), the type of client (corporate or novated), and the various management services and ancillary products provided.

5.13 Below, we have outlined a breakdown of the gross revenue contribution by the various income streams and annual net revenue and EBITDA margins generated by the business (refer to Section 4 for details on the generic revenue components).

Figure 23 - SG Fleet's gross revenue by segment and annual net revenue and EBITDA margins



Source: SG Fleet Annual Reports, GTCF Analysis.
Notes: (1) Rental and finance income had a net revenue contribution of 9% in 2021. (2) The EBITDA margin presented includes depreciation and interest associated with lease contracts (which is standard within this industry due to the nature of lease portfolios).

5.14 The considerable net revenue growth over recent years (CAGR of c. 25.2% from FY21 to FY24) can largely be attributed to the acquisition of LeasePlan ANZ which contributed c. A$392.9 million to SG Fleet's FY22 gross revenue and organic growth. Excluding the impact of the LeasePlan ANZ acquisition, SG Fleet's gross revenue increased from c. A$482.1 million in FY21 to c. A$493.9 million in FY22. Organic

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growth in FY22 was impacted by supply chain disruptions that hindered the delivery of new vehicles as previously discussed. This impact was partially offset by a 23.9% increase in EOL income compared to FY21, driven by a strong used vehicle market. Additionally, there was an improvement in net rental and finance income due to growth in vehicles held in inertia as a result of the aforementioned supply constraints.

5.15 Growth persisted in FY23, albeit at a more moderate pace with revenue increasing by approximately 17.8% due to higher delivery volumes, particularly in the novated lease segment, as well as greater volumes in EOL disposals and sustained elevated pricing in the used vehicle market. As supply chain constraints eased in FY24, revenue growth of around 11.1% from the previous year was achieved. Growth in the rental and finance segment was partially offset by a 27% decline in vehicle risk income, attributed to a softening used car market as supply constraints in the new car market diminished, resulting in a significant reduction in average profit per vehicle.

5.16 As set out in the graph above, EBITDA margins have reduced from c. 22% in FY21 to between 14% and 15% in the following years. This is driven by the following factors:

- The significant increase of on balance sheet fleet after the LeasePlan ANZ acquisition have the effect, all other things being the same, of reducing revenue and margin in the immediate term with a greater longer-term benefit. While margins applicable to on balance sheet and off balance sheet leased vehicles are ultimately similar in the longer term, on balance sheet fleet vehicles are owned by the company and appear on the balance sheet, leading to higher initial capital expenditures and depreciation costs for operating leases, which affects revenue and reported margins in the short term. In the medium term, it offers greater long-term benefits through asset ownership, revenue stability, and strategic flexibility.

- The LeasePlan ANZ acquisition negatively impacted margins partly due to a misalignment of pricing models, in which LeasePlan ANZ was pricing aggressively to grow its customer base. However, this impact on margins is expected to ease as products and processes are standardised, and historical LeasePlan ANZ clients are onboarded onto SG Fleet's processes.

- Most of the revenue and cost synergies relating to the LeasePlan ANZ are yet to be realised. We note the growth in employee costs relating to increased headcount when additional FTE were introduced to support the associated integration and system migration (which are expected to reduce post-migration) have negatively impacted the cost base of SG Fleet in the short term.

- Recently, vehicle risk income margins have been impacted by the normalisation of used vehicle values, which will reduce profit per unit.

Rental and Finance Income

5.17 Income is earned from leased vehicles funded through SG Fleet's balance sheet, such as secured funding via securitisation warehouses, back-to-back loan facilities (UK only), or cash. Rental income is generated from vehicles under an operating lease or short-term rentals and represents the monthly lease payment, while finance income, including principal and interest payments, is derived from financial leases and represents the net margin on finance leases.

5.18 As previously discussed, LeasePlan ANZ added 33k on balance sheet operating lease assets, equivalent to c. A$2.2 billion in value and c. 14k in finance lease assets as summarised in the graphs below.

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Figure 24 - Aggregate vehicle assets and receivables

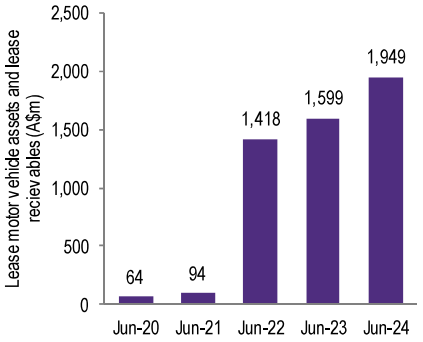
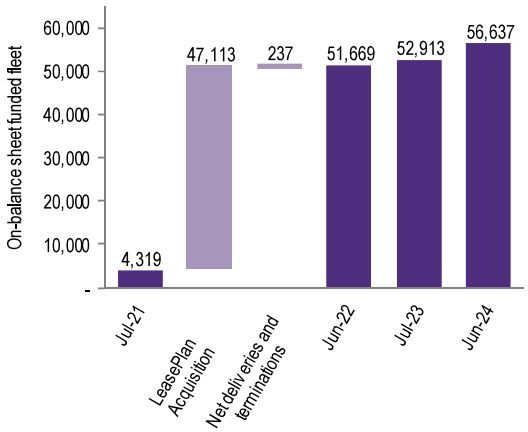


Figure 25 - FY24 ONBS funded growth



Source: SG Fleet Annual Reports, SG Fleet Investor Presentations (FY21, FY22, FY23 and FY24), GTCF Analysis.

5.19 Net rental and finance income per vehicle grew c. 12.3% in FY23 (compared to FY22) and a further c. 36.5% in FY24 (compared to FY23), which was largely driven by increases in the average amount financed due to growth in global vehicle prices as well as an increase of vehicles in holdover. Holdover rental income refers to the monthly rental income received by SG Fleet for operating and finance lease contracts in holdover after their contractual end date that have not been formally extended. We understand from Management that holdover income is particularly profitable as the underlying asset has been fully depreciated to the expected disposal value and carries a reduced cost of funding and greater margins for SG Fleet.

5.20 Net finance lease income has grown as net rental yields have improved. In congruence with growth in the average amount financed this has led to growth in the net return on finance lease receivables. We understand from Management that SG Fleet additionally offers a smaller short-term hire product exclusively in the United Kingdom via third party brands which contributes to net rental and income.

Vehicle Risk Income

5.21 Vehicle risk income represents income generated from underwriting long-term risk positions on vehicles and is comprised of both in-life and EOL income.

- In-life income is derived from both recurring and transactional revenue streams, which are contingent upon the number of vehicles with underwritten maintenance risk positions, of which SG Fleet derives a profit from underwriting the costs of maintenance, tires, servicing and other products.

- EOL income is transactional and represents the profit from the sale of vehicles at the end of the lease term, calculated as the proceeds of sale minus the residual value estimated at the inception of the lease. EOL income is influenced by the volume of disposals and the second-hand vehicle market.

5.22 We understand from Management that SG Fleet disposes of end of lease passenger vehicles on average within two weeks, with commercial vehicles taking longer and seasonality causing lower sales in winter and the Christmas and New Year period.

5.23 EOL income represents c. 85% of the vehicle risk income and, as previously discussed, disposal income significantly benefited from record second-hand vehicle values since the pandemic. Management has

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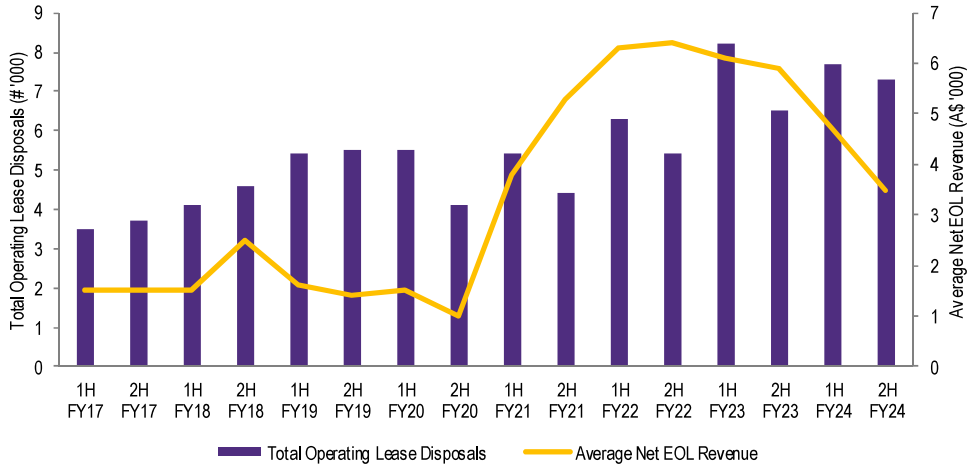
indicated that average EOL selling prices, which peaked in 2022 at c. 163% of pre- COVID-19 levels, reduced to c. 129% in FY24. We understand from Management that although EOL selling prices are expected to continue to normalise moving forward, they should remain elevated in comparison to pre-COVID-19 levels, primarily driven by new car price inflation and the aggregate volume loss of vehicles from the second-hand vehicle market in the last few years having a follow up effect. Outlined below is the historical net EOL income per vehicle as well as the number of operating lease disposals across this same period.

Figure 26 - Operating lease disposals and average net end of life income per vehicle



Source: Management, GTCF Analysis.

5.24 Despite a softening in the used vehicle market and a decrease in profitability per vehicle towards more normalised levels, disposal volumes have continued to increase, benefiting the vehicle risk income category. This growth in disposal volume is linked to the stabilisation of order book backlogs and increased delivery volumes of new vehicles.

Mobility Services Income

5.25 Mobility services income primarily stems from monthly management fees for fleet management services provided to customers. This includes products and services necessary to keep vehicles operational, such as registration, insurance commissions, and FleetIntelligence (a fleet/lease management tool for corporate fleet managers and novated lease customers). Mobility services represented c. 26% of total net revenue in FY24 and are incorporated into the monthly rental for corporate and novated customers or as part of the management fee for managed fleets. The primary drivers of mobility services income are the total fleet size and the penetration of products into new customer contracts. Outlined below are several key mobility services revenue streams:

- *Management fee* - Representing c. 64% of total net mobility services income in FY24. Management fees relate to the revenue earned from providing fleet management services to SG Fleet's corporate clients, and lease management services to SG Fleet's novated clients.

- *Insurance income* - Representing c. 22% of total net mobility services income in FY24. This stream reflects a commission earned on new customer policies and annual insurance policy renewals. Customers have the option of using SG Fleet's insurance product or their own insurance, however, irrespective of this choice, all-funded vehicles are required to be comprehensively insured for the

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duration of the lease. SG Fleet provides comprehensive motor vehicle insurance through provider Marsh, via its subsidiary Vero Insurance.

- Other smaller revenue streams including a margin earned on CTP registration, roadside assistance and other services.

Additional Products and Services

5.26 Additional products and services income is derived from the sale of vehicle accessories, fees and charges related to early terminations, redundancy insurance commissions, supplier rebates, and dealership incentives, as well as fees for other services such as carbon offsets. Additional products and services represented c. 15% of total net revenue in FY24. This revenue stream is influenced by the number of new funded deliveries, fleet utilisation for vehicle running cost rebates, and penetration rates. Outlined below are the key income streams:

- *Vehicle running cost rebates* - Rebates earned from suppliers on fuel, tyres and maintenance. Vehicle running costs rebates grew materially in FY23 and FY24 driven by 1) an increase in fleet utilisation as customers spent more on fuel, maintenance and tyres post-Covid; 2) an increase in funded deliveries; and 3) new contract negotiations with fuel and tyre suppliers offering increased rebates for the larger combined SG Fleet and LeasePlan ANZ volumes.

- *Accessory sales and rebates* - Net margin earned on the sale of aftermarket accessories offered to customers at the commencement of a lease, such as window tinting, sun protection, electronics and other. Accessory sales and rebates have grown in particular with the growth of new deliveries, with an increase in novated deliveries as part of the overall product mix driving an increase in the net accessory sales and rebate margin.

5.27 SG Fleet provides several other smaller offerings including LeaseGuard, a lease payment protection for novated customers in the event of involuntary job loss due to redundancy or premature termination, vehicle procurement rebates, early termination fees, TradeAdvantage, which refers to a trade-in and disposal service, and carbon offset-related certificate products.

Finance Commission

5.28 Finance commission is largely represented by the income earned on leased vehicles funded off balance sheet, and is transactional in nature, with no direct costs, representing c. 12% of total net revenue in FY24. The primary driver of finance commission is the volume of Principal and Agency funded deliveries. In FY24, SG Fleet experienced a c. 50% increase in finance commission revenue driven by a c. 20% increase in Principal and Agency funded new deliveries and extensions. This growth was also driven by a c. 25% growth in finance commission per unit, resulting from higher average funded capital and proportionately fewer extensions.

5.29 We have outlined below Principal and Agency new deliveries and extensions as well as finance commission revenue across FY22, FY23 and FY24.

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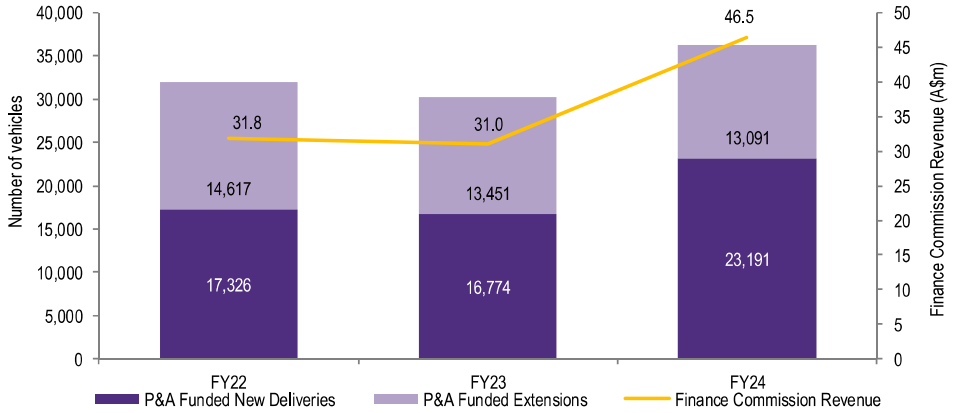
Figure 27 - Finance commission revenue and Principal & Agency funded deliveries and extensions



Source: SG Fleet Annual Reports, SG Fleet Investor Presentations (FY22, FY23 and FY24) GTCF Analysis.

Financial Information

Financial Performance

5.30 The table below illustrates the Company's audited consolidated statements of financial performance for the periods FY22 to FY24 and the draft unaudited accounts for H1 FY25.

5.31 Operating EBITDA in the management accounts and as presented in various instances in this Report includes depreciation and interest associated with lease contracts within cost of sales, whilst SG Fleet's audited financial statements present these items below the EBITDA line as depreciation and amortisation, and finance costs. We have provided a reconciliation between operating EBITDA and reported EBITDA below, however from an operational and valuation perspective, we have placed greater focus and emphasis on the operating EBITDA.

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Figure 28 - Consolidated statements of financial performance

Consolidated Statements of Financial Performance	FY22	FY23	FY24	H1 FY24	H1 FY25
A$m	Restated Audited	Restated Audited	Audited	Reviewed	Reviewed
Revenue	926.4	1,090.5	1,147.3	570.3	656.9
Cost of Revenue	(618.1)	(727.7)	(757.1)	(372.7)	(446.2)
Net Revenue	**308.3**	**362.8**	**390.1**	**197.6**	**210.7**
Gross margin	*33.3%*	*33.3%*	*34.0%*	*34.6%*	*32.1%*
Operating expenses	(179.2)	(197.0)	(219.0)	(110.7)	(123.6)
Operating EBITDA	**129.1**	**165.9**	**171.1**	**86.9**	**87.1**
Operating EBITDA margin	*13.9%*	*15.2%*	*14.9%*	*15.2%*	*13.3%*
Depreciation and amortisation	(27.2)	(30.2)	(32.2)	(15.9)	(16.5)
Operating Income	**101.9**	**135.7**	**138.9**	**71.0**	**70.6**
Operating income margin	*11.0%*	*12.4%*	*12.1%*	*12.4%*	*10.7%*
Interest on corporate debt and right of use borrowings	(12.6)	(16.7)	(13.4)	(7.2)	(10.7)
Underlying Net profit before tax	**89.3**	**119.0**	**125.5**	**63.8**	**59.9**
Tax expense	(29.9)	(31.3)	(35.8)	(18.2)	(18.8)
Underlying Net Profit after tax	**59.4**	**87.7**	**89.7**	**45.5**	**41.1**
Net profit margin	*6.4%*	*8.0%*	*7.8%*	*8.0%*	*6.3%*
One off costs	(8.0)	-	-	-	3.2
LeasePlan waiver	-	8.8	-	-	-
Reported net profit after tax	**51.4**	**96.5**	**89.7**	**45.5**	**44.2**
Amortisation of acquired intangibles	9.1	9.9	9.9	5.0	5.0
NPATA	60.5	106.4	99.6	50.5	49.2
Underlying NPATA	**68.5**	**97.6**	**99.6**	**50.5**	**49.2**

Source: SG Fleet Annual Reports, GTCF Analysis.
Notes: (1) Includes ten months of contribution from the LeasePlan ANZ business, which was acquired on 1 September 2021.

Figure 29 - EBITDA reconciliation

EBITDA reconciliation	FY22	FY23	FY24	H1 FY24	H1 FY25
A$m	Restated Audited[2]	Restated Audited	Audited	Reviewed	Reviewed
Operating EBITDA	129.1	165.9	171.1	86.9	87.1
Less: LeasePlan waiver	-	(12.5)	-		
Add: depreciation on lease portfolio assets	175.5	211.8	192.0	90.5	111.3
Add: interest on lease portfolio borrowings	39.7	46.6	66.7	37.4	55.2
Reported EBITDA	**344.3**	**411.8**	**429.8**	**214.8**	**253.6**

Source: SG Fleet Annual Reports, GTCF Analysis.

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5.32 *Net Revenue*: SG Fleet experienced growth across all revenue segments in FY24 due to increased orders and stronger deliveries, except for Vehicle Risk Income, which was affected by a gradual reduction in net disposal income on used vehicles. The normalised supply of vehicles led to a significant decrease in the Company's pipeline, with the tool-of-trade pipeline reducing c. 18% from June 2023 peaks, and the novated pipeline reducing c. 45% year on year, though we note both these channels remain elevated in comparison to pre-Covid levels. Additionally, as supply chains eased in FY24, corporate new deliveries have increased by c. 39.9% and novated lease deliveries increased by c. 36.8%. We note that the increase in revenue resulting from these increased deliveries may revert in the short to medium term as the pipeline backlog is filled. On a normalised basis, in every given year the deliveries should largely match with the orders.

5.33 *Other operating expenses:* The Company reported total other operating expenses of A$219.0 million in FY24 which grew by c. 11.2% in comparison to FY23. Other operating expenses consists of:

- Employee benefit expenses of A$172.4 million in FY24, increasing from A$151.7 million in FY23 and A$136.4 million in FY22. SG Fleet has experienced an increase in the average expense per employee due to wage inflation. As such, the rise in employee benefit expenses largely relates to a growth in headcount, growing from c. 1,162 as at June 2022 to 1,323 as at June 2024. This is predominately attributable to the integration of staff from the acquisition of LeasePlan ANZ and associated integration activities, as well as new hires in operational segments to assist with greater workloads and customer enquiries relating to the greater than average vehicle order pipeline. The Company is in the process of migrating lease portfolio data from several fleet management systems to the MILES platform, a process expected to be completed in CY2025, and we understand from Management that additional employees and contractors have been employed to facilitate this migration. The workforce is expected to normalise in FY26 and FY27 as some operational roles within the business are no longer required due to systems rationalisation and digitisation.

- Occupancy costs (post-AASB16) of A$3.8 million in FY24, similar to A$4.0 million in FY23 and A$3.5 million in FY22.

- IT and communication costs of A$25.8 million in FY24, slightly below A$26.6 million in FY23, which had increased by 19.3% from A$22.3 million in FY22. Direct technology costs represent most technology and communication costs and consist of consulting, maintenance and licensing expenses relating to supporting and improving IT infrastructure and cyber-security, such as annual service costs for various enterprise resource planning and IT systems operations. We note these direct IT costs have grown to reflect a greater level of infrastructure to support the growth of the business and increase cyber-security measures as well as miscellaneous costs relating to the fleet systems migration. Communications expenses have remained broadly flat and largely relate to phones and data. We understand that IT costs are expected to reduce post-migration driven by a reduction in the number of systems being used, and the rationalisation of various pieces of technology across SG Fleet and LeasePlan ANZ.

- Other expenses of A$17.0 million in FY24, A$14.6 million in FY23, and A$16.9 million in FY22. This growth in other expenses is primarily attributable to an increase in audit and professional services, as well as legal costs, driven by the LeasePlan ANZ acquisition and increased regulatory advice. Other expenses to a lesser extent also reflects costs relating to marketing, advertising and sponsorships, travel, accommodation and entertainment, and insurance expenses.

5.34 *Operating EBITDA and margin:* As discussed above, operating EBITDA in the management accounts includes depreciation and interest associated with lease contracts (which is standard within this industry

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due to the nature of lease portfolios), whereas audited financial statements present these items below the EBITDA line as depreciation and amortisation and finance costs respectively. We have provided a reconciliation below. As discussed previously, margins compressed following the acquisition of LeasePlan ANZ as operating expenses were impacted by technology integration costs and wage inflation but have remained broadly stable since FY22.

5.35 *Interest on corporate debt and right of use borrowings:* This item was c. A$3.0 million higher in FY23 compared to FY22 and FY24, mainly due to the expensing of unamortised establishment fees in the lead-up to refinance in FY23. We understand that these are expected to increase moving forward as COVID-19-era interest rates on corporate debt have expired and new swaps have been entered into at higher interest rates.

5.36 The Company has relied on underlying NPATA excluding significant non-recurring items and amortisation of intangible assets to evaluate its financial performance. In the table below, we have summarised these underlying adjustments for the periods FY22 to FY24, H1 FY24 and H1 FY25. Underlying NPATA of the Company has grown by 9.4% in FY23 and 17.1% in FY24.

Figure 30 - Historical underlying NPATA

NPATA A$ million	FY22 Restated[1]	FY23 Restated	FY24 Audited	H1 FY24 Reviewed	H1 FY25 Reviewed
Reported net profit	60.7	84.0	89.7	45.5	41.1
Add: Amortisation of Acquired Intangibles	9.1	9.9	9.9	5.0	5.0
NPATA	**69.8**	**93.9**	**99.6**	**50.5**	**46.0**
Adjustment for significant non-recurring items[2]	8.0	(8.8)	-	-	3.2
Underlying NPATA	**77.8**	**85.1**	**99.6**	**50.5**	**49.2**

Source: SG Fleet Annual Reports
Notes: (1) Include ten months of contribution from the LeasePlan ANZ business, which was acquired on 1 September 2021. (2) FY22 incurred one-off acquisition costs and FY23 generated one-off LeasePlan ANZ waiver income.

5.37 In relation to the H1 FY25 NPATA, which, if annualised, is above FY25 guidance, Management has indicated that this is due to timing of disposals, with a greater volume than was budgeted taking place in the first half. Disposal volumes are expected to normalise in the second half, with disposal values to soften further.

Financial Position

5.38 The table below illustrates the Company's audited consolidated statements of financial position as at 30 June 2022, 30 June 2023 and 30 June 2024 and the draft unaudited statement of financial position for 31 December 2023 and 31 December 2024.

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Figure 31 - Consolidated statements of financial position

Consolidated Statements of Financial Position A$m	30 Jun 2022 Audited Restated[1]	30 Jun 2023 Audited Restated[1]	31 Dec 2023 Reviewed	30 Jun 2024 Audited	31 Dec 2024 Reviewed
Assets[2]					
Cash and cash equivalents	61.6	92.8	119.3	204.5	196.2
Restricted cash	168.8	167.6	168.7	186.4	206.1
Finance lease, trade and other receivables	627.0	814.1	999.4	1,106.2	1,193.6
Inventories	47.2	29.6	29.9	43.5	28.9
Investments in associates	6.6	8.1	8.1	8.6	8.5
Lease motor vehicle assets	967.0	1,010.8	1,054.6	1,112.4	1,143.2
Property, plant and equipment	8.4	11.3	11.0	12.1	13.0
Intangible assets	631.0	623.1	617.5	613.5	612.2
RoU assets	27.8	25.7	22.9	19.4	18.8
Other assets	70.8	66.6	34.9	35.6	27.6
Total assets	**2,616.2**	**2,849.7**	**3,066.3**	**3,342.2**	**3,448.2**
Liabilities[2]					
Trade and other payables	235.0	275.8	294.9	315.0	294.4
Lease portfolio borrowings	1,199.3	1,296.4	1,492.7	1,715.3	1,860.5
Borrowings	292.4	300.8	298.5	299.4	302.1
Lease liabilities - RoU assets	27.3	26.0	23.6	20.5	20.2
Vehicle maintenance funds	157.8	140.5	132.0	145.8	155.4
Contract liabilities	62.3	72.6	76.2	77.4	84.4
Other liabilities	96.1	155.0	170.9	178.2	192.5
Total liabilities	**2,070.3**	**2,267.1**	**2,488.8**	**2,751.5**	**2,909.6**
Net assets	**545.9**	**582.6**	**577.5**	**590.7**	**538.6**

Source: SG Fleet Annual Report, GTCF Analysis.
Notes: (1) FY23 restated in FY24 Annual Report and FY22 as restated in FY23 Annual Report. (2) We note that in SG Fleet's Annual Report, the current and non-current components of assets and liabilities are combined in statement of financial position, consistent with the above presentation.

5.39 *Cash and cash equivalents:* Cash and cash equivalents have grown significantly. We understand this to be largely driven by an increase in on balance sheet funded vehicles, greater net rental income, higher residual value profits, and growth in off balance sheet funded deliveries that result in up-front finance commission and accessory income. Additionally, we understand that part of the growth in the cash balance as at 30 June 2024 was driven by Management's prioritisation of optimising lease portfolio borrowings through reducing cash funding of on balance sheet vehicles and reserving cash for a special dividend. There is also a c. A$40 million increase in tax liability, which assisted with the cash retention.

5.40 *Restricted cash:* Restricted cash is made up of warehouse cash balances and reserves and secured bank and term deposits. Warehouse cash and reserves are utilised to fund vehicle maintenance paid in advance by customers and includes rental collections that are yet to be distributed to financiers and will be used to service the operating costs of funded vehicles, such as registration, fuel, insurance, and maintenance, and is not available for working capital purposes. These balances have grown as the lease portfolio has grown. Secured term deposits are held as security for the Company's obligations to off balance sheet financiers relating to the transfer of residual value risk at the end of the lease term.

5.41 *Lease motor vehicle assets and receivables:* Operating lease portfolio assets include operating lease vehicles, recognised at full lease cost and depreciated over the life of the lease to the assets' estimated residual value. Lease portfolio assets increased in FY23 and FY24, which can be in part attributable to the

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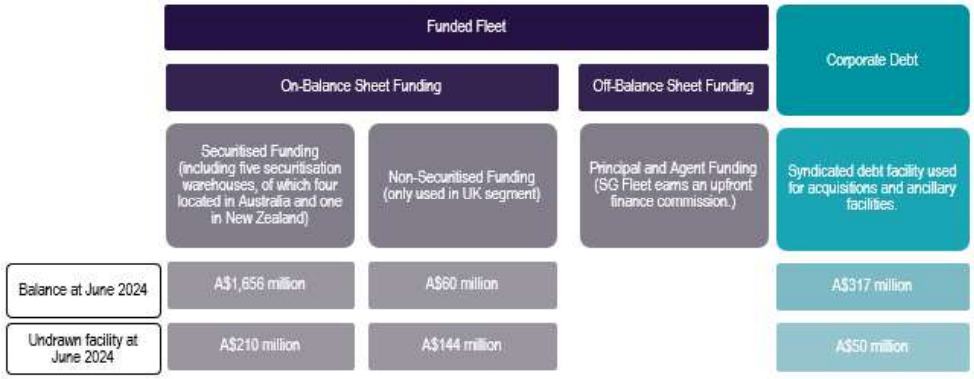
increase in new deliveries, particularly in FY24 as new on balance sheet deliveries increased to 16,630 across the period in comparison to 12,038 in the prior period. This growth is also partly due to shifting volumes from Principal and Agency funding models to securitisation funding facilities, as well as increases in the balance sheet value recognised due to new car price inflation. Finance lease receivables represent the net present value of future lease payments. As with lease portfolio assets, finance lease receivables have grown with increases in new deliveries.

5.42 SG Fleet uses a range of funding to finance fleets of vehicles leased to customers and for other corporate operations. Below, we have outlined SG Fleet's funding structure and facility balance at the end of FY24.

Figure 32 - Funding and debt balance of SG Fleet



Source: SG Fleet FY24 Investor Presentation and FY24 Annual Report.

5.43 Intangible assets: The Company had A$613.5 million of intangible assets as at 30 June 2024, comprised of goodwill (A$523.4 million, primarily relating to the acquisition of LeasePlan ANZ), customer contracts (A$68.9 million), and software (A$22.0 million). The goodwill impairment test as at 30 June 2024 adopted the following assumptions: 1) Australian CGU: revenue growth of 8.7%, a pre-tax WACC of 12.24%; 2) United Kingdom CGU: revenue growth of 8.2% and a pre-tax WACC of 8.77%; and 3) New Zealand CGU: revenue growth of 6.3% and a pre-tax WACC of 10.09%.

5.44 Net debt: Below, we have set out the historical net debt of the Company on both a pre-AASB-16 and post-AASB-16 basis.

Figure 33 - Net debt excluding warehouse facilities

Net debt excluding warehouse facilities	30 Jun 2022	30 Jun 2023	31 Dec 2023	30 Jun 2024	31 Dec 2024
A$ million	Restated	Restated	Reviewed	Audited	Reviewed
Corporate facility	292.4	300.8	298.5	299.4	302.1
Less: Cash and cash equivalents	(61.6)	(92.8)	(119.3)	(204.5)	(196.2)
Net debt (pre AASB-16)	**230.8**	**208.0**	**179.2**	**94.9**	**106.0**
Add: Lease liabilities	27.3	26.0	23.6	20.5	20.2
Net debt (post-AASB-16)	**258.1**	**233.9**	**202.8**	**115.5**	**126.2**

Source: SG Fleet Annual Reports, GTCF Analysis.

Cash Flow Statement

5.45 The table below illustrates the Company's audited consolidated statements of cash flows for the periods from FY22 to FY24 and the draft unaudited statement of cash flows for H1 FY24 and H1 FY25.

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Figure 34 - Consolidated statements of cash flow

Consolidated Statements of Cash Flow A$m	FY22 Audited	FY23 Audited	FY24 Audited	H1 FY24 Reviewed	H1 FY25 Reviewed
Cash flows from operating activities					
Cash generated from operations before investment in lease portfo	318.7	433.3	435.8	212.5	257.1
Acquisition of operating and finance lease assets	(530.2)	(698.2)	(960.6)	(491.2)	(473.9)
Proceeds from disposal of operating lease assets (excluding VRI	198.6	119.6	178.0	82.1	96.8
Capital receipts from finance lease assets	157.4	196.4	238.5	107.6	149.6
Interest received	0.7	8.6	14.5	6.5	9.7
Interest and other finance costs paid	(47.0)	(64.8)	(91.7)	(36.6)	(65.8)
Income taxes (paid)/refunded	(52.1)	23.0	(10.2)	(4.2)	(7.7)
Net cash inflow from operating activities	**46.1**	**17.9**	**(195.8)**	**(123.2)**	**(34.2)**
Cash flows from investing activities					
Payment for purchase of subsidiary, net of cash acquired	(455.8)				
Payment for investments	(4.9)	(1.2)	-	(0.5)	(0.5)
Payments for property, plant and equipment	(4.0)	(7.1)	(6.9)	(2.7)	(3.3)
Proceeds from sale of property, plant and equipment	0.6	0.4	1.4	0.4	0.4
Payments for intangible assets	(4.2)	(5.5)	(11.0)	(4.9)	(5.5)
Payments for investments in associates	-	(0.8)	(1.2)		
Net cash outflow from investing activities	**(468.3)**	**(14.3)**	**(17.8)**	**(7.6)**	**(9.0)**
Cash flow from financing activities					
Proceeds from issue of equity securities	-	(1.8)	(8.8)	(6.7)	(2.1)
Proceeds from borrowings	1,837.9	145.0	543.6	292.5	164.1
Repayment of borrowings	(1,352.1)	(57.3)	(122.6)	(96.3)	(21.1)
Repayment of lease liabilities - RoU assets	(6.5)	(6.9)	(6.5)	(3.2)	(0.2)
Borrowing costs	(11.4)	(0.6)	(3.5)	(3.1)	(3.4)
Dividends paid to shareholders	(44.5)	(53.8)	(57.7)	(24.8)	(83.2)
Net cash (outflow)/inflow from financing activities	**423.3**	**24.7**	**344.6**	**158.3**	**54.1**
Net increase / (decrease) in cash and cash equivalents	**1.1**	**28.3**	**131.0**	**27.4**	**11.0**
Cash and cash equivalents at the beginning of the financial year	231.1	230.4	260.4	260.4	390.9
Effects of exchange rate changes on cash and cash equivalents	(1.8)	1.7	(0.6)	0.1	0.4
Cash and cash equivalents at year end	**230.4**	**260.4**	**390.9**	**288.0**	**402.3**

Source: SG Fleet Annual Reports, GTCF Analysis.
Notes: (1) FY22 and FY23 figures are audited restated.

5.46 *Operating cash flows:* Net cash flow from operating activities declined to an outflow of A$196 million in FY24 from an inflow of A$46 million in FY22 and A$18 million in FY23. We note that acquisition of operating and finance lease assets is the biggest contributor to cash outflow and it increased by A$263 million or 37.7% in FY24, leading to a decrease in operating cash flow. However, the cash generated from operations before investment in lease portfolio increased by 35.9% from FY22 to FY23 and remained at the same level at A$435.8 million in FY24. Cash outflow continued in H1 FY25, though at a reduced level as cash generated from operations before investment in lease portfolio and proceeds from operating and finance lease assets increased in comparison to H1 FY24.

5.47 *Investing cash flows:* Notwithstanding the A$387 million investment in the LeasePlan ANZ acquisition in FY22, investing cash flows for SG Fleet were relatively stable throughout FY23 and FY24. SG Fleet

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invested A$4.2 million, A$5.5 million and A$11.0 million in software in FY22, FY23 and FY24 respectively. Investing cashflows remained broadly unchanged in 1H FY25 in comparison to 1H FY24.

5.48 *Financing cash flows:* During FY22, SG Fleet established additional limited recourse securitisation warehouse trusts as part of the LeasePlan ANZ acquisition. Net borrowing drawdowns in FY22 were A$485.8 million, which included A$310.8 lease portfolio borrowings and A$175.0 million net corporate borrowings. In FY23 and FY24 net borrowing was solely related to lease portfolio borrowings, totalling A$87.8 million in FY23 and increasing to A$421.0 million in FY24. Financing cash flows decreased in 1H FY25 compared to 1H FY24 as proceeds from borrowings deceased and final and special dividends were paid on 25 September 2024 totalling c. A$83.2 million were reflected.

5.49 *Dividend:* We have set out the dividend from FY22 and FY24 in the table below. SG Fleet declared a higher than historical dividend of 33.93 cents per share for FY24, including a 15-cent special dividend. Final and special dividends were paid on 25 September 2024 totalling c. A$83.2 million.

Figure 35 - Dividend and dividend yield

Dividend and dividend yield	FY22	FY23	FY24
Ordinary dividend (cents/Share)	15.13	16.18	15.0
Special dividend (cents/Share)	-	-	18.9
Total dividend on ordinary shares (cents/Share)	15.13	16.18	33.9
Payout ratio	83.3%	65.9%	129.4%
Dividend yield (based on closing price)	7.0%	7.0%	10.3%

Source: SG Fleet Annual Reports, GTCF Analysis.
Notes: (1) Dividend yield has been calculated with reference to the closing price of SG Fleet Shares as at 30 June 2022, 30 June 2023, 30 June 2024 for each relevant financial reporting period.

Share Capital structure

5.50 As at the date of this report, SG Fleet's capital structure comprised the following securities:

- 341,984,920 ordinary shares;
- 13,438,762 options with a weighted average exercise price of A$2.33 per share. Based on the Cash Consideration of A$3.50, the number of shares to be issue under a cashless exercise of the options is 4,474,028;
- 2,908,596 performance rights; and
- 1,113,758 restricted equity rights.
- Refer to proposed treatment of the options, performance rights, and restricted equity incentives under the Scheme outlined in Section 1. The total diluted shares outstanding is 350,481,302.

Share price movements

5.51 Below we have analysed the daily movements in SG Fleet's share price and volumes since 1 January 2023.

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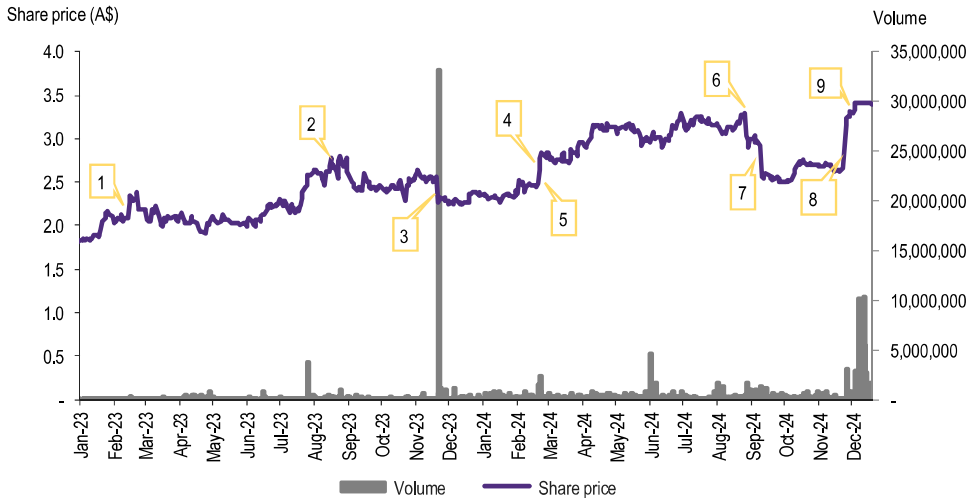
Figure 36 - SG Fleet – Historical share trading price and volumes



Sources: GTCF analysis, S&P Global.

5.52 The following table illustrates the key events that may have impacted the share price and volume movements shown above.

Event	Date	Comment
1	14/02/2023	1H FY23 results announced. This includes: - Revenue of A$526.7 million, representing a 21.5% increase from pcp. - NPAT of A$59.1 million, up 41.1% from pcp. - Lease Motor Vehicle Assets & Receivables of A$1.48 billion. - Lease portfolio borrowing of A$1.25 billion. - Declared an interim dividend of 8.91 cents per share.
2	23/08/2023	FY23 results announced. This includes: - Revenue of A$1,053.5.[28] million, a 16.0% increase from FY22. - NPAT of A$75.2 million, a 23.9% increase from FY22.[29] - Lease Motor Vehicle Assets & Receivables of A$1.60 billion. - Lease portfolio borrowing of A$1.30 billion. - Declared a final dividend of 7.27 cents per share. - Combined Corporate/Novated pipeline up by 17% on pcp to c. 18,000 units.
3	21/11/2023	LeasePlan conducted a partial sell-down of approximately 9.1% of SG Fleet Shares via placement. The stake was obtained by LeasePlan as part consideration for the acquisition of LeasePlan ANZ business.
4	20/02/2024	1H FY24 results announced. This includes: - Revenue of A$570.3 million, a 4.2% increase from pcp. - NPAT of A$45.5 million, up 8.5% from pcp. - Lease Motor Vehicle Assets & Receivables of A$1.81 billion - Lease portfolio borrowing of A$1.49 billion. - Declared an interim dividend of 9.6 cents per share.
5	20/02/2024	Australia Financial Review article "SG Fleet's investor LeasePlan seeks exit via $30m block trade" suggested that LeasePlan offered to sell its reaming c. 4% SG Fleet Shares at between A$2.25 and A$2.35, representing a 9.3% to 5.2% discount to its last close price.
6	27/08/2024	FY24 results announced. This includes: - Revenue of A$1,147.3 million, representing a 6.4% increase from FY23. - NPAT of A$99.6 million, up 6.1% from restated FY23 NPAT of A$93.9 million - Lease Motor Vehicle Assets & Receivables of A$1.95 million.

[28] Before re-statement.
[29] Before re-statement.

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Event	Date	Comment
		- Lease portfolio borrowing of A$1.72 billion. - Declared a final dividend of 24.33 cents per share, including a special dividend of 15 cents per share. - Corporate pipeline reduced by c. 18% and novated pipeline reduced by 45% from June 2023 peaks to c. 9.5k units and 3.6k units respectively. FY25 earning guidance published together with FY24 result to be between A$88 million and A$95 million, which represents a decline from FY24 earnings due to the following: - An increase of c. A$7 million in interest expenses as a Covid-era interest rate swap on corporate debt expires. - A temporary increase in technology spending in the final phase of the LeasePlan system migration plan. - Normalisation of end-of-lease income from Covid-peak levels.
7	10/09/2024	Record date of a dividend of A$0.243.
8	25/11/2024	SG Fleet announced that it had received the PEP Indicative Proposal to acquire all SG Fleet Shares at a price of A$3.50 per share.
9	4/12/2024	SG Fleet announced that it had entered into the SID with BidCo.

Source: ASX announcements, S&P Global.

5.53 The monthly share price performance of SG Fleet since November 2023 and the weekly share price performance of SG Fleet over the last 16 weeks is summarised in the table on the following page.

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Figure 37 - SG Fleet monthly share price

SG Fleet Group Limited	Share Price			Average
	High $	Low $	Close $	weekly volume 000'
Month ended				
Nov 2023	2.700	2.160	2.280	8,753
Dec 2023	2.400	2.210	2.350	1,261
Jan 2024	2.420	2.230	2.410	1,750
Feb 2024	2.890	2.340	2.830	2,521
Mar 2024	2.960	2.650	2.950	1,440
Apr 2024	3.230	2.840	3.140	1,805
May 2024	3.190	2.890	2.950	2,725
Jun 2024	3.320	2.850	3.300	1,968
Jul 2024	3.320	3.090	3.170	1,408
Aug 2024	3.410	2.870	2.990	2,059
Sep 2024	3.080	2.470	2.500	2,926
Oct 2024	2.820	2.450	2.710	1,531
Nov 2024	3.410	2.590	3.310	2,183
Week ended				
30 Aug 2024	3.410	2.870	2.990	4,466
6 Sep 2024	3.080	2.920	2.980	3,317
13 Sep 2024	2.970	2.470	2.600	4,534
20 Sep 2024	2.640	2.510	2.520	2,073
27 Sep 2024	2.600	2.470	2.500	1,922
4 Oct 2024	2.550	2.450	2.510	1,587
11 Oct 2024	2.700	2.470	2.680	1,146
18 Oct 2024	2.820	2.680	2.750	1,417
25 Oct 2024	2.760	2.660	2.700	1,744
1 Nov 2024	2.760	2.665	2.680	1,742
8 Nov 2024	2.780	2.650	2.710	1,879
15 Nov 2024	2.750	2.590	2.630	1,129
22 Nov 2024	2.750	2.600	2.670	632
29 Nov 2024	3.410	3.145	3.310	5,377
6 Dec 2024	3.440	3.290	3.410	15,761
13 Dec 2024	3.420	3.400	3.410	29,985

Sources: GTCF analysis, S&P Global.

Top shareholders

5.54 We have set out below the top 20 shareholders of SG Fleet as at 11 November 2024.

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Figure 38 - SG Fleet top 20 shareholders

Top 20 shareholders as at 11 November 2024			
Rank	Name	No. of Shares	Interest (%)
1	Bluefin Investments	183,248,160	53.6%
2	Wilson Asset Mgt	22,827,071	6.7%
3	Regal Funds Mgt	16,438,129	4.8%
4	Pengana Capital	9,324,000	2.7%
5	Dimensional Fund Advisors	8,907,591	2.6%
6	Mr Robert P Blau	8,448,460	2.5%
7	OC Fund Mgt	8,167,412	2.4%
8	Investors Mutual	7,140,721	2.1%
9	Vanguard Group	3,951,582	1.2%
10	Koda Capital	2,851,841	0.8%
11	Prime Value Asset Mgt	2,486,652	0.7%
12	Pendal Group	2,421,023	0.7%
13	Goldman Sachs Asia	2,045,695	0.6%
14	BofA Securities	1,975,987	0.6%
15	RQI Investor	1,548,878	0.5%
16	Mr David J Fernandes	1,456,255	0.4%
17	DS Capital	1,357,129	0.4%
18	Citigroup Global Markets	1,277,827	0.4%
19	Norges Bank Investment Mgt	1,237,169	0.4%
20	BlackRock Investment Mgt	1,091,650	0.3%
Top 20 shareholders total		**288,203,232**	**84.3%**

Source: SG Fleet, GTCF Analysis.

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6. Valuation methodologies

Introduction

6.1 As discussed in Section 1, our fairness assessment involves comparing the Cash Consideration with the fair market value of SG Fleet on a 100% control basis.

6.2 Grant Thornton Corporate Finance has assessed the value of SG Fleet using the concept of fair market value. Fair market value is commonly defined as:

- "the price that would be negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller acting at arm's length."

6.3 Fair market value excludes any special value. Special value is the value that may accrue to a particular purchaser. In a competitive bidding situation, potential purchasers may be prepared to pay part, or all, of the special value that they expect to realise from the acquisition to the seller.

Valuation methodologies

6.4 RG 111 outlines the appropriate methodologies that a valuer should generally consider when valuing assets or securities for the purposes of, amongst other things, share buy-backs, selective capital reductions, schemes of arrangement, takeovers and prospectuses. These include:

- Discounted cash flow and the estimated realisable value of any surplus assets.
- Application of earnings multiples to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets.
- Amount available for distribution to security holders in an orderly realisation of assets.
- Quoted price for listed securities, when there is a liquid and active market.
- Any recent genuine schemes received by the target for any business units or assets as a basis for valuation of those business units or assets.

6.5 Further details on these methodologies are set out in Appendix A to this report. Each of these methodologies is appropriate in certain circumstances.

6.6 RG 111 does not prescribe any of the above methodologies as the method(s) that an expert should use in preparing their report. The decision as to which methodology to use lies with the expert based on the expert's skill and judgement and after considering the unique circumstances of the entity or asset being valued. In general, an expert would have regard to valuation theory, the accepted and most common market practice in valuing the entity or asset in question, and the availability of relevant information.

Selected valuation methods

6.7 In our assessment of the fair value of SG Fleet, Grant Thornton Corporate Finance have relied on a number of valuation methodologies as outlined below:

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6.8 DCF Method – Grant Thornton Corporate Finance has had regard to the cash flow projections up to 30 June 2029 for SG Fleet prepared by SG Fleet Management and their financial advisers which is largely based on brokers' consensus estimates. Grant Thornton Corporate Finance has incorporated the Internal Projections into the GT Model which we have used for the purpose of our valuation assessment. We believe the DCF method is an appropriate valuation methodology due to the following:

- SG Fleet has relatively strong visibility on future financial performance based on the contracted leasing cash flows with its customers.
- It allows for different sensitivities and assumptions to be modelled, including revenue, profitability margins and integration cost savings.
- The full revenue and cost synergies arising from the LeasePlan ANZ acquisition will only be crystallised from FY26 and hence they can be better reflected and sensitised over the discrete forecast period of the Internal Projections.
- Lease Portfolio Asset cash flow requirements, which are key to the operations of the Company and a material input for the valuation assessment, can be modelled in a robust way.
- The DCF method is a commonly used methodologies for valuing similar companies.

6.9 We have cross checked our valuation assessment based on the following:

- Multiple approach – Grant Thornton has considered the PE Multiple as appropriate to cross check our valuation assessment.
- Quoted Security Price Method – In the absence of the Scheme or other transactions, the trading price of SG Fleet Shares represents the value at which minority shareholders could realise their investment in SG Fleet and accordingly it is a relevant valuation benchmark.

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7. Valuation assessment of SG Fleet based on the DCF

7.1 As discussed in Section 6, we have assessed the fair market value of SG Fleet on a 100% control basis using the DCF Method as our primary approach. Our valuation is summarised in the table below.

Figure 39 - Grant Thornton's DCF Method valuation summary

DCF Method - valuation summary A$'000 (unless otherwise stated)	Section Reference	Low	High
Equity Value (excl. minority investments)	7	1,165,577	1,323,393
Add: Investments in minority companies as at 31 December 2024	7	8,535	8,535
Total Equity Value (control basis)		**1,174,112**	**1,331,928**
Number of shares outstanding ('000) (fully diluted)	7	350,481	350,481
Value per share (control basis) (A$ per share)		**3.35**	**3.80**

Source: GTCF Analysis.

Internal Projections and GT Model

7.2 For the purpose of our assessment of SG Fleet utilising the DCF Method, Grant Thornton Corporate Finance was provided with Internal Projections up to FY29 which we have integrated into the GT Model. Grant Thornton has extended the Internal Projections by a further two years to FY31 to taper down the revenue growth in line with the assumed perpetual growth rate before calculating a terminal value. The Internal Projections were prepared on a real, geared, post-tax basis. Our valuation assessment is based on the net present value of real, geared, post-tax net cash flows for equity holders and adopt a cost of equity as discount rate.

7.3 In accordance with the requirements of RG111, we have undertaken a critical analysis of the Internal Projections before relying on them for the purpose of our valuation assessment. Specifically, we have undertaken the following procedures:

- Reviewed the historical and YTD financial performance of SG Fleet, broker estimates and trends, and risks and opportunities in the industry.
- Conducted high level checks, including limited procedures in relation to the mathematical accuracy of the Internal Projections.
- Tested certain key revenue, margin, and capital expenditure assumptions underlying the Internal Projections against those of comparable listed peers.
- Held discussions and interviews with Management of the Company and the financial adviser.

7.4 Grant Thornton Corporate Finance has not disclosed the Internal Projections in our IER as they contain commercially sensitive information and they do not meet the requirements for presentation of prospective financial information as set out in ASIC Regulatory Guide 170 “Prospective Financial Information”.

7.5 The assumptions adopted by Grant Thornton Corporate Finance do not represent projections prepared by Grant Thornton Corporate Finance but are intended to reflect the assumptions that could reasonably be adopted by industry participants in their pricing of similar businesses. We note that the assumptions are subject to uncertainty and there is scope for differences of opinion. Based on the benchmarking

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undertaken with the market as whole and the current growth opportunities of the business, we have sensitised various key operational and cash flow assumptions which have resulted in a range of a potential valuation outcomes. As a result, the value of SG Fleet could vary materially based on changes to these key assumptions.

Internal Projections - Key valuation assumptions

Fleet forecasting

7.6 The Internal Projections have a discrete period of five years and forecast total fleet by individual fleet category (corporate fleet, novated fleet, and lite fleet). Underpinning the fleet forecast is Management's expectation of future order growth for each category, as well as the assumptions with respect to the continued unwinding of the abnormal order pipeline that was built up during the COVID-19 period. The variables that contribute to total fleet growth (lease portfolio asset acquisitions, extensions, and terminations) are therefore a function of annual order growth forecasts, as well as expectations of the number of annual deliveries as a percentage of annual orders (e.g., pipeline). Extensions and terminations are estimated based on a given percentage of total annual orders and annual total fleet opening balance and acquisitions.

7.7 To support order growth forecasts, Management undertakes a bottom-up approach to forecasting that involves individual relationship managers for each customer providing expectations for each customer. The divisions also undertake monitoring of business development and new customer opportunities, including analysis of customer fleet size and product requirements, which are then probability weighted by the likelihood of winning that customer.

Corporate and novated order and deliveries growth

7.8 The Internal Projections forecast corporate fleet orders to grow at a CAGR of 6.4% from FY24 to FY29, primarily driven by strong growth in FY25 and FY26 as a result of stabilising corporate confidence in addition to underlying structural demand drivers, such as increased demand for outsourced fleet management and funding solutions. In recent years, these factors have combined to contribute to record high vehicle demand after a period of macroeconomic uncertainty. As supply improves further and the lead time for particularly sought after models begins to decline, Management expects extensions and vehicles in inertia to continue falling, which also contributes to strong order growth.

7.9 Management anticipates even stronger growth in annual order volume for the novated segment in the early years of the discrete forecast period, which is driven by the recent government changes to FBT legislation (discussed in further detail in paragraph 4.35), resulting in a CAGR for novated fleet orders of c. 8.7% between FY24 and FY29. The zero FBT legislation encouraged many new customers to the market that had not previously offered novated leasing products to their employees. Management also estimates the continued structural shift away from private ownership and toward a "usage" model to support future demand for novated leasing solutions.

7.10 Order pipelines remain elevated over the next few years, particularly for the corporate segment as its slow unwinding will continue to support delivery volumes and contribute to total annual deliveries in excess of orders for both the corporate and novated segments. Novated leases pipeline is expected to normalise in line with orders by FY28 whereas the corporate deliveries will continue to exceed orders over the discrete forecast period even if at a reduced rate.

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7.11 Based on the order volume, new delivery volume, extensions, and terminations forecasts, the total fleet is expected to increase from 277,553 as at 30 June 2024 to 311,028 vehicles at 30 June 2029.

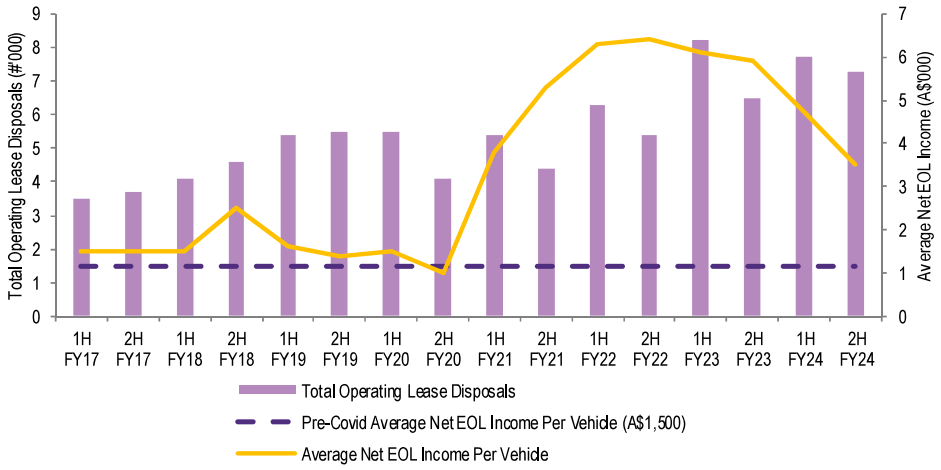
7.12 As of 31 December 2024 approximately 53% of the Company's corporate fleet and 32% of the novated fleet were funded on balance sheet. The Internal Projections forecast these percentages to increase to c. 57% and c. 43%, respectively, over the discrete period. As a result of this, principal and agency funded new deliveries are forecast to decline. This dynamic results in the sacrifice of short-term revenue, as principal and agency financing commissions are recognised upfront, for increased long-term revenue as on-balance sheet funded leases are typically more profitable but recognised over the life of the lease.

Net EOL income

7.13 The Internal Projections expects vehicle risk income to continue to gradually soften from the record highs experienced during the COVID-19 pandemic, when logistics constraints and critical parts shortages lead to a substantial supply and demand imbalance. Management expect net EOL income per vehicle to normalise at a higher level than pre-COVID-19 from the peak of c. A$6,300 during the pandemic and c. A$4,100 at 30 June 2024. We note that the assumption adopted by Management is higher than pre-pandemic net EOL income per vehicle of approximately A$1,500. This expectation is driven by 1) significant new car price inflation that has occurred in previous years, and 2) reduction of the carpool supporting the used car market due to the significant decline in new cars sales during the pandemic, which has a flow on effect on the future used car market.

7.14 Figure 40 shows the historical average net EOL income per vehicle, overlayed by the expected future normalised net EOL income per vehicle as adopted in the Internal Projections.

Figure 40 - Internal Projections normalised EOL income per vehicle



Source: Management, GTCF Analysis

7.15 SG Fleet is covered by some brokers who forecast financial performance for FY25 to FY27. Overall, the Internal Projections assume higher net revenue growth over the next two years compared with Brokers. Brokers seem to attribute limited growth in their projections from the unwinding of the existing pipeline and the legislative support for the novated lease.

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Figure 41 - Broker net revenue growth forecasts

Broker projections Net revenue growth (%) - nominal	FY25	FY26	FY27
Broker 1	2.2%	3.2%	2.4%
Broker 2	0.3%	5.1%	1.5%
Broker 3	3.3%	5.5%	2.6%
Average - Brokers	**1.9%**	**4.6%**	**2.2%**

Source: Brokers reports, GTCF Analysis
Notes: (1) Internal Projections growth forecasts presented in this figure are on a nominal basis to allow comparability to the broker forecasts.

Operating costs

7.16 The Internal Projections forecast stable gross profit margins over the discrete period to FY29 that are marginally below broker projections shown in Figure 42 below.

Figure 42 - Broker gross profit margin forecasts

Broker projections Gross profit margin (%)	FY25	FY26	FY27
Broker 1	34.4%	35.7%	34.7%
Broker 2	na	na	na
Broker 3	33.5%	33.6%	33.3%
Average - Brokers	**33.9%**	**34.7%**	**34.0%**

Source: Broker reports, GTCF Analysis

7.17 Other operating cost categories include employee benefits expense, technology and communication costs, and other expenses, which itself comprises items such as occupancy costs, travel costs, and other corporate overheads. Employee benefits expenses and technology costs in the Internal Projections are forecast to increase materially in FY25 as a result of LeasePlan ANZ integration and technology migration costs, before declining in FY26 and FY27 as the anticipated synergies of the LeasePlan ANZ acquisition are realised. Other expenses are forecast to gradually increase over the forecast period with overall revenue growth.

LeasePlan ANZ synergies

7.18 At the time of the LeasePlan ANZ acquisition, Management announced that they anticipated being able to achieve certain staff and technology cost synergies that would results in savings of approximately A$20 million of per annum.

7.19 Since the acquisition, total headcount has increased by approximately 140 FTEs which was driven by: 1) The recruitment for operational areas in LeasePlan ANZ that were historically understaffed; 2) Resolving historical underinvestment in some SG Fleet teams, such as technology and solution delivery, innovation, people and culture, and corporate marketing; and 3) Preparations for the integration process as dedicated resources were appointed to assist with the delivery.

7.20 FTEs reduce throughout the early years of the discrete period as dedicated integration related resources are phased out and the employee base is right sized when post-integration operational efficiencies and process/technology improvements are implemented. The FTE reductions incorporated in the Internal

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Projections are based off a bottom-up approach which has already identified specific areas and FTEs where reductions will occur.

7.21 Cost savings are partially offset by forecast real growth in average FTE cost and technology by an average of c. 4.0% and c. 5.0% per annum respectively over the discrete period.

7.22 As of the time of writing, the business has not yet extracted a meaningful portion of the forecast cost synergies. Management have expressed confidence that the migration process is on track as planned and forecast employee benefits expense and technology cost synergies will be achieved in full.

7.23 Figure 43 presents the Internal Projections total other operating expense growth forecast for FY25 to FY27, compared to the investment brokers who forecast these costs individually. While the Internal Projections forecast higher growth in other operating expenses in FY25, they also capture a larger proportion of synergies in FY26 onward, resulting in the Internal Projections forecasting lower total other operating expenses from FY26 onward in comparison to average broker forecast. When considering both the increased FY25 expenses as well as the forecast cost synergies over FY26 and FY27, employee benefits expense and technology costs increase at a CAGR of c. 1.4% and 5.0%, respectively, between FY24 and FY29.

Figure 43 - Broker other operating expense forecasts

Broker projections Total other operating expense growth (%) - nominal	FY25	FY26	FY27
Internal Projections	11.2%	(3.4%)	2.5%
Broker 1	4.2%	(0.9%)	(2.6%)
Broker 2	5.0%	1.5%	1.5%
Average - Brokers	**4.6%**	**0.3%**	**(0.5%)**

Source: Broker reports, GTCF Analysis
Notes: (1) Internal Projections FY27 forecast realisation of further employee benefits expense synergies is partially offset by a moderate increase in technology costs and other operating expenses.

EBITDA margin

7.24 The business achieved strong EBITDA margin growth during the COVID-19 period, primarily in relation to: 1) Higher net vehicle risk income as residual values for second hand cars increased; 2) Higher interest rate margins on financial lease vehicles as a result of the rising interest rate environment; 3) A large increase in extensions and vehicles in inertia (typically the most profitable periods of a vehicle lease) as new vehicle supply constraints intensified; and 4) A growing delivery pipeline throughout the period. EBITDA margins in recent years have gradually normalised as these factors unwound and due to the LeasePlan ANZ business generally having lower margins from more aggressive pricing structures.

7.25 The Internal Projections forecast a reduction in EBITDA margin in FY25 as a result of increased growth in various other operating cost categories related to the business integration process. EBITDA margin is then forecast to increase in FY26 and FY27 as the expected cost synergies are realised, before remaining broadly steady for the remainder of the discrete forecast period. The Internal Projections are broadly in line with the Brokers' forecast which are illustrated in the table below.

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Figure 44 - Broker net revenue forecasts

Broker projections EBITDA Margin (%)	FY25	FY26	FY27
Broker 1	14.7%	16.1%	16.6%
Broker 2	na	na	na
Broker 3	14.3%	15.0%	15.8%
Broker 4	13.8%	14.7%	15.0%
Average - Brokers	**14.3%**	**15.3%**	**15.8%**

Source: Brokers reports, GTCF Analysis

LPA capital expenditure

7.26 Total capital expenditure is as a function of additions and disposals of the fleet less the net proceeds from borrowings. Management expects the proportion of the LPA capital expenditure to be funded by operating cash flows to normalise at a level lower than historically observed as borrowing advance rates on the warehouse facilities are expected to increase over the discrete forecast period. Management expects to be able to approach credit rating agencies regarding the warehouse facilities once they have achieved a few more years of origination history which should improve the terms. Figure 45 demonstrates the impact that the forecast increase in warehouse borrowing advance rates has on the proportion of LPA investment to be funded by operating cash flows. As advance rates increase in both FY26 and FY27, there is a smaller contribution to LPA investment required from operating cash flows. As the forecast advance rate normalises from FY28 onward, the incremental borrowings from LPA return to more normalised levels, increasing the contribution required from operating cash flows.

Figure 45 - Internal Projections proportion of LPA investment funded by operating cash flow

Internal Projections Proportion of LPA investment to be funded by operating cash flows (%)	FY25	FY26	FY27	FY28	FY29
Proportion of LPA investment to be funded by operating cash flows	21.1%	18.5%	17.7%	23.1%	24.7%

Source: Internal Projections, GTCF Analysis

7.27 Net capital expenditure required to fund the lease portfolio in the Internal Projections is relatively lumpy in the early years of the discrete forecast period, largely due to changing operational assumptions regarding fleet management and the increase in vehicles funded on balance sheet. In the outer years of the forecast, the projected cash flow requirement to be funded from operating cash flows becomes relatively stable and normalises at approximately 25% of the total cash flow required to fund the lease portfolio.

Working capital

7.28 The working capital requirements of the business are limited and the nature of the business typically results in small positive net working capital inflow primarily because the structure of the leases results in the accumulation of a large amount of accrued maintenance funds that are collected in advance of actual maintenance obligations and remain on the balance sheet, to be utilised as required. The only exception is in relation to FY25 when there is a large working capital associated with one-off deferred tax payment as well as movements relating to an increase in inventory as a result of underlying assumptions in the Internal Projections.

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Key sensitivity and scenarios on the Internal Projections

7.29 There are a number of key assumptions that have a material impact on the value of the Company for which we have undertaken more detailed analysis and scenarios as discussed below.

Revenue assumptions

7.30 *Corporate and novated fleet growth* – A critical assumption underpinning the Internal Projections is the strong forecast order growth for both the corporate and novated fleet in the early years of the discrete period, which, for the novated leases, is supported by government policies. The deliveries remain in excess of orders for the entire discrete forecast period for the corporate fleet. Although there remains a build-up in pipeline as a result of the COVID-19 period, there is evidence that this is easing. As at FY24 Management reported that both corporate and novated pipelines were at c. 3.5x normal levels. In comparison, FleetPartners were reporting a reduction in pipeline to 1.9x pre-Covid as part of their FY24 results. It is uncertain exactly when order pipelines will reach a normalised state, or what this normalised state may be, but we consider it may be unsustainable for annual deliveries to exceed annual orders in the long term. In all our valuation scenarios, we have normalised annual deliveries in line with annual orders. We have also considered a "market case" valuation, which is based on a valuation scenario that adjusts the forecast net revenue in the early years of the Internal Projections to be more in line with the consensus brokers net revenue forecasts for FY25 to FY27.

7.31 *Normalised net EOL income per vehicle* – The timing of this normalisation of used vehicle prices is uncertain. There could be a continued gradual reduction in net EOL income per vehicle, or the reduction may proceed at an accelerated pace as the supply constraints continue easing. Further, the level at which net EOL income per vehicle normalises is also uncertain. The Internal Projections forecast net EOL income per vehicle to normalise at a level which is higher than historical pre COVID-19 net EOL income per vehicle of c. A$1,500, and also higher than normalised expectations for EOL income per vehicle of FleetPartners, at c. A$1,000 per vehicle[30]. We have therefore considered various valuation scenarios in which net EOL income per vehicle normalising in the final year of the discrete forecast period at a A$1,500 and A$2,000 per vehicle. We have not seen any evidence to suggest, at the date of this Report, that the EOL income may normalise at a higher level than estimated in the Internal Projections, however we have illustrated a sensitivity scenario assuming net EOL of A$3,000 for completeness.

Synergies assumptions

7.32 The Internal Projections case fully incorporates the benefit of achieving the synergies estimated by Management. While many business combinations are anticipated to achieve cost synergies, the actual realisation of these synergies is often uncertain due to timing and execution risks. It is relatively common for predicted synergies to fall short of expectations due to various unexpected integration challenges, operational complexities, and unforeseen costs. Consequently, despite Management's confidence in achieving the expected cost synergies, we have considered a valuation scenario to sensitise the amount realised at 80%. For completeness, we have also run an upside case with synergies at 110% of Management's estimate, however we believe it is unlikely that a pool of potential purchasers may be prepared to pay for them.

[30] FleetPartners FY24 Results Investor Presentation. We note that each individual business will set expectations of normalised EOL income per vehicle based on their own internal pricing strategy with respect to aggressive or conservative expectations. Normalised expectations of net EOL income per vehicle between any two firms may not therefore be directly comparable, but nonetheless, we consider this comparison informative in assessing SG Fleet's forward looking expectations.

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7.33 From a timing perspective, business combinations of the scale of the LeasePlan ANZ acquisition are highly complex, and despite meticulous planning and preparation, may not proceed as anticipated. We have considered alternative scenarios where the forecast synergies are fully achieved, but on a slightly delayed basis.

Funding assumptions

7.34 The Internal Projections forecast an increase in the advance rate in FY25, FY26, and FY27, before stabilising in the outer years of the forecast period. This forecast increase in advance rate is on the basis that after a few additional years of origination history, the business will be able to approach credit rating agencies to apply a credit rating to the warehouse facilities, which would have a positive impact on achievable advance rates. This forecast increase, although marginal on an absolute basis, has a significant impact on the investment in lease portfolio assets required from operating cash flows. Whilst the expectation from Management seems reasonable, the quantum of the potential increase in the advance rates is difficult to predict and hence we have run some alternative scenarios.

Terminal value cash flows

7.35 *Net revenue* - We have extended the forecast period by two years from FY29 to FY31 to taper down the revenue growth in line with the assumed perpetual growth rate in the terminal year in line with the long term inflation or nil on a real basis. In our opinion this is reasonable considering the significant above market growth included in the discrete forecast period and the uncertainty in the industry in relation to changes in mobility solutions.

7.36 *EBITDA margin* - EBITDA margin during the discrete forecast period increases to c. 15.5%, primarily as a result of the expected realisation cost synergies related to the LeasePlan ANZ acquisition. In the terminal value, we have adopted a normalised/across the cycle margin of 14.5% which is in line with the average margin over the entire discrete forecast period. This is not inconsistent with the average brokers forecasts EBITDA margin over the period FY23 to FY26.

7.37 *Operating cash flow in LPA* - The extrapolated period and terminal value calculation effectively assume that total fleet will remain stable in perpetuity. We have assumed operational cash flows will be required to fund 25% of the investment required in LPA in perpetuity, broadly in line with the final years of the discrete forecast period, at which point the assumed advance rate has normalised.

7.38 *Corporate debt* - Corporate debt levels and interest payments on corporate debt will remain stable in perpetuity.

Other assumptions adopted by Grant Thornton

7.39 *Standalone cost synergies* – We have valued the Company on a 100% control basis and accordingly have incorporated in our valuation the cost synergies that would be available to a pool of potential purchasers by taking the business private. We have estimated these cost synergies to be approximately A$1.5 million per annum, which are mainly associated with the costs of being a listed company (e.g., ASX fees, director fees, audit fees, share registry costs and investor relations costs).

7.40 *Minority Interest* - As discussed in paragraph 5.6, SG Fleet has strategic minority investments in three innovative companies - DinGo, Carly, and Zoomo - to expose the Company to emerging trends in the mobility sector. These minority investments are largely immaterial to the value of SG Fleet and it is not

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feasible to undertake an extensive assessment based on the limited information available as a result of the minority interests held by the Company and the early stage nature of those investments. For the purposes of our valuation, we have adopted the carrying value of these minority investments on SG Fleet's balance sheet as at 31 December, being approximately A$2.6 million and A$5.9 million for DingGo and Zoomo, respectively. We note that as of 31 December 2024 SG Fleet has written down the value of their minority investment in Carly to nil. Carly has been voluntarily suspended from quotation on the ASX since 19 September 2024, discussed in paragraph 5.6.

7.41 *Discount rate* – Given the Internal Projections forecast net cash flows to equity holders on a real basis, in our valuation assessment, we have adopted a real cost of equity between c. 7.7% and 8.9% which is equivalent to between 10.4% to 11.7% on a nominal basis (adopting an inflation rate of 2.5%). In computing the cost of equity, we have applied a company specific risk premium between 0.5% to 1.0% on the basis of the inherent risk associated with achievability of the forecast and the growth rates estimated by Management compared with brokers and the significant improvement of the cash flows generated by the business as a result of the operational and market normalisation. Refer to Appendix B for further details on the computation of our adopted Cost of Equity.

Share Capital

7.42 Below we have set out the number of fully diluted ordinary shares adopted for the purpose of our valuation.

Figure 46 - SG Fleet's ordinary shares outstanding as at 31 December 2025

Share capital as at 31 December 2024 # shares outstanding	Section Reference	
Ordinary shares outstanding	7	341,984,920
Outstanding options expected to be issued[1]	7	4,474,028
Performance rights to be exercised[2]	7	2,908,596
Restricted Equity rights to be exercised[3]	7	1,113,758
Total diluted shares outstanding		**350,481,302**

Source: FY24 Annual Report, FY25 Half-year Results, Scheme Booklet, GTCF Analysis.

7.43 As of 31 December 2024, SG Fleet had approximately 342.0 million ordinary, fully paid shares outstanding, including 15,072 treasury shares. In relation to the total diluted shares outstanding as at 31 December 2024, we note the following:

- *Options*: As of 31 December 2024, SG Fleet had on issue approximately 13.4 million outstanding options. As required under the Scheme Implementation Deed, it was resolved that, subject to the Scheme becoming effective, the vesting conditions attached to all 13,438,762 options would be waived, and the options automatically exercised on a cashless basis and converted to SG Fleet Shares equal to the value of the option profit. This process will result in 4,474,028 SG Fleet Shares being issued.

- *Performance rights*: As of 31 December 2024, SG Fleet had on issue approximately 2.9 million performance rights. It was resolved that, subject to the Scheme becoming effective, the vesting conditions attached to all unvested performance rights would be waived, such that the 2,908,596 performance rights on issue may vest on an accelerated basis to the associated holders and participate into the Scheme.

- *Restricted equity rights*: As of 31 December 2024, SG Fleet had on issue approximately 1.1 million restricted equity rights. It was resolved that, subject to the Scheme becoming effective, the vesting

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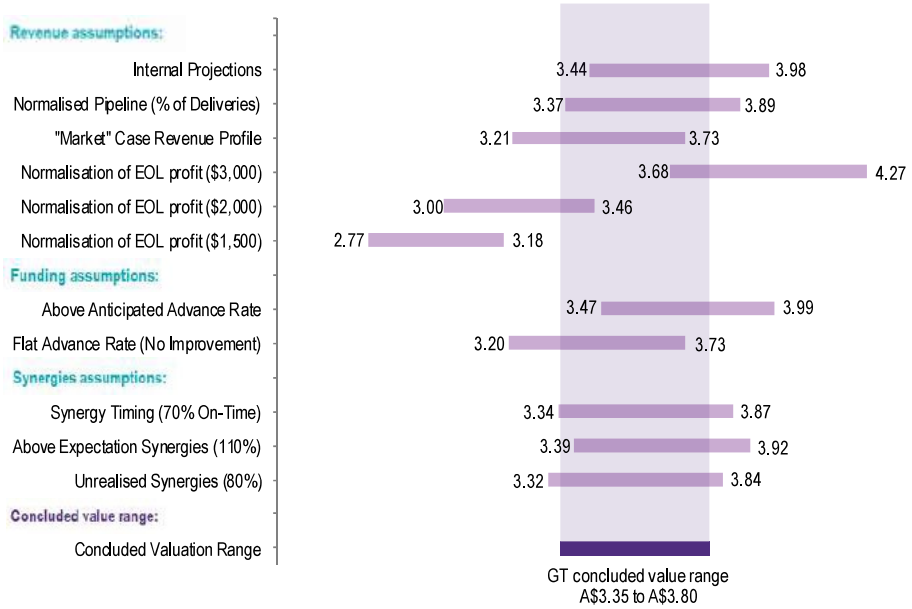
rights attached to all unvested restricted equity rights would be waived, such that 1,113,758 restricted equity rights may vest to the associated holders on an accelerated basis and participate into the Scheme.

Summary of value

7.44 We have provided below a summary of our valuation assessment of SG Fleet based on sensitising the assumptions outlined above.

Figure 47 - SG Fleet valuation scenarios and concluded value range



Source: Internal Projections, GT Model, GTCF Analysis

7.45 We have set out below our detailed equity value calculations under the concluded valuation range.

Figure 48 - Concluded value range

DCF Method - valuation summary A$'000 (unless otherwise stated)	Section Reference	Low	High
Equity Value (control basis) (excl. minority investments)	7	1,165,577	1,323,393
Add: Investments in minority companies as at 31 December 2024	7	8,535	8,535
Total Equity Value (control basis) (incl. minority investments)		**1,174,112**	**1,331,928**
Number of shares outstanding ('000) (fully diluted)	7	350,481	350,481
Value per share (control basis) (A$ per share)		**3.35**	**3.80**

Source: Internal Projections, GT Model, GTCF Analysis

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8. Cross check based on PE Multiple

Multiple implied in the DCF

8.1 Grant Thornton Corporate Finance has considered the PE Multiple implied in the DCF Method and compared with listed companies and private transactions. The identification of comparable companies is a matter of judgement and involves consideration of a number of factors including the business focus, operations and size, geographic and product reach and financial performance.

8.2 In the table below, we have set out the PE Multiple of SG Fleet implied in our valuation assessment based on the DCF Method.

Figure 49 - Implied DCF PE Multiple

Implied PE Multiple	DCF Method	
A$m (except where stated otherwise)	Low	High
Implied Total Equity Value (control basis) (excl. minority investments)[1]	1,165.6	1,323.4
FY24 NPATA (actual)	99.6	
LTM NPATA (actual)[2]	98.3	
FY25 NPATA (Management guidance)[3]	91.5	
FY26 NPATA (consensus forecast)	101.9	
FY24 P/E (actual)	**11.7x**	**13.3x**
LTM P/E (actual)	**11.9x**	**13.5x**
FY25 P/E (forecast)	**12.7x**	**14.5x**
FY26 P/E (forecast)	**11.4x**	**13.0x**

Source: GT Model, S&P Global, GTCF analysis.
Notes: (1) Equity value on is based on the equity value from the DCF Method excluding the minority investments. (2) LTM NPATA = FY24 results + 1H FY25 - 1H FY24. (3) FY25 NPATA is representative of Managements guidance as released in August 2024 and represents the midpoint of the range (A$88 million to A$95 million).

FY25 and FY26 earnings

8.3 In the table below, we provide a benchmark with SG Fleet's historical underlying earnings between FY22 and FY24, 1H FY25 and broker consensus estimates for FY25 and FY26. In order to enhance the level of comparability and adopt the true underlying performance for the purpose of our valuation, we have adopted NPATA.

Figure 50 - Historical and forecast NPATA

Underlying NPATA					Management	Median of consensus	
A$m (except where stated otherwise)	FY22	FY23	FY24	1H FY25	FY25 guidance	FY25	FY26
Net revenue	313	350.3	390.2	210.7		395.9	411.5
NPAT	60.7	84.0	89.7	41.1			
Implied margin	*19.4%*	*24.0%*	*23.0%*	*19.5%*			
Underlying NPATA	77.8	85.1	99.6	49.2	88 - 95	91.8	101.9
Implied margin	*24.9%*	*24.3%*	*25.5%*	*23.4%*		*23.2%*	*24.8%*

Source: SG Fleet Investor Presentations, S&P Global, GTCF Analysis.
Notes: (1) NPATA defined as underlying net profit after tax excluding amortisation of intangibles arising from acquisitions on an after-tax basis. (2) Underlying NPATA in FY23 excludes the impact of LeasePlan Waiver, and in FY22 excludes one off acquisition costs.

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8.4 In our assessment of the NPATA to adopt for the purpose of our valuation assessment, we have considered the analysis below.

FY25 guidance

8.5 Management has provided a subdued guidance for FY25 underlying NPATA between A$88 million and A$95 million in contrast to the A$99.6 million achieved in FY24, indicating a decrease ranging between 4.6% to 11.6%. The explanations provided by Management for the contraction in profitability were: 1) Increase in the interest rate on the corporate debt due to the end of the fixed interest rate swap; 2) Temporary increase in the technology spend in the lead-up to the final phase of the LeasePlan ANZ migration program with synergies expected to be realised once the migration is completed; and 3) Normalisation of the operating environment to more stable conditions after a period in which external factors such as the supply disruption and its impact on used values led to an exceptional performance in some revenue lines.

Consensus forecast

8.6 Below we have set out the consensus estimates of NPATA for FY25 and FY26. As discussed at length in Section 9 and shown in the table below, brokers significantly downgraded FY25 and FY26 consensus estimates after the release of the FY24 accounts, after they uplifted them upon the release of the 1H FY24 accounts.

Figure 51 - Changes in the consensus estimates

Broker consensus estimate NPATA	Pre 1H FY24 results		Post 1H FY24 results		Post FY24 results	
A$m	FY25	FY26	FY25	FY26	FY25	FY26
Broker 1	92.3	95.2	97.9	104.5	92.1	101.9
Broker 2	106	125	113.8	131.9	91.8	113.4
Broker 3	94.5	95.5	100.5	101.4	90.5	101.9
Average	**97.6**	**105.2**	**104.1**	**112.6**	**91.5**	**105.7**
Median	**94.5**	**95.5**	**100.5**	**104.5**	**91.8**	**101.9**

Source: S&P Global, GTCF Analysis.

8.7 The reduction in the consensus estimate was largely a reflection of the market's readjusting short- and medium-term forecast and incorporating the delay and risk associated with delivering the cost synergies and increase in interest rates[31]. However, it is evident from the growth in NPATA achieved by the business between FY22 and FY24 and the actual performance in FY24 that the reduction in FY25 NPATA is a transitory and not reflective of the underlying normalised performance of the business.

YTD performance

8.8 1H FY25 revenue is broadly in line with budget and guidance, with a c. 0.2% favourable variance, of this we note:

- Vehicle risk income is c. 7.2% lower than budget, resulting from continued reduction in the disposal profit per vehicle, as used car sale prices normalise.

[31] Analysts were taken aback by the interest rate increase after the expiry of the interest rate swap, even if the Company had disclosed the expiry of the fixed rate swap in the FY23 accounts.

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- The other net revenue components were ahead of budget, offsetting the decrease in vehicle risk income, with rental & finance income c. 3.0% higher, mobility services c. 5.9% and vehicle commission c. 2.8%.
- Total expenses were 1.2% lower than budget driven by lower vehicle risk cost of sale.
- Operating EBITDA and PBT were favourable to budget by 8.4% and 11.4% respectively. Management has indicated that this is due to timing issues associated with greater volume of terminations in the first half than was budgeted. The disposal volumes are expected to normalise in the second half with disposal values to soften.

Conclusion on the NPATA

8.9 Based on the analysis above, we are of the opinion that using the FY26 NPATA for valuation is more appropriate, as it reflects a normalised cost structure and operating environment once the LeasePlan ANZ synergies are realised. At the same time, we recognise that SG Fleet faces a higher risk compared with listed peers in achieving the FY26 consensus estimates given the execution and timing risks associated with the synergy's realisation.

Trading multiples

8.10 In selecting the comparable companies, we initially focused on FMO, however, given the majority of these are privately owned, we extended our search to include salary packaging and employee benefit management firms, which have some overlapping service offerings with SG Fleet, albeit account for a relatively smaller portion of SG Fleet's revenue. As a result, their level of comparability is more limited due to the different revenue model, capital requirements and profit margin compared to FMO firms like SG Fleet. Overall, we consider FleetPartners the most comparable and relevant trading peer for the purpose of our valuation and hence we have undertaken a detailed comparison with SG Fleet.

8.11 We have summarised the trading multiples of the selected comparable companies in the following table.

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Figure 52 - Listed peers' PE multiples

Company	Country	Market cap A$m	Enterprise value A$m	PE Multiple FY23 Actual	FY24 Actual	FY25 Forecast	FY26 Forecast
Tier One							
FleetPartners Group Limited	Australia	853	827	9.7x	9.7x	11.2x	11.7x
Tier Two							
McMillan Shakespeare Limited	Australia	1,381	1,294	17.7x	12.8x	13.7x	13.2x
Smartgroup Corporation Ltd	Australia	1,308	1,292	20.7x	18.5x	16.9x	16.0x
Element Fleet Management Corp.[1]	United Kingdom	17,179	17,275	29.4x	24.0x	22.0x	19.8x
Median - Tier 2				20.7x	18.5x	16.9x	16.0x
Average - Tier 2				22.6x	18.5x	17.5x	16.4x
Median - Overall				19.2x	15.7x	15.3x	14.6x
Average - Overall				19.4x	16.3x	15.9x	15.2x

Source: ASX announcements, S&P Global, GTCF analysis
Notes: (1) We note Element Fleet's FY24 multiple is a forecast as they are yet to release FY24 earnings. (2) We have applied a control premium of 30% to the market capitalisations of each listed company taken as at 24 January 2025. Market capitalisations of those companies listed on a foreign market exchange have been converted into A$ using the forex spot rates obtained from S&P Global as at 25 January 2024.(3) Enterprise value of selected trading companies includes net debt, computed as interest bearing liabilities (excluding lease portfolio borrowings, where appropriate), plus lease liabilities less non-restricted cash and cash equivalents, as well as non-controlling interests. (4) Country refers to the primary operating location. (5) For increased comparability with SG Fleet, NPATA has been used where available (FleetPartners, McMillan Shakespeare, and Smartgroup), whilst NPAT has been used for Element Fleet.

FleetPartners

8.12 FleetPartners is a FMO business based in Australia and New Zealand, providing traditional vehicle financing, fleet management solutions and other products and services to a range of retail, small business and corporate clients. FleetPartners managed over 88,000 vehicles (as of September 2023 being the last reported date), providing services that include vehicle leasing, fleet management, heavy commercial vehicles, salary packaging, and novated leasing.

8.13 Notwithstanding SG Fleet's larger size, both businesses operate in comparable market segments, providing akin types of operating, finance and novated leases as well as other fleet management and technology solutions. SG Fleet managed a fleet of c. 278k vehicles globally as at 30 June 2024, whilst FleetPartners' fleet is c. 88k (as of September 2023 being the last reported date) exclusively in Australia and New Zealand.

8.14 In the charts below, we have undertaken a comparison of certain KPIs of the businesses to assist in testing and discussing the level of comparability.

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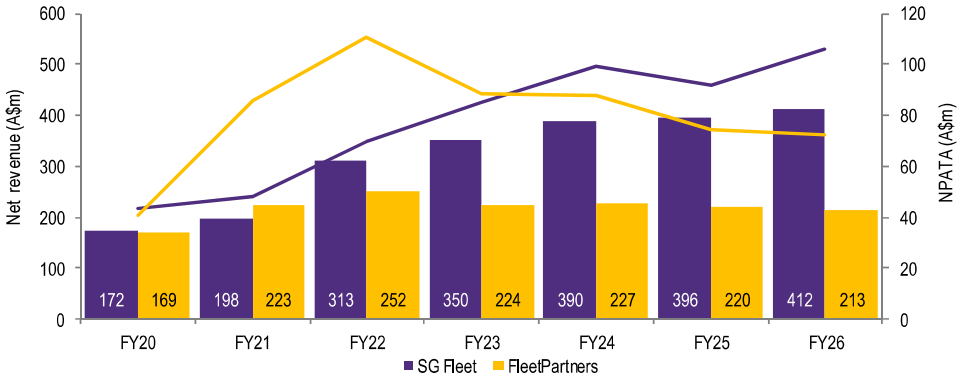
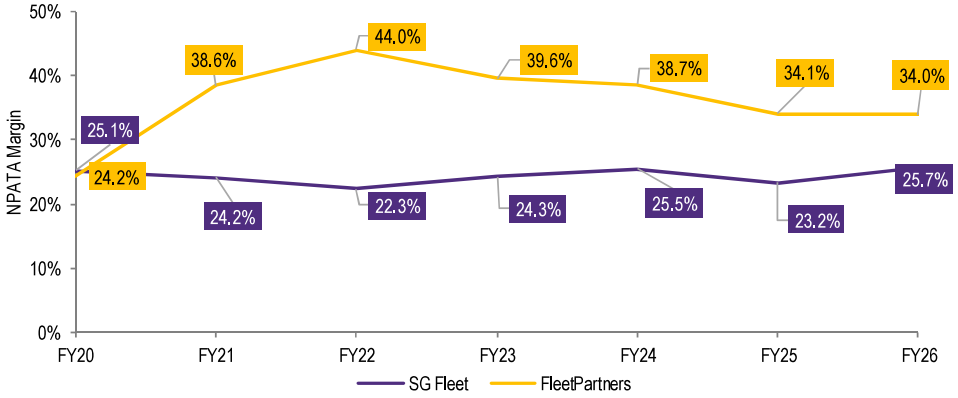
Figure 53 - SG Fleet and FleetPartners' net revenue and NPATA



Source: ASX Announcements, S&P Global, GTCF Analysis.
Notes: (1) Forecast figures represent broker consensus estimates sourced from S&P Global Capital IQ.

Figure 54 - SG Fleet and FleetPartners' underlying NPATA margin of net revenue



Source: ASX Announcements, S&P Global, GTCF Analysis.
Notes: (1) Forecast figures represent broker consensus estimates sourced from S&P Global Capital IQ.

Figure 55 - FY24 SG Fleet's segmental revenue

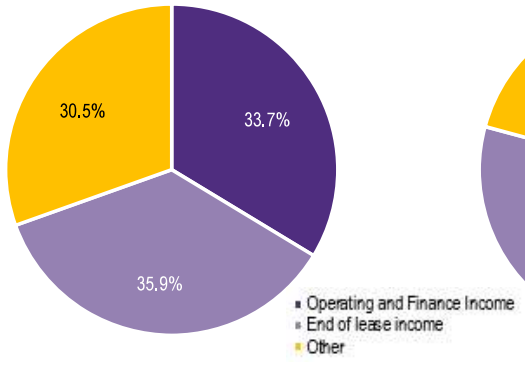
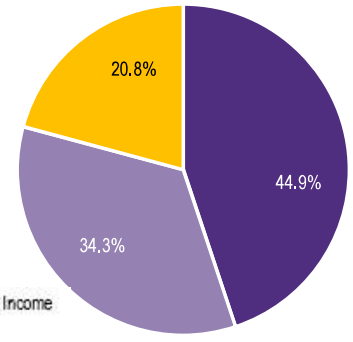


Figure 56 - FY24 FleetPartners' segmental revenue



Source: ASX Announcements, GTCF Analysis.
Notes: (1) Segmental revenue above refers to gross revenue.

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8.15 As at September 2024, FleetPartners had Assets Under Management or Origination Funding (AUMOF) of c. A$2.3 billion, with c. A$572 million of this being funded off balance sheet, and c. A$1.7 billion (or 75%) being on balance sheet funded via warehouse funding and ABS. Comparatively, as at 30 June 2024, SG Fleet's funded fleet was c. 62% off balance sheet and 38% on balance sheet[32], with c. 97% of the on balance sheet funding being securitisation warehouses. As discussed elsewhere, the on balance sheet funding is considered more beneficial for a business as it generates an annuity-like income stream and is not as transactional in nature in comparison to off balance sheet related revenue, and arguably not as volatile.

8.16 SG Fleet is of larger size and market presence on a fleet and revenue basis to FleetPartners, however as observable below, FleetPartners' profitability has historically been superior. Particularly, in the period between FY21 and FY23, FleetPartners' underlying NPATA margin expanded significantly as EOL income grew allowing for greater profits per unit (growing from A$2,566 in FY20 to A$6,558 in FY21). Although SG Fleet also generated greater EOL income across this period, the underlying NPATA margin remained broadly flat as a result of the one-off and temporary costs incurred to integrate the LeasePlan ANZ acquisition which are expected to normalise from FY26.

Figure 57 - SG Fleet and FleetPartners' key historical financial metrics comparison

A$m	SG Fleet FY23	FleetPartners FY23	SG Fleet FY24	FleetPartners FY24
Gross revenue	1,078.0	761.6	1,147.3	676.8
Net revenue	350.3	223.5	390.1	226.5
Net revenue margin	*32.5%*	*29.3%*	*34.0%*	*33.5%*
EBITDA	153.4	139.0	171.1	137.3
EBITDA margin (of net revenue)	43.8%	62.2%	43.9%	60.6%
NPATA	85.1	88.3	99.6	87.7
NPATA margin (of net revenue)	24.3%	39.5%	25.5%	38.7%

Source: ASX Announcements, S&P Global, GTCF Analysis.
Notes: (1) The EBITDA presented includes depreciation and interest associated with lease contracts (which is standard within this industry due to the nature of lease portfolios).

8.17 We understand, more recently, that FleetPartners' margins, although remaining greater than SG Fleet, have normalised due to lower management fees on replacement operating leases, reduced upfront funding commissions due to a greater proportion of on balance sheet funding, and a greater proportion of novated leases representing AUMOF, which is a lower margin than traditional fleet offerings. Further, as shown in the below chart, FleetPartners has a greater exposure to income from New Zealand, which has negatively impacted earnings during a particularly tumultuous period in the country with FleetPartners noting new business writings in New Zealand to be 8% lower in FY24 compared with FY23 and a more subdued order pipeline. As outlined in FleetPartners' FY24 investor presentation, the New Zealand market has deteriorated as vehicle registrations decreased c. 16% in FY24.

[32] The percentage of off balance sheet and on balance sheet refers to SG Fleet's funded fleet exclusively, and does not include the c. 148k of Lite Fleet, for which funding is not provided.

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Figure 58 - FY24 SG Fleet geographical NPATA

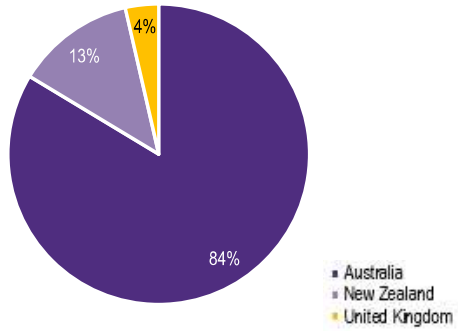
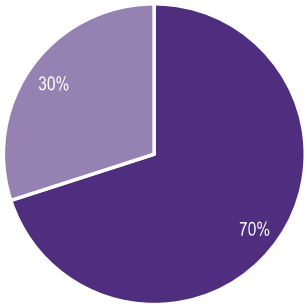


Figure 59 - FY24 FleetPartners geographical NPATA



Source: ASX Announcements, GTCF Analysis.

8.18 Whilst FleetPartners' profitability has been strong in recent years, as per the discussions above, brokers' consensus anticipates NPATA to reduce in FY25 and FY26 as summarised in the table below.

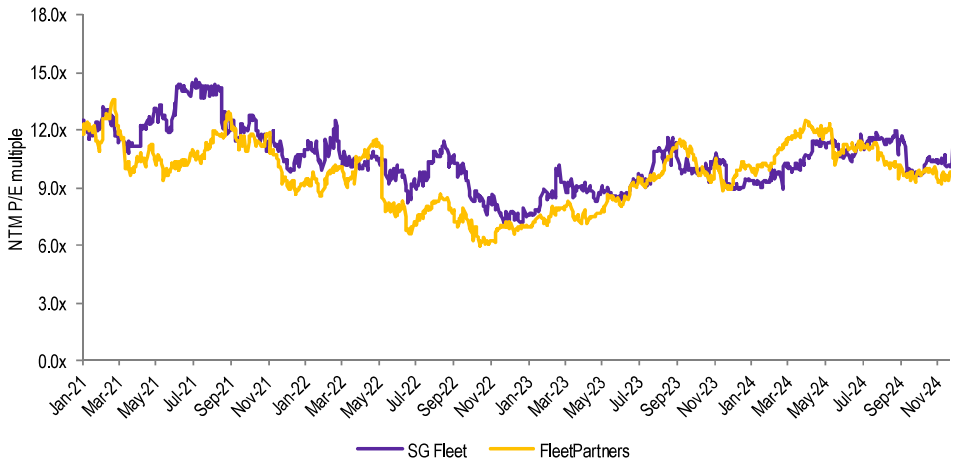
Figure 60 - FleetPartners' NPATA consensus forecast

FleetPartners NPATA				Median of consensus	
A$m (except where stated otherwise)	FY22	FY23	FY24	FY25	FY26
Underlying NPATA	110.8	88.3	87.7	75.0	72.4
Growth rate		*-20.3%*	*-0.7%*	*-14.5%*	*-3.5%*

Source: ASX Announcements, S&P Global, GTCF Analysis.

8.19 The similarity between the two businesses is also reflected in their valuations on the ASX with the NTM PE Multiples which have largely tracked each other as outlined in the graph below.

Figure 61 - SG Fleet and FleetPartners' NTM PE Multiple



Source: S&P Global, GTCF Analysis.
Notes: (1) The above PE multiples are on a minority basis and exclude the period following the announcement of the Scheme.

8.20 Based on all the analysis and discussions presented above, we do not consider it unreasonable that SG Fleet's forecast FY26 multiple implied in our DCF is at a slight premium to FleetPartners' forecast FY26 multiple noting:

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- SG Fleet's cost base will re-set to a sustainable ongoing level once the preparatory procedures for the realisation of the LeasePlan ANZ synergies are completed, allowing for the realisation of greater profits.
- Conversely, the expectation for FleetPartners' NPATA to contract for the reasons outlined previously.
- As displayed in the above chart, SG Fleet's NTM PE multiple has historically traded at a c. 11.2% premium to that of FleetPartners (since January 2021, and prior to the announcement of the Scheme).
- SG Fleet is pursuing a strategy to increase the on balance sheet funding which is expected to bridge the gap on profitability.

McMillan Shakespeare and Smartgroup

8.21 *McMillan Shakespeare* - It is an Australian provider of salary packaging, novated leasing, disability plan management, and related financial products and services in Australia and New Zealand. It mainly focuses on providing salary packaging services by assisting employees in structuring their salary to include benefits like cars, laptops, and superannuation. It also provides novated leasing and FBT administration services. The remuneration services division generated c. 75% of NPATA with the vast majority of revenue and profitability associated with salary packaging services. The novated lease on balance sheet receivable was quite modest at A$326 million as at 30 June 2024 with the warehouse facility only launched in FY22. The balance of the services are associated with assets management and the recently launched Plan and Support Services division which is focussed on supporting participants of the National Disability Insurance Scheme by managing their funding and payments, ensuring they can access the services they need and connecting them with service providers.

8.22 *Smartgroup* - It provides salary packaging, novated leases and fleet management services to a range of clients across various industries, including government, healthcare, not-for-profit, education and corporate. Smartgroup has only recently commenced piloting on-balance sheet fleet funding, however it is monitoring carefully considering the volatility in the residual vehicle values, in particular for EVs, which are a key focus of the business.

8.23 Because of their revenue and business models are skewed towards salary packaging and remuneration services which have different capital requirements, yields and profitability, the level of comparability is reduced.

Other listed peers

8.24 *Element Fleet Management* - Element Fleet Management is the largest pure-play automotive fleet manager in the world and it provides services and financing to large and mid-sized corporate/commercial and government/public service fleets. They operate mainly in North America, but they have also a smaller presence in Mexico and ANZ. Element Fleet Management is significantly larger than SG Fleet with net revenue in excess of US$1 billion and a sophisticated and capital lighter funding model based on syndication whereby it sells fleet lease receivables to financial buyers on terms that are more beneficial for Element Fleet Management than holding those assets on balance sheet which provides a greater ability to grow the business. Given the size of the business, the nature of the operations and the funding structure, we do not believe it is appropriate to rely on Element Fleet Management for the purpose of our valuation cross check.

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Comparable transactions multiples

8.25 We have also considered multiples observed in recent transactions in the industry. We have summarised these in the table below.

Figure 62 - Comparable transaction PE Multiples

Comparable transaction analysis					
Target	Acquirer	Country	Date	Deal Value	P/E
Tier One					
Leaseplan[1]	ALD	Netherlands	Jan-22	7,732	6.5x
LeasePlan ANZ	SG Fleet	Australia	Mar-21	387	14.3x
Sixt Leasing[2]	Santandar	Germany	Jul-20	617	18.2x
Eclipx[3]	Macmillan Shakespeare	Australia	Nov-18	776	11.5x
Tier Two					
Lookers plc	Jersey Corp Ltd	United Kingdom	Jun-23	946	8.0x
Redde plc	Northgate plc	United Kingdom	Nov-19	770	11.7x
Fleet Hire	SG Fleet	Australia	Aug-16	44	12.1x
Parcours	ALD Automotive	France	Feb-16	465	17.8x
Median - Tier 1					**12.9x**
Average - Tier 1					**12.6x**
Median - Overall					**11.9x**
Average - Overall					**12.5x**

Source: S&P Global, MergerMarket, Company announcements, GTCF analysis.
Notes: (1) Based on the total consideration and the underlying annualised 9 months 2021 results of LeasePlan. (2) Based on the implied share price of EUR$18.9, and 2019 earnings per share of EUR$1.04. (3) Transaction did not proceed to completion. 4) PE multiples are on a historical basis. (5) Deal values of foreign companies have been converted into A$ using the forex spot rates obtained from S&P Global as at the respective transaction dates.

8.26 In relation to the table above, we note the following:

- Multiples have been calculated using the implied equity values of the respective transactions and the historic net income of the target company, unless disclosed otherwise.
- In assessing the most relevant comparable transactions, we have considered businesses with exposure to fleet management and leasing services. Given there is limited recent comparable transactions relating to FMOs in Australia, we have expanded our analysis overseas to also include pre COVID-19 transactions. Accordingly, economic and market factors, including competition dynamics and political influences may be materially different over this period.
- All of these transactions involved the acquisition of a controlling interest. The implied multiples may incorporate control premiums and special values paid for by the acquirers. In particular, the multiples may reflect synergies paid which are unique to the acquirer.

LeasePlan ANZ

8.27 LeasePlan ANZ was a wholly owned subsidiary of the Netherlands-based LeasePlan Corporation and provided vehicle fleet management services across Australia and New Zealand. A detailed overview and rationale for the acquisition are extensively provided in other sections of the Report. Although the 14.3x

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implied historical PE multiple is greater than our historical LTM DCF implied multiple of 12.6x, we do not consider this unreasonable noting that 1) The acquisition was transformative to the overall SG Fleet business; 2) The LeasePlan ANZ business at the time was c. 97% on balance sheet warehouse funded which, as discussed elsewhere, is more attractive and beneficial than off balance sheet funding; 3) On a post synergies basis the LeasePlan ANZ acquisition multiple would reduce to 9.4x[33] given the significant cost savings expected to be realised.

LeasePlan Corporation

8.28 LeasePlan Corporation (the previous parent company of LeasePlan ANZ) was a global fleet management and mobility solutions company with global operations. LeasePlan Corporation managed a fleet of c. 1.8 million[34] vehicles primarily based in Europe and c. EUR 21.5 billion in amounts receivable under finance lease, operating lease and rental fleet. LeasePlan Corporation had a strong focus on EV passenger car deliveries, with battery powered EVs and plug-in hybrid EVs representing c. 23% of passenger car deliveries[35] with plans to grow this figure to 100% by 2030. ALD is the car leasing arm of Societe Generale and at the time was of comparative scale, with c. EUR 21.6 billion in earning assets, and a fleet of c. 1.7 million. With annual pre-tax run-rate cost synergies of EUR 380m expected to be fully realised by 2025, the acquisition represented both growth in scale and profitability. We understand LeasePlan's funding structure to have been c. 40% deposits, 16% loans, 33% unsecured bonds, and 11% securitisation. Although the comparability in terms of operations and product offerings between LeasePlan Corporation and SG Fleet is high, due to the scale, geographical footprint (which impact both the economical comparability as well as the fleet mix with Europe being more exposed to EVs generally), funding differences, and other market variances, we have not considered this transaction to be highly comparable.

Sixt Leasing SE

8.29 Operating under several well-recognised brands and around 40 countries, Sixt Leasing SE was a leading full-service vehicle leasing provider and fleet manager in Germany. Sixt Leasing SE operated approximately 136k leasing and fleet management contracts as at Q4 2019 with c. 643 employees, reported sales of EUR$824.4 million and operating revenue of c. EUR$468.2 million in 2019. Sixt Leasing SE's business was organised into two main segments: the leasing business unit, which includes Fleet Leasing and Online Retail, and the Fleet Management business unit. The leasing unit generated cash from both contractually agreed lease payments for the use of a vehicle as well as the sale of used vehicles returned to the group (c. 33% of all leased vehicles in 2019 were under buy-back agreements) whilst the management unit received management fees on a regular basis for services. Sixt Leasing SE's fleet as of 2016 was funded through a combination of intra-group shareholder financing from its parent company, accounting for approximately 50% of the total fleet funding, an asset-backed securitisation programme representing around 16%, credit facilities with several banks constituting about 34%, finance lease agreements, and borrower's note loans making up roughly 3%. The sale occurred to Hyundai Capital Bank Europe GmbH, a joint venture between Santander Consumer Bank AG and Hyundai Capital Services Inc. We consider the operations of Sixt Fleet to be comparable to those of SG Fleet for the exposure to leasing, fleet management services and residual value income, though we note differences in geographical and market positioning may skew the comparability.

[33] Based on the acquisition price and NPATA including post-tax synergies of c. A$14 million.
[34] Excluding the divestment of LeasePlan ANZ.
[35] 9m 2021.

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Eclipx

8.30 In 2018, it was announced that MMS and Eclipx (now rebranded as FleetPartners) agreed to merge and executed a Scheme Implementation Agreement (refer to the description in the trading multiples section above). The transaction was subsequently aborted by mutual agreement between the parties due to unexpected and unforeseeable (at the time of entering into the SID) underperformance of the Eclipx business. Nonetheless, based on our discussions in the previous section, we consider Eclipx highly comparable. At the time of the scheme of arrangement, Eclipx had c. 104k vehicles under management, 13k novated leases and A$2.4 billion of AUMOF, of which c. 75% was on balance sheet funded. In FY18 Exclipx generated A$78.1 million in NPATA and A$124.3 million in EBITDA, both of which grew 14% in comparison to FY17. The SID implied a LTM PE Multiple of c. 11.5x[36]. The transaction was ultimately aborted due to significant downgrade in the performance of Eclipx, with NPATA for the first five months of FY19 being 42.4% lower than pcp. Nonetheless, we consider the multiple agreed by the parties upon entering into the SID relevant for the purpose of our analysis, in particular considering that it was a contested transaction with SG Fleet also submitting an indicative and non-binding offer prior to the SID.

Other Tier 2 transactions

8.31 Lookers was a UK-based business operating in the sale of new and used cars from leading manufacturers, as well as extensive aftersales services, with a smaller portion of revenue being driven by their business vehicle funding and fleet management division. Due to the different business model, being mainly a car dealership with a smaller component of leasing revenue, we have not relied on this transaction.

8.32 Redde was a support services company in the UK specialising in accident and incident management, such as providing replacement vehicles, repair and recovery services to private and public organisations. In 2019, Redde generated revenue of GBP 589.7 million through its own fleet of c. 10k vehicles, and access to over 50k vehicles through rental partnerships, with c. 35.7% of the fleet funded through finance leases. The two businesses announced a merger in 2020. The underlying operations of the business are dissimilar to SG Fleet and accordingly we have placed limited reliance on this transaction.

8.33 Fleethire was a contract hire, salary sacrifice, short-term rental and fleet management and telematics business primarily based in the United Kingdom with a fleet size of c. 6.5k and c. 60 staff. Fleethire was acquired by SG Fleet in 2016 with a strategic rationale of expanding the geographic footprint whilst creating a broader customer base for SG Fleet's Novalease product. Although somewhat comparable, this transaction was smaller and related to a less diverse business. Therefore, this could be considered a “bolt-on” acquisition and hence not particularly comparable.

8.34 Parcours was founded in 1989 and was 7th largest auto leasing group in France providing long-term vehicle leasing, maintenance & repair and resale of used vehicles. The company had operations in Spain, Belgium, Luxembourg and Portugal. The fleet consisted of c. 61.5k vehicles (55k in France) as at 31 December 2015. In 2015, the consolidated turnover amounted c. EUR 370 million. The takeover of Parcours-group by European leader, ALD Automotive, was only a portion of their c. 1.3 million (pro forma post-acquisition) vehicle fleet and was part of a strategy to strengthen its offering in the SME space. Although partly comparable, this was considered a "bolt-on" acquisition for ALD Automotive, and notwithstanding this, occurred in a different geography and having occurred c. 10 years ago in a different market condition.

[36] It was calculated on an implied price per share of A$2.85 (based on MMS' last closing price of A$16.90 on Wednesday, 7 November 2018) and Eclipx's FY18 NPATA EPS of c. A$0.25.

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9. Quoted Security Pricing Method

9.1 In our assessment of the fair market value of SG Fleet, we have also considered the trading price of the listed securities on the ASX in the period prior to the PEP Indicative Proposal.

9.2 The assessed value per share based on the trading price is an exercise of professional judgement that takes into consideration the depth of the market for listed securities, the volatility of the trading price, and whether or not the trading price is likely to represent the underlying value of SG Fleet. The following sections detail the analysis undertaken in selecting the share price range.

Liquidity analysis

9.3 In accordance with the requirements of RG 111, we have analysed the liquidity of SG Fleet shares before relying on them for the purpose of our valuation assessment. We have set out below the trading volume from December 2023 to October 2024 as a percentage of the total shares outstanding as well as free float shares outstanding. We note that November 2023 has been excluded from this analysis due to the partial sell down by Ayvens (formerly LeasePlan Corporation) of the stake Ayvens obtained as part consideration for the LeasePlan ANZ acquisition. During this month, approximately 38 million shares were traded which was materially in excess of any other month.

Figure 63 - SG Fleet liquidity analysis

SG Fleet Group Limited - Liquidity Analysis							
Month end	Volume traded ('000)	Monthly VWAP ($)	Total value of shares traded ($'000)	Volume traded as % of total shares	Cumulative Volume traded as % of total shares	Volume traded as % of free float shares[1]	Cumulative Volume traded as % of free float shares[1]
Dec 2023	5,294	2.2885	12,116	1.5%	1.5%	3.7%	3.7%
Jan 2024	7,702	2.3263	17,917	2.3%	3.8%	5.3%	9.0%
Feb 2024	10,587	2.5585	27,086	3.1%	6.9%	7.3%	16.3%
Mar 2024	6,050	2.7923	16,892	1.8%	8.7%	4.2%	20.4%
Apr 2024	7,943	3.0898	24,541	2.3%	11.0%	5.5%	25.9%
May 2024	12,535	3.0305	37,986	3.7%	14.7%	8.6%	34.6%
Jun 2024	7,873	3.0645	24,128	2.3%	17.0%	5.4%	40.0%
Jul 2024	6,478	3.1738	20,559	1.9%	18.8%	4.5%	44.5%
Aug 2024	9,059	3.0941	28,028	2.6%	21.5%	6.3%	50.7%
Sep 2024	12,291	2.7097	33,304	3.6%	25.1%	8.5%	59.2%
Oct 2024	7,043	2.6634	18,758	2.1%	27.2%	4.9%	64.1%
Min				**1.55%**		**3.65%**	
Average				**2.47%**		**5.82%**	
Median				**2.30%**		**5.43%**	
Max				**3.67%**		**8.65%**	

Sources: S&P Global and GTCF Analysis
Notes: (1) Free float has been calculated as 42.38%, or 144,918,332 shares, comprised of 183,248,160 shares held by a subsidiary of Super Group (53.58%) and 13,818,428 shares held be directors, employees, and related parties of the business (4.04%).

9.4 The level of free float for SG Fleet shares is at c. 42.38%. The free float of the Company is limited by the concentrated shareholder base, with the largest shareholder of SG Fleet owing c.53.6% of the issued capital. During the last twelve-months (but excluding November 2023), c. 64.1% of free float shares were traded with an average monthly volume of c. 5.82% of the total free float shares.

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9.5 Below we have benchmarked the liquidity of SG Fleet with its comparable peers.

Figure 64 - Liquidity benchmarking

			Average volume traded as a % of total shares	Average volume traded as a % of free float shares	Cumulative volume traded as a % of total shares	Cumulative volume traded as a % of free float shares
SG Fleet Group Limited	Australia	42.4%	2.5%	5.8%	27.2%	64.1%
Listed Peers						
FleetPartners Group Limited	Australia	92.8%	3.0%	3.2%	32.5%	35.1%
Smartgroup Corporation Ltd	Australia	95.8%	7.1%	7.4%	77.9%	81.3%
McMillan Shakespeare Limited	Australia	78.7%	7.3%	9.2%	79.9%	101.6%
EROAD Limited	New Zealand	63.9%	1.5%	2.3%	16.0%	25.0%
Element Fleet Management Corp.	Canada	99.9%	3.0%	3.0%	36.3%	36.3%
Low		**63.9%**	**1.5%**	**2.3%**	**16.0%**	**25.0%**
Average		**86.2%**	**4.4%**	**5.0%**	**48.5%**	**55.9%**
Median		**92.8%**	**3.0%**	**3.2%**	**36.3%**	**36.3%**
High		**99.9%**	**7.3%**	**9.2%**	**79.9%**	**101.6%**

Source: S&P Global, GTCF Analysis.

9.6 As set out in the table above, despite the SG Fleet's free float being materially below the average and median of the basket of listed comparable companies, the liquidity of SG Fleet free float is above the average and median of the listed peers.

9.7 In the absence of a takeover or alternative transactions, the trading price represents the value at which minority shareholders could realise their investment.

9.8 SG Fleet complies with the full disclosure regime required by the ASX. As a result, the market is fully informed about the performance of SG Fleet. The Company provides regular updates to the market regarding its strategy and performance and it is covered by several investment analysts.

9.9 Where a company's stock is not heavily traded or is relatively illiquid, the market typically observes a difference between the 'bid' and 'ask' price for the stock as there may be a difference in opinion between the buyer and seller on the value of the stock. Below we have set out the bid-ask spread of SG Fleet since 25 November 2023.

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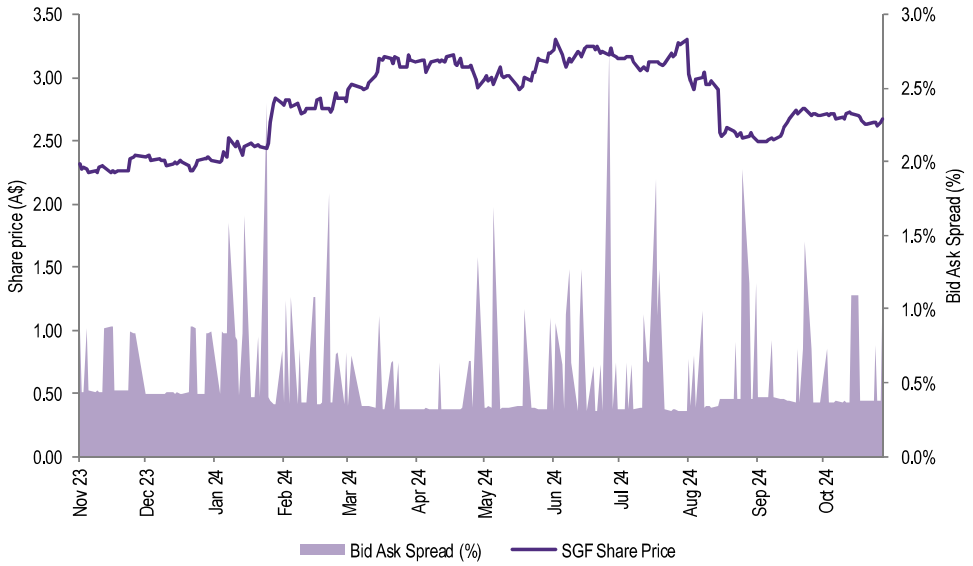
Figure 65 - SG Fleet – Bid/Ask Spread 25 November 2023 to 24 November 2024



Sources: S&P Global and GTCF Analysis

9.10 As set out in the graph above, we note that the historical average and median bid-ask spread has been 0.6% and 0.4%, respectively, since November 2023, which is low. However, it occasionally increased to between 1% and 2% during February to March 2024 and May to August 2024 before SG Fleet released its financial performance for the relevant periods.

9.11 Based on the analysis above, we conclude that whilst the free float of SG Fleet is somewhat limited due to the relatively highly concentrated shareholder base, there is sufficient liquidity in SG Fleet's trading price to rely on them to support our opinion.

Analysis of the trading price

9.12 We set out in Appendix E evidence from studies which indicates that the premium for control on successful takeovers in Australia has frequently been in the range of 20% to 40% with a median and average premium of c. 29.3% and 34.3% respectively.

9.13 The Cash Consideration implies a control premium broadly in line with the median and average premium typically observed for successful transactions in the Australian capital markets as set out below.

Figure 66 - Control premium implied in Cash Consideration

Control premium implied in Cash Consideration A$ (except where stated otherwise)	VWAP	Implied premium to VWAP
Up to 24 November 2024	3.50	
1 day	2.67	31.1%
5 day	2.65	32.2%
1 month	2.69	30.1%
3 month	2.70	29.5%

Source: S&P Global, GTCF analysis
Notes: (1) Based on the Cash Consideration of A$3.50 per SG Fleet Share. Refer to Section 1 for further details.

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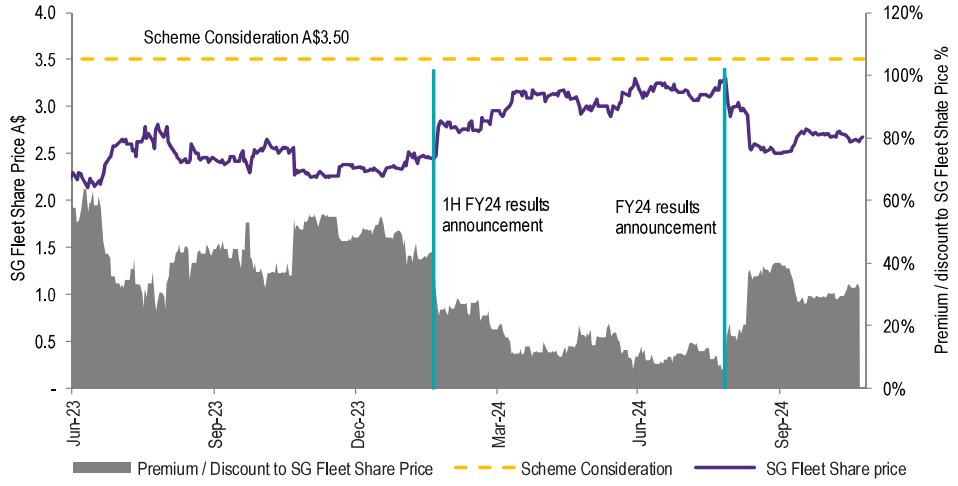
9.14 However, the analysis above requires further investigation as SG Fleet was trading between approximately A$3.10 and A$3.30 per share during the period between June 2024 to August 2024, which was shortly before the announcement of the PEP Indicative Proposal in November 2024. In our analysis, we have attempted to understand whether the significant decline in SG Fleet's trading prices following the release of the FY24 results was primarily attributed to negative short-term market sentiment to certain information disclosed by SG Fleet, or if it indicates a more permanent adjustment in the underlying value of the business.

9.15 As set out in the graph below, the premium for control reduces significantly, if we have regard to the period before the announcement of the FY24 results on 27 August 2024.

Figure 67 - SG Fleet Historical share trading price (A$/share) compared to the Cash Consideration



Source: S&P Global, GTCF analysis

9.16 After the release of the FY23 results in August 2023, SG Fleet shares traded in a narrow range around A$2.50, with a peak of c. A$2.75 and a trough of c. A$2.30 per share in late November 2023 in conjunction with the sales of c. 30 million shares by Ayvens (formerly LeasePlan Corporation), which related to a partial sell down of the shares they received as consideration for the LeasePlan ANZ acquisition.

9.17 Subsequently, between 19 February 2024 and 23 February 2024, SG Fleet's share price increased c. 16.4% from A$2.44 to A$2.84 after the release of 1H FY24 results in which Management provided an upbeat overview of the financial performance of the business including:

- NPATA increased by 7.7% to A$50.5 million, supported by a 10.8% increase in net revenue and EPS growth of 8.5%. The Company declared an interim dividend of 9.60 cents per share, a 7.7% increase on pcp.

- Operationally, SG Fleet achieved record order and delivery volumes with supply and delivery improved by c.14% for corporate vehicles and by c.57% for novated vehicles, however the pipeline still remained at higher than pre COVID-19 levels due to strong order growth, particularly in the corporate segment. Management expected the delivery pipeline to eventually normalise, however over an extended period.

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- A decrease in used vehicle value was observed during 1H FY24. Management expected a gradual adjustment in used vehicle value across the next few years.

9.18 Management also provided a positive update on the integration of the LeasePlan ANZ acquisition with synergies expected to be realised in FY24 and FY25[37].

9.19 Whist the Company did not provide earnings guidance, following the release the 1H FY24, investment analysts uplifted their FY25 and FY26 earnings forecast as summarised in the table below.

Figure 68 - Brokers' forecast updates after the release of 1H FY24

EBITDA forecast upon release of 1HFY24 result	FY25			FY26		
A$m	Old	New	Change	Old	New	Change
Broker 1	166	175	*5.4%*	170	185	*8.8%*
Implied margin	*15.2%*	*15.8%*	*4.0%*	*14.8%*	*15.8%*	*7.2%*
Broker 2	173	187	*8.0%*	197	208	*6.1%*
Implied margin	14.9%	15.1%	*1.2%*	*15.7%*	*15.4%*	*(2.1%)*
Broker 3	163	178	*8.8%*	160	180	*12.2%*
Implied margin	14.2%	15.6%	*10.0%*	13.8%	15.6%	*13.4%*
Average EBITDA	**167**	**180**	*7.4%*	**176**	**191**	*8.8%*
Average EBITDA margin	**14.8%**	**15.5%**	*5.1%*	**14.8%**	**15.6%**	*6.1%*
Median EBITDA	**166**	**178**	*7.0%*	**170**	**185**	*8.8%*
Median EBITDA margin	**14.9%**	**15.6%**	*4.0%*	**14.8%**	**15.6%**	*7.2%*

Source: S&P Global, GTCF analysis

NPATA forecast upon release of 1HFY24 result	FY25			FY26		
A$m	Old	New	Change	Old	New	Change
Broker 1	92	98	*6.1%*	95	105	*9.8%*
Implied margin	*8.4%*	*8.8%*	*4.6%*	*8.3%*	*8.9%*	*8.1%*
Broker 2	106	114	*7.4%*	125	132	*5.5%*
Implied margin	*9.2%*	*9.2%*	*0.6%*	*10.0%*	*9.7%*	*(2.6%)*
Broker 3	95	101	*6.3%*	96	101	*6.2%*
Implied margin	*8.2%*	*8.1%*	*(0.8%)*	*8.2%*	*8.8%*	*7.3%*
Average NPATA	**98**	**104**	*6.6%*	**105**	**113**	*7.0%*
Average NPATA margin	**8.3%**	**8.5%**	*1.9%*	**8.2%**	**8.9%**	*7.7%*
Median NPATA	**95**	**101**	*6.3%*	**96**	**105**	*9.4%*
Median NPATA margin	**8.3%**	**8.5%**	*1.9%*	**8.2%**	**8.9%**	*7.7%*

Source: S&P Global, GTCF analysis

9.20 The brokers' forecasts indicate that they anticipated the robust performance observed in the first half of FY24 to persist over the long term, as evidenced by their earnings uplift extending to FY26.

9.21 In the graph below, we have analysed the NTM PE Multiple of SG Fleet before and after the release of the 1H FY24 accounts and the update of consensus forecast by investments' analysis.

[37] FY23 Results Presentation - slide 26.

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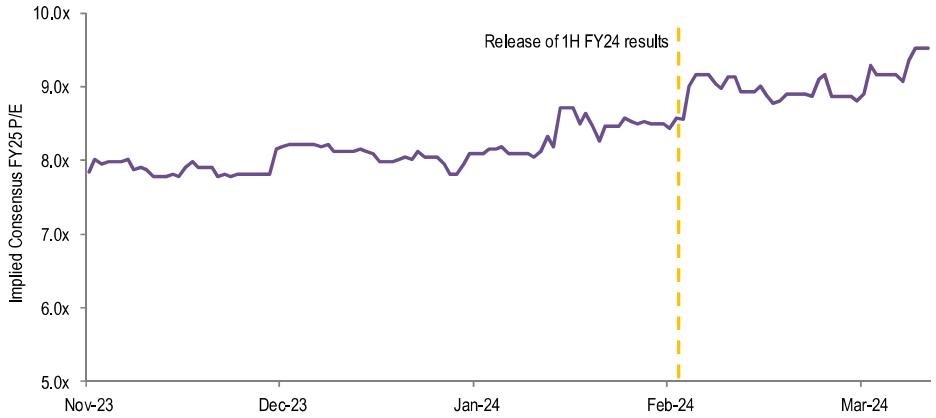
Figure 69 - Implied consensus PE multiple pre- and post-1H FY24 results



Source: S&P Global, GTCF analysis.

9.22 As set out in the graph above there was a re-rating of the stock post the release of the 1H FY24 accounts.

9.23 In the period following the release of the 1H FY24 accounts, SG Fleet Shares traded up to A$3.30 on 26 August and then declined to A$2.90 on 29 August, a reduction of c. 12%, after the release of the FY24 accounts, and a further 14.8% on 10 September 2024 when the stock started trading on an ex-dividend basis. The results included the declaration of a final FY24 dividend of 24.3 cents, of which 15.0 cents was a special dividend. From its peak of A$3.30 in late August to the trough of c. A$2.50 on 1 October 2024, SG Fleet trading prices reduced by c. 24.2%, significantly more than the dividend yield, including the special dividend, of c. 7.3%[38].

9.24 The notable decline in trading prices occurred despite the FY24 Annual Report presented substantial positive information regarding the underlying financial performance of SG Fleet as succinctly summarised below:

- Total net revenue grew by 11.4%, reaching A$390.1 million with strong performance across the various segment: 1) The Corporate division saw a net revenue increase of 12.3%, driven by strong demand for fleet management and leasing services; 2) Novated leasing experienced a 14.7% rise in net revenue, reflecting the growing popularity of novated leasing solutions among employees as a result of tax benefits associated with the favourable regulatory environment on HEVs and EVs. As a result, rental and finance income grew by 9.8%, supported by higher utilisation rates and an expanded fleet. Underlying NPAT saw a significant rise of 19.2%. SG Fleet declared a fully franked special dividend of 15 cents per share, in addition to a final dividend of 9.33 cents per share, bringing the total FY24 dividend to 33.93 cents per share.

- Operationally, SG Fleet achieved record order and delivery levels across all markets and channels. Funded new deliveries were up by 38.2% and the funded fleet growing by 6.8%. The opportunities pipeline remained robust, despite a partial reduction in order pipeline. The Company also maintained high used vehicle values, reflecting strong demand in the secondary market even if the residual value income reduced trending down towards a more normalised level.

[38] Calculated as the dividend of 24.3c divided by the peak trading price of A$3.30.

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9.25 We are of the opinion that the decline in trading prices can be attributed to Management's FY25 NPATA guidance between A$88 million and A$95 million which was between 4.6% and 11.6% below FY24 underlying NPATA. The explanations provided by Management for the contraction in profitability were:

- Increases in the interest rate on the corporate debt due to the end of the fixed interest rate swap.
- A temporary increase in the technology spend in the lead-up to the final phase of the LeasePlan ANZ migration program, with synergies expected to be realised once the migration is completed.
- Normalisation of the operating environment to a more stable conditions after a period in which external factors such as the supply disruption, and its impact on used values, led to exceptional performance in some revenue lines.

9.26 Our analysis of brokers' reports following the FY24 annual report suggests that they were taken aback by the interest rate increase after the expiry of the interest rate swap. However, the FY23 Annual Report had disclosed that approximately A$246 million of bullet swaps with a 0.65% fixed rate would mature in September 2024, which should have led the market to anticipate a market reset. Nonetheless, this played a role in the decline of the share price as analysts were taken by surprise.

9.27 Further, in our opinion, some of the narrative on the timing for the realisation of the revenue and cost synergies arising from the LeasePlan ANZ acquisition changed in the FY24 accounts which may have also contributed to the reduction in the trading prices as summarised below:

- In the FY22 annual report presentation SG Fleet indicated in its five-year horizon that the realisation of cost and revenue synergies arising from the LeasePlan ANZ acquisition would commence in FY22 and they were expected to be completed by the end of FY24 with this timeline maintained in the 1H FY23 presentation[39].
- Subsequently, in the FY23 results presentation, the timeline for the realisation of the cost and revenue synergies was extended to the end of FY25 and maintained in the 1H FY24 presentation[40]. Management indicated that "*As a consequence of the re-prioritisation of the migration progress, the final stages of the Australian system migration will now be completed towards the end of the 2025 financial year, at which stage we will start benefiting from the remaining acquisition synergies in the 2026 financial year. This change has no impact on the current financial year and the minor synergies we flagged for this period are expected to remain. We will also continue to extract synergies benefit throughout the 2025 financial year. We confirm our acquisition strategy targets and we are looking at opportunities to extract additional benefits*".
- However, in the FY24 presentation[41], for the first time, the Company split the timeline for the revenue and cost synergies realisation, with the revenue synergies extended past FY29 and the cost synergies only expected to be realised from FY26, with what appears to be no-cost synergies realised beforehand. Management indicated that two of the three phases of the LeasePlan ANZ system migration were completed, with the third and final phase scheduled for September 2024 to complete the integration process with additional resources to be deployed to complete this stage. Notwithstanding the change in the narrative in relation to the timing of the synergies, some of the investment analysts remained positive on the Company reiterating the target of A$20 million of cost synergies in FY26.

[39] Slide 28 of the FY22 Results Presentation and slide 28 of 1H FY23 Results Presentation.
[40] Slides 26 and 27 of the FY23 and 1H FY24 Results Presentations respectively.
[41] Slide 27 of the FY24 Results Presentation.

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9.28 Following the release of the FY24 accounts, investment analysts revised down their profit forecast for FY25 and FY26 as set out in the table below.

Figure 70 - Brokers' forecast updates after the release of FY24 results

EBITDA forecast upon release of FY24 result	FY25			FY26		
A$m	Old	New	Change	Old	New	Change
Broker 1	173	171	*(1.0%)*	184	185	*0.8%*
Broker 2	187	168	*(9.8%)*	208	195	*(6.4%)*
Broker 3	178	161	*(9.3%)*	180	178	*(1.1%)*
Average	**179**	**167**	*(6.8%)*	**191**	**186**	*(2.4%)*
Variance to pre 1H FY24 consensus	***6.9%***	***(0.4%)***		***8.6%***	***6.0%***	
Median	**178**	**168**	*(5.2%)*	**184**	**185**	*0.8%*
Variance to pre 1H FY24 consensus	***7.0%***	***1.4%***		***8.2%***	***9.1%***	

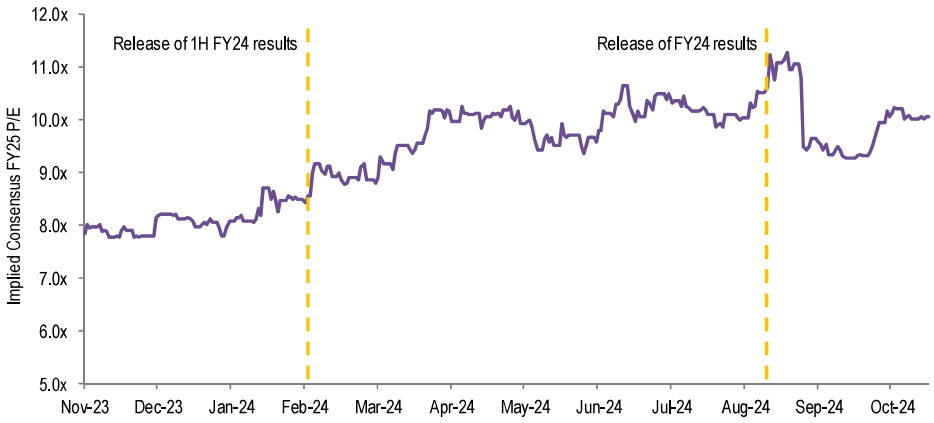
Source: S&P Global, GTCF analysis.

NPATA forecast upon release of FY24 result	FY25			FY26		
A$m	Old	New	Change	Old	New	Change
Broker 1	98	92	*(6.1%)*	106	102	*(3.5%)*
Broker 2	114	92	*(19.3%)*	132	113	*(14.0%)*
Broker 3	101	91	*(10.0%)*	101	102	*0.5%*
Average	**104**	**91**	*(12.2%)*	**113**	**106**	*(6.4%)*
Variance to pre 1H FY24 consensus	***6.7%***	***(6.3%)***		***7.3%***	***0.5%***	
Median	**101**	**92**	*(8.7%)*	**106**	**102**	*(3.5%)*
Variance to pre 1H FY24 consensus	***6.3%***	***(2.9%)***		***10.6%***	***6.7%***	

Source: S&P Global, GTCF analysis.

9.29 In the graph below, we have analysed the NTM PE Multiple of SG Fleet over the period above using the various consensus forecast updates from investment analysts.

Figure 71 - NTM PE Multiple based on consensus forecasts at various point in time



Source: S&P Global, GTCF analysis.
Notes (1): PE Multiple has been calculated using the market capitalisation as at each date and the respective consensus estimates available at the time, as displayed in Figure 51.

9.30 We believe that the significant reduction in SG Fleet's trading prices (excluding the ex-dividend component) following the release of the FY24 accounts was primarily due to the market re-adjusting its

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growth expectations and short-to medium-term financial performance of the Company, in accordance with the FY25 guidance which also impacted the PE Multiple. Whilst it reduced from the peak of August 2024, it still settled materially above the levels before the announcement of the 1H FY24 results.

9.31 Simultaneously, it is plausible that the substantial decline in trading prices (excluding the ex-dividend component) also reflected a degree of negative market sentiment given that 1) the delay in cost synergies was merely a timing issue and the Company reaffirmed its target of A$20 million in cost synergies; 2) the market could not reasonably expect the Company to continue to pay a fixed swap rate of 0.65% on its corporate facility in the long term; 3) the FY24 results were robust and exceeded consensus estimates; and 4) Management alerted the market in relation to a normalisation of the operating conditions several times in the past.

9.32 Based on the above, we are of the opinion that whilst the timing of the bid may have been opportunistic as it occurred in a period of short-term volatility with negative market sentiment, we conclude that the premium for control implied in the Scheme is in line with the historical transactions in the Australian market.

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10. Sources of information, disclaimer and consents

Sources of information

10.1 In preparing this report Grant Thornton Corporate Finance has used various sources of information, including:

- Annual reports/consolidated accounts of SG Fleet for FY20, FY21, FY22, FY23 and FY24.
- Scheme Booklet.
- Management accounts.
- Management presentations and CFO reports.
- Management FY25 budget.
- Internal Cash Flow Projections from FY25 to FY29.
- Minutes of Board meetings.
- Access to other relevant documents in the Data Room.
- Transaction databases such as S&P Global Capital IQ and Mergermarket.
- IBISWorld.
- Industry reports provided by the Company.
- Various broker reports for the Company and for the listed peers.
- Other publicly available information.
- In preparing this report, Grant Thornton Corporate Finance has also held discussions with, and obtained information from, Management of SG Fleet and its advisers.

Limitations and reliance on information

10.2 This report and opinion are based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

10.3 Grant Thornton Corporate Finance has prepared this report on the basis of financial and other information provided by the Company, and publicly available information. Grant Thornton Corporate Finance has considered and relied upon this information. Grant Thornton Corporate Finance has no reason to believe that any information supplied was false or that any material information has been withheld. Grant Thornton Corporate Finance has evaluated the information provided by the Company through inquiry, analysis and review, and nothing has come to our attention to indicate the information provided was materially misstated or would not afford reasonable grounds upon which to base our report. Nothing in this report

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should be taken to imply that Grant Thornton Corporate Finance has audited any information supplied to us, or has in any way carried out an audit on the books of accounts or other records of the Company.

10.4 This Report has been prepared to assist the Directors in advising the Shareholders in relation to the Scheme. This Report should not be used for any other purpose. In particular, it is not intended that this Report should be used for any purpose other than as an expression of Grant Thornton Corporate Finance's opinion as to whether the Scheme is fair and reasonable and in the best interests of SG Fleet Shareholders.

10.5 SG Fleet has indemnified Grant Thornton Corporate Finance, its affiliated companies and their respective officers and employees, who may be involved in or in any way associated with the performance of services contemplated by our engagement letter, against any and all losses, claims, damages and liabilities arising out of or related to the performance of those services whether by reason of their negligence or otherwise, excepting gross negligence and wilful misconduct, and which arise from reliance on information provided by the Company, which the Company knew or should have known to be false and/or reliance on information, which was material information the Company had in its possession and which the Company knew or should have known to be material and which did not provide to Grant Thornton Corporate Finance. The Company will reimburse any indemnified party for all expenses (including without limitation, legal expenses) on a full indemnity basis as they are incurred.

Consents

10.6 Grant Thornton Corporate Finance consents to the issuing of this report in the form and context in which it is included in the Scheme Booklet to be sent to SG Fleet Shareholders. Neither the whole nor part of this report nor any reference thereto may be included in or with or attached to any other document, resolution, letter or statement without the prior written consent of Grant Thornton Corporate Finance as to the form and context in which it appears.

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11. Appendix A – Valuation methodologies

Capitalisation of future maintainable earnings

11.1 The capitalisation of future maintainable earnings multiplied by appropriate earnings multiple is a suitable valuation method for businesses that are expected to trade profitably into the foreseeable future. Maintainable earnings are the assessed sustainable profits that can be derived by a company's business and excludes any abnormal or "one off" profits or losses. This approach involves a review of the multiples at which shares in listed companies in the same industry sector trade on the share market. These multiples give an indication of the price payable by portfolio investors for the acquisition of a parcel shareholding in the company.

Discounted future cash flows

11.2 An analysis of the net present value of forecast cash flows or DCF is a valuation technique based on the premise that the value of the business is the present value of its future cash flows. This technique is particularly suited to a business with a finite life. In applying this method, the expected level of future cash flows are discounted by an appropriate discount rate based on the weighted average cost of capital. The cost of equity capital, being a component of the WACC, is estimated using the Capital Asset Pricing Model. Predicting future cash flows is a complex exercise requiring assumptions as to the future direction of the company, growth rates, operating and capital expenditure and numerous other factors. An application of this method generally requires cash flow forecasts for a minimum of five years.

Orderly realisation of assets

11.3 The amount that would be distributed to shareholders on an orderly realisation of assets is based on the assumption that a company is liquidated with the funds realised from the sale of its assets, after payment of all liabilities, including realisation costs and taxation charges that arise, being distributed to shareholders.

Market value of quoted securities

11.4 Market value is the price per issued share as quoted on the ASX or other recognised securities exchange. The share market price would, prima facie, constitute the market value of the shares of a publicly traded company, although such market price usually reflects the price paid for a minority holding or small parcel of shares, and does not reflect the market value offering control to the acquirer.

Comparable market transactions

11.5 The comparable transactions method is the value of similar assets established through comparative transactions to which is added the realisable value of surplus assets. The comparable transactions method uses similar or comparative transactions to establish a value for the current transaction. Comparable transactions methodology involves applying multiples extracted from the market transaction price of similar assets to the equivalent assets and earnings of the company. The risk attached to this valuation methodology is that in many cases, the relevant transactions contain features that are unique to that transaction and it is often difficult to establish sufficient detail of all the material factors that contributed to the transaction price.

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12. Appendix B – Discount rate

Introduction

12.1 The cash flow assumptions underlying the DCF approach are on a real, geared, post-tax basis. Accordingly, we have assessed a range of real, geared, post-tax discount rates for the purpose of calculating the net present value of the cash flows.

Required rate of return on equity capital

12.2 We have used the CAPM, which is commonly used by practitioners, to calculate the required return on equity capital.

12.3 The CAPM assumes that an investor holds a large portfolio comprising risk-free and risky investments. The total risk of an investment comprises systematic risk and unsystematic risk. Systematic risk is the variability in an investment's expected return that relates to general movements in capital markets (such as the share market) while unsystematic risk is the variability that relates to matters that are unsystematic to the investment being valued.

12.4 The CAPM assumes that unsystematic risk can be avoided by holding investments as part of a large and well-diversified portfolio and that the investor will only require a rate of return sufficient to compensate for the additional, non-diversifiable systematic risk that the investment brings to the portfolio. Diversification cannot eliminate the systematic risk due to economy-wide factors that are assumed to affect all securities in a similar fashion.

12.5 Accordingly, whilst investors can eliminate unsystematic risk by diversifying their portfolio, they will seek to be compensated for the non-diversifiable systematic risk by way of a risk premium on the expected return. The extent of this compensation depends on the extent to which the company's returns are correlated with the market as a whole. The greater the systematic risk faced by investors, the larger the required return on capital will be demanded by investors.

12.6 The systematic risk is measured by the investment's beta. The beta is a measure of the co-variance of the expected returns of the investment with the expected returns on a hypothetical portfolio comprising all investments in the market - it is a measure of the investment's relative risk.

12.7 A risk-free investment has a beta of zero and the market portfolio has a beta of one. The greater the systematic risk of an investment the higher the beta of the investment.

12.8 The CAPM assumes that the return required by an investor in respect of an investment will be a combination of the risk-free rate of return and a premium for systematic risk, which is measured by multiplying the beta of the investment by the return earned on the market portfolio in excess of the risk-free rate.

12.9 Under the CAPM, the required nominal rate of return on equity (Re) is estimated as follows:

$$R_e = R_f + \beta_e (R_m - R_f)$$

Where:

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- Rf = risk free rate
- βe = expected equity beta of the investment
- (Rm – Rf) = market risk premium

Risk-free rate – 4.00%

12.10 In the absence of an official risk free rate, the yield on government bonds (in an appropriate jurisdiction) is commonly used as a proxy. Accordingly, we have we have observed the yield on the 10-year Australian Government bond over several intervals from a period of 5 trading days to 20 trading years. The following table sets out the average yield on 10-year Australian Government Bond over the last 20 years.

Australia Government Debt - 10 Year As at 7 January 2025	Low	High	Average
Previous 5 trading days	4.39%	4.49%	4.44%
Previous 10 trading days	4.38%	4.49%	4.43%
Previous 20 trading days	4.20%	4.51%	4.35%
Previous 30 trading days	4.15%	4.51%	4.33%
Previous 60 trading days	4.15%	4.71%	4.43%
Previous 1 year trading	3.82%	4.71%	4.26%
Previous 2 years trading	3.19%	4.96%	4.07%
Previous 3 years trading	1.84%	4.96%	3.40%
Previous 5 years trading	0.60%	4.96%	2.78%
Previous 10 years trading	0.60%	4.96%	2.78%

Source: S&P Global

12.11 Given the current volatility in the global financial markets around the world over the last year, as well as further economic and geopolitical turbulence, we have placed more emphasis on the average risk free rate observed over a longer period of time. Accordingly, our adopted risk-free rate of 4.00% is based on the long-term yields on Australian 10-year government bonds.

Market risk premium – 6.00%

12.12 The market risk premium represents the additional return an investor expects to receive to compensate for additional risk associated with investing in equities as opposed to assets on which a risk-free rate of return is earned. However, given the inherent high volatility of realised rates of return, especially for equities, the market risk premium can only be meaningfully estimated over long periods of time. In this regard, Grant Thornton studies of the historical risk premium over periods of 20 to 80 years suggest a risk premium between 5.50% and 6.00% for the Australia markets.

12.13 For the purpose of the Cost of Equity assessment, Grant Thornton Corporate Finance has adopted a market risk premium of 6.00%.

Asset beta – 0.80 to 0.90

12.14 The beta measures the expected relative risk of the equity in a company. The choice of the beta requires judgement and necessarily involves subjective assessment as it is subject to measurement issues and a high degree of variation.

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12.15 An equity beta includes the effect of gearing on equity returns and reflects the riskiness of returns to equity holders. However, an asset beta excludes the impact of gearing and reflects the riskiness of returns on the asset, rather than returns to equity holders. Asset betas can be compared across asset classes independent of the impact of the financial structure adopted by the owners of the business.

12.16 Equity betas are typically calculated from historical data. These are then used as a proxy for the future which assumes that the relative risk of the past will continue into the future. Therefore, there is no right equity beta and it is important not to simply apply historical equity betas when calculating the cost of equity.

12.17 For the purpose of our valuation, we have had regard to the observed equity betas of comparable listed companies which we have de-geared as outlined in the table below. We have performed regressions of the historical betas over 2-year weekly and 5-year monthly time periods with local indices. When assessing 5-year monthly betas, we have adjusted the 5-year observation period to exclude monthly observations from the two year period January 2020 to December 2021, the period most affected by the COVID-19 pandemic. This period was characterised by significant abnormal volatility in financial markets which is likely to skew the result of the beta analysis. In order to present more representative beta analysis, we replaced the monthly observations from this two year period with the two years preceding this excluded period, January 2018 to December 2019.

12.18 In undertaking this analysis we have adjusted the gearing ratio used to de-gear the calculated equity betas of the comparable peer group to remove borrowings related to lease portfolio assets. The presented gearing ratio therefore represents gearing with relation to corporate debt only and excludes gearing related to lease portfolio borrowings for comparable peers where this is appropriate.

	2-year weekly (local index)				5-year monthly (local index)			
Beta analysis	Equity	R	Gearing	Ungeared	Equity	R	Gearing	Ungeared
Company name	Beta	Squared	Ratio	Beta	Beta	Squared	Ratio	Beta
FleetPartners Group Limited	1.04	0.16	9.0%	0.98	0.86	0.15	12.0%	0.78
Smartgroup Corporation Ltd	0.86	0.11	5.8%	0.83	0.86	0.17	5.7%	0.83
McMillan Shakespeare Limited	Nmf	0.04	19.1%	Nmf	0.87	0.20	19.5%	0.75
Element Fleet Management Corp.	0.66	0.11	29.8%	0.50	0.52	0.10	27.8%	0.40
Low			**5.8%**	**0.50**			**5.7%**	**0.40**
Median			**14.1%**	**0.83**			**15.7%**	**0.76**
Average			**15.9%**	**0.77**			**16.2%**	**0.69**
High			**29.8%**	**0.98**			**27.8%**	**0.83**

Source: S&P Global, GTCF Analysis.
Notes: (1) Equity betas are calculated using data provided by S&P Global as at 15 January 2024. The betas are based on a two-year period with weekly observations against the local index as well as a five-year period with monthly observations against the local index. Betas have been ungeared based on the average gearing ratio.

12.19 It should be noted that the above betas are drawn from the actual and observed historical relationship between risk and returns. From these actual results, the expected relationship is estimated generally on the basis of extrapolating past results. Despite the arbitrary nature of the calculations it is important to assess their commercial reasonableness. That is to assess how closely the observed relationship is likely to deviate from the expected relationship.

12.20 Consequently, while measured equity betas of the listed comparable companies provide useful benchmarks against which the equity beta used in estimating the cost of equity for the predevelopment assets, the selection of an unsystematic equity beta requires a level of judgement.

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12.21 The asset betas of the selected companies are calculated by adjusting the equity betas for the effect of gearing to obtain an estimate of the business risk of the comparable companies, a process commonly referred as de-gearing. We have then recalculated the equity beta based on an assumed 'optimal' capital structure deemed appropriate for the business (regearing). This is a subjective exercise, which carries a significant possibility of estimation error.

12.22 We used the following formula to undertake the de-gearing and regearing exercise:

$$\beta_e = \beta_a \left[1 + \frac{D}{E} \times (1 - t) \right]$$

Where:

- βe = Equity beta
- βa = Asset beta
- t = corporate tax rate

12.23 The betas are de-geared using the average historical gearing levels of those respective companies over several years.

12.24 For the purposes of our valuation, we have selected an asset beta in the range of 0.80 and 0.90, which we have regeared based on a gearing ratio of 25% debt and 75% equity and a corporate tax rate of 30%, to result in a calculated geared equity beta range of 0.99 and 1.11.

12.25 When selecting the gearing ratio to regear the asset beta we have had regard to the actual historical gearing ratio of SG Fleet over the prior three years as set out in the table below.

SG Fleet - Historical gearing analysis A$'000 (unless otherwise stated)	Jun-22	Jun-23	Jun-24
Book value of reported corporate debt	299,723	301,662	301,487
Market Cap	714,748	766,046	1,128,550
Total capital	**1,014,471**	**1,067,708**	**1,430,037**
Debt to total capital (%)	29.5%	28.3%	21.1%

12.26 Our chosen asset beta range in part relies on our professional judgement and, in part, places greater reliance on the beta analysis of companies with a higher R^2 which is an indicator of reliability. In our opinion the median and average asset beta calculated by our analysis is too low for SG Fleet and the industry the Company operates in. We have therefore placed more emphasis on the calculated asset beta of FleetPartners, SG Fleet's most comparable listed peer. We therefore consider it reasonable for our chosen asset beta range to be higher than that of the median and average of our analysis, and more in line with the Company's nearest competitor.

Specific risk premium – 0.5 to 1.0%

12.27 The specific risk premium represents the additional return an investor expects to receive to compensate for country, size and project related risk not reflected in the beta of observed comparable companies.

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12.28 We have assumed a SRP of 0.5% to 1.0% for SG Fleet to further reflect the uncertainty inherent in several key operational and funding assumptions in that are material to the Internal Projections.

12.29 We note that the selection of the specific risk premium involves a certain level of professional judgement and as a result, the total specific risk premium is not fully quantifiable with analytical data.

Inflation – 2.5%

12.30 For the purpose of our valuation assessment and calculating a range of real, post-tax cost of equity, we have adopted an inflation rate of 2.5%, based on the mid-point of the RBA's target inflation range.

Discount rate summary

12.31 Below we have summarised our discount rate computation for SG Fleet.

Cost of Equity calculation	Low	High
Cost of equity		
Risk-free rate	4.0%	4.0%
Equity beta	0.99	1.11
Market risk premium	6.0%	6.0%
Specific risk premium	0.5%	1.0%
Nominal cost of equity	**10.4%**	**11.7%**
Inflation	2.5%	2.5%
Real cost of equity	**7.7%**	**8.9%**

Source: GTCF Analysis

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13. Appendix C – Comparable companies descriptions

Company	Description
FleetPartners Group Limited	*FleetPartners Group Limited provides fleet management services in Australia and New Zealand. The company operates through three segments: Australia Commercial, Novated, and New Zealand Commercial. It offers vehicle fleet leasing and management, novated leasing, salary packaging, and vehicle accessories and sales solutions. The company also provides asset management, related financial products and services, vehicle acquisition, in-life fleet management and vehicle remarketing, and driver services. its services under the FleetPartners brand. The company was formerly known as Eclipx Group Limited and changed its name to FleetPartners Group Limited in March 2023. FleetPartners Group Limited was founded in 1987 and is based in St Leonards, Australia.*
Smartgroup Corporation Ltd	*Smartgroup Corporation Ltd provides employee management services in Australia. The company operates through three segments: Outsourced Administration (OA); Vehicle Services (VS); and Software, Distribution, and Group Services (SDGS) segments. The Outsourced Administration segment offers outsourced salary packaging services, novated leasing, and outsourced payroll services. Its Vehicle Services segment provides end-to-end fleet management services. The Software, Distribution, and Group Services segment offers salary packaging software solutions; markets salary packaging debit cards; and distributes vehicle insurances and workforce management software to the healthcare industry. It serves not-for-profit organizations; healthcare providers; education providers; government sector; and corporate organizations. Smartgroup Corporation Ltd was founded in 1999 and is headquartered in Sydney, Australia.*
McMillan Shakespeare Limited	*McMillan Shakespeare Limited provides salary packaging, novated leasing, disability plan management, support co-ordination, asset management, and related financial products and services in Australia and New Zealand. It operates through Group Remuneration Services, Asset Management Services, and Plan and Support Services segments. The Group Remuneration Services segment offers salary packaging and ancillary services, including novated leasing asset and finance procurement, motor vehicle administration, and other services. The Asset Management Services segment provides financing and ancillary management services related with motor vehicles, commercial vehicles, and equipment. The Plan and Support Services segment offers plan management and support coordination services to participants in the national disability insurance scheme. It serves federal and state governments, public and private sectors, and health and charitable organizations. The company founded in 1988 and is headquartered in Melbourne, Australia.*
Element Fleet Management Corp.	*Element Fleet Management Corp. operates as a fleet management company primarily in Canada, Mexico, Australia, and New Zealand. The company offers end-to-end fleet cars, trucks, and material handling support equipment acquisition; and end-to-end electric vehicle fleet including fleet planning, charging infrastructure solutions, acquisition, financing, maintenance, and remarketing. It provides commercial fleet financing comprising operating and capital lease, sale and leaseback funding, loans, rental fleet financing, client owned acquisition program, and fair market value lease for fleet cars, trucks, and equipment; and vehicle licensing and registration services, such as renewal, fleet title management, and insurance card management services. In addition, the company provides collision management services, such as 24/7 driver assistance, collision evaluation, repair management, and subrogation; fleet management outsourcing solutions; fuel, maintenance, and safety solutions; telematics and fleet connectivity solutions; and toll and violation management, as well as fleet remarketing, sale leaseback, and strategic fleet management consulting services. It serves construction, energy, oil and gas, food and beverages, healthcare, services, and transport sectors. Element Fleet Management Corp. was incorporated in 2007 and is based in Toronto, Canada.*

Source: S&P Global

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14. Appendix D - Comparable transactions target description

Company	Description
Lookers Limited	*Lookers Limited engages in the sale, hire, and maintenance of motor vehicles and motorcycles in the United Kingdom and Ireland. The company engages in the sale of new and used cars and light commercial vehicles; vehicle rental; and leasing fleet management. It also engages in the sale of tires, oils, parts, and accessories. In addition, the company offers credit broking services and insurance products, as well as the sale and maintenance of vehicles, and distribution of spare parts. It operates various franchised dealerships and online platforms. The company was founded in 1908 and is based in Altrincham, United Kingdom. Lookers Limited operates as a subsidiary of Global Auto Holdings Limited.*
LeasePlan Corporation N.V.	*LeasePlan Corporation N.V., a Car-as-a-Service company, provides fleet management and mobility services in Europe and internationally. The company offers vehicle procurement, repair, tire maintenance and replacement, and damage handling and insurance services; fleet management and consulting services; and fuel, accident, and rental management services, as well as purchases, funds, and manages new vehicles. It also operates CarNext, a B2B and B2C used cars platform for buying, renting, and leasing old cards; and provides subscription-based mobility solutions. In addition, the company operates an online savings bank that offers saving accounts and term deposits to retail customers in the Netherlands and Germany. It serves corporates, small and medium entities, and private individuals. The company was formerly known as ABN AMRO Lease Holding N.V. and changed its name to LeasePlan Corporation N.V. on February 03, 2003. LeasePlan Corporation N.V. was incorporated in 1963 and is based in Amsterdam, the Netherlands. LeasePlan Corporation N.V. operates as a subsidiary of Ayvens.*
Leaseplan Australia Limited	*Leaseplan Australia is a leading provider of vehicle leasing and fleet management services for businesses in Australia. They offer operating or finance leases, novated leases, and salary packaging support for cars, trucks, and other commercial vehicles. The company helps customers manage their total cost of ownership and prioritize employee safety and satisfaction. With industry expertise, innovation, and a national network, Leaseplan Australia offers hassle-free car mobility solutions. They also provide insights on disruptions, challenges, and opportunities in the evolving mobility world through their blog site. Additionally, Leaseplan Australia highlights potential cost savings on electric vehicles for Australian businesses and employees due to a new Federal Government Bill.*
Sixt Leasing SE	*Allane SE, together with its subsidiaries, engages in the vehicle leasing business in Germany, Austria, Switzerland, France, and the Netherlands. The company operates in four segments: Online Retail, Fleet Leasing, Captive Leasing, and Fleet Management. It provides lease financing and related services for corporate customers that include cross-manufacturer online configuration, vehicle selection advisory, online approval procedure, vehicle procurement, vehicle maintenance, tire changing, and breakdown and claims assistance, as well as claims management comprising insurance processing, and manages fuel cards, vehicle taxes, and radio license fees. The company also operates an online retail business that serves private and commercial customers through sixt-neuwagen.de and autohaus24.de websites, as well as offers maintenance, wear and tear, inspection, tire, and insurance packages. In addition, it manages large vehicle fleets for medium-sized companies and international corporations; and sells used vehicles. The company provides FleetIntelligence, a cloud application that enables fleet managers to perform analyses; Multibid Configurator for configuring fleet vehicles, comparing them with alternative vehicles, and carrying out tenders for vehicles; and My-Allane application for performing vehicle-related tasks, such as booking workshop appointments, as well as supports digital communication between fleet managers and company car users. The company was formerly known as Sixt Leasing SE and changed its name to Allane SE in August 2021. The company was founded in 1967 and is headquartered in Pullach, Germany. Allane SE is a subsidiary of Hyundai Capital Bank Europe GmbH.*
Redde plc	*As of February 21, 2020, Redde plc was acquired by Redde Northgate plc. Redde plc provides a package of motor claims accident management, incident management, fleet management, and legal services in the United Kingdom. The company offers vehicle replacement, repair management, claims-handling assistance, and legal and other bespoke services. It also provides personal injury services, including motor accident, criminal injury, and medical negligence, as well as specialist serious injury services. In addition, the company offers Internet marketing, vehicle rental, and corporate trustee services, as well as sells legal expenses insurance products. It manages a fleet of approximately 10,000 vehicles, as well as has access to approximately 50,000 vehicles through rental partnerships. The company was formerly known as Helphire Group plc and changed its name to Redde plc in May 2014. Redde plc was founded in 1992 and is headquartered in Bath, the United Kingdom.*
Eclipx Group Limited	*FleetPartners Group Limited provides fleet management services in Australia and New Zealand. The company operates through three segments: Australia Commercial, Novated, and New Zealand Commercial. It offers vehicle fleet leasing and management, novated leasing, salary packaging, and vehicle accessories and sales solutions. The company also provides asset management, related financial products and services, vehicle acquisition, in-life fleet management and vehicle remarketing, and driver services. its services under the FleetPartners brand. The company was formerly known as Eclipx Group Limited and changed its name to FleetPartners Group Limited in March 2023. FleetPartners Group Limited was founded in 1987 and is based in St Leonards, Australia.*

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Fleet Hire Holdings	*A contract hire, salary sacrifice, short-term rental and fleet management business.*
Parcours SAS	*Parcours SAS provides car rental services. It offers leisure, transportation, and sports utility vehicles. The company also provides used vehicles, vehicle insurance, technical parts, and repair and maintenance services. The company was founded in 1989 and is based in Nanterre, France. Parcours SAS operates as a subsidiary of Société Générale Société anonyme.*

Source: S&P Global

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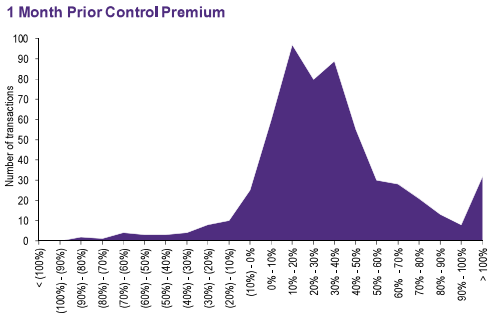
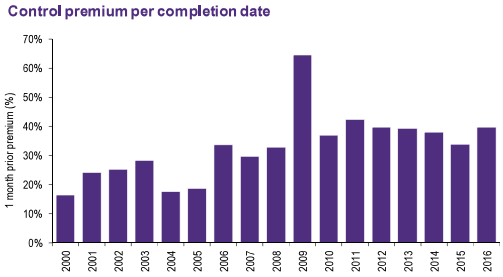
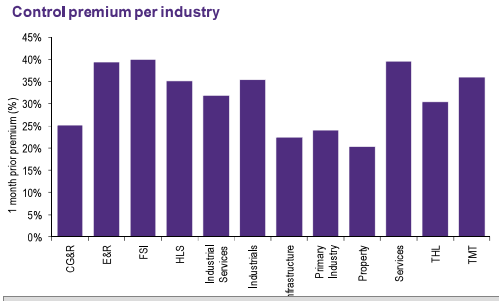
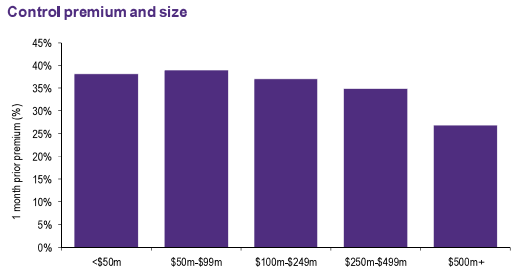
15. Appendix E – Control Premium study

15.1 Evidence from studies indicates that the premium for control on successful takeovers has frequently been in the range of 20% to 40% in Australia, and that the premium can vary significantly for each transaction.









	Control premium
Average	34.33%
Median	29.34%

Source: GTCF Analysis

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16. Appendix F – Glossary

$ or A$	Australian Dollar
ACT	Australian Capital Territory
ANZ	Australia and New Zealand
APES 225	Accounting Professional and Ethical Standard 225 "Valuation Services"
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Bidco	Westmann Bidco Pty Limited
BIK	Benefit-in-kind
CAGR	Compound Annual Growth Rate
CGU	Cash generating unit
Corporations Act	Corporations Act 2001 (Cth)
Corporations Regulations	Corporations Regulations 2001 (Cth)
DCF Method	Discounted cash flow and the estimated realisable value of any surplus assets
Directors	The Directors of SG Fleet
EBIT	Earnings before interest and tax expenses
EBITDA Multiple	EBITDA multiple method
EOL	End of Lease income
ESG	Environmental, Social, and Governance
EV	Electric Vehicle
FBT	Fringe benefits tax
FIRB	Foreign Investment Review Board
FME method	Earnings multiples to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets
FMO	Fleet Management Organisation
FSG	Financial Services Guide
FTE	Full Time Employees
GT Model	Financial Model prepared by GTCF, projecting the post-tax free cash flows of SG Fleet
GTCF, Grant Thornton, or Grant Thornton Corporate Finance	Grant Thornton Corporate Finance Pty Ltd (ACN 003 265 987)
HEV	Hybrid electric vehicle
ICE	Internal Combustion Engines
IER or Report	Independent Expert's Report
Internal Projections	High-level cash flow projections up to 30 June 2029 for SG Fleet prepared by SG Fleet Management and their financial advisers.
IPO	Initial Public Offering
LPA	Lease Portfolio Assets
MIA	Motor Industry Association of New Zealand
MMS	McMillan Shakespeare
NAV method	Amount available for distribution to security holders in an orderly realisation of assets
NDA	Non-Disclosure Agreement
NPAT	Net Profit After Tax
NPATA	Net Profit After Tax excluding amortisation of intangibles arising from acquisitions
NSW	New South Wales
NTM	Next Twelve Months
OECD	Organisation for Economic Co-operation and Development

Attachment A – Independent Expert's Report continued

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OEM	Original Equipment Manufacturers
OFBS	Off Balance Sheet
ONBS	On Balance Sheet
Options	The options to acquire SG Fleet Shares issued under SG Fleet's long term incentive scheme
P&A	Principal & Agency
pcp	Prior comparative period
PE Multiple	Price to Earnings Multiple
PEP	Pacific Equity Partners Pty Ltd
PEP Indicative Proposal	Non-binding and indicative proposal from PEP and certain of its affiliates to acquire all the shares of SG Fleet Group Limited
Performance Rights	The outstanding performance rights issued under SG Fleet's long term incentive scheme
Quoted Security Price Method	Quoted price for listed securities, when there is a liquid and active market
RBNZ	Reserve Bank of New Zealand
Relevant Management Shareholder	Means specifically named management personnel who are entitled to receive Scrip Consideration. For a full list, refer to the Scheme Booklet.
Restricted Equity Rights	The rights to acquire shares in SG Fleet at no cost subject to a service-based deferral issued under SG Fleet's short term incentive scheme
RG	Regulatory Guide
RG 111	ASIC Regulatory Guide 111 "Contents of expert reports"
RG 112	ASIC Regulatory Guide 112 "Independence of experts"
RG 60	ASIC Regulatory Guide 60 "Schemes of Arrangement"
Scheme	Scheme of Arrangement
Scheme Consideration or Cash Consideration	SG Fleet cash consideration of A$3.50 per SG Fleet share under the Scheme
Scrip Consideration	Consideration of 3.5 Topco Shares for each SG Fleet Share, available to SG Fleet Shareholders who are Relevant Management Shareholders
SID	Scheme Implementation Deed
SG Fleet Board	Board of Directors of SG Fleet
SG Fleet Shareholders or Shareholders	Shareholders of SG Fleet
SG Fleet Share	A fully paid ordinary share in SG Fleet
SG Fleet, or the Company	SG Fleet Group Limited
SMMT	Society of Motor Manufacturers and Traders
SRP	Specific risk premium
Super Group Board	Board of Directors of Super Group
Super Group Limited	Super Group Limited
Super Group Shareholders Meeting	The general meeting of Super Group shareholders to obtain approval of the Scheme
Topco	Westmann Topco Limited, being the ultimate holding company of Bidco
Topco Board	The Board of Directors of Topco
Topco Shares	Fully paid ordinary shares in the capital of Topco and Topco Share means any one of them
Topco Securityholders Agreement	The Shareholders Deed of Westmann Topco Limited, the ultimate holding company of Bido
VRI	Vehicle Risk Income
VWAP	Volume Weighted Average Price
WACC	Weighted Average Cost of Capital

Attachment B – Notice of General Scheme Meeting

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SG Fleet Group Limited (ACN 167 554 574)

Notice is hereby given that by an order of the Supreme of New South Wales (**Court**) made on 20 February 2025 pursuant to section 411(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**) a meeting of the General Shareholders (being all SG Fleet Shareholders other than the Relevant Management Shareholders) will be held at 3.00pm (Sydney time) on Tuesday, 8 April 2025 virtually via the Online Scheme Meeting Platform at https://meetings.lumiconnect.com/300-026-255-965) (**General Scheme Meeting**).

The Scheme Meeting will be held as a virtual meeting. General Shareholders and duly appointed proxies, attorneys and corporate representatives of the General Shareholders can attend, participate and vote at the Scheme through the Online Scheme Meeting Platform (details of which are set out below). General Shareholders (and duly appointed proxies, attorneys or corporate representatives of the General Shareholders) who participate in the Scheme Meeting through the Online Scheme Meeting Platform will be able to listen to the Scheme Meeting and cast a vote and ask questions online through the Online Scheme Meeting Platform.

Business of the General Scheme Meeting – General Scheme Resolution

To consider, and if thought fit, to pass the following resolution in accordance with section 411(4)(a)(ii) of the Corporations Act (**General Scheme Resolution**):

"That, pursuant to and in accordance with section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between SG Fleet Group Limited and the holders of its ordinary shares (the terms of which are contained in and more particularly described in the Scheme Booklet (of which this Notice of General Scheme Meeting forms part)) is agreed to (with or without alterations or conditions as approved by the Court and which are agreed to by SG Fleet Group Limited and Westmann Bidco Pty Limited in writing) and, the SG Fleet Group Limited board of directors is authorised subject to the terms of the Scheme Implementation Deed, to (a) agree to any such modifications, alterations or conditions, and (b) subject to approval of the Scheme by the Court, to implement the Scheme with any such alterations or conditions."

By Order of the Court and the SG Fleet Board

Tawanda Mutengwa
Company Secretary
SG Fleet Group Limited
20 February 2025

Explanatory notes

1. General

To enable you to make an informed decision on the General Scheme Resolution, further information on the Scheme is set out in the Scheme Booklet, of which this Notice of General Scheme Meeting forms part. Terms used in this Notice of General Scheme Meeting have the same meaning as set out in the Glossary in section 12 of the Scheme Booklet.

These notes should be read in conjunction with the Notice of General Scheme Meeting.

2. General Scheme Meeting Format

The General Scheme Meeting will be held as a virtual meeting. This means that General Shareholders and their authorised proxies, attorneys, and corporate representatives will be able to participate in the General Scheme Meeting online via the Online Scheme Meeting Platform at https://meetings.lumiconnect.com/300-026-255-965.

Further details on how to participate in the General Scheme Meeting via the Online Scheme Meeting Platform are set out in section 4 and in the Online Platform Guide set out at Attachment F.

General Shareholders who are unable to, or do not wish to, participate in the General Scheme Meeting are encouraged to submit a directed proxy vote as early as possible and in any event by 10.00am (Sydney time) on Friday, 4 April 2025 by completing and submitting the Proxy Form in accordance with the instructions on that form or by submitting a proxy online at https://www.votingonline.com.au/sgfscheme2025.

Even if you plan to attend the General Scheme Meeting we encourage you to submit a directed proxy vote so that your vote will be counted if for any reason you cannot attend the meeting.

3. Chair

The Court has directed that Andrew Reitzer act as Chairperson of the meeting or failing him Edwin Jankelowitz and has directed the Chairperson to report the result of the meeting to the Court if the resolution is approved.

4. Requisite Majorities

In accordance with section 411(4)(a)(ii) of the Corporations Act, the General Scheme Resolution must be approved by:

- unless the Court orders otherwise, a majority in number (more than 50%) of the General Shareholders present and voting (either virtually via the Online Scheme Meeting Platform, by proxy or attorney or in the case of a corporate holder, by duly appointed corporate representative) at the General Scheme Meeting; and
- at least 75% of the votes cast on the General Scheme Resolution by General Shareholders present and voting at the General Scheme Meeting (either virtually via the Online Scheme Meeting Platform, by proxy or attorney or in the case of a corporate holder, by duly appointed corporate representative).

Attachment B – Notice of General Scheme Meeting continued

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5. Court approval

Under paragraph 411(4)(b) of the Corporations Act, the Scheme (with or without amendment or any alteration or condition required by the Court) is subject to the approval of the Court. If the General Scheme Resolution and the Relevant Management Shareholder Scheme Resolution (set out in the Notice of Relevant Management Shareholder Scheme Meeting) is passed at the relevant Scheme Meetings by the Requisite Majorities and the other conditions to the Scheme (other than approval by the Court) are satisfied or waived (if capable of waiver) by the time required under the Scheme, SG Fleet intends to apply to the Court for the necessary orders to give effect to the Scheme.

In order for the Scheme to become Effective, it must be approved by the Court and an office copy of the orders of the Court approving the Scheme must be lodged with ASIC.

6. Entitlement to vote

The Court has ordered that, for the purposes of the Scheme Meetings, SG Fleet Shares will be taken to be held by the persons who are registered as members of SG Fleet as of 7.00pm (Sydney time) on Friday, 4 April 2025. Accordingly, transfers registered after this time will be disregarded in determining entitlements to vote at the Scheme Meetings. This means that, any General Shareholders entered on the Register at the abovementioned time will be entitled to attend and vote at the General Scheme Meeting. Voting will be conducted by poll. Every General Shareholder who is present virtually or by proxy, representative or attorney will have one vote for each SG Fleet Share held by that General Shareholder.

7. Participation in the General Scheme Meeting

7.1 Participating via the Online Scheme Meeting Platform

General Shareholders and their duly appointed proxies, attorneys, and corporate representatives can participate in and vote at the General Scheme Meeting via the Online Scheme Meeting Platform at https://meetings.lumiconnect.com/300-026-255-965.

General Shareholders can participate in the General Scheme Meeting once they have registered their attendance on the Online Scheme Meeting Platform. Online registration for the General Scheme Meeting will open at 2.30pm (Sydney time) on Tuesday, 8 April 2025, 30 minutes before the General Scheme Meeting commences.

To participate in the General Scheme Meeting virtually, you can log into the General Scheme Meeting from your computer, smart phone, or tablet, by entering https://meetings.lumiconnect.com/300-026-255-965 into your browser.

You will need internet access and the latest version of the Chrome, Firefox, Edge or Safari. Please ensure your browser is compatible.

Once you have selected one of the options above, you will need the following information to participate in the Meeting:

- the Meeting ID which is 300-026-255-965;
- your username, which is your Voter Access Code (**VAC**); and
- your password, which is the postcode registered on your holding if you are an Australian Shareholder or for General Shareholders whose shareholding is registered at an address outside Australia, your country code.

Further information about how to log in to the Online Scheme Meeting Platform, to register for the General Scheme Meeting, and to participate in the Scheme Meeting as a General Shareholder, is available in the Online Platform Guide which is set out in Attachment F.

8. How to vote

Voting at the General Scheme Meeting will be conducted by poll.

If you are a General Shareholder entitled to vote at the meeting, you may vote:

- **by attending the General Scheme Meeting via the Online Scheme Meeting Platform,** by participating and voting via the Online Scheme Meeting Platform during the General Scheme Meeting at https://meetings.lumiconnect.com/300-026-255-965;
- **by proxy**, by completing and submitting the General Scheme Meeting Proxy Form in accordance with the instructions on that form or by submitting a proxy online at https://www.votingonline.com.au/sgfscheme2025. To be effective, your proxy appointment must be received by the SG Fleet Share Registry by 10.00am (Sydney time) on Friday, 4 April 2025;
- **by attorney**, by appointing an attorney to participate in and vote at the General Scheme Meeting on your behalf and providing a duly executed power of attorney to the SG Fleet Share Registry by 10.00am (Sydney time) on Friday, 4 April 2025; or
- **by corporate representative**, in the case of a body corporate, by appointing a body corporate representative to participate and vote at the General Scheme Meeting on your behalf, and providing a duly executed certificate of appointment (in accordance with section 250D of the Corporations Act) prior to the General Scheme Meeting in accordance with section 9.5 below.

Further information on how to vote using each of these methods is contained in section 9 of this Notice of General Scheme Meeting below.

9. Voting

9.2 Voting virtually through the Online Scheme Meeting Platform

To vote at the General Scheme Meeting virtually, you must participate in the General Scheme Meeting via the Online Scheme Meeting Platform at https://meetings.lumiconnect.com/300-026-255-965. While General Shareholders will be able to vote on the General Scheme Resolution in real time, General Shareholders are encouraged to lodge a proxy ahead of the General Scheme Meeting. If you are unable to attend, please lodge your vote online at https://www.votingonline.com.au/sgfscheme2025.

Online voting will be open between the start of the General Scheme Meeting and the closing of voting as announced by the Chair during the General Scheme Meeting.

More information about how to use the Online Scheme Meeting Platform (including how to vote and submit questions online during the General Scheme Meeting) is available in the Online Platform Guide, which is set out in Attachment F.

If you intend to use the Online Scheme Meeting Platform, then before the General Scheme Meeting, we recommend that you ensure the Online Scheme Meeting Platform works on your device. Further instructions are provided in the Online Platform Guide.

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9.3 Voting by proxy

A General Shareholder entitled to attend and vote at the General Scheme Meeting is also entitled to vote by proxy. The Proxy Form is enclosed with the Scheme Booklet. You may appoint not more than two proxies to attend and act for you at the General Scheme Meeting. A proxy need not be a holder of SG Fleet Shares. If two proxies are appointed, each proxy may be appointed to represent a specified number or proportion of your votes. If no such number or proportion is specified, each proxy may exercise half your votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

If you do not instruct your proxy on how to vote, your proxy may vote as he or she sees fit at the General Scheme Meeting.

A General Shareholder may appoint the Chair of the General Scheme Meeting as their proxy by nominating him/her in the Proxy Form. If a General Shareholder returns their Proxy Form but does not nominate the identity of their proxy, the Chair of the General Scheme Meeting will automatically be their proxy.

If a General Shareholder returns their Proxy Form but their nominated proxy does not attend the General Scheme Meeting, then their proxy will revert to the Chair of the General Scheme Meeting.

For resolutions determined on a poll, if a General Shareholder's nominated proxy is either not recorded as attending the General Scheme Meeting or does not vote on the General Scheme Resolution in accordance with the General Shareholder's directions, the Chair of the General Scheme Meeting is taken, before voting on the General Scheme Meeting Resolution closes, to have been appointed as the General Shareholder's proxy for the purposes of voting on the General Scheme Resolution.

The Chair of the General Scheme Meeting intends to vote all available proxies in favour of the General Scheme Resolution.

Please refer to the enclosed Proxy Form for instructions on completion and lodgement. Please note that Proxy Forms must be received at the SG Fleet Share Registry, or lodged online at https://www.votingonline.com.au/sgfscheme2025, by no later than 10.00am (Sydney time) on Friday, 4 April 2025 (or if the General Scheme Meeting is adjourned, at least 48 hours before the resumption of the General Scheme Meeting).

9.4 Voting by attorney

You may appoint an attorney to participate in and vote at the General Scheme Meeting (on your behalf). Your attorney need not be another SG Fleet Shareholder. Each attorney will have the right to vote on the poll and also to speak at the General Scheme Meeting.

The power of attorney appointing your attorney to participate in and vote at the General Scheme Meeting must be duly executed by you and specify your name, the company (that is, SG Fleet), and the attorney, and also specify the meeting(s) at which the appointment may be used. The appointment may be a standing one.

Certified copies of powers of attorney must be received by the SG Fleet Share Registry by no later than 10.00am (Sydney time) on Friday, 4 April 2025. A certified copy of a power of attorney may be submitted in the same manner as a completed the Proxy Form, as described above, except that the power of attorney or a certified copy of the power of attorney cannot be lodged online or by mobile device or fax.

9.5 Voting by corporate representative (in the case of a body corporate)

To vote at the General Scheme Meeting (other than by proxy or attorney), a body corporate that is a General Shareholder must appoint a person to act as its representative. The appointment must comply with section 250D of the Corporations Act.

To vote by corporate representative, a corporate representative must provide written evidence of their appointment by obtaining and completing an 'Appointment of Corporate Representative' form by calling Boardroom on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia), or online at www.boardroomlimited.com.au.

Corporate representative forms must be provided to the SG Fleet Share Registry by no later than 10.00am (Sydney time) on Friday, 4 April 2025.

A corporate representative form may be submitted in the same manner as a completed Proxy Form, as described above, except that an appointment of corporate representative form cannot be lodged online or by mobile device or fax.

9.6 How to submit a Proxy Form

To appoint a proxy, you should complete and return the Proxy Form that accompanies this Scheme Booklet in accordance with the instructions on that form.

Completed Proxy Forms should be sent to the SG Fleet Share Registry:

- by posting them in the reply-paid envelope provided;
- by posting them to Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia;
- by delivering in person to Boardroom Pty Limited, Level 8, 210 George Street Sydney NSW 2000 Australia;
- by faxing them to +61 2 9290 9655 (within Australia); or
- by submitting online at https://www.votingonline.com.au/sgfscheme2025. To use the online voting facility, SG Fleet Shareholders will need their Voting Access Code (**VAC**) and their post code or country code,

so that it is received by no later than **10:00am (Sydney time) on Friday, 4 April 2025**.

If the Proxy Form is signed by an attorney, the original or a certified copy of the power of attorney must be received by the SG Fleet Share Registry or SG Fleet at the same time as the Proxy Form (unless previously provided to the SG Fleet Share Registry or SG Fleet).

Holders of SG Fleet Shares should contact the SG Fleet Share Registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia) Monday to Friday between 8:30am and 5:00pm (Sydney time) with any queries regarding the number of SG Fleet Shares held, how to vote and lodgement of Proxy Forms.

9.7 Jointly held securities

If SG Fleet Shares are jointly held, either one of the joint General Shareholders is entitled to vote at the General Scheme Meeting. If more than one joint General Shareholder votes in respect of the jointly held SG Fleet Share, only the vote of the General Shareholder whose name appears first in the Register will be counted.

Attachment B – Notice of General Scheme Meeting continued

10. Questions

General Shareholders will have a reasonable opportunity to ask questions during the General Scheme Meeting (through the Online Scheme Meeting Platform).

General Shareholders who prefer to register questions in advance of the meeting are also invited to do so by submitting questions at https://www.votingonline.com.au/sgfscheme2025. To allow time to collate questions and prepare answers, please submit any questions by 5.00pm (Sydney time) on Tuesday, 1 April 2025.

General Shareholders are requested to restrict themselves to two questions or comments initially, and further questions will be considered if time permits. Questions and comments may be moderated to avoid repetition and to make them more concise.

The Chair of the General Scheme Meeting will endeavour to address as many of the more frequently raised relevant questions as possible during the course of the General Scheme Meeting. However, there may not be sufficient time available during the General Scheme Meeting to address all of the questions raised. Please note that individual responses will not be sent to General Shareholders.

11. Technical Difficulties

Technical difficulties may arise during the course of the General Scheme Meeting. The Chair has discretion as to whether and how the General Scheme Meeting should proceed in the event that a technical difficulty arises. In exercising this discretion, the Chair will have regard to the number of General Shareholders impacted and the extent to which participation in the business of the meeting is affected.

Where the Chair considers it appropriate, the Chair may continue to hold the General Scheme Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions.

For this reason, General Shareholders are encouraged to lodge a direct vote or a directed proxy in advance of the General Scheme Meeting by 10.00am (Sydney time) on Friday, 4 April 2025, even if they plan to attend the General Scheme Meetings online.

12. Advertisement

Where this notice of meeting is advertised unaccompanied by the Scheme Booklet, a copy of the Scheme Booklet can be obtained by anyone entitled to attend the meeting from ASX's website www.asx.com.au or SG Fleet's website https://investors.sgfleet.com/Investors/ or by contacting the SG Fleet Share Registry.

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Attachment C – Notice of Relevant Management Shareholder Scheme Meeting

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SG Fleet Group Limited (ACN 167 554 574)

Notice is hereby given that by an order of the Supreme of New South Wales (**Court**) made on 20 February 2025 pursuant to section 411(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**) a meeting of the Relevant Management Shareholders (excluding all other SG Fleet Shareholders) will commence immediately following the General Scheme Meeting at 4.00pm (Sydney time) on Tuesday, 8 April 2025 virtually via the Online Scheme Meeting Platform at https://meetings.lumiconnect.com/300-865-182-860 (the **Relevant Management Shareholder Scheme Meeting**).

The Relevant Management Shareholder Scheme Meeting will be held as a virtual meeting. Relevant Management Shareholders and duly appointed proxies, attorneys and corporate representatives of Relevant Management Shareholders can attend, participate and vote at the Scheme through the Online Scheme Meeting Platform (details of which are set out below). Relevant Management Shareholders (and duly appointed proxies, attorneys or corporate representatives of the Relevant Management Shareholders) who participate in the Scheme Meeting through the Online Scheme Meeting Platform will be able to listen to the Scheme Meeting and cast a vote and ask questions online through the Online Scheme Meeting Platform.

Business of the Relevant Management Shareholder Scheme Meeting

To consider, and if thought fit, to pass the following resolution in accordance with section 411(4)(a)(ii) of the Corporations Act (the **Relevant Management Shareholder Scheme Resolution**):

"That, pursuant to and in accordance with section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between SG Fleet Group Limited and the holders of its ordinary shares (the terms of which are contained in and more particularly described in the Scheme Booklet (of which this Notice of Relevant Management Shareholder Scheme Meeting forms part)) is agreed to (with or without alterations or conditions as approved by the Court and which are agreed to by SG Fleet Group Limited and Westmann Bidco Pty Limited in writing) and, the SG Fleet Group Limited board of directors is authorised, subject to the terms of the Scheme Implementation Deed, to (a) agree to any such modifications, alterations or conditions, and (b) subject to approval of the Scheme by the Court, implement the Scheme with any such alterations or conditions."

By Order of the Court and the SG Fleet Board



Tawanda Mutengwa
Company Secretary
SG Fleet Group Limited
20 February 2025

Explanatory notes

1. General

To enable you to make an informed decision on the Relevant Management Shareholder Scheme Resolution, further information on the Scheme is set out in the Scheme Booklet, of which this Notice of Relevant Management Shareholder Scheme Meeting forms part. Terms used in this Notice of Relevant Management Shareholder Scheme Meeting have the same meaning as set out in the Glossary in section 12 of the Scheme Booklet.

These notes should be read in conjunction with the Notice of Relevant Management Shareholder Scheme Meeting.

2. Relevant Management Shareholder Scheme Meeting Format

The Relevant Management Shareholder Scheme Meeting will be held as a virtual meeting. This means that Relevant Management Shareholder and their authorised proxies, attorneys, and corporate representatives will be able to participate in the Relevant Management Shareholder Scheme Meeting online via the Online Scheme Meeting Platform at https://meetings.lumiconnect.com/300-865-182-860.

Further details on how to participate in the Relevant Management Shareholder Scheme Meeting via the Online Scheme Meeting Platform are set out in section 4 and in the Online Platform Guide set out at Attachment F.

Relevant Management Shareholder Shareholders who are unable to, or do not wish to, participate in the General Scheme Meeting are encouraged to submit a directed proxy vote as early as possible and in any event by 10.00am (Sydney time) on Friday, 4 April 2025 by completing and submitting the Proxy Form in accordance with the instructions on that form or by submitting a proxy online at https://www.votingonline.com.au/sgfscheme2025.

Even if you plan to attend the Relevant Management Shareholder Scheme we encourage you to submit a directed proxy vote so that your vote will be counted if for any reason you cannot attend the meeting.

3. Chair

The Court has directed that Andrew Reitzer act as Chairperson of the meeting or failing him Edwin Jankelowitz and has directed the Chairperson to report the result of the meeting to the Court if the resolution is approved.

4. Requisite Majorities

In accordance with section 411(4)(a)(ii) of the Corporations Act, the Relevant Management Shareholder Scheme Resolution must be approved by:

- unless the court orders otherwise, a majority in number (more than 50%) of the Relevant Scheme Shareholders present and voting (either virtually via the Online Scheme Meeting Platform, by proxy or attorney or in the case of a corporate holder, by duly appointed corporate representative) at the Relevant Management Shareholder Scheme Meeting; and
- at least 75% of the votes cast on the Relevant Management Shareholder Scheme Resolution by Relevant Management Shareholders present and voting at the Relevant Management Shareholder Scheme Meeting (either virtually, by proxy or attorney or in the case of a corporate holder, by duly appointed corporate representative).

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5. Court approval

Under paragraph 411(4)(b) of the Corporations Act, the Scheme (with or without amendment or any alteration or condition required by the Court) is subject to the approval of the Court. If the Relevant Management Shareholder Scheme Resolution and the General Scheme Resolution (set out in the Notice of General Scheme Meeting) is passed at the relevant Scheme Meetings by the Requisite Majorities and the other conditions to the Scheme (other than approval by the Court) are satisfied or waived (if capable of waiver) by the time required under the Scheme, SG Fleet intends to apply to the Court for the necessary orders to give effect to the Scheme.

In order for the Scheme to become Effective, it must be approved by the Court and an office copy of the orders of the Court approving the Scheme must be lodged with ASIC.

6. Entitlement to vote

The Court has ordered that, for the purposes of the Scheme Meetings, SG Fleet Shares will be taken to be held by the persons who are registered as members of SG Fleet as of 7.00pm (Sydney time) on Friday, 4 April 2025. Accordingly, transfers registered after this time will be disregarded in determining entitlements to vote at the Scheme Meetings. This means that any Relevant Management Shareholders entered on the Register at the abovementioned time will be entitled to attend and vote at the Relevant Management Shareholder Scheme Meeting. Voting will be conducted by poll. Every Relevant Management Shareholder who is present virtually or by proxy, representative or attorney will have one vote for each SG Fleet Share held by that Relevant Management Shareholder.

7. Participation in the Scheme Meetings

7.1 Participating via the Online Scheme Meeting Platform

Relevant Management Shareholders and their duly appointed proxies, attorneys, and corporate representatives can participate in and vote at the Relevant Management Shareholder Scheme Meeting via the Online Scheme Meeting Platform at https://meetings.lumiconnect.com/300-865-182-860.

Relevant Management Shareholders can participate in the Relevant Management Shareholder Meeting once they have registered their attendance on the Online Scheme Meeting Platform. Online registration for the Relevant Management Shareholder Scheme Meeting will open at 3.30pm (Sydney time) on Tuesday, 8 April 2025, 30 minutes before the Relevant Management Shareholder Scheme Meeting commences.

To participate in the Relevant Management Shareholder Scheme Meeting virtually, you can log into the Relevant Management Shareholder Scheme Meeting from your computer, smart phone, or tablet, by entering https://meetings.lumiconnect.com/300-865-182-860 into your browser.

You will need internet access and the latest version of the Chrome, Firefox, Edge or Safari. Please ensure your browser is compatible.

Once you have selected one of the options above, you will need the following information to participate in the Meeting:

- the Meeting ID which is 300-865-182-860;
- your username, which is your Voter Access Code (**VAC**); and
- your password, which is the postcode registered on your holding if you are an Australian Shareholder or for Relevant Management Shareholders whose shareholding is registered at an address outside Australia, your country code.

Further information about how to log in to the Online Scheme Meeting Platform, to register for the Relevant Management Shareholder Scheme Meeting, and to participate in the Scheme Meeting as a Relevant Management Shareholder, is available in the Online Platform Guide which is set out in Attachment F.

8. How to vote

Voting at the Relevant Management Shareholder Scheme Meeting will be conducted by poll.

If you are a Relevant Management Shareholder entitled to vote at the meeting, you may vote:

- **by attending the Relevant Management Shareholder Scheme Meeting via the Online Scheme Meeting Platform,** by participating and voting via the Online Scheme Meeting Platform during the Relevant Management Shareholder Scheme Meeting at https://meetings.lumiconnect.com/300-865-182-860;
- **by proxy**, by completing and submitting the Relevant Management Shareholder Scheme Meeting Proxy Form in accordance with the instructions on that form or by submitting a proxy online at https://www.votingonline.com.au/sgfscheme2025. To be effective, your proxy appointment must be received by the SG Fleet Share Registry by 10.00am (Sydney time) on Friday, 4 April 2025;
- **by attorney**, by appointing an attorney to participate in and vote at the Relevant Management Shareholder Scheme Meeting on your behalf and providing a duly executed power of attorney to the SG Fleet Share Registry by 10.00am (Sydney time) on Friday, 4 April 2025; or
- **by corporate representative**, in the case of a body corporate, by appointing a body corporate representative to participate and vote at the Relevant Management Shareholder Scheme Meeting on your behalf, and providing a duly executed certificate of appointment (in accordance with section 250D of the Corporations Act) prior to the Relevant Management Shareholder Scheme Meeting in accordance with section 9.5 below.

Further information on how to vote using each of these methods is contained in section 9 of this Notice of Relevant Management Shareholder Scheme Meeting below.

9. Voting

9.2 Voting virtually through the Online Scheme Meeting Platform

To vote at the Relevant Management Shareholder Scheme Meeting virtually, you must participate in the Relevant Management Shareholder Scheme Meeting via the Online Scheme Meeting Platform at https://meetings.lumiconnect.com/300-865-182-860. While Relevant Management Shareholders will be able to vote on the Relevant Management Shareholder Scheme Resolution in real time, Relevant Management Shareholders are encouraged to lodge a proxy ahead of the Relevant Management Shareholder Scheme Meeting If you are unable to attend, please lodge your vote online at https://www.votingonline.com.au/sgfscheme2025.

Online voting will be open between the start of the Relevant Management Shareholder Scheme Meeting and the closing of voting as announced by the Chair during the Relevant Management Shareholder Scheme Meeting.

More information about how to use the Online Scheme Meeting Platform (including how to vote and submit questions online during the Relevant Management Shareholder Scheme Meeting) is available in the Online Platform Guide, which is set out in Attachment F.

If you intend to use the Online Scheme Meeting Platform, then before the Relevant Management Shareholder Scheme Meeting, we recommend that you ensure the Online Scheme Meeting Platform works on your device. Further instructions are provided in the Online Platform Guide.

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9.3 Voting by proxy

A Relevant Management Shareholder entitled to attend and vote at the Relevant Management Shareholder Scheme Meeting is also entitled to vote by proxy. The Proxy Form is enclosed with the Scheme Booklet. You may appoint not more than two proxies to attend and act for you at the Relevant Management Shareholder Scheme Meeting. A proxy need not be a holder of SG Fleet Shares. If two proxies are appointed, each proxy may be appointed to represent a specified number or proportion of your votes. If no such number or proportion is specified, each proxy may exercise half your votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

If you do not instruct your proxy on how to vote, your proxy may vote as he or she sees fit at the Relevant Management Shareholder Scheme Meeting.

A Relevant Management Shareholder may appoint the Chair of the Relevant Management Shareholder Scheme Meeting as their proxy by nominating him/her in the Proxy Form. If a Relevant Management Shareholder returns their Proxy Form but does not nominate the identity of their proxy, the Chair of the Relevant Management Shareholder Scheme Meeting will automatically be their proxy.

If a Relevant Management Shareholder returns their Proxy Form but their nominated proxy does not attend the Relevant Management Shareholder Scheme Meeting, then their proxy will revert to the Chair of the Relevant Management Shareholder Scheme Meeting.

For resolutions determined on a poll, if a Relevant Management Shareholder's nominated proxy is either not recorded as attending the Relevant Management Shareholder Scheme Meeting or does not vote on the Relevant Management Shareholder Scheme Resolution in accordance with the Relevant Management Shareholder's directions, the Chair of the Relevant Management Shareholder Scheme Meeting is taken, before voting on the Relevant Management Shareholder Scheme Resolution closes, to have been appointed as the Relevant Management Shareholder's proxy for the purposes of voting on the Relevant Management Shareholder Scheme Resolution.

The Chair of the Relevant Management Shareholder Scheme Meeting intends to vote all available proxies in favour of the Relevant Management Shareholder Scheme Resolution.

Please refer to the enclosed Proxy Form for instructions on completion and lodgement. Please note that Proxy Forms must be received at the SG Fleet Share Registry, or lodged online at https://www.votingonline.com.au/sgfscheme2025, by no later than 10.00am (Sydney time) on Friday, 4 April 2025 (or if the Relevant Management Shareholder Scheme Meeting is adjourned, at least 48 hours before the resumption of the Relevant Management Shareholder Scheme Meeting).

9.4 Voting by attorney

You may appoint an attorney to participate in and vote at the Relevant Management Shareholder Scheme Meeting (on your behalf. Your attorney need not be another SG Fleet Shareholder. Each attorney will have the right to vote on the poll and also to speak at the Relevant Management Shareholder Scheme Meeting.

The power of attorney appointing your attorney to participate in and vote at the Relevant Management Shareholder Scheme Meeting must be duly executed by you and specify your name, the company (that is, SG Fleet), and the attorney, and also specify the meeting(s) at which the appointment may be used. The appointment may be a standing one.

Certified copies of powers of attorney must be received by the SG Fleet Share Registry by no later than 10.00am (Sydney time) on Friday, 4 April 2025. A certified copy of a power of attorney may be submitted in the same manner as a completed the Proxy Form, as described above, except that the power of attorney or a certified copy of the power of attorney cannot be lodged online or by mobile device or fax.

9.5 Voting by corporate representative (in the case of a body corporate)

To vote at the Relevant Management Shareholder Scheme Meeting (other than by proxy or attorney), a body corporate that is a Relevant Management Shareholder must appoint a person to act as its representative. The appointment must comply with section 250D of the Corporations Act.

To vote by corporate representative, a corporate representative must provide written evidence of their appointment by obtaining and completing an 'Appointment of Corporate Representative' form by calling Boardroom on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia) or online at www.boardroomlimited.com.au.

Corporate representative forms must be provided to the SG Fleet Share Registry by no later than 10.00am (Sydney time) on Friday, 4 April 2025.

A corporate representative form may be submitted in the same manner as a completed Proxy Form, as described above, except that an appointment of corporate representative form cannot be lodged online or by mobile device or fax.

9.6 How to submit a Proxy Form

To appoint a proxy, you should complete and return the Proxy Form that accompanies this Scheme Booklet in accordance with the instructions on that form.

Completed Proxy Forms should be sent to the SG Fleet Share Registry:

- by posting them in the reply-paid envelope provided;
- by posting them to Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia;
- by delivering in person to Boardroom Pty Limited, Level 8, 210 George Street Sydney NSW 2000 Australia;
- by faxing them to +61 2 9290 9655 (within Australia); or
- by submitting online at https://www.votingonline.com.au/sgfscheme2025. To use the online voting facility, SG Fleet Shareholders will need their Voting Access Code (**VAC**) and their post code or country code,

so that it is received by no later than **10:00am (Sydney time) on Friday, 4 April 2025**.

If the Proxy Form is signed by an attorney, the original or a certified copy of the power of attorney must be received by the SG Fleet Share Registry or SG Fleet at the same time as the Proxy Form (unless previously provided to the SG Fleet Share Registry or SG Fleet).

Holders of SG Fleet Shares should contact the SG Fleet Share Registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia) Monday to Friday between 8:30am and 5:00pm (Sydney time) with any queries regarding the number of SG Fleet Shares held, how to vote and lodgement of Proxy Forms.

9.7 Jointly held securities

If SG Fleet Shares are jointly held, either one of the joint Relevant Management Shareholders is entitled to vote at the Relevant Management Shareholder Scheme Meeting. If more than one joint Relevant Management Shareholder votes in respect of the jointly held SG Fleet Share, only the vote of the Relevant Management Shareholder whose name appears first in the Register will be counted.

Attachment C – Notice of Relevant Management Shareholder Scheme Meeting continued

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10. Questions

Relevant Management Shareholders will have a reasonable opportunity to ask questions during the Relevant Management Shareholder Scheme Meeting (through the Online Scheme Meeting Platform).

Relevant Management Shareholders who prefer to register questions in advance of the meeting are also invited to do so by submitting questions at https://www.votingonline.com.au/sgfscheme2025. To allow time to collate questions and prepare answers, please submit any questions by 5.00pm (Sydney time) on Tuesday, 1 April 2025.

Relevant Management Shareholders are requested to restrict themselves to two questions or comments initially, and further questions will be considered if time permits. Questions and comments may be moderated to avoid repetition and to make them more concise.

The Chair of the Relevant Management Shareholder Scheme Meeting will endeavour to address as many of the more frequently raised relevant questions as possible during the course of the Relevant Management Shareholder Scheme Meeting. However, there may not be sufficient time available during the Relevant Management Shareholder Scheme Meeting to address all of the questions raised. Please note that individual responses will not be sent to Relevant Management Shareholders.

11. Technical Difficulties

Technical difficulties may arise during the course of the Relevant Management Shareholder Scheme Meeting. The Chair has discretion as to whether and how the Relevant Management Shareholder Scheme Meeting should proceed in the event that a technical difficulty arises. In exercising this discretion, the Chair will have regard to the number of Relevant Management Shareholders impacted and the extent to which participation in the business of the meeting is affected.

Where the Chair considers it appropriate, the Chair may continue to hold the Relevant Management Shareholder Scheme Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions.

For this reason, Relevant Management Shareholders are encouraged to lodge a direct vote or a directed proxy in advance of the Relevant Management Shareholder Scheme Meeting by 10.00am (Sydney time) on Friday, 4 April 2025 even if they plan to attend the Relevant Management Shareholder Scheme Meetings online.

12. Advertisement

Where this notice of meeting is advertised unaccompanied by the Scheme Booklet, a copy of the Scheme Booklet can be obtained by anyone entitled to attend the meeting from ASX's website www.asx.com.au or SG Fleet's website https://investors.sgfleet.com/Investors/ or by contacting the SG Fleet Share Registry.

Attachment D – Scheme of Arrangement made under section 411 of the Corporations Act

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Gilbert +Tobin

Scheme of arrangement

SG Fleet Group Limited

Each person who holds one or more Scheme Shares

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Date:

Parties

1 **SG Fleet Group Limited** (ACN 167 554 574) of Building 3, Level 2, 20 Bridge Street, Pymble Sydney NSW 2073 (**Target**)

2 Each person who holds one or more Scheme Shares (**Scheme Shareholders**)

1 Defined terms and interpretation

1.1 Definitions in the Dictionary

A term or expression starting with a capital letter:

(a) which is defined in the Dictionary in Schedule 1, has the meaning given to it in the Dictionary; and

(b) which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act.

1.2 Interpretation

The interpretation clause in Schedule 1 sets out rules of interpretation for this deed.

2 Preliminary matters

(a) Target is a public company limited by shares and is admitted to the official list of ASX. Target Shares are quoted for trading on ASX.

(b) As at the date of the Implementation Deed, Target had on issue or had granted (as applicable):

(i) 341,984,920 Target Shares;

(ii) 13,438,762 Target Options;

(iii) 2,908,596 Target Performance Rights; and

(iv) 1,113,758 Target Restricted Equity Rights.

(c) Westmann Bidco Pty Limited (ACN 682 625 109) (**Bidder**) is a proprietary company limited by shares.

(d) Topco is an Australian public company limited by shares.

(e) On 4 December 2024, Bidder and Target entered into the Implementation Deed pursuant to which, amongst other things, Target has agreed to propose this Scheme to the Scheme Shareholders, and each of Target and Bidder have agreed to take certain steps to give effect to this Scheme.

(f) If this Scheme becomes Effective:

(i) Bidder and Topco must provide or procure the provision of the Scheme Consideration to the Scheme Shareholders in accordance with its obligations under the terms of this Scheme and the Deed Poll;

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(ii) all the Scheme Shares and all of the rights and entitlements attaching to them on the Implementation Date will be transferred to Bidder and Target will enter the name of Bidder in the Target Register.

(g) Bidder and Topco have entered into the Deed Poll for the purposes of covenanting in favour of Scheme Shareholders to perform all actions attributed to it under this Scheme.

3 Conditions

3.1 Conditions to this Scheme

This Scheme is conditional upon, and will have no force or effect until, the satisfaction of each of the following conditions precedent:

(a) as at 8.00am on the Second Court Date, each of the conditions set out in clause 3.1 of the Implementation Deed (other than the condition relating to the approval of the Court set out in clause 3.1(g) of the Implementation Deed) have been satisfied or waived in accordance with the terms of the Implementation Deed;

(b) as at 8.00am on the Second Court Date, neither the Implementation Deed nor the Deed Poll have been terminated in accordance with their terms;

(c) the Court approves this Scheme under section 411(4)(b) of the Corporations Act either unconditionally or subject to any alternations or conditions made or required by the Court under section 411(6) of the Corporations Act and that are agreed to by Bidder and Target (such agreement not to be unreasonably withheld or delayed);

(d) such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to the Scheme, and that are agreed to by Bidder and Target (such agreement not to be unreasonably withheld or delayed), have been satisfied or waived; and

(e) the coming into effect of the Scheme Order, in accordance with section 411(10) of the Corporations Act, on or before the End Date.

3.2 Certificate

Target will provide to the Court on the Second Court Date certificates signed by Bidder and Target (or such other evidence as the Court requests) confirming (in respect of matters within their knowledge) whether or not the conditions in clauses 3.1(a) and 3.1(b) of this Scheme have been satisfied or waived in accordance with the terms of the Implementation Deed as at 8.00am on the Second Court Date.

4 The Scheme

(a) Subject to clause 3.1, this Scheme takes effect for all purposes on and from the Effective Date.

(b) This Scheme will lapse and be of no further force or effect if:

(i) the Effective Date has not occurred on or before the End Date; or

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(ii) the Implementation Deed or the Deed Poll is terminated in accordance with its terms,

unless Target and Bidder otherwise agree in writing.

5 Implementation of the Scheme

5.1 Lodgement of Scheme Order with ASIC

If the conditions in clauses 3.1(a) to 3.1(d) are satisfied or waived, Target must lodge with ASIC, in accordance with section 411(10) of the Corporations Act, an office copy of the Scheme Order approving this Scheme as soon as possible after, and in any event by 5.00pm on the first Business Day after, the day on which the Court approves this Scheme.

5.2 Transfer of Scheme Shares

Subject to this Scheme becoming Effective, the following actions will occur (in the order set out below):

(a) Bidder will deposit (or procure the deposit of) the Scheme Consideration in the manner contemplated by clause 6.6(a); and

(b) on the Implementation Date:

(i) the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, will be transferred to Bidder, without the need for any further act by any Scheme Shareholder (other than acts performed by Target as attorney and agent for Scheme Shareholders under clause 9) by:

(A) Target delivering to Bidder a duly completed Scheme Transfer (and one or more Scheme Transfers can be a master transfer of all or part of all of the Scheme Shares), executed on behalf of the Scheme Shareholders by Target; and

(B) Bidder duly executing the Scheme Transfer, attending to the stamping of the Scheme Transfer (if required) and delivering it to Target for registration; and

(ii) immediately following receipt of the Scheme Transfer in accordance with clause 5.2(b)(i)(B) or the transfer being effected under section 1074D of the Corporations Act (as the case may be), Target must enter, or procure the entry of, the name of Bidder in the Target Register in respect of all the Scheme Shares transferred to Bidder in accordance with this Scheme.

6 Scheme Consideration

6.1 Entitlement to Scheme Consideration

Subject to the Scheme becoming Effective, in consideration for the transfer to the Bidder of each Scheme Share held by a Scheme Shareholder, on the Implementation Date the Bidder must provide the Scheme Consideration to each Scheme Shareholder for each Scheme Share held by it on the terms of this clause 6.

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6.2 Determination of Scheme Consideration

(a) If a Scheme Shareholder is not a Relevant Shareholder, then the Scheme Consideration applicable for that Scheme Shareholder is the Cash Consideration for each Scheme Share held by that Scheme Shareholder on the Scheme Record Date.

(b) If a Scheme Shareholder is a Relevant Shareholder who has not made an Election before the Election Time, then the Scheme Consideration applicable for that Scheme Shareholder is the Cash Consideration for each Scheme Share held by that Scheme Shareholder on the Scheme Record Date.

(c) If the Scheme Shareholder is a Relevant Shareholder who has made an Election before the Election Time, then the Scheme Consideration applicable for that Scheme Shareholder for each Scheme Share held by that Scheme Shareholder on the Scheme Record Date is either:

(i) If the Election is to receive all Scrip Consideration, the Scrip Consideration per Scheme Share in respect of the Scheme Shares held by the Relevant Shareholder on the Scheme Record Date;

(ii) If the Election is to receive all Cash Consideration, the Cash Consideration per Scheme Share in respect of the Scheme Shares held by the Relevant Shareholder on the Scheme Record Date;

(iii) If the Election is to receive a mix of Cash Consideration and Scrip Consideration:

(A) the Cash Consideration per Scheme Share in respect of the percentage of Scheme Shares held by the Relevant Shareholder on the Scheme Record Date for which the Relevant Shareholder has made an Election (in the Election Form) to receive the Cash Consideration; plus

(B) the Scrip Consideration per Scheme Share in respect of the percentage of Scheme Shares held by the Relevant Shareholder on the Scheme Record Date for which the Relevant Shareholder has not made an Election (in the Election Form) to receive the Cash Consideration.

6.3 Election Procedure

(a) Subject to clauses 6.3(c), 6.3(d) and 6.3(e), each of the Relevant Shareholders will be entitled to make an Election. All Elections will take effect in accordance with the Scheme (provided that any Relevant Shareholder who makes an Election is also a Scheme Shareholder).

(b) Target must provide or procure the provision of an Election Form to each Relevant Shareholder, with the Scheme Booklet that is sent to them.

(c) For an Election to be valid:

(i) the Relevant Shareholder must complete and sign the Election Form in accordance with the terms and conditions of the Election Form, the instructions in the Scheme Booklet, the Scheme and this clause 6.3; and

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(ii) the Election Form must be received by the Target Registry at the address specified by the Target in the Scheme Booklet and on the Election Form before the Election Time,

unless Bidder and Target agree otherwise in writing, in their absolute discretion.

(d) If a Relevant Shareholder makes an Election, that Election will be deemed to apply in respect of that percentage (as specified in the Election Form) of the Relevant Shareholder's entire registered holding of Target Shares at the Scheme Record Date, regardless of whether the Relevant Shareholder's holding at the Scheme Record Date is greater or less than the Relevant Shareholder's holding at the time it made its Election, unless Bidder and Target agree otherwise in writing, in their absolute discretion.

(e) A Relevant Shareholder who makes an Election may vary, withdraw or revoke that Election by lodging a replacement Election Form so that it is received by the Target Registry at the address specified by the Target in the Scheme Booklet and on the Election Form before the Election Time. After the Election Time, an Election made by a Relevant Shareholder will be irrevocable unless Bidder and Target agree in writing, in their absolute discretion, to the revocation of the Election.

(f) The Election Form must include the relevant matters set out in the Scheme and must otherwise be in a form agreed by Bidder and Target in writing.

6.4 Fractional entitlements

Where the calculation of the Scheme Consideration to be issued to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent or a fractional entitlement to a Topco Share, the fractional entitlement will:

(a) in the case of Topco Shares:

(i) where the entitlement is to half a Topco Share or more, be rounded up to the nearest whole number;

(ii) where the entitlement is to less than half a Topco Share, be rounded down to the nearest whole number; and

(b) in the case of Cash Consideration, be rounded down to the nearest whole cent.

6.5 Ranking of Topco Shares

The Topco Shares issued pursuant to the Scheme must be duly and validly issued in accordance with all applicable laws, the Topco Constitution and the Topco SHD and, upon issue, have the rights set out in the Topco Constitution and Topco SHD and be fully paid and free from any Encumbrance and rank equally in all respects with all other Topco Shares of the same class.

6.6 Provision of Cash Consideration

(a) Bidder must, by no later than 5.00pm on the Business Day before the Implementation Date, deposit (or procure the deposit) in cleared funds an amount equal to the aggregate amount of the Cash Consideration payable to all Scheme Shareholders into the Trust Account for the purpose of paying the Cash Consideration to Scheme Shareholders who are entitled to receive it pursuant to clause 6.6(b), provided that any interest on the amounts deposited (less bank fees and other charges) will be credited to Bidder's account.

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(b) Subject to Bidder having complied with clause 6.6(a), Target must, on the Implementation Date and from the Trust Account, pay or procure the payment to each Scheme Shareholder an amount equal to the applicable amount of Cash Consideration attributable to that Scheme Shareholder, pursuant to clause 6.2 and based on the number of Scheme Shares held by that Scheme Shareholder as at the Scheme Record Date.

(c) Target's obligation under clause 6.6(b) will be satisfied by Target (in its absolute discretion):

(i) where a Scheme Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Target Registry to receive dividend payments from Target by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount of Australian currency by electronic means in accordance with that election;

(ii) paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to a bank account nominated by the Scheme Shareholder by an appropriate authority from the Scheme Shareholder to Target; or

(iii) whether or not the Scheme Shareholder has made an election referred to in clause 6.6(c)(i), dispatching, or procuring the dispatch of, a cheque in Australian currency to the Scheme Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with the procedures set out in clause 6.9), for the relevant amount.

(d) The Cash Consideration payable to each Scheme Shareholder with a Registered Address in New Zealand or Papua New Guinea will be paid to a bank account nominated by that Scheme Shareholder. If a Scheme Shareholder with a Registered Address in New Zealand or Papua New Guinea has not nominated a bank account for the receipt of payments, Target may hold payment of the Cash Consideration owed to that Scheme Shareholder until a valid bank account has been nominated by an appropriate authority from the Scheme Shareholder to Target.

(e) If, following satisfaction of Bidder’s obligations under clause 6.6(a) but prior to the occurrence of all of the events described in clause 5, this Scheme lapses under clause 4(b):

(i) Target must immediately repay (or cause to be repaid) to or at the direction of Bidder the funds that were deposited in the Trust Account plus any interest on the amounts deposited (less bank fees and other charges);

(ii) the obligation to transfer Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, to Bidder under clause 5 will immediately cease;

(iii) Bidder must return the Scheme Transfers, if provided pursuant to clause 5; and

(iv) Target is no longer obliged to enter, or procure the entry of, the name of Bidder in the Target Register in accordance with clause 5.

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6.7 Provision of Scrip Consideration

(a) Before 12.00pm (or such other time as Bidder and Target may agree in writing), on the Implementation Date, Bidder must procure and Topco must ensure:

(i) the issuance to each Relevant Shareholder who is entitled to receive Scrip Consideration pursuant to the Scheme, such number of Topco Shares to which that Relevant Shareholder is entitled as Scrip Consideration pursuant to the Scheme;

(ii) the entry in the Topco Register of the name and Registered Address (as at the Scheme Record Date) of the Relevant Shareholder (either directly or through the Nominee to hold as bare trustee for the relevant Scheme Shareholders as contemplated by clause 6.7(c) and the Topco SHD); and

(iii) provide Target with a written confirmation that it has satisfied its obligations under clause 6.7(a)(i) and 6.7(a)(iii).

(b) The Scrip Consideration in respect of which a Relevant Management Shareholder is entitled under clause 6.7(a) may, in Bidder's absolute discretion, be issued directly to that Relevant Management Shareholder (such that the Relevant Management Shareholder will be the legal holder of the relevant Scrip Consideration) or, pursuant to and in accordance with the terms of the Topco SHD, issued to the Nominee to hold as bare trustee for that Relevant Management Shareholder (such that the Relevant Management Shareholder will be the beneficial holder but not the legal holder of the relevant Scrip Consideration).

(c) On or before the date that is five Business Days after the Implementation Date, Bidder must send, or procure the sending of, a certificate or other holding statement to each Relevant Shareholder or (if applicable) the Nominee entitled to receive Scrip Consideration under this Scheme, reflecting the issue of such Scrip Consideration, by express post to their Registered Address or as otherwise validly directed by the Relevant Shareholder or the Nominee (as applicable).

6.8 Splitting

(a) If Bidder is of the opinion, formed reasonably, that two or more Scheme Shareholders, each of whom holds Target Shares which results in a fractional entitlement to Scheme Consideration have, before the Scheme Record Date, been party to a shareholding splitting or division (or some other abusive or improper conduct) in an attempt to obtain an advantage by reference to the rounding provided for in the calculation of each Scheme Shareholder's entitlement to the Scheme Consideration, Bidder may direct Target to give notice to those Scheme Shareholders:

(i) setting out the names and Registered Addresses of all of them;

(ii) stating that opinion; and

(iii) attributing to one of them specifically identified in the notice the Target Shares held by all of them,

and, after the notice has been so given, the Scheme Shareholder specifically identified in the notice shall, for the purposes of this Scheme, be taken to hold all those Target Shares and each of the other Scheme Shareholders whose names are set out in the notice shall, for the purposes of this Scheme, be taken to hold no Target Shares. Bidder, in complying with the other provisions of this Scheme

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relating to it in respect of the Scheme Shareholder specifically identified in the notice as the deemed holder of all the specified Scheme Shares, will be taken to have satisfied and discharged its obligations to the other Scheme Shareholders named in the notice under the terms of this Scheme.

6.9 Joint holders

In the case of Scheme Shares held in joint names:

(a) any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to either, at the sole discretion of Target, the holder whose name appears first in the Target Register as at the Scheme Record Date or the joint holders (unless the joint holders have nominated a bank account under clause 6.6(c)(i) or 6.6(c)(ii), in which case the amount must be deposited directly to the nominated bank account of the joint holders);

(b) any Scrip Consideration to be issued under this Scheme must be issued to and registered in the names of the joint holders or, if Scrip Consideration is issued to the Nominee to hold as bare trustee for the joint holders (as contemplated by clause 6.7(b)), the joint holders will have joint beneficial ownership of that Scrip Consideration; and

(c) any other document required to be sent under this Scheme, will be forwarded to either, at the sole discretion of Target, the holder whose name appears first in the Target Register as at the Scheme Record Date or to the joint holders.

6.10 Unclaimed monies

(a) The *Unclaimed Money Act 1995* (NSW) will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 7 of the *Unclaimed Money Act 1995* (NSW)).

(b) Target may cancel a cheque issued under this clause 6.10 if the cheque:

(i) is returned to Target; or

(ii) has not been presented for payment within six months after the date on which the cheque was sent.

(c) During the period of one year commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Target (or the Target Registry) (which request may not be made until the date which is 20 Business Days after the Implementation Date), Target must reissue a cheque that was previously cancelled under this clause 6.10.

6.11 Remaining monies (if any) in Trust Account

To the extent that, following satisfaction of Target's obligations under the other provisions of clause 5 and this clause 6 and provided Bidder has by that time acquired the Scheme Shares in accordance with this Scheme, there is a surplus in the Trust Account, then subject to compliance with applicable laws, the other terms of this Scheme, the Deed Poll and the Implementation Deed, that surplus (less any bank fees and related charges) shall be paid by Target (or the Target Registry on Target's behalf) to Bidder.

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6.12 Orders of a Court or Governmental Agency

(a) If written notice is given to Target (or the Target Registry) of an order or direction made by a court or Government Agency that:

(i) requires consideration to be provided to a third party (either through payment of a sum or the issuance of a security) in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable or required to be issued to that Scheme Shareholder by Target in accordance with clause 5, then Target shall be entitled to procure that provision of that consideration is made in accordance with that order or direction; or

(ii) prevents Target from providing consideration to any particular Scheme Shareholder in accordance with clause 5, or the payment or issuance of such consideration is otherwise prohibited by applicable law, Target shall be entitled to (as applicable):

(A) retain an amount, in Australian dollars, equal to the number of Scheme Shares held by that Scheme Shareholder multiplied by the Cash Consideration; and

(B) direct Topco not to issue, or to issue to a trustee or nominee, any Scrip Consideration that Scheme Shareholder would otherwise be entitled to,

until such time as provision of the Scheme Consideration in accordance with this clause 6 as permitted by that (or another) court or direction or otherwise by law.

(b) To the extent that amounts are so deducted or withheld in accordance with clause 6.12(a), such deducted or withheld amounts will be treated for all purposes under this Scheme as having been paid to the person in respect of which such deduction and withholding was made, provided that such deducted or withheld amounts are actually remitted as required.

7 Dealings in Target Shares

7.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Target Shares or other alterations to the Target Register will only be recognised if:

(a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Target Register as the holder of the relevant Target Shares on or before the Scheme Record Date; and

(b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received on or before the Scheme Record Date at the place where the Target Register is kept,

and Target will not accept for registration, nor recognise for the purpose of establishing the persons who are Scheme Shareholders nor for any other purpose (other than a transfer to Bidder pursuant to this Scheme and any subsequent transfer by Bidder or its successors in title), any transfer or transmission application in respect of Target Shares received after such times, or received prior to such times but not in registrable or actionable form (as appropriate).

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7.2 Register

(a) Target will, until the Scheme Consideration has been provided and the name and address of Bidder has been entered in the Target Register as the holder of all of the Scheme Shares, maintain, or procure the maintenance of, the Target Register in accordance with the provisions of this clause 7.2. The Target Register in this form and the terms of the Scheme will solely determine entitlements to the Scheme Consideration.

(b) Target must register any registrable transmission applications or transfers of the Scheme Shares that Target received in accordance with clause 7.1 by the Scheme Record Date provided that, to avoid doubt, nothing in this clause 7.2 requires Target to register a transfer that would result in a Target Shareholder holding a parcel of Target Shares that is less than a 'marketable parcel' (for the purposes of this clause, a 'marketable parcel' has the meaning given to that term in the procedures of the ASX Operating Rules).

(c) As from the Scheme Record Date, each entry in the Target Register (other than entries in the Target Register in respect of Bidder and subsequent transferees) will cease to have effect, except as evidence of the entitlements of Scheme Shareholders to the Scheme Consideration in respect of those Target Shares.

(d) As soon as possible after the Scheme Record Date, and in any event within two Business Days after the Scheme Record Date, Target will ensure that details of the names, Registered Addresses and holdings of Target Shares for each Scheme Shareholder as shown in the Target Register as at the Scheme Record Date are available to Bidder in the form Bidder reasonably requires.

7.3 Effect of share certificates and holding statements

As from the Scheme Record Date (and other than for Bidder following the Implementation Date), all share certificates and holding statements for Scheme Shares (other than statements of holding in favour of Bidder) will cease to have effect as documents of title in respect of those Scheme Shares.

7.4 No disposals after Scheme Record Date

If this Scheme becomes Effective, each Scheme Shareholder, and any person claiming through that Scheme Shareholder, must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them after the Scheme Record Date (other than to Bidder in accordance with this Scheme and any subsequent transfers by Bidder to its successors in title), and any attempt to do so will have no effect and Target shall be entitled to disregard any such disposal, purported disposal or agreement.

8 Quotation of Target Shares

(a) Target must apply to ASX to suspend trading of Target Shares on the ASX with effect from the close of trading on the Effective Date.

(b) On a date after the Implementation Date to be determined by Bidder, Target will apply:

(i) for termination of the official quotation of Target Shares on the ASX; and

(ii) to have itself removed from the official list of the ASX.

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9 General Scheme provisions

9.1 Appointment of agent and attorney

(a) On this Scheme becoming Effective, each Scheme Shareholder, without the need for any further act by that Scheme Shareholder, irrevocably appoints Target as its agent and attorney for the purposes of:

(i) doing all things and executing and delivering all deeds, instruments, transfers or other documents as may be necessary or desirable to give effect to the terms of this Scheme and the transactions contemplated by it, including, without limitation:

(A) the effecting of a valid transfer or transfers (or the execution and delivery of any Scheme Transfer); and

(B) any deed or other document required by Target or Bidder that causes each Scheme Shareholder entitled to Scrip Consideration under this Scheme to be bound by the Topco Constitution, the Topco SHD or the Nominee Deed (as applicable); and

(ii) enforcing the Deed Poll against Bidder and Topco,

and Target accepts such appointment.

(b) Target, as agent and attorney of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 9.1 to all or any of its directors and officers (jointly, severally, or jointly and severally).

9.2 Enforcement of Deed Poll

Target undertakes in favour of each Scheme Shareholder that it will enforce the Deed Poll against Bidder and Topco (as applicable on behalf of and as agent and attorney for the Scheme Shareholders).

9.3 Scheme Shareholders' agreements

Under this Scheme, each Scheme Shareholder:

(a) irrevocably agrees to the transfer of their Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares, to Bidder in accordance with the terms of this Scheme;

(b) irrevocably agrees to the variation, cancellation or modification of the rights attached to their Scheme Shares constituted by or resulting from this Scheme;

(c) agrees to, on the direction of Bidder, destroy any share certificates or holding statements relating to their Scheme Shares;

(d) agrees that after the transfer of the Scheme Shares to Bidder, any share certificate relating to the Scheme Shares will not constitute evidence of title to those Scheme Shares;

(e) who holds their Target Shares in a CHESS Holding agrees to the conversion of those Scheme Shares to an Issuer Sponsored Holding and irrevocably authorises

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Target to do anything necessary or expedient (whether required by the Settlement Rules or otherwise) to effect or facilitate such conversion;

(f) irrevocably acknowledges that this Scheme binds Target and all Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Target;

(g) irrevocably consents to Target and Bidder doing all things and executing all deeds, instruments, transfers or other documents as may be necessary, incidental or expedient to the implementation and performance of this Scheme; and

(h) to whom Scrip Consideration is to be issued pursuant to the Scheme:

(i) and that Scrip Consideration is issued:

(A) to the Nominee to hold as bare trustee for the Relevant Shareholder (as contemplated by clause 6.7), irrevocably agrees to be bound by the Nominee Deed, being substantially in the form provided to each Relevant Shareholder with the Election Form or such later time as agreed by the Relevant Shareholders; and

(B) to the Relevant Shareholder, irrevocably agrees to become a member of Topco for the purposes of clause 6.7 and the Corporations Act, and to have their name and address entered in the Topco Register; and

(ii) irrevocably accepts the Topco Shares issued pursuant to the Scheme (either directly or through the Nominee to hold as bare trustee for the Relevant Shareholder as contemplated by clause 6.7 and the Topco SHD) on the terms and conditions of the constitution of Topco and agrees to be bound by the Topco constitution and the Topco SHD, each being substantially in the form provided to each Relevant Shareholder with the Election Form or such later time as agreed by the Relevant Shareholders,

without the need for any further act by that Scheme Shareholder.

9.4 Warranty by Scheme Shareholders

(a) Each Scheme Shareholder is deemed to have warranted to Target and Bidder on the Implementation Date, and to the extent enforceable, to have appointed and authorised Target as that Scheme Shareholder's agent and attorney to warrant to Bidder, that:

(i) all their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) will, at the date of the transfer of them to Bidder pursuant to this Scheme, be fully paid and free from all mortgages, charges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)), liens, encumbrances and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind;

(ii) they have full power and capacity to sell and to transfer their Scheme Shares (together with all rights and entitlements attaching to those Scheme Shares) to Bidder pursuant to this Scheme; and

(iii) it has no existing right to be issued any Target Shares, Target Equity Incentives or any other Target securities.

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(b) Target undertakes in favour of each Scheme Shareholder that it will provide such warranty in clause 9.4(a), to the extent enforceable, to Bidder on behalf of that Scheme Shareholder.

9.5 Title to Scheme Shares

(a) Immediately upon the deposit of the Scheme Consideration in the manner contemplated by clause 6.6(a), Bidder will be beneficially entitled to the Scheme Shares transferred to it under this Scheme pending registration by Target of Bidder in the Target Register as the holder of the Scheme Shares.

(b) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to Bidder will, at the time of transfer of them to Bidder, vest in Bidder free from all mortgages, charges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)), liens, encumbrances and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind.

9.6 Appointment of sole proxy

Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder until Bidder is registered in the Target Register as the holder of all Scheme Shares, each Scheme Shareholder:

(a) without the need for any further act by that Target Shareholder, irrevocably appoints Bidder as its proxy to (and irrevocably appoints Bidder as its attorney and agent for the purpose of appointing any director or officer of Bidder as that Target Shareholder's proxy and, where appropriate, its corporate representative to):

(i) attend shareholders' meetings of Target;

(ii) exercise the votes attaching to the Target Shares registered in the name of the Target Shareholder; and

(iii) sign any Target Shareholders' resolution;

(b) must not attend or vote at any meetings of Target Shareholders or sign any Target Shareholders' resolution, whether in person, by proxy or by corporate representative (other than pursuant to clause 9.6(a));

(c) must take all other actions in the capacity of Target Shareholder as Bidder reasonably directs; and

(d) acknowledges and agrees that in exercising the powers conferred in clause 9.6(a), Bidder and any person nominated by Bidder under clause 9.6(a) may act in the best interests of Bidder as the intended registered holder of the Scheme Shares.

9.7 Notices

(a) Where a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Target, it will not be deemed to be received in the ordinary course of post or on a date other than the date (if any) on which it is actually received at Target's registered office or at the Target Registry as the case may be.

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(b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Target Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

9.8 Inconsistencies

This Scheme binds Target and all Target Shareholders, from time to time (including those who did not attend the Scheme Meeting, did not vote at that meeting or voted against the Scheme) and, and to the extent of any inconsistency, overrides the Target constitution.

9.9 No liability when acting in good faith

Each Scheme Shareholder agrees that neither Target or Bidder, nor any of their respective directors, officers, secretaries or employees will be liable for anything done or omitted to be done in good faith in the performance of this Scheme and the transactions contemplated by it.

9.10 Further assurance

Each Scheme Shareholder and Target will do all things and execute all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the terms of this Scheme or the Deed Poll and the transactions contemplated by the Scheme.

9.11 Alterations and conditions

If the Court proposes to approve this Scheme subject to any conditions or alterations under section 411(6) of the Corporations Act, Target may, by its counsel or solicitors, and with the prior consent of Bidder:

(a) consent on behalf of all persons concerned, including each Target Shareholder, to those alterations or conditions; and

(b) each Scheme Shareholder agrees to any such alterations or conditions which Target has consented to.

9.12 Consent

Each of the Scheme Shareholders consents to Target doing all things necessary or incidental to the implementation of this Scheme, whether on behalf of the Scheme Shareholders, Target or otherwise.

9.13 Duty

Bidder will:

(a) pay all duty (including stamp duty and any related fines, penalties and interest) payable on or in connection with the Deed Poll and any instrument executed under or any transaction evidenced by the Deed Poll (including, the transfer by Scheme Shareholders of the Scheme Shares to Bidder pursuant to this Scheme); and

(b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 9.13(a).

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9.14 Governing Law

(a) This Scheme is governed by and will be construed according to the laws of New South Wales.

(b) Each party irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales and of the courts competent to determine appeals from those courts. The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process have been brought in an inconvenient forum.

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Schedule 1 Dictionary

1 Dictionary

In this deed:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or, if the context requires, the financial market operated by it.

ASX Operating Rules means the official operating rules of ASX.

Bidder means Westmann Bidco Pty Limited (ACN 682 625 109) of Level 31, 126-130 Phillip Street Sydney NSW 2000.

Business Day means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Sydney, New South Wales.

Cash Consideration means A$3.50 per Scheme Share.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd and ASX Clear Pty Limited.

CHESS Holding has the meaning given in the Settlement Rules.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Supreme Court of New South Wales or any other court of competent jurisdiction under the Corporations Act as the parties may agree in writing.

Deed Poll means the deed poll dated [•] under which Bidder and Topco covenants in favour of the Scheme Shareholders to perform all actions attributed to it under this Scheme.

Effective means, when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to that Scheme.

Effective Date means the date on which this Scheme becomes Effective.

Election means a valid election by a Relevant Shareholder to receive their Scheme Consideration either:

(a) in the form of Scrip Consideration in respect of all Scheme Shares held by that Relevant Shareholder on the Scheme Record Date;

(b) in the form of Cash Consideration in respect of all Scheme Shares held by that Relevant Shareholder on the Scheme Record Date; or

(c) partly in the form of Cash Consideration and partly in the form of Scrip Consideration in respect of the Scheme Shares held by that Relevant Shareholder on the Scheme Record Date,

made in accordance with clause 6.3.

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Election Form means a form issued by or on behalf of Target for the purposes of a Relevant Shareholder making an Election, in a form agreed to by Bidder and Target.

Election Time means 5.00pm on the third Business Day before the date of the Scheme Meetings, or such other date as agreed in writing between Bidder and Target.

Encumbrance means a mortgage, charge, pledge, lien, encumbrance, security interest, title retention, preferential right, trust arrangement, contractual right of set-off, or any other security agreement or arrangement in favour of any person, whether registered or unregistered, including any Security Interest.

End Date means the later of:

(d) 30 June 2025; and

(e) such other date and time agreed in writing between Bidder and Target.

Government Agency means any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity and includes any minister, Australian Taxation Office, Foreign Investment Review Board, ASIC, ASX and any regulatory organisation established under statute or any stock exchange.

Implementation Date means the fifth Business Day, or such other Business Day as Bidder and Target agree, following the Scheme Record Date.

Implementation Deed means the transaction implementation deed dated 4 December 2024 between Bidder and Target, as amended or varied from time to time.

Issuer Sponsored Holding has the meaning given in the Settlement Rules.

Nominee has the meaning given in the Topco SHD.

Nominee Deed has the meaning given in the Topco SHD.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Registered Address in relation to a Target Shareholder, the address shown in the Target Register as at the Scheme Record Date.

Relevant Management Shareholder means a Scheme Shareholder who is a senior management team member of the Target Group or other entity or person related to such individual as agreed in writing between Target and Bidder on or prior to, or as soon as reasonably practicable following, the date of this Scheme.

Relevant Key Manager means:

(a) Robbie Blau;

(b) Kevin Wundram;

(c) Andrew Mulcaster;

(d) David Fernandes;

(e) Michelle Thomas;

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(f) Laura McLaren;

(g) Lindsay Underwood;

(h) Peter Davenport;

(i) Andrew Webb; and

each other entity or person related to the above individuals agreed in writing between Target and Bidder on or prior to, or as soon as reasonably practicable following, the date of this Scheme,

Relevant Shareholder means

(a) a Relevant Key Manager; and

(b) a Relevant Management Shareholder.

Scheme means this scheme of arrangement pursuant to Part 5.1 of the Corporations Act proposed between Target and the Target Shareholders as set out in this document together with any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and that are agreed to by Bidder and Target.

Scheme Booklet means the scheme booklet published by Target in respect of the Scheme pursuant to section 412 of the Corporations Act and dated [•].

Scheme Consideration means the Cash Consideration and/or Scrip Consideration to be provided to each Scheme Shareholder for the transfer to Bidder of each Scheme Share.

Scheme Meetings means the meetings of Target Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on the Scheme and includes any adjournment or postponement of those meetings.

Scheme Order means the orders of the Court made under section 411(4)(b) of the Corporations Act (and, if applicable, section 411(6) of the Corporations Act) in relation to this Scheme.

Scheme Record Date means, in respect of this Scheme, 5.00pm on the third Business Day (or such other Business Day as the parties agree in writing) following the Effective Date.

Scheme Share means a Target Share on issue as at the Scheme Record Date.

Scheme Shareholder means each person who holds one or more Scheme Shares.

Scheme Transfer means, in relation to each Scheme Shareholder, a duly completed and executed proper instrument of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, which may be a master transfer of all or part of all of the Scheme Shares.

Scrip Consideration means [3.5] Topco Shares for each Scheme Share.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving this Scheme is heard or scheduled to be heard or, if the application is adjourned for any reason, means the date on which the adjourned application is heard or scheduled to be heard.

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Security Interest means any mortgage, charge, pledge, lien, assignment or other security interest or any other arrangement (including a right of set off or combination) entered into for the purpose of conferring a priority, including any security interest as defined in section 51A of the Corporations Act or section 12(1) or (2) of the PPSA.

Settlement Rules means the ASX Settlement Operating Rules, being the official operating rules of the settlement facility provided by ASX Settlement Pty Ltd

Subsidiary has the meaning given to that term in section 46 of the Corporations Act, amended as necessary such that:

(a) a body corporate or a trust will also be taken to be a Subsidiary of an entity if it is controlled by that entity (as defined in section 50AA of the Corporations Act);

(b) a trust may be a Subsidiary, for the purpose of which a unit or other beneficial interest in the trust will be regarded as a share (ignoring the operation of section 48(2) of the Corporations Act); and

(c) an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a body corporate.

takes effect or taking effect means on and from the first time when an office copy of the Scheme Order approving the Scheme pursuant to section 411(4)(b) of the Corporations Act is lodged with ASIC pursuant to section 411(10) of the Corporations Act.

Target means SG Fleet Group Limited (ACN 167 554 574) of Level 2, Building 3, 20 Bridge Street Pymble Sydney NSW 2073 .

Target Equity Incentives means the Target Options, Target Performance Rights and Target Restricted Equity Rights as set out in Schedule 7 of the Implementation Deed and any other rights to Target shares issued under Target Group employee incentive arrangements (or similar) .

Target Options means the options to acquire Target Shares issued under Target's long term incentive scheme as set out in Schedule 7 of the Implementation Deed .

Target Performance Rights means the outstanding performance rights issued under Target's long term incentive scheme as set out in Schedule 7 of the Implementation Deed.

Target Register means the register of members of Target maintained by or on behalf of Target in accordance with section 168(1) of the Corporations Act.

Target Registry means Boardroom Pty Limited, or any replacement share registry services provider to Target.

Target Restricted Equity Rights means the rights to acquire shares in Target at no cost subject to a service based deferral issued under Target's short term incentive scheme as set out in Schedule 7 of the Implementation Deed.

Target Share means a fully paid ordinary share in the capital of Target.

Target Shareholder means each person who is registered in the Target Share Register as a holder of Target Shares.

Topco means Westmann Topco Limited (ACN 682 621 003), being the ultimate holding company of Bidder.

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Topco Constitution means the constitution of Topco.

Topco Register means the register of members of Topco maintained by or on behalf of Topco in accordance with section 168(1) of the Corporations Act.

Topco Shares means a fully paid ordinary shares in the capital of Topco with an issue price of A$1 and **Topco Share** means any one of them.

Topco SHD means the shareholders deed to be entered into by the shareholders of Topco on or after the Implementation Date to govern the affairs of Topco.

Trust Account means an Australian dollar denominated trust account with an ADI operated by the Target Registry as trustee for the benefit of the Scheme Shareholders.

2 Interpretation

In this Scheme, except where the context otherwise requires:

(a) headings are for convenience only and do not affect the interpretation of this Scheme;

(b) the singular includes the plural and vice versa;

(c) words that are gender neutral or gender specific include each gender;

(d) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;

(e) the words 'such as', 'including', 'particularly' and similar expressions are not used as, nor are intended to be, interpreted as words of limitation;

(f) a reference to:

(i) a person includes a natural person, partnership, joint venture, government agency, association, corporation, trust or other body corporate;

(ii) a thing (including, but not limited to, a chose in action or other right) includes a part of that thing;

(iii) a party includes its agents, successors and permitted assigns;

(iv) a document includes all amendments or supplements to that document;

(v) a clause, term, party, schedule or attachment is a reference to a clause or term of, or party, schedule or attachment to this Scheme;

(vi) this Scheme includes all schedules and attachments to it;

(vii) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity and is a reference to that law as amended, consolidated or replaced;

(viii) a statute includes any regulation, ordinance, by-law or other subordinate legislation made under it;

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(ix) an agreement other than this Scheme includes an undertaking, or legally enforceable arrangement or understanding, whether or not in writing; and

(x) a monetary amount is in Australian dollars;

(g) an agreement on the part of two or more persons binds them jointly and each of them severally;

(h) when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day;

(i) a reference to time is to Sydney, Australia time; and

(j) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this Scheme or any part of it.

Attachment E – Deed Poll

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Gilbert +Tobin

Deed poll

Bidder
Topco

In favour of each person registered as a holder of Target Shares as at the Scheme Record Date

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Date: 17 February 2025

This deed poll is made by

1 Westmann Bidco Pty Limited (ACN 682 625 109) of Level 31 126-130 Phillip Street Sydney NSW 2000 (**Bidder**); and

2 Westmann Topco Limited (ACN 682 621 003) of Level 31 126-130 Phillip Street Sydney NSW 2000 (**Topco**).

in favour of

Each person registered as a holder of fully paid ordinary shares in the capital of SG Fleet Group Limited of Building 3, Level 2 20 Bridge Street, Pymble NSW 2073 (**Target**) in the Target Register as at the Scheme Record Date (**Scheme Shareholders**)

Background

A Bidder and Target have entered into the Implementation Deed.

B In the Implementation Deed, amongst other things, Bidder:

(i) is to provide or procure the provision of the Scheme Consideration to each Scheme Shareholder and acquire all Scheme Shares held by the Scheme Shareholders under the Scheme; and

(ii) agreed to make this deed poll and procure that Topco make this deed poll.

C Bidder and Topco are executing this deed poll for the purpose of covenanting in favour of the Scheme Shareholders to perform the actions and obligations attributable to each party under the Implementation Deed and the Scheme.

This deed poll provides as follows:

1 Defined terms and interpretation

1.1 Defined terms

In this deed poll:

(a) **Implementation Deed** means the transaction implementation deed dated 4 December 2024 between Target and Bidder relating to the implementation of the Scheme;

(b) **Scheme** means the scheme of arrangement under Part 5.1 of the Corporations Act between Target and the Scheme Shareholders, the form of which is set out in Schedule 5 to the Implementation Deed (or such other form as agreed in writing by Bidder and Target), subject to any alternations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Bidder and Target;

(c) **Topco Register** means the register of members of Topco maintained by or on behalf of Topco in accordance with section 168(1) of the Corporations Act;

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(d) **Trust Account** means an Australian dollar denominated trust account with an ADI operated by the Target Registry as trustee for the benefit of the Scheme Shareholders;

(e) **Registered Address** in relation to a Target Shareholder, the address shown in the Target Register as at the Scheme Record Date;

(f) **Nominee** has the meaning given in the Scheme; and

(g) unless the context otherwise requires, terms defined in the Implementation Deed have the same meaning when used in this deed poll.

1.2 Interpretation

Clause 1.2 of Schedule 1 of the Implementation Deed applies to the interpretation of this deed poll, except those references to 'this deed' are to be read as references to 'this deed poll'.

1.3 Nature of deed poll

Bidder and Topco acknowledge that:

(a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it; and

(b) under the Scheme, from the Effective Date, each Scheme Shareholder irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its agent and attorney to enforce this deed poll against Bidder and Topco.

2 Conditions

2.1 Conditions

This deed poll and the obligations of Bidder and Topco under this deed poll are subject to the Scheme becoming Effective.

2.2 Termination

The obligations of Bidder and Topco under this deed poll to the Scheme Shareholders will automatically terminate and the terms of this deed poll will be of no force or effect if:

(a) the Implementation Deed is terminated in accordance with its terms before the Effective Date; or

(b) the Scheme is not Effective on or before the End Date,

unless Target, Bidder and Topco otherwise agree in writing.

2.3 Consequences of termination

If this deed poll terminates under clause 2.2, then, in addition and without prejudice to any other rights, powers or remedies available to it:

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(a) Bidder and Topco are released from their obligations to further perform this deed poll except those obligations contained in clause 6.1; and

(b) in addition to and without prejudice to any other rights, powers or remedies available to the Scheme Shareholders, each Scheme Shareholder retains the rights and remedies its has against Bidder and Topco in respect of any breach of this deed poll which occurred before it was terminated.

3 Scheme obligations

3.1 Undertaking to provide Scheme Consideration

Subject to clause 2, each of Bidder and Topco undertakes in favour of each Scheme Shareholder to:

(a) provide, or procure the provision of, the Scheme Consideration to each Scheme Shareholder in accordance with the terms of the Scheme by:

(i) Bidder depositing, or procuring the deposit of, in immediately available funds into the Trust Account by no later than 5.00pm on the Business Day before the Implementation Date, an amount equal to the aggregate Cash Consideration payable to all Scheme Shareholders under the Scheme(provided that any interest on the amounts deposited (less bank fees and other charges) will be credited to Bidder's account);

(ii) Topco, on the Implementation Date, issuing, or procuring the issue of, the Scrip Consideration to each Relevant Shareholder (or the Nominee, as the case may be) entitled to receive the Scrip Consideration in accordance with the Scheme; and

(b) undertake or procure the undertaking of all other actions, and give each acknowledgement, representation and warranty (if any) attributed to it under the Scheme,

in each case, subject to and in accordance with the terms of the Scheme.

3.2 Status of the Topco Shares

Each of Bidder and Topco undertakes in favour of each Relevant Shareholder that the Topco Shares which are issued to each Relevant Shareholder in accordance with the Scheme will:

(a) rank equally in all respects with each existing Topco Share (if any) of the same class and will have the rights set out in the Topco Constitution and the Topco SHD; and

(b) be issued fully paid and free from any mortgage, charge, lien, encumbrance, pledge or other security interest (including any 'security interest' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)).

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4 Warranties

Each of Bidder and Topco represents and warrants in favour of each Scheme Shareholder, in respect of itself, that:

(a) it is a corporation validly existing under the laws of its place of incorporation;

(b) it has the full capacity, corporate power and lawful authority to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;

(c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance by it of this deed poll and to carry out the transactions contemplated by this deed poll;

(d) this deed poll is valid and binding on it and is enforceable against it in accordance with its terms; and

(e) this deed poll does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound.

5 Continuing obligations

This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until:

(a) Bidder and Topco have fully performed its obligations under this deed poll; or

(b) the earlier termination of this deed poll under clause 2.2.

6 General

6.1 Duty

Bidder will:

(a) pay all duty (including stamp duty and any related fines, penalties and interest) payable in respect of the Scheme and this deed poll, the performance of this deed poll and each transaction effected by or made under the Scheme and this deed poll; and

(b) indemnify each Scheme Shareholder against any liability arising from a failure to comply with clause 6.1(a).

6.2 Governing law and jurisdiction

(a) This deed poll is governed by the laws in force in New South Wales.

(b) Bidder and Topco irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts competent to determine appeals from those courts in respect of any proceedings arising out of or in connection with this deed poll. Bidder and Topco irrevocably waive any objection to

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the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

6.3 Notices

(a) Any notice or other communication to Bidder and Topco in connection with this deed poll must be:

(i) in legible writing and in English;

(ii) signed by or on behalf of the person making the communication or that person's duly authorised agent; and

(iii) given by hand delivery, pre-paid post, or email in accordance with the details set out below:

Bidder and Topco

Address: Level 31, 126 Phillip Street, Sydney NSW 2000, Australia
E-mail: Matt.Robinson@pep.com.au / Scott.McKnight@pep.com.au
Attn: Matt Robinson / Scott McKnight

with a copy to Allens

Address: Level 28, Deutsche Bank Place, 126 Phillip Street Sydney NSW 2000
E-mail: Noah.Obradovic@allens.com.au / Charles.Ashton@allens.com.au
Attn: Noah Obradovic / Charles Ashton

(b) Subject to clause 6.3(c), any notice or other communication given in accordance with clause 6.3(a) will be deemed to have been duly given as follows:

(i) if delivered by hand, on delivery;

(ii) if sent by pre-paid post, on the 6th Business Days after the date of postage, or if to or from a place outside Australia, on the 10th Business Day after the date of postage; and

(iii) if sent by email:

(A) when the sender receives an automated message confirming delivery;

(B) the time that the intended recipient confirms receipt of the email by reply email; or

(C) two hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

(c) Any notice or other communication that, pursuant to clause 6.3(b), would be deemed to be given:

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(i) other than on a Business Day or after 5:00pm on a Business Day is regarded as given at 9:00am on the following Business Day; and

(ii) before 9:00am on a Business Day is regarded as given at 9:00am on that Business Day,

where references to time are to time in the place the recipient is located.

6.4 Waiver

(a) Bidder and Topco may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver. A waiver is limited to the specific instance to which it relates and to the specific purpose for which it is given.

(b) No Scheme Shareholder may rely on words or conduct of Bidder or Topco as a waiver of any right unless the waiver is in writing and signed by Bidder or Topco.

(c) The meanings of the terms used in this clause 6.4 are set out below.

Term	Meaning
conduct	includes a failure or delay in the exercise, or partial exercise, of a right.
right	any right arising under or in connection with this deed poll (including a breach of, or default under this deed poll) and includes the right to rely on this clause.
waiver	includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.

6.5 Variation

A provision of this deed poll or any right created under it may not be varied unless:

(a) if before the First Court Date, the variation is agreed to by Target in writing; or

(b) if on or after the First Court Date, the variation is agreed to by Target in writing and the Court indicates that the variation would not of itself preclude approval of the Scheme,

in which event Bidder and Topco must enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation.

6.6 Cumulative rights

The rights, powers and remedies of Bidder, Topco and the Scheme Shareholders under this deed poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this deed poll.

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6.7 Assignment

(a) The rights created by this deed poll are personal to Bidder, Topco and each Scheme Shareholder and must not be assigned, novated, transferred or otherwise dealt with without the prior written consent of Bidder and Topco.

(b) Any purported assignment, novation, transfer or other dealing in contravention of clause 6.7(a) is invalid.

6.8 Joint and several obligations

Bidder and Topco are jointly and severally liable for each obligation imposed on both of them by the terms of this deed poll.

6.9 Further action

Bidder and Topco must, at its own expense, do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

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Execution page

Executed as a deed poll

Signed, sealed and delivered by **Westmann Bidco Pty Limited** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:

Signature of director	Signature of director/secretary
Scott McKnight	Matthew Robinson
Name of director (print)	Name of director/secretary (print)

Signed, sealed and delivered by **Westmann Topco Limited** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:

Signature of director	Signature of director/secretary
Scott McKnight	Matthew Robinson
Name of director (print)	Name of director/secretary (print)

Attachment F – Online Platform Guide

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Online Meeting Guide

SG Fleet Group Ltd
General Shareholder Scheme Meeting
08 APR 2025, 3:00pm Sydney Time

Scan to join the meeting

Attending the meeting virtually

Those attending online will be able to view a live webcast of the meeting. Shareholders and Proxyholders can ask questions and submit votes in real time.

To participate online, visit https://meetings.lumiconnect.com/300-026-255-965 on your smartphone, tablet or computer.

You will need the latest versions of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible.

To log in, you may require the following information:

Meeting ID: 300-026-255-965

Australian residents
Voting Access Code
(VAC)

Postcode
(postcode of your registered address)

Overseas residents
Voting Access Code
(VAC)

Country Code
(three-character country code)
e.g. New Zealand - **NZL**; United Kingdom - **GBR**; United States of America - **USA**; Canada - **CAN**

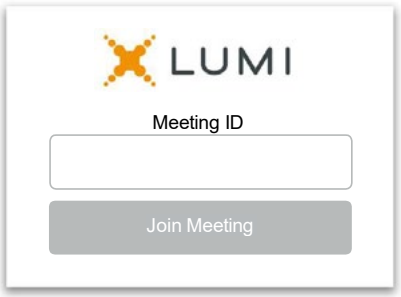
A full list of country codes can be found at the end of this guide.

Appointed Proxies
To receive your unique username and password, please contact Boardroom on 1300 737 760.

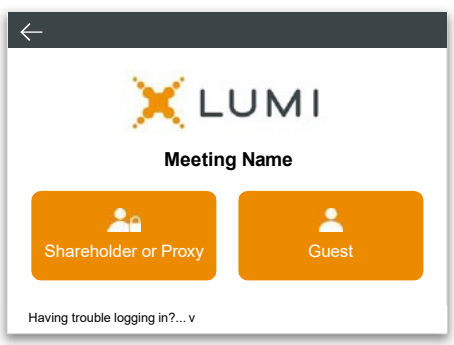
Guests
To register as a guest, you will need to enter your name and email address.

Registering for the meeting

1 To participate in the meeting, follow the direct link at the top of the page. Alternatively, visit **meetings.lumiconnect.com** and enter the unique 12-digit Meeting ID, provided above.



2 To proceed into the meeting, you will need to read and accept the Terms and Conditions and select if you are a Shareholder / Proxy or a Guest. Note that only shareholders and proxies can vote and ask questions in the meeting.



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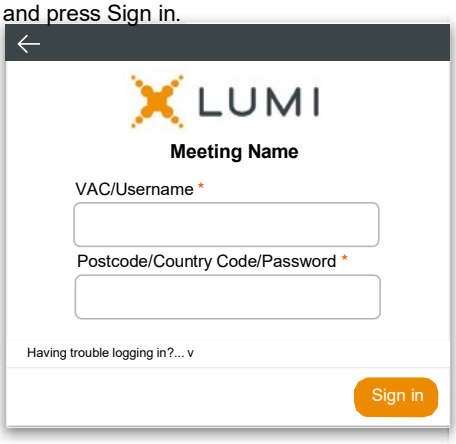
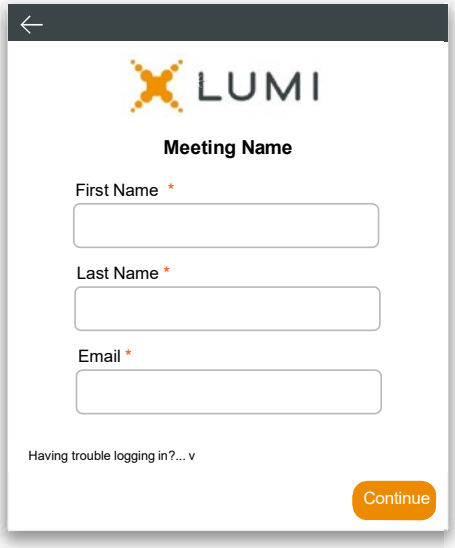
3 **To register as a Shareholder,** enter your VAC and Postcode or Country Code and press Sign in.

To register as a Proxyholder, you will need your username and password as provided by Boardroom. In the 'VAC/Username' field enter your username and in the 'Postcode/Country Code/Password' field enter your password

and press Sign in.



To register as a Guest, enter your name and other requested details and press Continue.

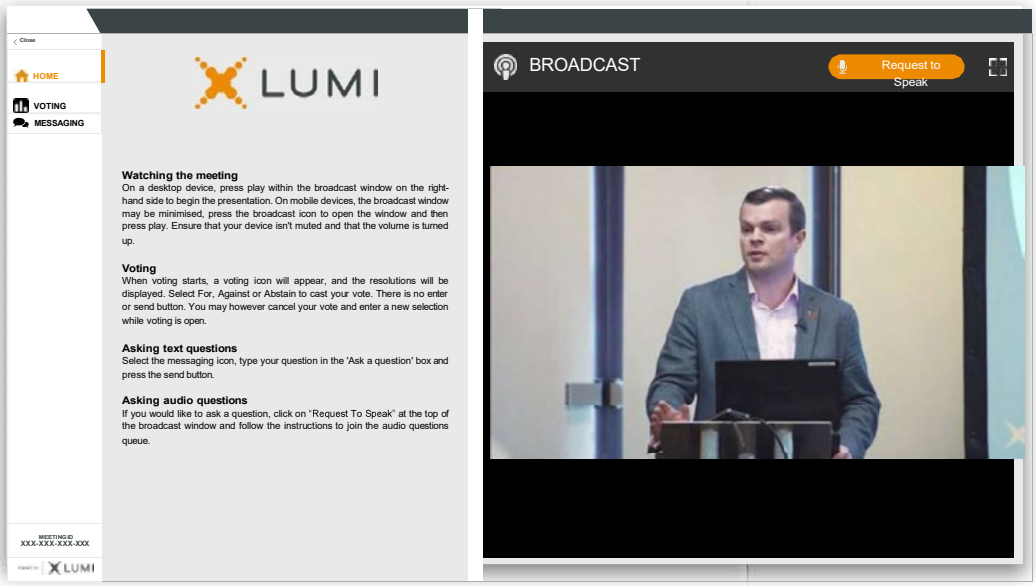


Watching the meeting

4 On a desktop/laptop device, you will see the home tab on the left, which displays the meeting title and instructions. The webcast will appear automatically on the right. Press play and ensure your device is not muted.

You can watch the webcast full screen, by selecting the full screen icon.

To reduce the webcast to its original size, select the minimise icon.



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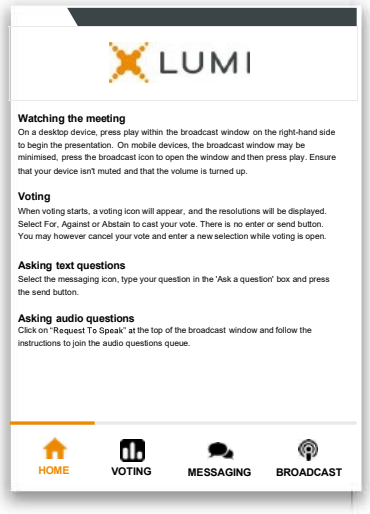
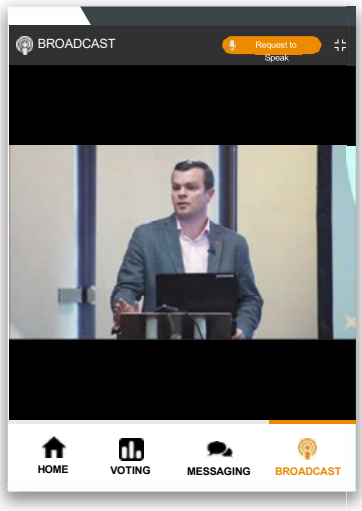
5 On a mobile device, select the Broadcast icon at the bottom of the screen to open the webcast. Press play and ensure your device is not muted.

During the meeting, mobile users can minimise the webcast at any time by selecting one of the other icons in the menu bar.

You will still be able to hear the meeting while the broadcast is minimised. Selecting the Broadcast icon again will reopen the webcast.





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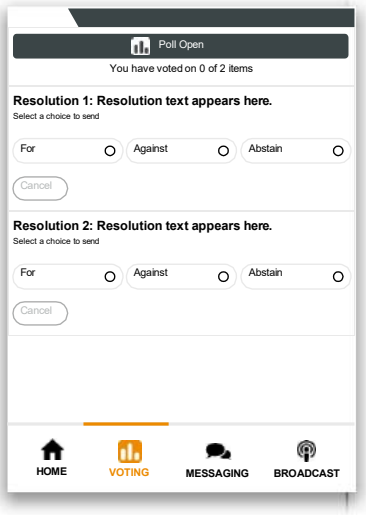

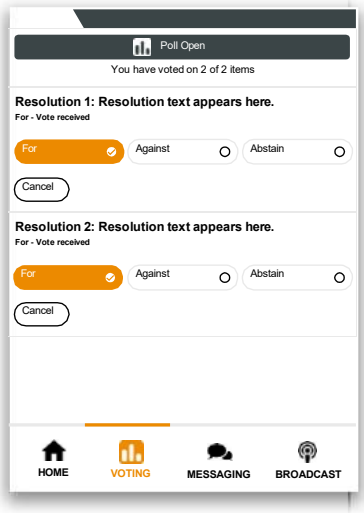

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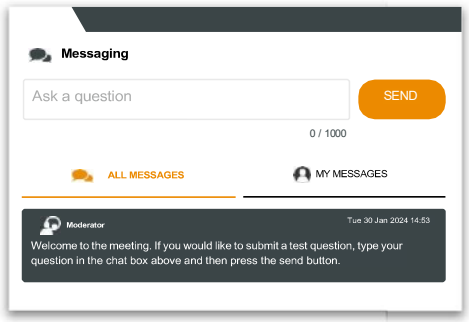

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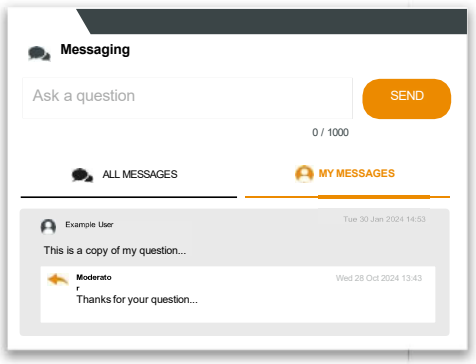

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Country Codes - Boardroom

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ABW	Aruba	DOM	Dominican Republic	LAO	Lao Pdr	QAT	Qatar
AFG	Afghanistan	DZA	Algeria	LBN	Lebanon	REU	Reunion
AGO	Angola	ECU	Ecuador	LBR	Liberia	ROU	Romania Federation
AIA	Anguilla	EGY	Egypt	LBY	Libyan Arab Jamahiriya	RUS	Russia
ALA	Aland Islands	ERI	Eritrea	LCA	St Lucia	RWA	Rwanda
ALB	Albania	ESH	Western Sahara	LIE	Liechtenstein	SAU	Saudi Arabia
AND	Andorra	ESP	Spain	LKA	Sri Lanka	SDN	Sudan
ANT	Netherlands Antilles	EST	Estonia	LSO	Kingdom of Lesotho	SEN	Senegal
ARE	United Arab Emirates	ETH	Ethiopia	LTU	Lithuania	SGP	Singapore
ARG	Argentina	FIN	Finland	LUX	Luxembourg	SGS	Sth Georgia & Sandwich Isl
ARM	Armenia	FJI	Fiji	LVA	Latvia	SHN	St Helena
ASM	American Samoa	FLK	Falkland Islands (Malvinas)	MAC	Macao	SJM	Svalbard & Jan Mayen
ATA	Antarctica	FRA	France	MAF	St Martin	SLB	Soloman Islands
ATF	French Southern	FRO	Faroe Islands	MAR	Morocco	SCG	Serbia & Outlying
ATG	Antigua & Barbuda	FSM	Micronesia	MCO	Monaco	SLE	Sierra Leone
AUS	Australia	GAB	Gabon	MDA	Republic Of Moldova	SLV	El Salvador
AUT	Austria	GBR	United Kingdom	MDG	Madagascar	SMR	San Marino
AZE	Azerbaijan	GEO	Georgia	MDV	Maldives	SOM	Somalia
BDI	Burundi	GGY	Guernsey	MEX	Mexico	SPM	St Pierre and Miqueion
BEL	Belgium	GHA	Ghana	MHL	Marshall Islands	SRB	Serbia
BEN	Benin	GIB	Gibraltar	MKD	Macedonia Former Yugoslav Rep	STP	Sao Tome and Principle
BFA	Burkina Faso	GIN	Guinea	MLI	Mali	SUR	Suriname
BGD	Bangladesh	GLP	Guadeloupe	MLT	Malta	SVK	Slovakia
BGR	Bulgaria	GMB	Gambia	MMR	Myanmar	SVN	Slovenia
BHR	Bahrain	GNB	Guinea-Bissau	MNE	Montenegro	SWE	Sweden
BHS	Bahamas	GNQ	Equatorial Guinea	MNG	Mongolia	SWZ	Swaziland
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BLR	Belarus	GRL	Greenland	MRT	Mauritania	TCA	Turks & Caicos
BLZ	Belize	GTM	Guatemala	MSR	Montserra	TCD	Chad
BMU	Bermuda	GUF	French Guiana	MTQ	Martinique	TGO	Congo
BOL	Bolivia	GUM	Guam	MUS	Mauritius	THA	Thailand
BRA	Brazil	GUY	Guyana	MWI	Malawi	TJK	Tajikistan
BRB	Barbados	HKG	Hong Kong	MYS	Malaysia	TKL	Tokelau
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BUR	Burma	HRV	Croatia	NCL	New Caledonia	TMP	East Timor
BVT	Bouvet Island	HTI	Haiti	NER	Niger	TON	Tonga
BWA	Botswana	HUN	Hungary	NFK	Norfolk Island	TTO	Trinidad & Tobago
CAF	Central African Republic	IDN	Indonesia	NGA	Nigeri	TUN	Tunisia
CAN	Canada	IMN	Isle Of Man	NIC	Nicaragua	TUR	Turkey
CCK	Cocos (Keeling) Islands	IND	India	NIU	Niue	TUV	Tuvalu
CHE	Switzerland	IOT	British Indian Ocean Territory	NLD	Netherlands	TWN	Taiwan
CHL	Chile	IRL	Ireland	NOR	Norway	TZA	Tanzania
CHN	China	IRN	Iran Islamic Republic of	NPL	Nepal	UGA	Uganda
CIV	Cote D'ivoire	IRQ	Iraq	NRU	Nauru	UKR	Ukraine
CMR	Cameroon	ISL	Iceland	NZL	New Zealand	UMI	United States Minor Outlying
COD	Democratic Republic of Congo	ISM	British Isles	OMN	Oman	URY	Uruguay
COK	Cook Islands	ISR	Israel	PAK	Pakistan	USA	United States of America
COL	Colombia	ITA	Italy	PAN	Panama	UZB	Uzbekistan
COM	Comoros	JAM	Jamaica	PCN	Pitcairn Islands	VNM	Vietnam
CPV	Cape Verde	JEY	Jersey	PER	Peru	VUT	Vanuatu
CRI	Costa Rica	JOR	Jordan	PHL	Philippines	WLF	Wallis & Fortuna
CUB	Cuba	JPN	Japan	PLW	Palau	WSM	Samoa
CYM	Cayman Islands	KAZ	Kazakhstan	PNG	Papua New Guinea	YEM	Yemen
CYP	Cyprus	KEN	Kenya	POL	Poland	YMD	Yemen Democratic
CXR	Christmas Island	KGZ	Kyrgyzstan	PRI	Puerto Rico	YUG	Yugoslavia Socialist Fed Rep
CZE	Czech Republic	KHM	Cambodia	PRK	North Korea	ZAF	South Africa
DEU	Germany	KIR	Kiribati	PRT	Portugal	ZAR	Zaire
DJI	Djibouti	KNA	St Kitts And Nevis	PRY	Paraguay	ZMB	Zambia
DMA	Dominica	KOR	South Korea	PSE	Palestinian Territory	ZWE	Zimbabwe
DNK	Denmark	KWT	Kuwait	PYF	French Polynesia		

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Online Meeting Guide

SG Fleet Group Limited
Relevant Management Shareholder Scheme Meeting
08 APR 2025, 4:00pm Sydney Time

Scan to join the meeting

Attending the meeting virtually

Those attending online will be able to view a live webcast of the meeting. Shareholders and Proxyholders can ask questions and submit votes in real time.

To participate online, visit https://meetings.lumiconnect.com/300-865-182-860 on your smartphone, tablet or computer.

You will need the latest versions of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible.

To log in, you may require the following information:

Meeting ID: 300-865-182-860

Australian residents
Voting Access Code
(VAC)

Postcode
(postcode of your registered address)

Overseas residents
Voting Access Code
(VAC)

Country Code
(three-character country code)
e.g. New Zealand - **NZL**; United Kingdom - **GBR**; United States of America - **USA**; Canada - **CAN**

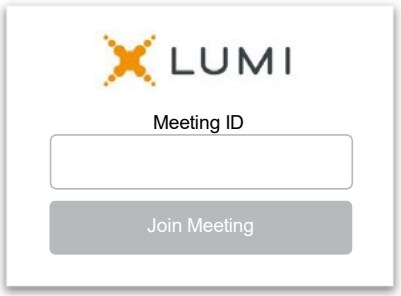
A full list of country codes can be found at the end of this guide.

Appointed Proxies
To receive your unique username and password, please contact Boardroom on 1300 737 760.

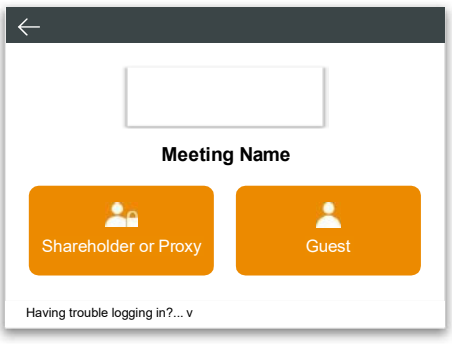
Guests
To register as a guest, you will need to enter your name and email address.

Registering for the meeting

1 To participate in the meeting, follow the direct link at the top of the page. Alternatively, visit **meetings.lumiconnect.com** and enter the unique 12-digit Meeting ID, provided above.



2 To proceed into the meeting, you will need to read and accept the Terms and Conditions and select if you are a Shareholder / Proxy or a Guest. Note that only shareholders and proxies can vote and ask questions in the meeting.



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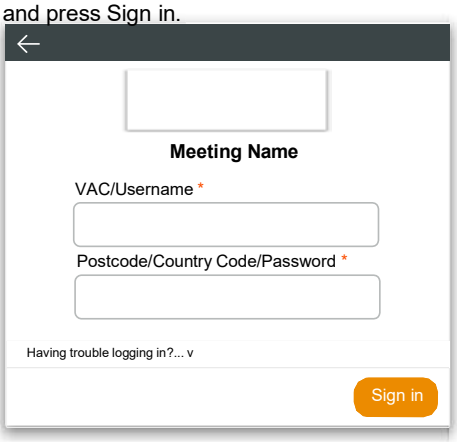
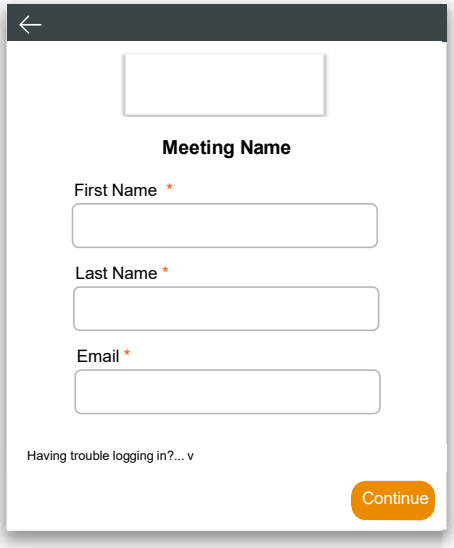
3 **To register as a Shareholder,** enter your VAC and Postcode or Country Code and press Sign in.

To register as a Proxyholder, you will need your username and password as provided by Boardroom. In the 'VAC/Username' field enter your username and in the 'Postcode/Country Code/Password' field enter your password

and press Sign in.



To register as a Guest, enter your name and other requested details and press Continue.

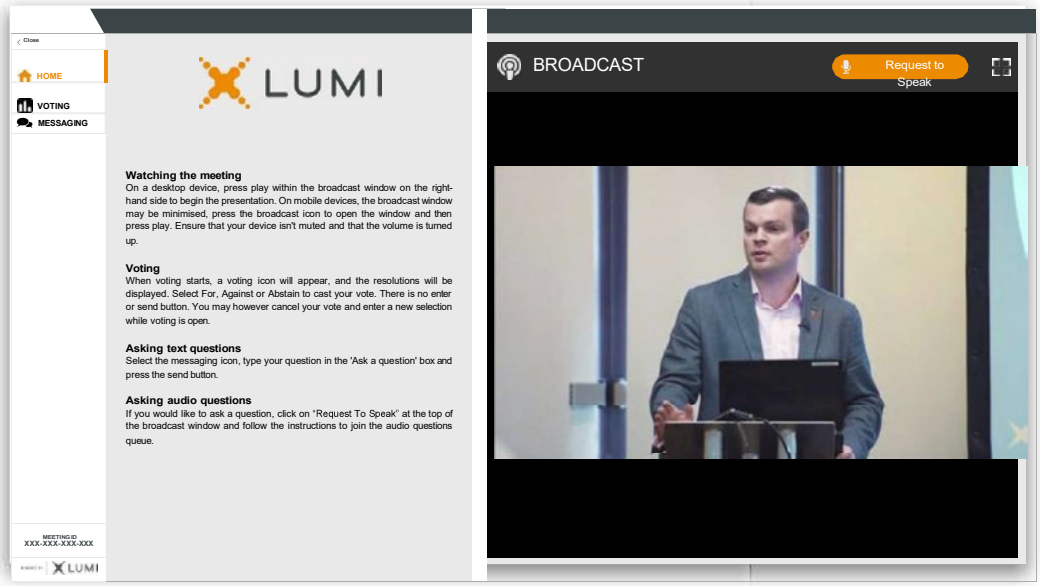


Watching the meeting

4 On a desktop/laptop device, you will see the home tab on the left, which displays the meeting title and instructions. The webcast will appear automatically on the right. Press play and ensure your device is not muted.

You can watch the webcast full screen, by selecting the full screen icon.

To reduce the webcast to its original size, select the minimise icon.



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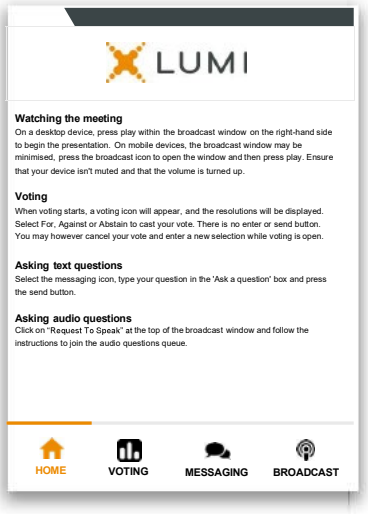
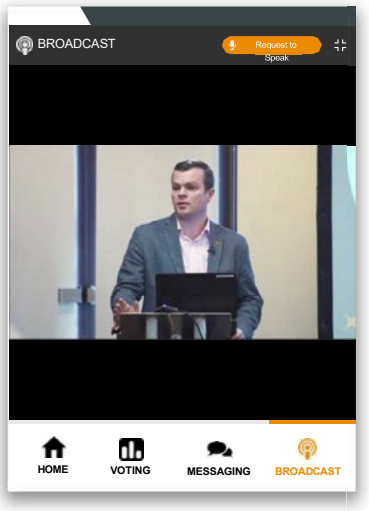
5 On a mobile device, select the Broadcast icon at the bottom of the screen to open the webcast. Press play and ensure your device is not muted.

During the meeting, mobile users can minimise the webcast at any time by selecting one of the other icons in the menu bar.

You will still be able to hear the meeting while the broadcast is minimised. Selecting the Broadcast icon again will reopen the webcast.





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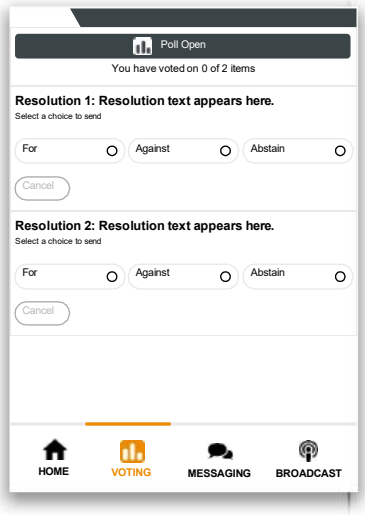

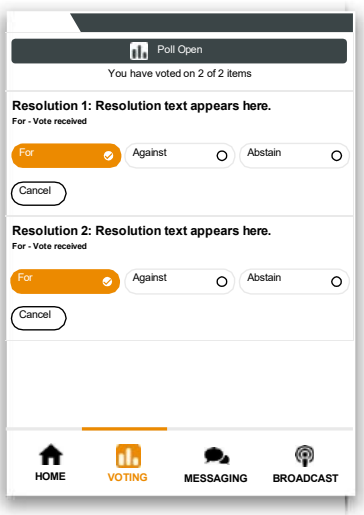

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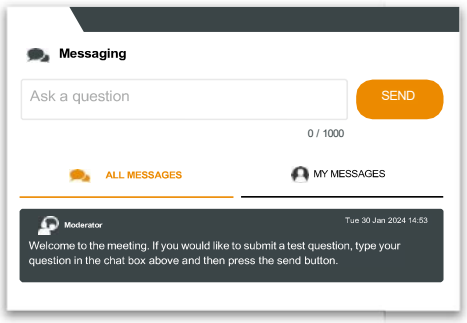

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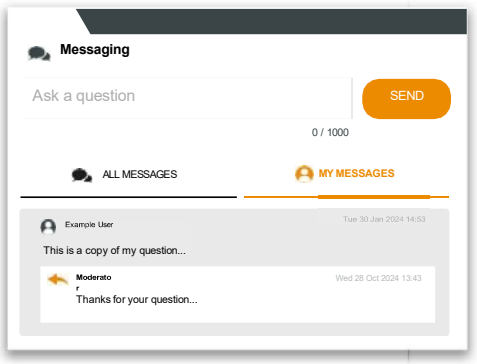

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BGR	Bulgaria	GMB	Gambia	MMR	Myanmar	SVN	Slovenia
BHR	Bahrain	GNB	Guinea-Bissau	MNE	Montenegro	SWE	Sweden
BHS	Bahamas	GNQ	Equatorial Guinea	MNG	Mongolia	SWZ	Swaziland
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BLM	St Barthelemy	GRD	Grenada	MOZ	Mozambique	SYR	Syrian Arab Republic
BLR	Belarus	GRL	Greenland	MRT	Mauritania	TCA	Turks & Caicos
BLZ	Belize	GTM	Guatemala	MSR	Montserra	TCD	Chad
BMU	Bermuda	GUF	French Guiana	MTQ	Martinique	TGO	Congo
BOL	Bolivia	GUM	Guam	MUS	Mauritius	THA	Thailand
BRA	Brazil	GUY	Guyana	MWI	Malawi	TJK	Tajikistan
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CAN	Canada	IMN	Isle Of Man	NIC	Nicaragua	TUR	Turkey
CCK	Cocos (Keeling) Islands	IND	India	NIU	Niue	TUV	Tuvalu
CHE	Switzerland	IOT	British Indian Ocean Territory	NLD	Netherlands	TWN	Taiwan
CHL	Chile	IRL	Ireland	NOR	Norway	TZA	Tanzania
CHN	China	IRN	Iran Islamic Republic of	NPL	Nepal	UGA	Uganda
CIV	Cote D'ivoire	IRQ	Iraq	NRU	Nauru	UKR	Ukraine
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COM	Comoros	JAM	Jamaica	PCN	Pitcairn Islands	VNM	Vietnam
CPV	Cape Verde	JEY	Jersey	PER	Peru	VUT	Vanuatu
CRI	Costa Rica	JOR	Jordan	PHL	Philippines	WLF	Wallis & Fortuna
CUB	Cuba	JPN	Japan	PLW	Palau	WSM	Samoa
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DEU	Germany	KIR	Kiribati	PRT	Portugal	ZAR	Zaire
DJI	Djibouti	KNA	St Kitts And Nevis	PRY	Paraguay	ZMB	Zambia
DMA	Dominica	KOR	South Korea	PSE	Palestinian Territory	ZWE	Zimbabwe
DNK	Denmark	KWT	Kuwait	PYF	French Polynesia		

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