



EUMUNDI GROUP

16 December 2024

Market Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

First Supplementary Target's Statement

Eumundi Group Limited ACN 010 947 476 (ASX: EBG) (**Eumundi**) has lodged with the Australian Securities and Investments Commission and sent to SEQ Hospitality Group Pty Ltd ACN 681 115 471 (**SEQ**), a copy of its first supplementary target's statement dated 16 December 2024 (**First Supplementary Target's Statement**) in response to the off-market takeover bid by SEQ for all of the fully paid ordinary shares in Eumundi.

In accordance with section 647(3)(b)(ii) of the *Corporations Act 2001* (Cth) (as inserted by *ASIC Corporations (Replacement Bidder's and Target's Statements) Instrument 2023/688*), a copy of the First Supplementary Target's Statement is **attached** to this notice.

An electronic copy of the First Supplementary Target's Statement will be made available on Eumundi's website (www.eumundigroup.com.au).

This announcement has been authorised for release to the ASX by the Board of Directors of Eumundi Group Limited.

~ ENDS ~

For further information, please contact:

Duncan Cornish
Company Secretary
Ph: (07) 3212 6299
Email: dcornish@corpservices.com.au

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First Supplementary Target's Statement

in response to the recommended acquisition of Eumundi Group Limited ACN 010 947 476 (**Eumundi**) by SEQ Hospitality Group Pty Ltd ACN 681 115 471 (**SEQ**) by way of an off-market takeover offer.

The Eumundi Directors unanimously recommend that you

Accept

the

Takeover Offer

from SEQ to acquire all of your Eumundi Shares in the absence of a Superior Proposal and subject to the Independent Expert concluding and continuing to conclude that the Takeover Offer is '*fair and reasonable*'.

The Independent Expert continues to conclude that the Takeover Offer is fair and reasonable to Eumundi Shareholders.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION

It should be read in its entirety. If you are in doubt about how to deal with this document, you should consult your legal, financial or other professional adviser immediately.

1. Introduction

This document is a supplementary target's statement under section 644 of the *Corporations Act 2001* (Cth) (**Corporations Act**) dated 16 December 2024 (**First Supplementary Target's Statement**) issued by Eumundi Group Limited ACN 010 947 476 (**Eumundi**), in relation to the off-market takeover bid for all of the fully paid ordinary shares in Eumundi (**Takeover Offer**) by SEQ Hospitality Group Pty Ltd ACN 681 115 471 (**SEQ**).

This First Supplementary Target's Statement supplements, and should be read together with, Eumundi's target's statement lodged with the Australian Securities and Investments Commission (**ASIC**) on 29 November 2024 (**Target's Statement**). Unless the context requires otherwise or the terms are separately defined in this First Supplementary Target's Statement, terms defined in the Target's Statement have the same meaning in this First Supplementary Target's Statement. The rules of interpretation in section 11.2 of the Target's Statement also apply.

A copy of this First Supplementary Target's Statement was lodged with ASIC and given to ASX on 16 December 2024. Neither ASIC, ASX, nor any of their respective officers take any responsibility for the contents of this First Supplementary Target's Statement.

This is an important document and requires your immediate attention. If you are in any doubt as to how to deal with this document you should consult your financial or legal adviser as soon as possible.

2. Increase to Offer Price

On 12 December 2024, SEQ advised that if it acquires a Relevant Interest in at least 65% of Eumundi Shares by no later than 7:00pm (Sydney time) on 17 January 2025 (**Price Increase Event**), SEQ will concurrently:

- (a) increase the Offer Price under the Takeover Offer on or before 20 January 2025; and
- (b) increase the amount to be paid to each Eumundi Shareholder if the Scheme is successful,

from \$1.55 cash per Eumundi Share (**Initial Offer Price**) to \$1.62 cash per Eumundi Share (**Increased Offer Price**).¹

On 13 December 2024, SEQ lodged a substantial shareholder notice disclosing that it held a Relevant Interest in 33,686,763 Eumundi Shares representing 67.69% of Eumundi Shares². SEQ lodged with ASIC and served on Eumundi a notice under section 650D of the Corporations Act on 13 December 2024 pursuant to which the Offer Price under the Takeover Offer increased from \$1.55 cash per Eumundi Share to \$1.62 cash per Eumundi Share. On 16 December 2024, SEQ lodged a substantial shareholder notice disclosing that it held a Relevant Interest in 34,669,289 Eumundi Shares representing 69.66% of Eumundi Shares.³

On 16 December 2024, Eumundi and SEQ entered a Deed of Variation to the Implementation Deed pursuant to which the amount to be paid to each Eumundi Shareholder if the Scheme is successful has increased from \$1.55 cash per Eumundi Share to \$1.62 cash per Eumundi Share.⁴

The Increased Offer Price represents:

- (a) a 38% premium to the Eumundi 30 day VWAP of \$1.17 as at 29 October 2024;

¹ SEQ has indicated that it reserves its rights with respect to making or not making any change to the Offer Price under the Takeover Offer in any and all other circumstances.

² As disclosed in the substantial holder notice lodged by SEQ on 13 December 2024.

³ As disclosed in the latest substantial holder notice lodged by SEQ on 16 December 2024

⁴ Further information in respect of the Scheme is expected to be distributed to Eumundi Shareholders early next calendar year following approval by the Court.

- (b) a 4.5% increase to the Initial Offer Price; and
- (c) a premium of 17% and 21% to Eumundi's most recently audited net asset and net tangible asset backing per share of \$1.39 and \$1.34 respectively as at 30 June 2024.

The Increased Offer Price will not be reduced by (and is in addition to the payment of) an Interim Dividend of 2.4 cents per Eumundi Share which the Board of Eumundi expects to be fully franked and declared before the Scheme Meeting is held.⁵

If the Takeover Offer becomes or is declared unconditional,⁶ all Eumundi Shareholders who accept, or have accepted, the Takeover Offer will receive the Increased Offer Price, regardless of when they accepted the Takeover Offer.

The Takeover Offer will close at 7:00pm (Sydney time) on 4 March 2025 (unless extended or withdrawn in accordance with the Corporations Act).

As disclosed in section 6.8(b) of the Target's Statement, Eumundi has agreed to pay a fee to Savills (QLD) Pty Ltd (**Savills**) equal to 1% (excluding GST) of the transaction value of the price paid by a buyer introduced by Savills, or where the buyer was not introduced by Savills, the highest price offer by a buyer that was introduced by Savills. As a result of the Increased Offer Price, if the Transaction proceeds and SEQ acquires all of the Eumundi Shares, the fee payable by Eumundi to Savills will increase from \$771,400.44 (excluding GST) to \$806,237.88 (excluding GST).

3. No change to the Independent Expert's conclusion

The Independent Expert has considered whether the Increased Offer Price has any effect on its conclusion given in the Independent Expert's Report.

There has been no change to the Independent Expert's conclusion that the Takeover Offer is fair and reasonable in the absence of a Superior Proposal.

4. No change to the Eumundi Directors' unanimous recommendation

The Eumundi Directors have considered whether the Increased Offer Price has any effect on their unanimous recommendation given in the Target's Statement.

There is no change to the Eumundi Directors' unanimous recommendation in respect of the Takeover Offer.

The Eumundi Directors unanimously recommend that Eumundi Shareholders accept the Takeover Offer, in the absence of a Superior Proposal and subject to the Independent Expert concluding and continuing to conclude that the Takeover Offer is fair and reasonable.

Importantly, you can accept the Takeover Offer and also vote in favour of the Scheme because the terms of each of the Takeover Offer and the Scheme determine which Transaction process will proceed.⁷

You are strongly encouraged to read the Target's Statement (as supplemented by this First Supplementary Target's Statement), the Independent Expert's Report, the Scheme Booklet (including a report by the Independent Expert in respect of the Scheme) once Approved and issued and the Bidder's Statement carefully and in their entirety before deciding how to deal with your Eumundi Shares.

⁵ The Interim Dividend, if declared, will be paid by Eumundi to those Eumundi Shareholders recorded on the Share Register as at the Interim Dividend Record Date. See section 8.4 of the Target's Statement for further detail regarding the Interim Dividend. The Eumundi Board expects that the Interim Dividend will be fully franked at the time it is declared.

⁶ While SEQ has indicated that it has no current intention to waive any Takeover Conditions, it is open to SEQ to do so, at its discretion, in accordance with the Corporations Act.

⁷ Namely, whether the Scheme will be implemented or whether the Takeover Offer will proceed.

5. Lodgement with ASIC

A copy of this First Supplementary Target's Statement was lodged with ASIC on 16 December 2024. This First Supplementary Target's Statement will prevail to the extent of any inconsistency with the Target's Statement.

Neither ASIC nor any of its officers takes any responsibility for the contents of this First Supplementary Target's Statement.

6. Further information

If you have any questions in relation to this First Supplementary Target's Statement or the Transaction, please contact Duncan Cornish, Eumundi's Company Secretary by email to dcornish@corpservices.com.au or call (07) 3212 6299 for callers within Australia or on +61 7 3212 6299 for callers outside Australia from Monday to Friday between 8:30am to 5:00pm (Brisbane time).

7. Approval

This document has been approved by a resolution passed by the directors of Eumundi Group Limited.

Date: 16 December 2024

Signed for and on behalf of Eumundi Group Limited:



Joseph Michael Ganim
Non-Executive Chair
Eumundi Group Limited