

SCHEME BOOKLET REGISTERED WITH ASIC

Eumundi Group Limited ACN 010 947 476 (**Company** or **Eumundi**) (ASX:EBG) is pleased to confirm that the Australian Securities and Investments Commission (**ASIC**) has today registered the Scheme Booklet for the scheme of arrangement between Eumundi and its shareholders under which SEQ Hospitality Group Pty Ltd ACN 681 115 471 (**SEQ**) proposes to acquire 100% of the Eumundi Shares on issue (**Scheme**) for a cash consideration of \$1.62 per Eumundi Share.

A copy of the Scheme Booklet containing information about the Scheme, the independent expert's report and the notice convening the meeting of Eumundi Shareholders to consider and vote on the Scheme (**Scheme Meeting**) accompanies this announcement.

Despatch of Scheme Booklet

The Scheme Booklet will be available for viewing and downloading at:
<https://eumundigroup.com.au/asx-announcements/>

The Scheme Booklet will be sent to all Eumundi Shareholders on or before 30 December 2024.

Eumundi Shareholders who have elected to receive communications electronically will receive an email which contains instructions about how to view or download a copy of a letter regarding the Scheme (**Cover Letter**) and the Scheme Booklet, and how to lodge their proxies online for the Scheme Meeting.

Eumundi Shareholders who have elected to receive communications in hard copy will be sent a printed copy of the Cover Letter and Scheme Booklet together with a Proxy Form for the Scheme Meeting.

Eumundi Shareholders who have not elected to receive communications electronically or in hard copy will be sent a physical 'Notice and Access' letter containing details on how to access a copy of the Cover Letter and Scheme Booklet online together with instructions on how to lodge their proxies online for the Scheme Meeting.

Eumundi Shareholders who wish to receive a printed copy of the Scheme Booklet may request one by calling the Shareholder Information Line on 1300 850 505 within Australia or +61 3 9415 4000 if outside Australia, Monday to Friday between 8.30am and 5.00pm (Sydney time).

Independent Expert's Report

The Scheme Booklet includes an independent expert's report prepared by BDO Corporate Finance Limited (**Independent Expert**). The Independent Expert has concluded that, in the absence of a superior proposal, the Scheme is fair and reasonable and therefore in the best interest of Eumundi Shareholders. The Independent Expert's conclusion should be read in context with the full independent expert's report and the Scheme Booklet.

Eumundi Directors' recommendation and voting intention¹

The Eumundi Directors unanimously recommend that Eumundi 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 fair and reasonable and therefore in the best interest of Eumundi Shareholders. Subject to that same qualification, each Eumundi Director intends to vote all Eumundi Shares held or controlled by them in favour of the Scheme

¹ In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of the Scheme Booklet and the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of the Scheme Booklet.

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Important dates

Key dates and times relating to the Scheme Meeting	
Date of the Scheme Booklet	20 December 2024
Last date and time for receipt of Proxy Forms or powers of attorney for the Scheme Meeting	10:00am (AEST) on 29 January 2025
Time and date for determining eligibility to vote at the Scheme Meeting	7:00pm (Sydney) on 29 January 2025
Scheme Meeting	10:00am (AEST) on 31 January 2025
Key dates and times for implementation of the Scheme (if Eumundi Shareholders approve the Scheme by the Requisite Majority at the Scheme Meeting)	
Second Court Hearing	10:15am (AWST) on 4 February 2025
Effective Date of Scheme This is the date on which the Court order approving the Scheme is lodged with ASIC and the Scheme becomes Effective. Eumundi Shares will be suspended from trading on ASX from close of trading.	5 February 2025
Record Date for the Scheme	7 February 2025
Implementation Date for the Scheme	14 February 2025
Key dates and times if the Scheme is not approved by Eumundi Shareholders or Court	
Takeover Offer Closes (unless extended or withdrawn)	7:00pm (Sydney time) on 4 March 2025

Further information

For more information, please refer to the Scheme Booklet and the Takeover Documents.

If Eumundi Shareholders have any questions in relation to the Scheme Booklet, the Scheme or their shareholding (or the Transaction generally), they are encouraged to contact Eumundi's Company Secretary on (07) 3212 6299 for callers within Australia or +61 7 3212 6299 for callers outside Australia from Monday to Friday between 8:30am to 5:00pm (Brisbane time), excluding public holidays.

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

~ ENDS ~

For further information, please contact:

Duncan Cornish

Company Secretary

Ph: (07) 3212 6299

Email: dcornish@corpservices.com.au

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REGISTERED PURSUANT TO SUBSECTION 412(6)
OF THE CORPORATIONS ACT 2001 ON
20 December 2024



Kaihan Abdul Qadar
AS A DELEGATE OF THE
AUSTRALIAN SECURITIES & INVESTMENTS
COMMISSION

EUMUNDI GROUP

SCHEME BOOKLET

In relation to a proposal from SEQ Hospitality Group Pty Ltd ACN 681 115 471 (**SEQ**) to acquire all of the issued shares in Eumundi Group Limited ACN 010 947 476 (**Eumundi**) by way of a scheme of arrangement (**Scheme**).

THE EUMUNDI DIRECTORS UNANIMOUSLY RECOMMEND THAT YOU

VOTE IN FAVOUR

OF THE RESOLUTION TO APPROVE THE SCHEME

IN THE ABSENCE OF A SUPERIOR PROPOSAL AND SUBJECT TO THE INDEPENDENT EXPERT CONCLUDING (AND CONTINUING TO CONCLUDE) THAT THE SCHEME IS IN THE BEST INTERESTS OF EUMUNDI SHAREHOLDERS AND NOT PUBLICLY CHANGING OR WITHDRAWING THAT CONCLUSION.

THE INDEPENDENT EXPERT HAS CONCLUDED THAT, IN THE ABSENCE OF A SUPERIOR PROPOSAL, THE SCHEME IS FAIR AND REASONABLE AND IN THE BEST INTERESTS OF EUMUNDI SHAREHOLDERS.

**THIS IS AN IMPORTANT DOCUMENT AND
REQUIRES YOUR IMMEDIATE ATTENTION**

You should read the document in full before deciding whether or not to vote in favour of the Scheme Resolution. If you are in any doubt about what action you should take, please consult your broker or financial, taxation, legal or other professional adviser immediately.



TAYLOR COLLISON

Sharebrokers and Investment Advisers
www.taylorcollison.com.au

Financial Adviser



HopgoodGanim

LAWYERS

Legal Adviser

EUMUNDI GROUP LIMITED

ACN 010 947 476

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IMPORTANT DATES AND TIMES FOR THE SCHEME

Key dates and times relating to the Scheme Meeting	
Date of this Scheme Booklet	20 December 2024
First Court Date at which the Court made orders convening the Scheme Meeting	10:15am (AEWT) on 19 December 2024
Last date and time for receipt of Proxy Forms or powers of attorney for the Scheme Meeting	10:00am (AEST) on 29 January 2025
Time and date for determining eligibility to vote at the Scheme Meeting	7:00pm (Sydney) on 29 January 2025
Scheme Meeting	10:00am (AEST) on 31 January 2025
Key dates and times for implementation of the Scheme (if Eumundi Shareholders approve the Scheme by the Requisite Majority at the Scheme Meeting)	
Second Court Date	10:15am (AEWT) on 4 February 2025
Effective Date of Scheme This is the date on which the Court order approving the Scheme is lodged with ASIC and the Scheme becomes Effective. Eumundi Shares will be suspended from trading on ASX from close of trading.	5 February 2025
Record Date for the Scheme	7 February 2025
Implementation Date for the Scheme	14 February 2025
Key dates and times if the Scheme is not approved by Eumundi Shareholders or Court	
Takeover Offer Closes (unless extended or withdrawn)	7:00pm (Sydney time) on 4 March 2025

All dates and times after the date of the Scheme Meeting 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 3.5 for more information). All dates and times, unless otherwise indicated refer to the date and time in Brisbane, Queensland. Any changes to the above timetable will be announced to ASX and notified on Eumundi's website at <https://eumundigroup.com.au/asx-announcements/>.

IMPORTANT NOTICES

The Transaction

On 30 October 2024, Eumundi Group Limited ACN 010 947 476 (**Eumundi**) announced that it had entered into an Implementation Deed with SEQ Hospitality Group Pty Ltd ACN 681 115 471 (**SEQ**) in respect of SEQ's proposed acquisition of all Eumundi Shares by way of an off-market takeover offer (**Takeover Offer**) and scheme of arrangement (**Scheme**) to be implemented in the alternative under a dual and concurrent process (together, the **Transaction**).

Nature of this document

This Scheme Booklet is dated 20 December 2024.

This Scheme Booklet is important. Eumundi Shareholders should carefully read this Scheme Booklet, together with the Independent Expert's Report, in full before deciding whether or not to vote in favour of the Scheme Resolution required to implement the Scheme.

If you would like any information regarding the Takeover Offer, you should refer to the Target's Statement and the Bidder's Statement. Copies of these documents can be found at Eumundi's website at <https://eumundigroup.com.au/asx-announcements/>.

Defined terms

Capitalised terms used in this Scheme Booklet are defined in section 10 (*Definitions and Interpretation*) of this Scheme Booklet. Section 10 also sets out some rules of interpretation which apply to this Scheme Booklet.

All \$ references, are references to Australian Dollars unless otherwise stated.

Purpose of this document

The purpose of this Scheme Booklet is to explain the terms of the proposed scheme of arrangement between Eumundi Group Limited (**Eumundi**) and SEQ Hospitality Group Pty Ltd (**SEQ**) and the manner in which it will be implemented (if approved by the Requisite Majority of Eumundi Shareholders and the Court).

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

This Scheme Booklet is not a disclosure document under Chapter 6D of the Corporations Act.

If you have sold all your Eumundi Shares, please disregard this Scheme Booklet.

ASIC and ASX

A copy of this Scheme Booklet has been provided to ASIC in accordance with section 411(2) of the Corporations Act and registered with ASIC under section 412(6) of the Corporations Act. 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, it will be produced to the Court at the Second Court Date. A copy of this Scheme Booklet has also been lodged with ASX. Neither ASIC or ASX nor any of their officers take any responsibility for the contents of this Scheme Booklet.

Court

A copy of the Scheme Booklet has been lodged with the Court to obtain an order of the Court approving the convening of the Scheme Meeting. Orders made by the Court are made pursuant to section 411 of the Corporations Act.

IMPORTANT NOTICE ASSOCIATED WITH COURT ORDER UNDER SUBSECTION 411(1) OF CORPORATIONS ACT 2001 (Cth)

The fact that, under section 411(1) of the Corporations Act, the Court has ordered that the Scheme Meeting be convened and has approved this Scheme Booklet does not mean that the Court:

- (a) has formed any view as to the merits of the proposed Scheme or as to how Scheme Participants should vote; or
- (b) has prepared or is responsible for the contents of the Scheme Booklet.

The order of the Court that the Scheme Meeting be convened is not, and should not be treated as, an endorsement by the Court of, or any other expression of opinion by the Court on, the Scheme.

Notice of Scheme Meeting

The Notice of Scheme Meeting is set out in Schedule 4 of this Scheme Booklet.

Notice of Second Court Date

At the Second Court Date, the Court will consider whether to approve the Scheme following the votes at the Scheme Meeting.

Any Eumundi Shareholder may appear at the Second Court Date, which is expected to be held at 10:15am (AEWT) on 4 February 2025 at the Harry Gibbs Commonwealth Law Courts Building Level 6, 119 North Quay, Brisbane, the Federal Court of Australia (Queensland Registry).

Any Eumundi Shareholder who wishes to oppose approval of the Scheme at the Second Court Date may do so by filing with the Court and serving on Eumundi a notice of appearance in the prescribed form, together with any affidavit on which the Eumundi Shareholder proposes to rely.

Investment decisions

The Scheme Booklet is important and requires your immediate attention. It should be read in its entirety before making a decision on whether or not to vote in favour of the Scheme. This Scheme Booklet is intended for all Scheme Participants collectively and does not take into account the investment objectives, financial situation and particular needs of each individual Scheme Participant or any other particular person. This Scheme Booklet should not be relied upon as the sole basis for any investment decision in relation to the Scheme or Eumundi Shares. Before making any investment decision in relation to these matters you should consider, preferably with the assistance of a professional adviser, whether that decision is appropriate in the light of your particular investment needs, objectives and financial circumstances. If you are in any doubt about what you should do, you should seek independent financial and taxation advice before making any investment decision in relation to the Scheme or Eumundi Shares.

Responsibility for information

Other than as set out below, the information contained in this Scheme Booklet has been prepared by and is the sole responsibility of Eumundi. Except as outlined below, none of SEQ, or any of its respective Related Bodies Corporate, directors, officers, employees or advisers assumes any responsibility for the accuracy or completeness of such information.

The SEQ Information contained in this Scheme Booklet has been prepared by and is the responsibility of SEQ. Neither Eumundi nor any of its directors, officers, employees or advisers assume or accept any responsibility for the accuracy or completeness of such information.

BDO has prepared the Independent Expert's Report (as set out in Schedule 1 to this Scheme Booklet) and takes responsibility for that report. None of Eumundi or SEQ, nor any of their respective Related Bodies Corporate, directors, officers, employees or advisers assumes any responsibility for the accuracy or completeness of the information contained in the Independent Expert's Report, except in relation to the respective information that each has provided to the Independent Expert.

Foreign Jurisdictions

The release, publication or distribution of this Scheme Booklet in jurisdictions other than Australia and New Zealand may be restricted by law or regulation in such other jurisdictions, and persons outside of Australia and New Zealand 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.

The Scheme Booklet has been prepared in accordance with Australian law and is subject to Australian disclosure requirements. 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 of a jurisdiction outside of Australia. Financial information in this Scheme Booklet has been prepared in accordance with Australian Accounting Standards issued by the Australian Accounting Standards Board, and is presented in an abbreviated form and does not contain all the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act.

Eumundi Shareholders resident outside Australia for tax purposes should also seek specific taxation advice in relation to the Australian and overseas taxation implications of their participation in the Scheme.

Forward looking statements

Certain statements in this Scheme Booklet relate to the future. Such forward looking statements, which include all information relating to the performance of Eumundi, are not based solely on historical facts but rather reflect the current expectations of Eumundi (in relation to the Eumundi Information) and SEQ (in relation to the SEQ Information). Statements that describe the objectives, plans, goals or expectations, and future costs of Eumundi or

SEQ, are or may be forward looking statements. Forward looking statements or statements of intent in relation to future events in this Scheme Booklet (including in the Independent Expert's Report) should not be taken to be forecasts or predictions that those events will occur. Forward looking statements generally may be identified by the use of forward looking words such as 'believe', 'aim', 'expect', 'anticipate', 'intending', 'foreseeing', 'likely', 'should', 'planned', 'may', 'estimate', 'potential', or other similar words. Forward looking statements involve known and unknown risks, uncertainties and assumptions and are subject to a variety of other factors that could cause the actual results or performance of Eumundi to be materially different from what is expressed by such statements. Some of the risks that Scheme Participants may be exposed to are set out in section 7. Forward looking statements are based on numerous assumptions regarding present and future business strategies and the environment in which Eumundi and SEQ will operate in the future. Accordingly, undue reliance should not be placed on forward looking statements.

Scheme Participants should note that the historical performance of Eumundi is no assurance of its future performance. Other than what is required by law, none of Eumundi or SEQ, or their respective Related Bodies Corporate, directors, officers or advisers, represents that, or gives any assurance or guarantees that, the occurrence of events expressed or implied in any forward looking statements will actually occur.

The forward looking statements in this Scheme Booklet reflect the views held only at the date of this Scheme Booklet. Subject to any continuing obligations under the ASX Listing Rules or the Corporations Act, Eumundi and SEQ, and their respective Related Bodies Corporate, officers, directors and advisers, disclaim any obligation or undertaking to distribute after the date of this Scheme Booklet any updates or revisions to any forward looking statements to reflect any change in expectations in relation to such statements or any change in events, conditions or circumstances on which any such statement is based.

Charts, maps and diagrams

Any diagrams, charts, maps, 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, maps, graphs and tables is based on information available as at the date of the Scheme Booklet.

Privacy

Eumundi may collect personal information in the process of implementing the Scheme. This information may include the names, contact details and security holdings of Eumundi Shareholders and the names of persons appointed by Eumundi Shareholders to act as proxy, corporate representative or attorney at the Scheme Meeting. The primary purpose of collecting this information is to assist Eumundi in conducting the Scheme Meeting and to enable the Scheme to be implemented by Eumundi in the manner described in this Scheme Booklet. Personal information may be disclosed to ASX, the Registry, print and mail service providers, authorised securities brokers, securities authorities and to Related Bodies Corporate of Eumundi and SEQ. Eumundi Shareholders who are individuals, and other individuals in respect of whom personal information is collected, have certain rights to access personal information that has been collected. A Eumundi Shareholder may contact the Share Registry if they wish to exercise these rights.

Eumundi Shareholders who appoint a named person to act as their proxy, corporate representative or attorney at the Scheme Meeting should inform that person of the matters outlined above.

Taxation implications

If the Scheme becomes Effective and is implemented, there will be tax consequences for Scheme Participants which may include tax being payable on any gain on disposal of Eumundi Shares. For further detail about the general Australian tax consequences of the Scheme and the potential availability of capital gains tax (CGT) roll-over relief, refer to section 8 of this Scheme Booklet. The tax treatment may vary depending on the nature and characteristics of each Eumundi Shareholder and their specific circumstances. Accordingly, Eumundi Shareholders should seek professional tax advice in relation to their particular circumstances.

Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet are subject to the effect of rounding. Accordingly, the actual calculation of figures, amounts, percentages, prices, estimates, calculations of value and fractions may differ from the figures, amounts, percentages, prices, estimates, calculations of value and fractions set out in this Scheme Booklet. Any discrepancies between totals in tables or financial information, or in calculations, graphs or charts are due to rounding.

Times and dates

All times referred to in this Scheme Booklet are references to times in Australian Eastern Standard Time (**AEST**), unless otherwise stated. All dates following the Scheme Meeting referred to in this Scheme Booklet are indicative only and, among other things, are subject to the satisfaction or (if permitted) waiver of the Conditions Precedent to the Scheme.

LETTER FROM THE EUMUNDI CHAIR

Dear Eumundi Shareholders,

On behalf of the Eumundi Board, I am writing to you in relation to the proposal from SEQ Hospitality Group Pty Ltd (**SEQ**) to acquire all of your Eumundi Shares at a price of \$1.62 cash per Eumundi Share by way of an off-market takeover offer (**Takeover Offer**) and scheme of arrangement (**Scheme**) to be implemented in the alternative under a dual and concurrent process (together, the **Transaction**). While there are two alternative structures for the purposes of implementing the Transaction, only one will proceed. This is explained further below.

The Eumundi Board has carefully considered the Transaction in the context of other available alternatives (including remaining an ASX-listed company) with a view to maximising shareholder value in an increasingly uncertain macroeconomic and highly competitive environment. We believe the Transaction provides Eumundi Shareholders with an attractive exit.

SEQ is part of an established group with an excellent understanding of the hospitality industry. The Eumundi Board is confident that SEQ's leadership team, with their proven industry expertise and track record of effective management, is well-equipped to manage Eumundi's operations and drive continued growth. Their values align with our commitment to operational excellence and the well-being of our dedicated employees, ensuring both a seamless transition and a bright future for the business under their stewardship.

The Eumundi Board UNANIMOUSLY RECOMMENDS the Takeover Offer and the Scheme, in each case 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*' and that the Scheme is in the '*best interests*' of Eumundi Shareholders and not publicly changing or withdrawing that conclusion.¹

The Independent Expert has concluded that, in the absence of a Superior Proposal, the Takeover Offer is fair and reasonable and the Scheme is in the best interests of Eumundi Shareholders.

If you would like any information regarding the Takeover Offer, you should refer to the Target's Statement and the Bidder's Statement. Copies of these documents can be found on Eumundi's website at <https://eumundigroup.com.au/asx-announcements/>.

Takeover Offer

As set out in the Target's Statement, the Takeover Offer is conditional on (amongst other things) SEQ receiving acceptances representing at least 90% of Eumundi Shares (**Minimum Acceptance Condition**) and is subject to (amongst other things) the Scheme not being approved by Eumundi Shareholders or not being approved by the Court. If the Takeover Offer becomes or is declared unconditional² prior to the Scheme Meeting, it is the intention of the Eumundi Directors that the Scheme would not proceed, subject to compliance with any regulatory requirements and Eumundi obtaining the agreement of SEQ and any consent required from the Court. The Takeover Offer would then become the relevant Transaction for Eumundi Shareholders. The Target's Statement provides information to Eumundi Shareholders in respect of the Takeover Offer, including a copy of the report by the Independent Expert in relation to the Takeover Offer and information regarding the recommendations and intentions of the Eumundi Directors in respect of the Takeover Offer. The Target's Statement also sets out the circumstances in which the Takeover Offer may become unconditional, even if the Minimum Acceptance Condition is not met.³ Eumundi Shareholders should

¹ In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of this Scheme Booklet and the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet.

² SEQ has retained the discretion to waive the Takeover Conditions.

³ SEQ has indicated that it has no current intention to waive any Takeover Conditions. However, it is open to SEQ to do so at its discretion, in accordance with the Corporations Act. In that circumstance, those Eumundi Shareholders who had accepted the

consider the risks of continuing to hold Eumundi Shares in these circumstances, which are set out in section 7.2.

As at the Last Practicable Date, SEQ holds a Relevant Interest in 35,155,945 Eumundi Shares pursuant to the Takeover Offer. The power of SEQ to vote or dispose of those Eumundi Shares that are the subject of acceptance of the Takeover Offer is qualified since the Takeover Offer has not been declared unconditional and SEQ is not presently registered as the holder of the Eumundi Shares. The Eumundi Shares which are the subject of acceptances of the Takeover Offer will not be transferred to SEQ unless the Takeover Offer is declared, or becomes, unconditional or the Scheme is implemented.

Scheme of Arrangement

This Scheme Booklet sets out important information you should consider in deciding how to vote on the Scheme Resolution at the Scheme Meeting.

Implementation of the Scheme is subject to satisfaction or, if applicable, waiver of customary conditions, including approval by Eumundi Shareholders and the Court, which are summarised in section 3.5 of this Scheme Booklet.

Under the Scheme, Scheme Shareholders are entitled to receive a cash payment of \$1.62 per Eumundi Share (**Transaction Consideration**) if the Scheme is successfully implemented.

If the Takeover Offer is or has been declared unconditional prior to the Scheme Meeting,⁴ it is the intention of the Eumundi Directors that the Scheme would not proceed, subject to compliance with any regulatory requirements and Eumundi obtaining the agreement of SEQ and any consent required from the Court. The Takeover Offer would then become the relevant Transaction for Eumundi Shareholders.

Eumundi Board's unanimous recommendation and voting intention

The Eumundi Directors believe that the Scheme is in the best interests of Eumundi Shareholders and unanimously recommend that you **VOTE IN FAVOUR** of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of Eumundi Shareholders and not publicly changing or withdrawing that conclusion.

Subject to those same qualifications, each member of the Eumundi Board will cause all Eumundi Shares held or controlled by them to be voted in favour of the Scheme.⁵

The Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet. Further, those Eumundi Directors have also accepted the Takeover Offer in respect of their Eumundi Shares.

Reasons to vote in favour of the Scheme

The Eumundi Board, comprised of one Independent Non-Executive Director and two Non-Executive Directors, in consultation with its advisors, has carefully considered the merits of the proposed Transaction with SEQ.

Takeover Offer would receive a cash payment of \$1.62 for each of their Eumundi Shares, and the outcome described in section 1.7 of the Bidder's Statement may then apply.

⁴ SEQ has indicated that it has no current intention to waive any Takeover Conditions. However, it is open to SEQ to do so at its discretion, in accordance with the Corporations Act. In that circumstance, those Eumundi Shareholders who had accepted the Takeover Offer would receive a cash payment of \$1.62 for each of their Eumundi Shares, and the outcome described in section 1.7 of the Bidder's Statement may then apply.

⁵ In considering the unanimous recommendation and intentions of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 and 1.3 (in relation to the unanimous recommendation of the Eumundi Board).

The Eumundi Board considered the following factors when resolving to unanimously recommend that you **VOTE IN FAVOUR** of the Scheme, in the absence of a Superior Proposal and provided that the Independent Expert continues to conclude that the Scheme is in the best interests of Eumundi Shareholders:⁶

1. The Independent Expert has concluded that the Scheme is in the 'best interests' of Eumundi Shareholders.
2. The Transaction Consideration represents an attractive premium to the historical trading price of Eumundi Share.
3. The Transaction Consideration represents an attractive premium to Eumundi's historical net tangible asset backing and net asset backing.
4. The Transaction Consideration is in addition to the proposed Interim Dividend.
5. The Scheme provides a significant liquidity event for your highly illiquid Eumundi Shares.
6. The 100% cash Scheme delivers certain and known value.
7. No Superior Proposal has emerged since the Announcement Date.
8. The Scheme mitigates the risks and uncertainties of remaining a Eumundi Shareholder (refer to section 7.2).
9. The Eumundi Share price may fall if the Scheme is not implemented, the Takeover Offer lapses, and no Superior Proposal emerges.
10. If the Scheme does not proceed and the Takeover Offer is declared unconditional, Eumundi Shareholders who have not accepted into the Takeover Offer will become minority shareholders in Eumundi, which may no longer be listed on ASX.

Reasons to vote against the Scheme

In forming their unanimous decision to recommend the Scheme to Eumundi Shareholders,⁷ subject to the qualifications described above, the Eumundi Directors also considered the potential disadvantages of the Scheme proceeding. In particular:

1. You may disagree with the Eumundi Directors' unanimous recommendation.
2. You may disagree with the Independent Expert's assessments and/or conclusions and believe that the Scheme is not in your best interests.
3. A Superior Proposal for Eumundi may materialise in the future. As at the date of this Scheme Booklet, the Eumundi Board is not aware of any Superior Proposal.
4. You may wish to remain a Eumundi Shareholder to be able to participate in the future financial performance of Eumundi (assuming that SEQ does not acquire a Relevant Interest under the

⁶ In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of this Scheme Booklet and the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet.

⁷ In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of this Scheme Booklet and the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet.

Takeover Offer which is sufficient to entitle SEQ to compulsorily acquire the balance of the Eumundi Shares or otherwise apply for Eumundi to be delisted from the ASX and seek conversion of Eumundi from a public company to a proprietary company).⁸

5. You may believe it is in your best interests to maintain your current investment and risk profile.
6. You may want to sell your Eumundi Shares on ASX if you expect the net proceeds to be higher or that you will be paid sooner. If you sell your Eumundi Shares on market:
 - (a) you will receive the price on market, which may be higher or lower than the Transaction Consideration;
 - (b) in the event the Scheme is not implemented, you:
 - (1) will lose the ability to accept the Takeover Offer or any other Superior Proposal which may eventuate; and
 - (2) will not be entitled to receive any increased consideration if SEQ subsequently increases the Takeover Offer Consideration; and
 - (c) you may incur brokerage charges; and
 - (d) depending on when you sell your Eumundi Shares, you may not be entitled to receive the Interim Dividend.
7. The tax consequences of the Scheme may be adverse to your own financial position or circumstances.

Independent Expert's conclusion

The Eumundi Board appointed BDO as the Independent Expert to assess the merits of the Transaction. A separate report was prepared by the Independent Expert in respect of the Takeover Offer and was included in the Target's Statement.

With regards to the Scheme, the Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and in the best interests of Eumundi Shareholders.

In the Independent Expert's opinion, the Scheme is fair and reasonable because the value of the Transaction Consideration (being a cash payment of \$1.62 per Eumundi Share) is equal to or greater than the value of Eumundi Shares on a controlling interest basis prior to the Transaction (being a value in the range of \$1.502 to \$1.698 per Eumundi Share, calculated using a summation valuation methodology as described in sections 8.2 to 8.7 of the Independent Expert's Report).

In assessing the fairness of the Scheme, the Independent Expert noted that the Transaction Consideration is in the range of the value of Eumundi Shares on a controlling interest basis prior to the Transaction, as illustrated in the table below.⁹

	Low	High
Value of a Eumundi Share prior to the Transaction (controlling interest)	\$1.502	\$1.698
Value of the Transaction Consideration	\$1.62	\$1.62

⁸ If Eumundi is delisted from the ASX, Eumundi Shareholders will no longer be able to acquire a Relevant Interest in Eumundi Shares.

⁹ This table is set out in section 2.2.4 of the Independent Expert's Report.

The Independent Expert has noted the following respective Advantages and Disadvantages of the Scheme in sections 2.3.2 and 2.3.3 of the Independent Expert's Report (for a full explanation of the Advantages and Disadvantages refer to the Independent Expert's Report):

ADVANTAGES	DISADVANTAGES
Section 2.3.2 (Table 2.2) of Independent Expert's Report	Section 2.3.3 (Table 2.2) of Independent Expert's Report
<ul style="list-style-type: none"> • The Transaction is fair • The current Transaction price is known • The Transaction Consideration is at a premium to the price that Eumundi Shares have traded on the ASX prior to the Announcement Date • Liquidity event to monetise your investment in Eumundi • A Superior Proposal has not emerged 	<ul style="list-style-type: none"> • No exposure to any future offers • No exposure to any potential future value of Eumundi

Note: For consistency, minor changes to defined terms have been made in the above table.

A complete copy of the Independent Expert's Report is included at Schedule 1. You are encouraged to read the Independent Expert's Report in its entirety.

Risk factors

In considering how to vote at the Scheme Meeting, Eumundi Shareholders should be aware of the various risk factors which could materially adversely affect the future operating and financial performance of Eumundi and the value of Eumundi Shares. These risk factors are set out in detail in section 7.

If the Scheme proceeds, Eumundi Shareholders will receive the Transaction Consideration and, from implementation of the Scheme, will cease to be Eumundi Shareholders and will no longer be directly exposed to some of the risks related to being a Eumundi Shareholder. If the Scheme does not proceed, the Takeover Offer will remain open for acceptance until 7:00pm (Sydney time) on 4 March 2025 (unless extended or withdrawn).

Eumundi Directors' conclusion

The Eumundi Directors unanimously believe that the benefits of the Scheme outweigh its potential disadvantages, and the risks associated with an ongoing investment in Eumundi Shares.¹⁰ Accordingly, the Eumundi Directors unanimously recommend that Eumundi Shareholders **VOTE IN FAVOUR** of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of Eumundi Shareholders and not publicly changing or withdrawing that conclusion.¹¹

¹⁰ Refer to sections 1.2, 1.3 and 7.2 for further information.

¹¹ In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of this Scheme Booklet and the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet.

How to vote

Your vote is important, and I encourage you to vote. If you wish for the Scheme to proceed, it is important that you **VOTE IN FAVOUR** of the Scheme. **Importantly, if you have already accepted into the Takeover Offer, you can still vote on the Scheme because the terms of each of the Takeover Offer and the Scheme will determine which Transaction process will proceed.**¹²

Since the Takeover Offer and the Scheme are dual and concurrent processes, your acceptance into the Takeover Offer will not affect your ability to vote (whether for or against) in relation to the Scheme.

The Scheme Booklet will be dispatched to Eumundi Shareholders shortly after its release to ASX. Eumundi Shareholders who have elected to receive electronic communications will receive an email containing instructions about how to view or download a copy of the Scheme Booklet, as well as instructions on how to lodge their proxies for the Scheme Meeting. Eumundi Shareholders who have elected to receive communications via post will receive a printed copy of the Scheme Booklet together with a personalised Proxy Form. All other Eumundi Shareholders will receive a letter, together with a personalised Proxy Form, with instructions about how to view or download a copy of the Scheme Booklet.

Please refer to section 4 and the Notice of Scheme Meeting at Schedule 4 for more instructions on how to attend the Scheme Meeting and how to cast your vote.

Interim Dividend

The Eumundi Board expects to declare an interim dividend of 2.4 cents per Eumundi Share (**Interim Dividend**), to be paid in cash at any time on or before the Interim Dividend Payment Date to those Eumundi Shareholders on the Share Register as at the Interim Dividend Record Date (**Recipient Shareholders**).

The payment of the Interim Dividend by Eumundi to the Recipient Shareholders will not reduce the Transaction Consideration payable by SEQ to those Recipient Shareholders who accept the Takeover Offer or who otherwise sell their Eumundi Shares to SEQ pursuant to the Scheme, if implemented.

The Eumundi Board expects the Interim Dividend to be fully franked and to be declared before the Scheme Meeting is held. Further information regarding the Interim Dividend is set out in section 9.7(i) of this Scheme Booklet.

Transaction documents and next steps

The Eumundi Board strongly encourages you to read this Scheme Booklet, together with the Independent Expert's Report and the Target's Statement (including the report by the Independent Expert in respect of the Takeover Offer) and the Bidder's Statement, carefully and in their entirety before deciding how to vote on the Scheme and deal with your Eumundi Shares. You should consider the Scheme, and the Transaction generally, having regard to your own personal risk profile, investment strategy and tax circumstances. If you are in doubt as to how to vote on the Scheme, you should seek your own independent professional advice.

Eumundi Directors unanimously recommend that you VOTE IN FAVOUR of the Scheme.¹³ Importantly, you can vote on the Scheme AND accept the Takeover Offer at the same time

¹² Namely, whether the Scheme will be implemented or whether the Takeover Offer will proceed. In considering how to vote on the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*) and section 1.3 (*Key reasons to vote against the Scheme*) of this Scheme Booklet.

¹³ In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of this Scheme Booklet and the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet.

because the terms of each of the Takeover Offer and the Scheme determine which Transaction process will proceed.¹⁴

Since the Takeover Offer and the Scheme are dual and concurrent processes, your acceptance into the Takeover Offer will not affect your ability to vote (whether for or against) in relation to the Scheme.

Even where you accept the Takeover Offer, please make sure you also vote on the Scheme Resolution at the Scheme Meeting.

Your acceptance of the Takeover Offer and vote on the Scheme Resolution is important. If the Minimum Acceptance Condition for the Takeover Condition is not satisfied before the Scheme Meeting, you will need to ensure you vote on the Scheme Resolution.

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

On behalf of all of the Eumundi Directors, I thank you for your investment in Eumundi and I look forward to your support of the Transaction.

Yours faithfully,



**Joseph Michael Ganim
Non-Executive Chair
Eumundi Group Limited**

¹⁴ Namely, whether the Scheme will be implemented or whether the Takeover Offer will proceed.

OVERVIEW OF THE TRANSACTION

On 30 October 2024, Eumundi announced that it had entered into an Implementation Deed with SEQ in respect of SEQ's proposed acquisition of all Eumundi Shares at an offer price of \$1.55 cash per Eumundi Share by way of an off-market takeover offer (**Takeover Offer**) and scheme of arrangement (**Scheme**) to be implemented in the alternative under a dual and concurrent process (together, the **Transaction**).

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:

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

from \$1.55 cash per Eumundi Share to \$1.62 cash per Eumundi Share.

The Price Increase Event was satisfied on 13 December 2024.

The offer price under the Takeover Offer was formally varied to \$1.62 cash per Eumundi Share by a notice issued by SEQ under section 650D of the Corporations Act on 13 December 2024.

The Transaction Consideration was formally varied to \$1.62 cash per Eumundi Share pursuant to a deed of variation to the Implementation Deed dated 16 December 2024.

The table below summarises the key features of the Takeover Offer and the Scheme. This Scheme Booklet contains the information required by the Corporations Act only in respect of the Scheme. Information required to be provided by the Corporations Act in respect of the Takeover Offer is contained in the Target's Statement issued by Eumundi on 29 November 2024 (as supplemented). Eumundi Shareholders are strongly encouraged to read this Scheme Booklet, together with the Independent Expert's Report and the Target's Statement (including a report by the Independent Expert in respect of the Takeover Offer) and the Bidder's Statement carefully and in their entirety before deciding how to vote on the Scheme and deal with your Eumundi Shares.

	Takeover Offer	Scheme
Transaction Consideration	\$1.62 cash per Eumundi Share	\$1.62 cash per Eumundi Share
	The Transaction Consideration will not be reduced by (and is in addition to payment of) an Interim Dividend of 2.4 cents per Eumundi Share which the Board expects to declare before the Scheme Meeting is held. ¹⁵	
Key conditions	<p>The conditions of the Takeover Offer are set out in full in section 9.7 of the Bidder's Statement and include:</p> <ul style="list-style-type: none"> • 90% Minimum Acceptance Condition; • no Prescribed Occurrences; • no material acquisitions, disposals or other events; 	<p>The conditions of the Scheme are set out in clause 3.1 of the Implementation Deed and include:</p> <ul style="list-style-type: none"> • no Prescribed Occurrences; • no material acquisitions, disposals or other events; • receipt of any applicable Regulatory Approvals and third

¹⁵ 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 9.7(i) of this Scheme Booklet for further detail regarding the Interim Dividend.

	<ul style="list-style-type: none"> • receipt of any applicable Regulatory Approvals and third party consents and the absence of regulatory actions; and • Scheme not approved by Eumundi Shareholders or the Court. 	<ul style="list-style-type: none"> • party consents and the absence of regulatory actions; • Requisite Majorities of Eumundi Shareholders (being more than 50% in number present and voting and at least 75% of votes cast) voting in favour of the Scheme; and • Court approval.
Recommendation of Eumundi Directors	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 ' <i>fair and reasonable</i> ' and not publicly changing or withdrawing that conclusion	VOTE IN FAVOUR of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the ' <i>best interests</i> ' of Eumundi Shareholders and not publicly changing or withdrawing that conclusion ¹⁶

This Scheme Booklet sets out details of the Scheme and the benefits which it provides to Eumundi Shareholders. Eumundi has also engaged BDO (**Independent Expert**) to prepare an Independent Expert's Report for the Scheme. A separate report has been prepared by the Independent Expert in respect of the Takeover Offer and is included in the Target's Statement.

You are strongly encouraged to read this Scheme Booklet, together with the Independent Expert's Report and the Target's Statement (including the report by the Independent Expert in respect of the Takeover Offer) and the Bidder's Statement before deciding how to vote on the Scheme and deal with your Eumundi Shares.

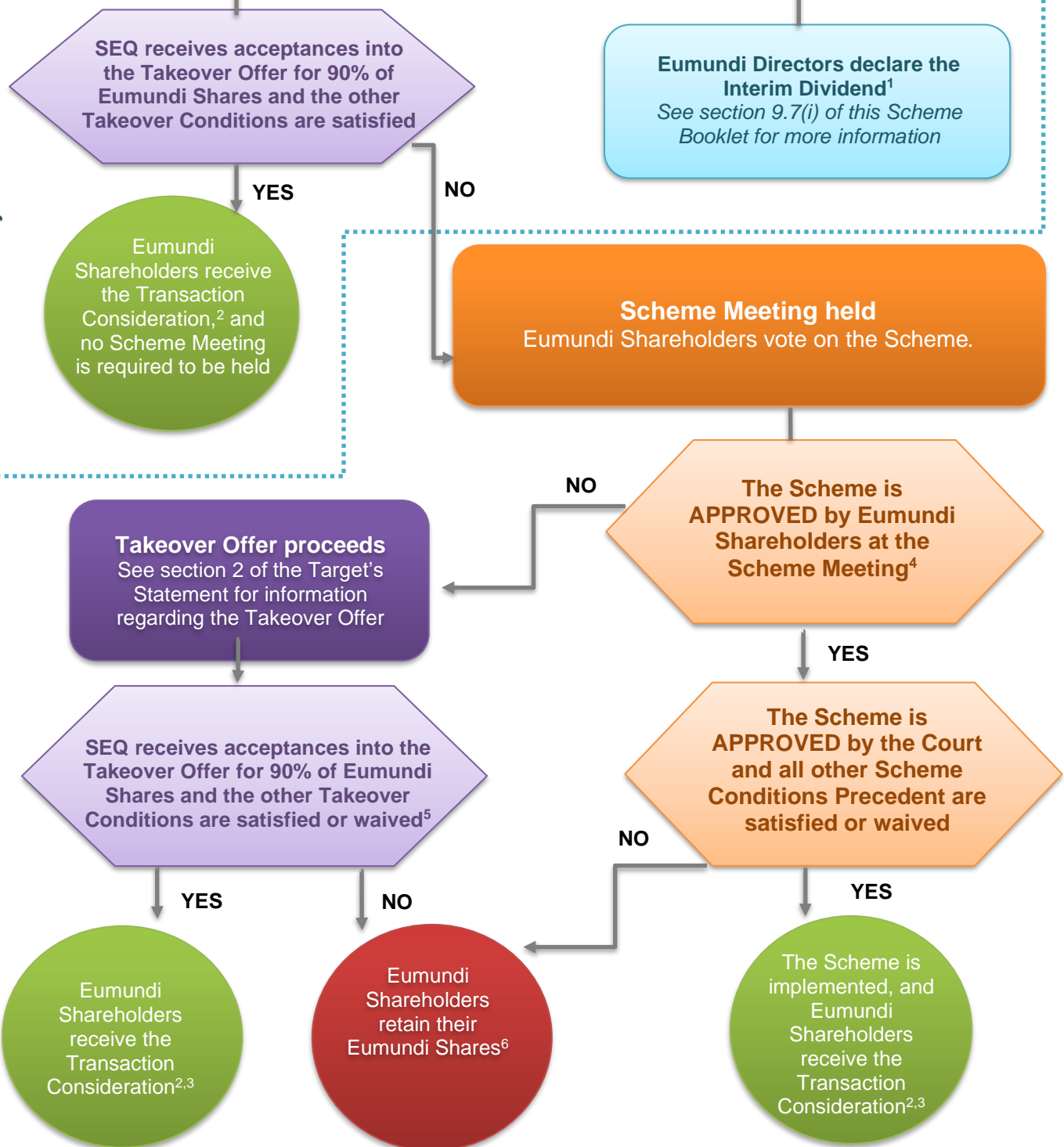
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¹⁶ In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of this Scheme Booklet and the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet.

TRANSACTION STRUCTURE

SEQ proposes to acquire all Eumundi Shares by way of simultaneous Takeover Offer and Scheme

PRIOR TO THE SCHEME MEETING
The Scheme Meeting is expected to occur on 31 January 2025



Footnotes to Transaction Structure Diagram:

1. The Eumundi Board expects to declare the Interim Dividend (as described in section 9.7(i)) before the Scheme Meeting is held.
2. The Transaction Consideration is an amount equivalent to the Transaction Consideration of \$1.62 per Eumundi Share held.
3. Plus the Interim Dividend to those Eumundi Shareholders on the Share Register as at the Interim Dividend Record Date – see section 9.7(i) for further information.
4. By the Requisite Majorities under the Corporations Act, being (a) more than 50% of Eumundi Shareholders present and voting at the Scheme Meeting and (b) at least 75% of votes cast.
5. If any of the Takeover Offer Conditions (see section 2.3 of the Target's Statement) are NOT satisfied or waived, the Takeover Offer will lapse and the Transaction will not proceed. See section 7.2 for a summary of the risks in the event the Transaction does not proceed and you retain your Eumundi Shares.
6. This outcome, in respect of the Takeover Offer, assumes that SEQ has not waived the Minimum Acceptance Condition (or any other Scheme Conditions Precedent or Takeover Conditions). SEQ has indicated that it has no current intention to waive any Takeover Conditions. However, it is open to SEQ to do so at its discretion, in accordance with the Corporations Act. In that circumstance, those Eumundi Shareholders who had accepted the Takeover Offer would receive a cash payment of \$1.62 for each of their Eumundi Shares, and the outcome described in section 1.7 of the Bidder's Statement may then apply. In respect of the Scheme, if the Scheme is not approved by the Court, and the Takeover Offer is not declared or does not become unconditional, the Transaction will not proceed and Eumundi Shareholders will retain their Eumundi Shares. If the Transaction does not proceed for any reason, and the Eumundi Board has declared the Interim Dividend, Eumundi Shareholders on the Share Register as at the Interim Dividend Record Date will remain entitled to receive the Interim Dividend.

1. Key Considerations Relevant to Your Vote

1.1 Summary

This section is a summary only and is not intended to address all of the relevant issues for Eumundi Shareholders in relation to the Transaction. Eumundi Shareholders should read the Scheme Booklet in full. This section should be read in conjunction with other sections of this Scheme Booklet.

If you would like any information regarding the Takeover Offer, you should refer to the Target's Statement and the Bidder's Statement. Copies of these documents can be found at Eumundi's website at <https://eumundigroup.com.au/asx-announcements/>.

The reasons to vote in favour of, or against, the Scheme are discussed in more detail in sections 1.2 and 1.3 below. Other considerations relevant to Eumundi Shareholders' vote are discussed in section 1.4 below.

1.2 Reasons to vote in favour of the Scheme

- (a) ***The Eumundi Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and provided that the Independent Expert concludes and (continues to conclude) that the Scheme is in the best interests of Eumundi Shareholders***

In reaching their unanimous recommendation, the Eumundi Directors assessed the Scheme having regard to the reasons to vote in favour of, or against, the Scheme, as set out in sections 1.2 and 1.3 this Scheme Booklet. The Eumundi Directors believe the Transaction Consideration proposed under the Scheme is attractive, and fairly recognises the value of both Eumundi's existing assets and its growth opportunities. In addition, the Scheme provides certain cash proceeds in the near term which may not be achieved if the Scheme does not proceed.

In the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of Eumundi Shareholders and not publicly changing or withdrawing that conclusion, each of the Eumundi Directors who hold or control Eumundi Shares intends to vote all of the Eumundi Shares which they hold or control in favour of the Scheme.¹⁷ The interests of the Eumundi Directors in Eumundi Shares are set out in section 9.2.

As at the date of this Scheme Booklet, the Eumundi Board is not aware of any Superior Proposal and has no basis to believe that a Superior Proposal is likely to emerge. The Implementation Deed, entered into with SEQ, permits Eumundi to engage with any party that offers a Superior Proposal, subject to certain conditions in favour of SEQ. A summary of the key terms of the Implementation Deed relating to the Scheme are provided in section 9.7 of this Scheme Booklet.

Regard was also given to contractual and other legal entitlements of Eumundi Directors or officers in the event of potential loss of office at Eumundi after implementation of the Scheme (refer section 9.6). Notwithstanding any of the Eumundi Directors' personal interests in the outcome of the Scheme, the Eumundi Directors consider that given the importance of the Scheme and their obligations as Eumundi Directors, it is important and appropriate for them to provide a recommendation to Eumundi Shareholders in relation to the Scheme.

¹⁷ As at the date of this Scheme Booklet, the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares.

- (b) ***The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and in the best interests of Eumundi Shareholders.***

The Eumundi Board appointed BDO as the Independent Expert to prepare an Independent Expert's Report opining on whether the Scheme is in the best interests of Eumundi Shareholders.

The Independent Expert estimated the value of Eumundi Shares, on a control basis, to be between \$1.502 and \$1.698 per Eumundi Share. Therefore, the Independent Expert has concluded that the Scheme is fair and reasonable in the absence of a Superior Proposal.

The Independent Expert's Report is contained in Schedule 1 of this Scheme Booklet. The Eumundi Directors encourage you to read this report in full.

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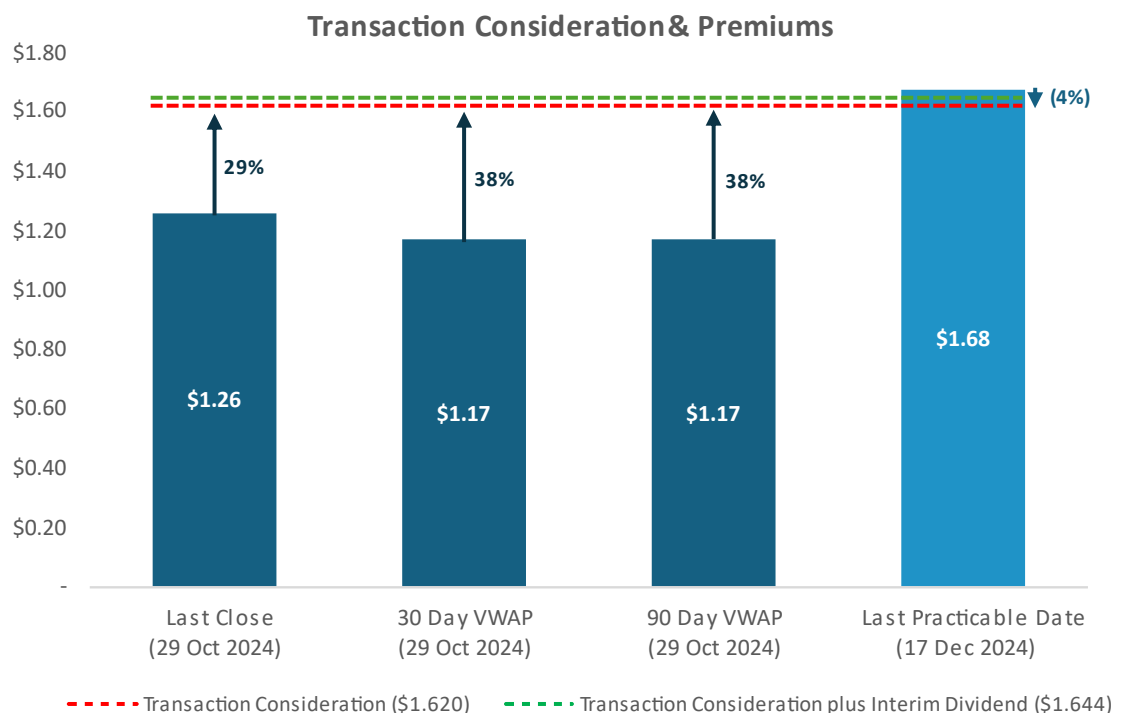
(c) **The Transaction Consideration represents an attractive premium to the historical trading prices of Eumundi Shares**

The Transaction Consideration of \$1.62 cash per Eumundi Share represents a substantial and attractive premium to longer-term trading prices of Eumundi Shares. This includes a 38% premium to the 30-day VWAP of Eumundi Shares of \$1.17 on 29 October 2024, being the last Trading Day prior to the Announcement Date.

Whilst the share trading price on the Last Practicable Date was \$1.68 (being 3.7% higher than the Transaction Consideration of \$1.62 per Eumundi Share), this price is not reflective of the historical longer-term trading prices of Eumundi Shares.

Importantly, the Transaction Consideration will not be reduced by an Interim Dividend of 2.4 cents per Eumundi Share, which the Eumundi Board expects to declare before the Scheme Meeting is held.¹⁸ In other words, if the Scheme becomes Effective, Eumundi Shareholders will receive the Interim Dividend (and any franking credits attaching to the Interim Dividend), in addition to the \$1.62 cash Transaction Consideration.

The following chart illustrates the premium represented by the Transaction Consideration and the additional benefit Eumundi Shareholders are expected to receive from the Interim Dividend relative to the recent trading prices of Eumundi Shares on the ASX prior to the Announcement Date. This chart also includes a comparison of the Transaction Consideration against the share trading price on the Last Practicable Date.

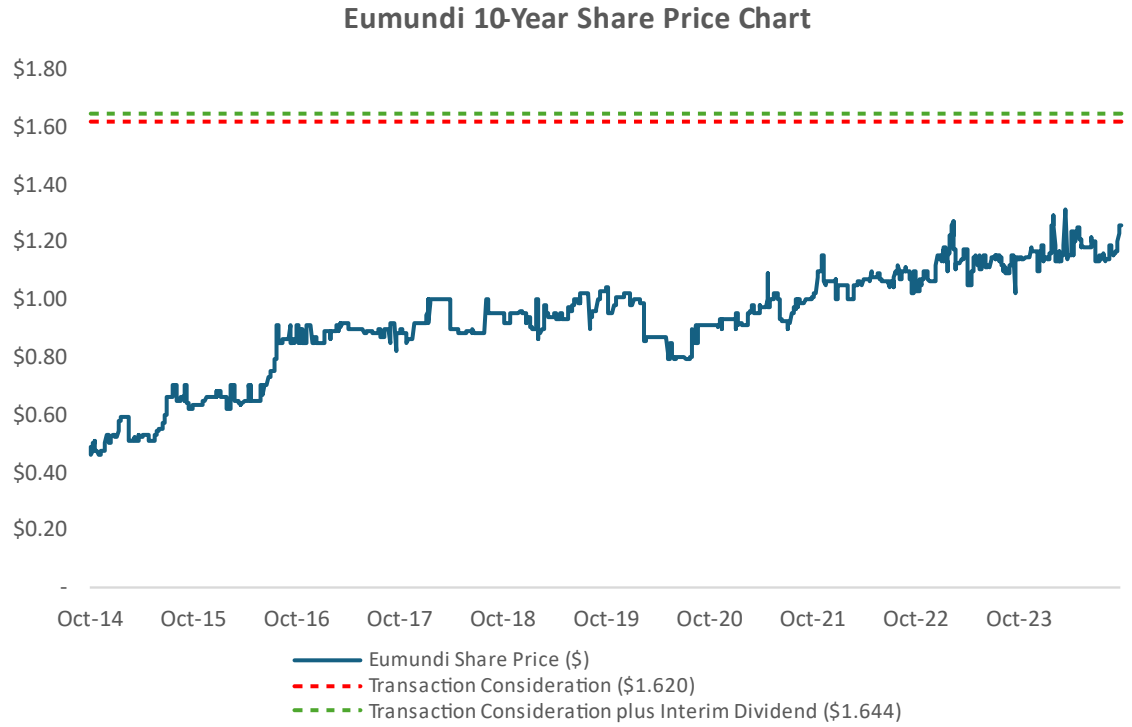


Source: IRESS as at 29 October 2024 (being the last Trading Day prior to the Announcement Date).¹⁹

¹⁸ 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 9.7(i) for further detail regarding the Interim Dividend.

¹⁹ Trading data is provided by IRESS. IRESS is not required to consent and has not consented to the use of such information or references in this Scheme Booklet; Assumes an Interim Dividend of 2.4 cents per Eumundi Share. The Eumundi Board expects that the Interim Dividend will be fully franked at the time it is declared.

As shown in the following chart, the Transaction Consideration is also materially higher than the closing prices of Eumundi Shares on the ASX in the 10-year period up to and including the Announcement Date.



Source: IRESS as at 29 October 2024 (being the last Trading Day prior to the Announcement Date).²⁰

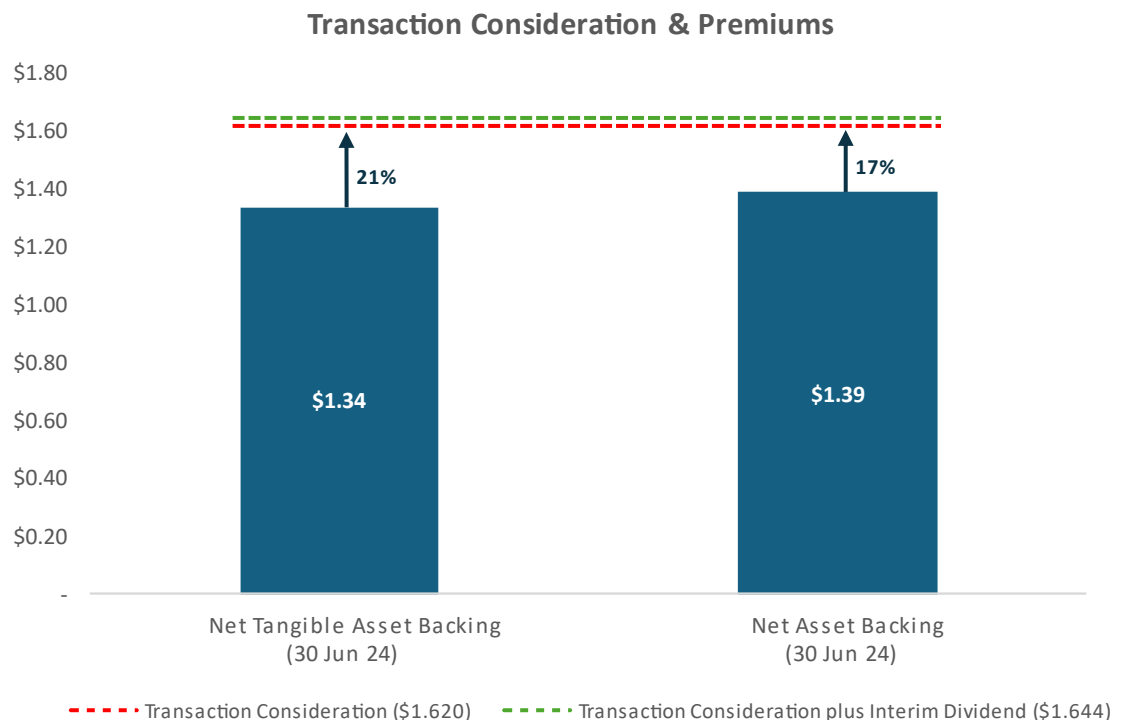
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²⁰ Trading data is provided by IRESS. IRESS is not required to consent and has not consented to the use of such information or references in this Scheme Booklet; Assumes an Interim Dividend of 2.4 cents per Eumundi Share. The Eumundi Board expects that the Interim Dividend will be fully franked at the time it is declared.

(d) **The Transaction Consideration represents an attractive premium to Eumundi's historical net tangible asset backing and net asset backing**

As at 30 June 2024, Eumundi reported net tangible asset backing of \$1.34 per Eumundi Share and net asset backing of \$1.39 per Eumundi Share.

As illustrated in the chart below, the Transaction Consideration of \$1.62 cash per Eumundi Share represents a meaningful premium to Eumundi's most recently audited net tangible asset backing and net asset backing per Eumundi Share of 21% and 17%, respectively as at 30 June 2024.



Source: Eumundi Annual Report for the Financial Year ended 30 June 2024.²¹

(e) **The Transaction provides a significant liquidity event for your highly illiquid Eumundi Shares**

In addition to the attractive premium to longer-term trading prices of Eumundi Shares provided by the Transaction, an additional and important consideration is that the Transaction provides an opportunity for all Eumundi Shareholders to monetise their investment, which is a significant benefit in volatile markets.

The liquidity in the trading of Eumundi Shares on the ASX in the ordinary course of business has been very low over the 12 months prior to the Announcement Date. Over this period, only 1.96% of the total Eumundi Shares on issue were traded on the ASX in the 12-month period up to the Announcement Date.²² As such, the average daily trading

²¹ Assumes an Interim Dividend of 2.4 cents per Eumundi Share. The Eumundi Board expects that the Interim Dividend will be fully franked at the time it is declared.

²² During this period, there were two instances in which Eumundi Shares traded outside of the ordinary course of business as special crossings: 1. On 19 January 2024, 1,000,000 Eumundi Shares were traded at \$1.28 per Eumundi Share; and 2. On 28 May 2024, 1,000,000 Eumundi Shares were traded at \$1.35 per Eumundi Share. In both instances, the Eumundi Shares were

volume of Eumundi Shares in the ordinary course of business was only 3,840 Eumundi Shares, or \$4,454.

If you choose to retain your Eumundi Shares, you may face the risks associated with poor liquidity which may lead to uncertainty regarding the monetisation of your investment in the future. Refer to section 7.2 for further information regarding the risks associated with holding Eumundi Shares.

(f) **The Transaction delivers certain and known value**

The consideration for the Transaction is 100% cash. This provides Eumundi Shareholders with certainty about the value of the consideration being offered (assuming the Scheme becomes Effective).

If your Eumundi Shares are registered in an Issuer Sponsored Holding in your name, you will not incur any brokerage fees on the sale of your Eumundi Shares which you would be likely otherwise to incur if you sell Eumundi Shares on-market.²³

(g) **No Superior Proposal has emerged since the Announcement Date**

Since the Announcement Date and up to the date of this Scheme Booklet, no Superior Proposal has emerged and the Eumundi Directors are not aware of, and have not received, any proposal or approach from any person which they expect is likely to lead to a Superior Proposal.

If a Competing Proposal is received, the Eumundi Directors will carefully consider the proposal to determine whether it is a Superior Proposal for Eumundi and Eumundi Shareholders, subject to the terms of the Implementation Deed.

The Eumundi Directors will keep Eumundi Shareholders informed if a Superior Proposal emerges and will make an announcement on the ASX in accordance with Eumundi's continuous disclosure obligations.

(h) **The Transaction mitigates the risks and uncertainties of remaining a Eumundi Shareholder**

The Scheme, if it becomes Effective, removes a number of risks associated with an investment in Eumundi on a stand-alone basis. These risks are summarised in section 7.2 of this Scheme Booklet.

When considering whether to vote in favour of the Scheme, Eumundi Shareholders should strongly consider the key risks in section 7.2 which may materially impact Eumundi's ability to achieve its strategic objectives in the event that the Scheme does not become Effective and Eumundi continues to operate on a stand-alone basis.

If the Scheme becomes Effective, Eumundi Shareholders will receive certain value for their Eumundi Shares and will no longer be exposed to the risks in section 7.2.

acquired by SCMS Pty Ltd atf SJ Shoobridge Superannuation Fund at a premium of \$0.11 above the immediately preceding trades in the ordinary course of business.

²³ If your Eumundi Shares are registered in a CHESS Holding, or if you are a beneficial owner whose Eumundi Shares are registered in the name of a broker, bank custodian or other nominee, you will not be obliged to pay stamp duty if the Scheme is implemented, but you should ask your Controlling Participant (usually your broker) or that nominee whether it will charge any transactional fees or service charges in connection with the implementation of the Scheme.

(i) **Eumundi's share price may fall if the Scheme is not implemented, the Takeover Offer lapses and no Superior Proposal emerges**

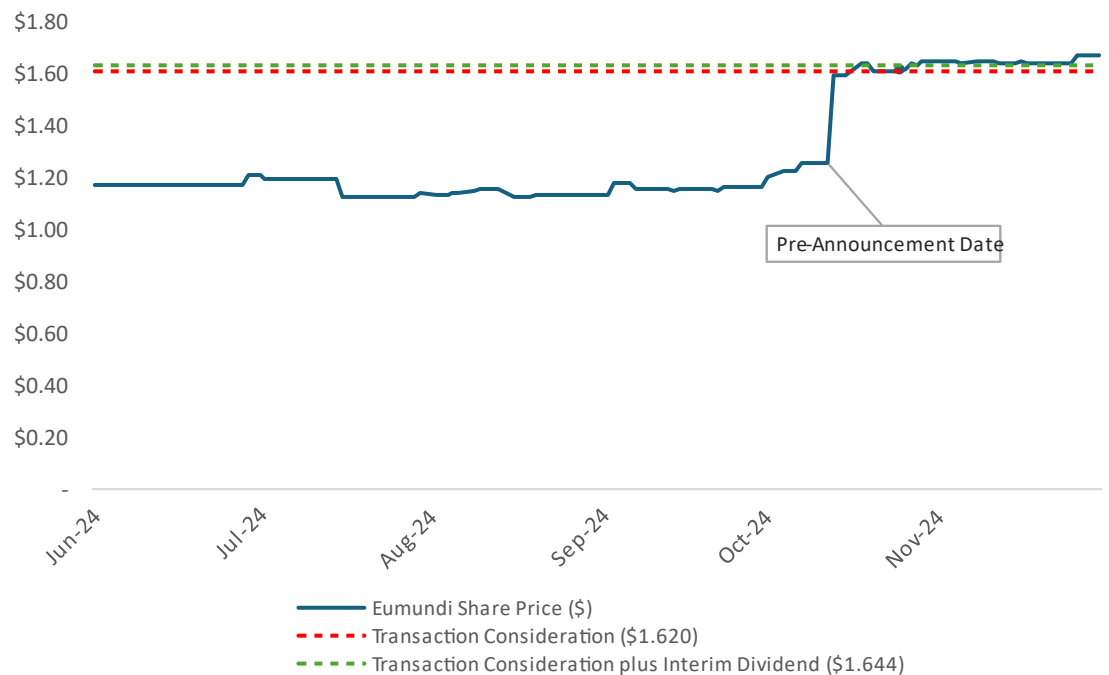
The Transaction Consideration of \$1.62 per Eumundi Share is approximately 29% above the last closing price of Eumundi Shares on the ASX prior to the Announcement Date, being \$1.26. For the six month period prior to the Announcement Date, Eumundi Shares traded between \$1.13 and \$1.26.

Since the Announcement Date, the Eumundi Share price has increased by 33.3% to \$1.68 on the Last Practicable Date.

These share price movements are illustrated in the chart below.

If the Scheme is not implemented, the Takeover Offer lapses and no Superior Proposal emerges, the Eumundi Share price may decline, potentially below the Transaction Consideration and closer to pre-Announcement Date levels. In these circumstances, Eumundi Shareholders may not have another opportunity to sell their Eumundi Shares for the Transaction Consideration of \$1.62 per Eumundi Share.

Eumundi 6-Month Share Price Chart



Source: IRESS as at the Last Practicable Date.²⁴

(j) **You risk becoming a minority Eumundi Shareholder if the Scheme does not succeed and the Takeover Offer is declared unconditional**

The Takeover Offer is conditional upon SEQ obtaining a Relevant Interest in at least 90% (by number) of the Eumundi Shares currently on issue. However, SEQ may, at its

²⁴ Trading data is provided by IRESS. IRESS is not required to consent and has not consented to the use of such information or references in this Scheme Booklet; Assumes an Interim Dividend of 2.4 cents per Eumundi Share. The Eumundi Board expects that the Interim Dividend will be fully franked at the time it is declared.

own discretion, elect to waive this Minimum Acceptance Condition in accordance with the Corporations Act.

Should the Scheme not be implemented, SEQ's Relevant Interest in Eumundi be greater than 50.1% but less than 90% and SEQ elects to waive the 90% Minimum Acceptance Condition, those Eumundi Shareholders who do not accept the Takeover Offer will become shareholders in a company controlled by SEQ which is likely to have even lower liquidity than it did prior to the Announcement Date.

- (k) **No brokerage will be payable by Eumundi Shareholders on the transfer of their Eumundi Shares under the Scheme.**

Eumundi Shareholders will not incur any brokerage on the transfer of their Eumundi Shares to SEQ under the Scheme.

1.3 Reasons to vote against the Scheme

The Eumundi Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of Eumundi Shareholders and not publicly changing or withdrawing that conclusion.²⁵ In addition, the Independent Expert has concluded that the Scheme is in the best interests of Eumundi Shareholders, in the absence of a Superior Proposal. However, there may be reasons which lead you to consider voting against the Scheme, including those set out below.

- (a) **You may disagree with the Eumundi Directors' unanimous recommendation**

The Eumundi Directors unanimously recommend that all Eumundi Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of Eumundi Shareholders and not publicly changing or withdrawing that conclusion.²⁶ You may disagree with the unanimous recommendation of your Eumundi Directors.

- (b) **You may disagree with the Independent Expert's assessments and/or conclusions and believe that the Scheme is not in your best interests**

The Independent Expert has concluded that the Scheme is in the best interests of Scheme Participants, in the absence of a Superior Proposal. You may disagree with the Independent Expert's assessments and/or conclusions. Refer to Schedule 1 for a copy of the Independent Expert's Report.

- (c) **If the Scheme proceeds, you will no longer be a Eumundi Shareholder and SEQ will seek to delist Eumundi from the ASX**

If the Scheme proceeds:

²⁵ In considering the unanimous recommendation and intentions of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 and 1.3 (in relation to the unanimous recommendation of the Eumundi Board).

²⁶ In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of this Scheme Booklet and the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet.

- For personal use only
- SEQ intends to arrange for Eumundi to apply for termination of the official quotation of Eumundi Shares on ASX and seek conversion of Eumundi from a public company to a proprietary company; and
 - you will no longer be a Eumundi Shareholder and will lose the ability to participate in any potential upside that may result from maintaining your investment in Eumundi.

This means that you will not participate in the future performance and potential growth of Eumundi and will not retain exposure to the value that could be created by Eumundi in the future. Once Eumundi is delisted, you will no longer be able to acquire a Relevant Interest in Eumundi Shares.

(d) **A Superior Proposal for Eumundi may materialise in the future**

It is possible that a Superior Proposal for Eumundi, which could be more attractive to Eumundi Shareholders than the Scheme, may materialise in the future. The implementation of the Scheme would mean that Eumundi Shareholders would not obtain the benefit of any such proposal.

The Eumundi Board is not currently aware of any such proposal and notes that since SEQ and Eumundi announced the Transaction, there has been a significant period of time and ample opportunity for a Superior Proposal for Eumundi to emerge.

If a Superior Proposal emerges, this will be announced to ASX, and your Eumundi Directors and their advisors would carefully consider such Superior Proposal and advise Eumundi Shareholders accordingly.²⁷

(e) **You may believe it is in your best interests to maintain your current investment and risk profile by holding shares in Eumundi**

You may prefer to keep your Eumundi Shares to preserve your investment in a listed public company with the specific characteristics of Eumundi. In particular, you may consider that despite the risk factors relevant to Eumundi's potential future options (including those set out in section 7.2 of this Scheme Booklet), Eumundi may be able to return greater value from its assets by remaining a standalone entity, or by seeking alternative corporate transactions in the future. You may also consider that it would be difficult to identify or invest in alternative investments that have a similar investment profile to Eumundi.

In deciding that they should recommend the Scheme, the Eumundi Directors determined that, on balance, the value represented by the Scheme would be more favourable to Eumundi Shareholders than the options and risks that might otherwise be available to or faced by Eumundi Shareholders if they were to retain their investment in Eumundi.

Refer to section 3.10 of this Scheme Booklet regarding the consequences for Eumundi should the Scheme not proceed (which includes information regarding the risks for Eumundi Shareholders in such a scenario).

(f) **The tax consequences of the Scheme may be adverse to your own financial position or circumstances**

If the Scheme is implemented, this may trigger taxation implications for you than would have otherwise been the case. You should carefully read the taxation considerations

²⁷ Eumundi Shareholders should note that Eumundi is subject to exclusivity provisions under the Implementation Deed (see section 9.7(d)). Subject to certain conditions in favour of SEQ and compliance with the relevant provisions of the Implementation Deed, Eumundi is able to engage with a party which offers a Superior Proposal.

outlined in section 8 and seek professional taxation advice with respect to individual taxation situations.

1.4 **Other considerations relevant to your vote**

In addition to the factors described above, the Eumundi Directors also consider the following factors may be relevant to your decision on how to vote on the Scheme Resolution:

(a) **The Scheme may be implemented even if you vote against it**

Even if you do not vote on, or vote against, the Scheme Resolution at the Scheme Meeting, the Scheme may still be implemented if the Scheme Resolution is approved by the Requisite Majority of Eumundi Shareholders and, subsequently, the Court.

(b) **Scheme Conditions Precedent**

The Scheme is subject to a number of Scheme Conditions Precedent that are summarised in section 3.5. If these Scheme Conditions Precedent are not satisfied (or, if applicable, not waived), the Scheme will not proceed, even if it is approved by the Requisite Majority of Eumundi Shareholders at the Scheme Meeting.

(c) **Regulatory Approvals**

The Scheme, and the Transaction generally, may be subject to any required Regulatory Approvals.

(d) **Break fee and reverse break fee**

If the Scheme does not become Effective, a 'break fee' or 'reverse break fee' payment (in either case, \$771,400) may become payable by Eumundi or SEQ (depending on the circumstances). The circumstances in which such a payment would be payable by Eumundi or SEQ (as the case may be) are summarised in sections 9.7(e) and 9.7(f).

(e) **Warranties and agreements by Scheme Participants**

Under the Scheme, each Scheme Participant is taken to have warranted, agreed and consented to certain matters as are detailed in section 3.9.

(f) **Risks**

If the Scheme becomes Effective, Eumundi Shareholders will receive the Transaction Consideration, cease to be an Eumundi Shareholder, and will no longer be directly exposed to the existing risks relating to Eumundi's business and an investment in Eumundi Shares which are summarised in section 7 (and other risks which Eumundi may be exposed to).

However, if the Scheme does not proceed (and the Takeover Offer is not otherwise declared, or does not become, unconditional) Eumundi will continue to operate as a standalone entity listed on ASX, Eumundi Shareholders will continue to hold their Eumundi Shares and be exposed to these risks and any opportunities associated with that investment.

While the Eumundi Directors unanimously recommend that Eumundi Shareholders **VOTE IN FAVOUR** of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of Eumundi Shareholders and not publicly changing or withdrawing

that conclusion,²⁸ Eumundi Shareholders are encouraged to make their own independent assessment as to whether to vote in favour of the Scheme and should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*) and section 7 (*Summary of Key Risks*) in making their assessment.

(g) **Implications for Eumundi if the Scheme is not implemented**

If the Scheme is not implemented (and the Takeover Offer is not otherwise declared, or does not become, unconditional), Eumundi Shareholders will retain their Eumundi Shares and will not receive the Transaction Consideration. A summary of the key risks for Eumundi and Eumundi Shareholders if the Scheme is not implemented is set out in section 7.

The total costs of the transaction response depends on, without limitation, the outcome of the Takeover Offer or the Scheme, the duration of the Takeover Offer and required response activities, as well as the complexity of the issues addressed in the response. These costs will be reflected in Eumundi's financial results for the year ending 30 June 2025 and may extend into future financial years depending on the factors mentioned earlier. As at the Last Practicable Date, Eumundi has incurred approximately \$770,000 in transaction response costs. Refer to section 9.13 of this Scheme Booklet for more details.

(h) **Exclusivity obligations**

The Implementation Deed provides that Eumundi is subject to certain exclusivity obligations and restrictions, including no existing discussions, no shop, no talk, no due diligence and notification obligations, and also provides that SEQ has a matching right in respect of Competing Proposals. Refer to section 9.7(d) for further information on these arrangements.

(i) **The opinion of the Independent Expert**

The Eumundi Board appointed BDO as the Independent Expert to opine on whether the Scheme is in the best interests of Eumundi Shareholders within an Independent Expert's Report.

The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and in the best interests of Eumundi Shareholders.

A complete copy of the Independent Expert's Report is attached at Schedule 1 to this Scheme Booklet. You are encouraged to read the Independent Expert's Report in its entirety.

(j) **You may wish to sell your Eumundi Shares on market**

You may wish to sell some or all of your Eumundi Shares on market before the closing of trading on ASX on the Effective Date (currently expected to be 5 February 2025) at the then prevailing market price (which could include prices at or above the Transaction Consideration).

²⁸ In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of this Scheme Booklet and the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet.

If you sell your Eumundi Shares on market:

- (1) you will lose the opportunity to receive future returns from Eumundi, including the Interim Dividend (which is expected to be declared by the Eumundi Board prior to the Scheme Meeting)²⁹;
- (2) may have potential taxation consequences on which you should obtain independent tax advice that is specific to your particular circumstances;
- (3) you may incur a brokerage charge; and/or
- (4) you may receive payment (which may vary from the Transaction Consideration) for the sale of your Eumundi Shares sooner than you would receive the Transaction Consideration.

The remainder of this page is intentionally left blank.

²⁹ Assuming you are removed from the Share Register before the Interim Dividend Record Date.

2. Frequently Asked Questions

This Scheme Booklet contains detailed information on the Scheme. The following section provides summary answers to some basic questions you may have in relation to the Scheme and will assist you to locate further detailed information in this Scheme Booklet. You should also be aware that further information in respect of the Takeover Offer is provided in the Target's Statement and the Bidder's Statement.

Question	Answer	More information
Overview of the Transaction		
What is the Transaction?	<p>The Transaction is a proposal from SEQ to acquire all Eumundi Shares at a price of \$1.62 per Eumundi Share by way of both an off-market takeover offer (Takeover Offer) and scheme of arrangement (Scheme), in the alternative, under a dual and concurrent process.</p> <p>The Takeover Offer is conditional on, amongst other things, SEQ acquiring a Relevant Interest in at least 90% of Eumundi Shares³⁰ and the Scheme not becoming Effective. If the Scheme proceeds, the Takeover Offer will lapse and SEQ will acquire all Eumundi Shares under the Scheme.</p> <p>As at the Last Practicable Date, SEQ holds a Relevant Interest in 35,155,945 Eumundi Shares pursuant to the Takeover Offer. The power of SEQ to vote or dispose of those Eumundi Shares that are the subject of acceptance of the Takeover Offer is qualified since the Takeover Offer has not been declared unconditional and SEQ is not presently registered as the holder of the Eumundi Shares. The Eumundi Shares which are the subject of acceptances of the Takeover Offer will not be transferred to SEQ unless the Takeover Offer is declared, or becomes, unconditional or the Scheme is implemented.</p>	Overview of the Transaction
Why has a dual process been proposed for the Transaction structure?	<p>Each of the Takeover Offer and the Scheme are proposed, being concurrent transactions in the alternative, to allow Eumundi Shareholders the best opportunity to receive the offer price of \$1.62 per Eumundi Share offered by SEQ. While the Transaction is less common than a standalone takeover bid or scheme of arrangement, its structure has been designed to provide the best chance of success.</p> <p><i>Importantly, you can accept the Takeover Offer and vote on the Scheme at the same time, because the terms of each of the Takeover Offer and the Scheme determine which Transaction process will proceed.</i>³¹</p>	Overview of the Transaction

³⁰ SEQ has retained the discretion to waive any of the Takeover Conditions (including the Minimum Acceptance Condition).

³¹ Namely, whether the Scheme will be implemented or whether the Takeover Offer will proceed.

Question	Answer	More information
	The Eumundi Directors unanimously recommend that you VOTE IN FAVOUR of the Scheme. ³²	
How do the Takeover Offer and the Scheme relate?	<p>If the Takeover Offer is or has been declared unconditional prior to the Scheme Meeting,³³ it is the intention of the Eumundi Directors that the Scheme would not proceed, subject to compliance with any regulatory requirements and Eumundi obtaining the agreement of SEQ and any consent required from the Court. The Takeover Offer would then become the relevant Transaction for Eumundi Shareholders.</p> <p>If the Takeover Offer remains conditional at the time of the Scheme Meeting and the Scheme is approved by the Requisite Majorities of Eumundi Shareholders (and all other conditions of the Scheme have been satisfied or waived), the Scheme will be implemented³⁴ and the Takeover Offer will lapse.</p> <p>However, if the Takeover Offer remains conditional at the time of the Scheme Meeting and the Scheme is not implemented for any reason, your shareholding in Eumundi may nevertheless be acquired by SEQ if the Takeover Offer is subsequently declared unconditional.</p>	Section 4.2
Who is SEQ?	<p>SEQ is a special purpose vehicle incorporated for the purposes of the Transaction. SEQ and its holding company, SEQ Hospitality Group Holdings Pty Ltd (SEQ Holdings), are part of the Fortitudo Group.</p> <p>The Fortitudo Group is an independent hotel and liquor retail operator based in Southeast Queensland which owns and operates several popular venues, including the QA Hotel in New Farm and Treetops Tavern in Burleigh Waters, as well as 3 additional hotels and 17 bottle shops.</p>	Section 6.2
How is SEQ funding the Transaction Consideration	SEQ has confirmed that it will meet its payment obligations under the Takeover Offer or the Scheme (as applicable) using funds committed to it under the arrangements described in section 5.2 of the Bidder's Statement, and subsequently confirmed in section 1.2 of the Second Supplementary Bidder's Statement issued on 16 December 2024. See section 6.4 of this	Section 6.4

³² In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of this Scheme Booklet and the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet.

³³ SEQ has indicated that it has no current intention to waive any Takeover Conditions. However, it is open to SEQ to do so at its discretion, in accordance with the Corporations Act. In that circumstance, those Eumundi Shareholders who had accepted the Takeover Offer would receive a cash payment of \$1.62 for each of their Eumundi Shares, and the outcome described in section 1.7 of the Bidder's Statement may then apply.

³⁴ If the Scheme is implemented, you will be required to sell your Eumundi Shares to SEQ even if you did not vote in favour of Scheme. See section 4.3 for more information.

Question	Answer	More information
	<p>Scheme Booklet for further detail regarding SEQ's funding arrangements.</p> <p>Neither the Takeover Offer nor the Scheme is subject to any financing condition.</p>	
Overview of the Takeover Offer		
What is the Takeover Offer?	<p>The Takeover Offer is an offer by SEQ to acquire all Eumundi Shares by way of an off-market takeover bid, at an offer price of \$1.62 per Eumundi Share.</p> <p>All information relevant to the Takeover Offer, including a specific independent expert's report, is included in the Target's Statement. You are strongly encouraged to read the Target's Statement, together with the report issued by the Independent Expert in respect of the Takeover Offer, before deciding how to deal with your Eumundi Shares under the Takeover Offer.</p>	N/A
Overview of the Scheme		
What is a scheme of arrangement?	<p>A scheme of arrangement is a legal arrangement between a company and its shareholders and involves a company putting forward a proposal to its shareholders for them to consider, and, if thought fit, approve. Before a scheme of arrangement can come into effect, it must be approved by the shareholders at a meeting (usually referred to as a scheme meeting), by:</p> <ul style="list-style-type: none"> • unless the Court orders otherwise, a majority in number (more than 50%) of the shareholders present and voting at the scheme meeting (either in person or by proxy, corporate representative or attorney); and • at least 75% of the total number of votes cast on the resolution at the scheme meeting by shareholders entitled to vote on the resolution. <p>It must also be approved by the Court.</p> <p>Once the scheme of arrangement is approved by the shareholders and the Court, it binds all shareholders to the proposal (including those who may have voted against it or may not have voted at all).</p>	Section 3
What is the Scheme?	The Scheme proposes that SEQ will acquire all of the issued shares in Eumundi by way of a Court approved scheme of arrangement.	Section 3.1
Who is entitled to participate in the Scheme?	Eumundi Shareholders who hold Eumundi Shares on the Record Date are entitled to participate in the Scheme.	Section 3.6(d)
What are SEQ's intentions for Eumundi if the Scheme is implemented?	Subject to, among other things, the completion of a strategic review of Eumundi operations, on the basis of the facts and information concerning Eumundi that are known to it and the existing circumstances affecting the	Section 6.5

Question	Answer	More information
	<p>assets and operations of Eumundi at the date of this Scheme Booklet:</p> <ul style="list-style-type: none"> • to continue the business of Eumundi in substantially the same manner as it is presently conducted; • not make any major changes to the business of Eumundi or the deployment of Eumundi's assets; and • to continue the employment of a vast majority of Eumundi employees. <p>If the Scheme becomes Effective, SEQ intends to replace all the members of the Eumundi Board and the members of the boards of Eumundi's subsidiaries with nominees of SEQ, and arrange for Eumundi to apply for termination of the official quotation of Eumundi Shares on ASX and seek conversion of Eumundi from a public company to a proprietary company. If this occurs, Eumundi Shareholders will no longer be able to acquire a Relevant Interest in Eumundi Shares.</p> <p>See section 6.5 for further detail regarding SEQ's intentions regarding Eumundi if the Scheme becomes Effective.</p>	
Transaction Consideration		
What consideration will I receive if the Scheme is implemented?	Scheme Shareholders will be entitled to receive a cash payment of \$1.62 for every Eumundi Share held on the Record Date.	Sections 3.4 and 3.6(d)
Do I need to sign anything to transfer my Eumundi Shares?	No. If the Scheme becomes Effective, Eumundi will have authority to sign a transfer instrument on behalf of Scheme Shareholders.	Section 3.6(e)
When will I be paid the Transaction Consideration?	If the Scheme becomes Effective, on the Implementation Date Eumundi will pay the Transaction Consideration received from SEQ to the Scheme Shareholders.	Section 3.4
How will I be paid the Transaction Consideration?	<p>Payments will be made by:</p> <ul style="list-style-type: none"> • sending a cheque in Australian currency by pre-paid post to the relevant Scheme Participant's address as recorded in the Share Register at the Record Date; or • making a deposit in Australian currency into an Australian authorised deposit-taking institution, notified by the relevant Scheme Participant to Eumundi and recorded in or for the purposes of the Share Register as at the Record Date. <p>Where the calculation of the Transaction Consideration to be provided to a Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a</p>	Section 3.4

Question	Answer	More information
	fraction of a cent, the fractional entitlement will be rounded to the nearest whole cent.	
What premium does the Transaction Consideration represent?	<p>The Transaction Consideration of \$1.62 cash per Eumundi Share represents a substantial and attractive premium to longer-term trading prices of Eumundi Shares. This includes a 38% premium to the 30-day VWAP of Eumundi Shares of \$1.17 on 29 October 2024, being the last Trading Day prior to the Announcement Date.</p> <p>Eumundi Shareholders should refer to section 1.2(c) for further detail in this regard.</p>	Section 1.2(c)
How will the Scheme be implemented?	<p>If the Scheme becomes Effective, no further action is required on the part of Eumundi Shareholders in order to implement the Scheme. Under the Scheme, Eumundi is given authority to effect a valid transfer of all Eumundi Shares to SEQ and to enter the name of SEQ in the Register as holder of all Eumundi Shares. If the Scheme becomes Effective, any Eumundi Shares held by you on the Record Date will be transferred to SEQ and you will be provided with the Transaction Consideration.</p>	Section 3.6
Is SEQ bound to provide the Transaction Consideration?	<p>Yes – under the Scheme and the Deed Poll, SEQ must (subject to the Scheme becoming Effective) provide the Transaction Consideration to Scheme Participants on the Implementation Date (which is currently scheduled for 14 February 2025).</p> <p>Under the Scheme, Scheme Participants appoint Eumundi as their attorney and agent to do and execute all acts, matters, things and documents on the part of each Scheme Participant necessary to implement and give full effect to the Scheme (including executing a Scheme Transfer and any instrument appointing SEQ as sole proxy for or, where applicable, corporate representative of each Scheme Participant).</p>	Sections 3.6(c) and 3.6(e)
What are the tax consequences of the Scheme for me?	<p>A general outline of the Australian tax implications of the Scheme is set out in section 8.</p> <p>As the outline is general in nature, you should consult with your own tax adviser in light of your individual circumstances before making a decision as to whether or not to vote in favour of the Scheme.</p>	Section 8
Will I have to pay brokerage or stamp duty?	Scheme Shareholders will not be required to pay brokerage or stamp duty on the transfer of their Eumundi Shares.	Sections 1.2(k), 8.7 and 9.7(l)
What will be the effect of the Scheme?	<p>If the Scheme is approved by the Requisite Majority of Eumundi Shareholders and the Court, and if all other Scheme Conditions Precedent are satisfied (or waived, if applicable):</p> <ul style="list-style-type: none"> all of your Eumundi Shares will be transferred to SEQ with effect from the Implementation Date; 	Sections 3.1 and 3.6

Question	Answer	More information
	<ul style="list-style-type: none"> • in exchange you will receive the Transaction Consideration for each Eumundi Share you hold; and • Eumundi will become a wholly owned subsidiary of SEQ. 	
<p>What do the Eumundi Directors recommend?</p>	<p>The Eumundi Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of Eumundi Shareholders and not publicly changing or withdrawing that conclusion.³⁵</p> <p>Subject to those same qualifications, each Eumundi Director who holds or controls Eumundi has advised the Eumundi Board that they intend to vote the Eumundi Shares they hold or control in favour of the Scheme at the Scheme Meeting.</p> <p>The reasons for the Eumundi Directors' recommendation and other matters that you may wish to consider are outlined in the Letter from the Eumundi Chair, FAQs and in the following sections of this Scheme Booklet:</p> <ul style="list-style-type: none"> • section 1.2 (<i>Key reasons to vote in favour of the Scheme</i>); • section 1.3 (<i>Key reasons to vote against the Scheme</i>); • section 3.2 (<i>Eumundi Directors' unanimous recommendation and voting intentions</i>); and • sections 9.2 to 9.6 (<i>Other information regarding interest of Eumundi Directors</i>). 	<p>Letter from the Eumundi Chair, Section 1.2, 1.3, 3.2 and 9.2 to 9.6.</p>
<p>What is the Independent Expert's conclusion?</p>	<p>BDO, as the Independent Expert, has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and in the best interests of Eumundi Shareholders.</p> <p>The rationale as to why the Independent Expert has reached that conclusion is set out in the Independent Expert's Report at Schedule 1 of this Scheme Booklet.</p> <p>The Eumundi Directors encourage you to read the Independent Expert's Report in full before deciding on how to vote on the Scheme. If the Independent Expert changes its conclusion (either in the Independent Expert's Report or any update of it), the Eumundi Board will consider the revised opinion and may change their recommendation. In these circumstances, Eumundi may terminate the Implementation Deed.</p>	<p>Section 3.3 and Schedule 1</p>

³⁵ In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of this Scheme Booklet and to the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet.

Question	Answer	More information
Voting Considerations		
<p>What are the key reasons to vote in favour of the Scheme?</p>	<p>Reasons why you may consider voting in favour of the Scheme include:</p> <ul style="list-style-type: none"> ➤ The Independent Expert has concluded that the Scheme is in the 'best interests' of Eumundi Shareholders. ➤ The Transaction Consideration represents an attractive premium to Eumundi's historical longer term Share trading prices. ➤ The Transaction Consideration represents an attractive premium to Eumundi's historical net tangible asset backing and net asset backing. ➤ The Scheme provides a significant liquidity event for your highly illiquid Eumundi Shares. ➤ The 100% cash Scheme delivers certain and known value. ➤ No Superior Proposal has emerged since the Announcement Date. ➤ The Scheme mitigates the risks and uncertainties of remaining a Eumundi Shareholder (refer to section 7.2). ➤ The Eumundi Share price may fall if the Scheme is not implemented, the Takeover Offer lapses, and no Superior Proposal emerges. ➤ If the Scheme does not proceed and the Takeover Offer is declared unconditional, those Eumundi Shareholders who have not accepted into the Takeover Offer will become minority shareholders in Eumundi, which may no longer be listed on ASX. 	<p>Sections 1.1 and 1.2</p>
<p>What are the key reasons to vote against the Scheme?</p>	<p>Reasons why you may consider voting against the Scheme include:</p> <ul style="list-style-type: none"> ➤ You may disagree with the Directors' unanimous recommendation. ➤ You may disagree with the Independent Expert's assessments and/or conclusions and believe that the Scheme is not in your best interests. ➤ A Superior Proposal for Eumundi may materialise in the future. As at the date of this Scheme Booklet, the Eumundi Board is not aware of any Superior Proposal. ➤ You may wish to remain a Eumundi Shareholder to be able to participate in the future financial performance of Eumundi (assuming that SEQ does not acquire a Relevant Interest under the Takeover Offer which is sufficient to entitle SEQ to compulsorily acquire the balance of the Eumundi Shares or otherwise apply for Eumundi to be delisted from the ASX and seek conversion of 	<p>Sections 1.1 and 1.3</p>

Question	Answer	More information
	<p>Eumundi from a public company to a proprietary company).³⁶</p> <ul style="list-style-type: none"> ➤ You may believe it is in your best interests to maintain your current investment and risk profile. ➤ You may want to sell your Eumundi Shares on ASX if you expect the net proceeds to be higher or that you will be paid sooner. If you sell your Eumundi Shares on market: <ul style="list-style-type: none"> ○ you will receive the price on market, which may be higher or lower than the Transaction Consideration; ○ in the event the Scheme is not implemented, you: <ul style="list-style-type: none"> • will lose the ability to accept the Takeover Offer or any other Superior Proposal which may eventuate; and • will not be entitled to receive any increased consideration if SEQ subsequently increases the Takeover Offer Consideration; and • you may incur brokerage charges; and • depending on when you sell your Eumundi Shares, you may not be entitled to receive the Interim Dividend. ➤ The tax consequences of the Scheme may be adverse to your own financial position or circumstances. 	
<p>Are there any other considerations relevant to my vote on the Scheme?</p>	<p>In addition to the factors that the Eumundi Board has taken into account in recommending the Scheme to Eumundi Shareholders or which may lead Eumundi Shareholders to vote against the Scheme, as described above, the other key considerations that the Eumundi Board considers may be relevant to an Eumundi Shareholder's decision on how to vote on the Scheme Resolution include:</p> <ul style="list-style-type: none"> • even if you do not vote on, or vote against, the Scheme Resolution at the Scheme Meeting, the Scheme may still be implemented if the Scheme Resolution is approved by the Requisite Majority of Eumundi Shareholders and, subsequently, the Court; • the Scheme is subject to a number of Scheme Conditions Precedent. If these Scheme Conditions Precedent are not satisfied (or, if applicable, waived), the Scheme will not proceed, even if it is approved by the Requisite Majority of Eumundi Shareholders at the Scheme Meeting; and 	<p>Section 1.4</p>

³⁶ If Eumundi is delisted from the ASX, Eumundi Shareholders will no longer be able to acquire a Relevant Interest in Eumundi Shares.

Question	Answer	More information
	<ul style="list-style-type: none"> there are risks for Eumundi Shareholders if the Scheme becomes, or does not become, Effective (see section 7). 	
Implementation of the Scheme		
What are the key steps required to implement the Scheme?	<p>The key remaining steps to implement the Scheme are:</p> <ul style="list-style-type: none"> approval of the Scheme Resolution by Eumundi Shareholders at the Scheme Meeting; the satisfaction (or, if applicable, waiver) of the Scheme Conditions Precedent; Court approval of the Scheme at the Second Court Date; and lodgement of the Court order with ASIC, which will cause the Scheme to become Effective. <p>Following lodgement of the Court order with ASIC, the Scheme will become Effective and will be implemented. If the Scheme is implemented:</p> <ul style="list-style-type: none"> Scheme Participants will receive the Transaction Consideration on the Implementation Date; and all Eumundi Shares will be transferred to SEQ. 	Sections 3.4 and 3.6
Is the Scheme subject to any conditions?	<p>Implementation of the Scheme is subject to a number of outstanding Scheme Conditions Precedent that are summarised in section 3.5.</p> <p>The full details of the Scheme Conditions Precedent are contained in clause 3.1 of the Implementation Deed, a summary of which is provided in section 9.7.</p> <p>All of the Scheme Conditions Precedent need to be satisfied or waived (where capable of waiver) before the Scheme can be implemented.</p>	Section 3.5
Can all the Scheme Conditions Precedent be waived?	<p>No. The Scheme Conditions Precedent relating to approval from Eumundi Shareholders and the Court, cannot be waived. The other Scheme Conditions Precedent can only be waived by the party for whose benefit the condition operates, or where both parties benefit, by consent.</p>	Section 3.5
Where and when will the Scheme Meeting be held?	<p>The Scheme Meeting will be held at 10:00am (AEST) on 31 January 2025 at the offices of HopgoodGanim Lawyers, Level 7, Waterfront Place, 1 Eagle Street, Brisbane, Queensland.</p>	Sections and 3.6(a) and 4.2
What happens if the Scheme Resolution is approved at the Scheme Meeting?	<p>If the Scheme Resolution is approved, Eumundi will apply to the Court for orders approving the Scheme.</p>	Section 3.6(b)
What happens if the Scheme is approved by the Court?	<p>If the Scheme is approved by the Court at the Second Court Date (expected to be held on 4 February 2025), Eumundi anticipates lodging the orders with ASIC on the day following Court approval, at which time the</p>	Section 3.6(c)

Question	Answer	More information
	Scheme will become Effective (this date being, the Effective Date).	
What happens after the Scheme becomes Effective?	Eumundi Shares will be suspended from further trading on ASX from close of trading on the Effective Date.	Section 3.6(d)
What happens on the Implementation Date?	On the Implementation Date, SEQ will become the holder of all Eumundi Shares and Scheme Shareholders will be paid the Transaction Consideration. Following implementation of the Scheme, the Takeover Offer will lapse.	Sections 3.4 and 3.6(e)
Do I have to give any warranties or consents in relation to my Eumundi Shares?	<p>Yes. Each Scheme Participant (including those who vote against the Scheme and those who do not vote):</p> <ul style="list-style-type: none"> • irrevocably agrees to the transfer of their Eumundi Shares together with all rights and entitlements attaching to those Eumundi Shares in accordance with the Scheme; • irrevocably agrees to the variation, cancellation or modification of the rights attached to their Eumundi Shares constituted by or resulting from the Scheme; • acknowledges and irrevocably agrees that this Scheme binds Eumundi and all Scheme Participants (including those who do not attend the Scheme Meeting and those who do not vote, or vote against this Scheme, at the Scheme Meeting) and, to the extent of any inconsistency, overrides the Constitution of Eumundi; and • irrevocably consents to Eumundi and SEQ doing all things and executing all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the terms of the Scheme and the transactions contemplated by it, <p>without the need for any further act by that Scheme Participant.</p> <p>Each Scheme Participant will be deemed to have warranted to Eumundi, in its own right and for the benefit of SEQ, that:</p> <ul style="list-style-type: none"> • all of their Scheme Shares (including any rights and entitlements attaching to those shares) which are transferred to SEQ under the Scheme will be transferred to SEQ free from all mortgages, pledges, charges, liens, encumbrances and security interests and other interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind; and • they have full power and capacity to sell and transfer their Scheme Shares to SEQ (including any rights and entitlements 	Section 3.9

Question	Answer	More information
	attaching to those shares as at the Implementation Date).	
Voting Details		
What vote is required to approve the Scheme?	Approval of the Scheme requires at least 50% of the Eumundi Shareholders who vote on the Scheme Resolution to vote in favour of that resolution and then their votes must be at least 75% of the total number of votes cast on the Scheme Resolution.	Section 3.6(a)
Is voting compulsory?	No, voting is not compulsory. However, your vote is important. If you cannot attend the Scheme Meeting, you should complete and return the Proxy Form enclosed with this Scheme Booklet.	Section 4
Can SEQ vote?	<p>Neither SEQ, nor its Associates, can vote. They have no entitlement to vote from the Eumundi Shares which are the subject of acceptances of the Takeover Offer, whilst the Takeover Offer remains subject to conditions. Other than the Eumundi Shares which are the subject of acceptances of the Takeover Offer, neither SEQ nor its Associates hold any interest in Eumundi Shares at the date of this Scheme Booklet.</p> <p>If, before the Scheme Meeting, SEQ acquires a Relevant Interest in any Eumundi Shares pursuant to the Takeover Offer, the voting rights attached to those Eumundi Shares during the period commencing on the Announcement Date and expiring on the later of the end of the Scheme Meeting or the day after the Takeover Offer becomes or is declared unconditional, remain with the Eumundi Shareholder who accepted the Takeover Offer. Therefore, SEQ would not be entitled to vote any of these Eumundi Shares at the Scheme Meeting.</p> <p>If the Takeover Offer becomes or is declared unconditional before the Scheme Meeting, the voting rights in respect of Eumundi Shares which have been accepted into the Takeover Offer pass to SEQ. In that scenario, it is the intention of the Eumundi Directors that the Scheme will not proceed, subject to compliance with any regulatory requirements and Eumundi obtaining the agreement of SEQ and any consent required from the Court. The Takeover Offer would then become the relevant Transaction for Eumundi Shareholders.</p>	Section 6.6
How do I vote?	<p>If you are registered as a holder of Eumundi Shares at 7:00pm (Sydney time) on 29 January 2025, you can vote on the Scheme by doing one of the following:</p> <ul style="list-style-type: none"> • by attending and voting at the Scheme Meeting in person; • by appointing a proxy (including by lodging your proxy form online) or attorney to attend and to vote on your behalf; and 	Section 4.4

Question	Answer	More information
	<ul style="list-style-type: none"> in the case of a corporation which is an Eumundi Shareholder, by appointing an authorised corporate representative to attend and vote on its behalf. <p>If you choose to vote by proxy or power of attorney, your completed proxy or power of attorney needs to be received by the Registry by no later than 10:00am (AEST) on 29 January 2025.</p>	
What happens if I do not vote?	If you do not vote, or you vote against the Scheme, and the Scheme becomes Effective and is implemented, any Scheme Shares held by you on the Record Date will be transferred to SEQ and you will be provided with the Transaction Consideration, despite not having voted or having voted against the Scheme.	Section 4.3
What happens if the Scheme is not implemented?	If the Scheme is not implemented, the Takeover Offer will become the relevant SEQ offer available to Eumundi Shareholders. Eumundi Shareholders will continue to hold Eumundi Shares (unless they accept the Takeover Offer and the Takeover Offer is declared or becomes unconditional). In the absence of a party acquiring control of Eumundi and seeking its delisting, Eumundi will continue as an ASX listed entity with management continuing to implement the business plan, and financial and operating strategies it had in place prior to the Transaction being announced.	Sections 3.10 and 4.3
When will the results of the Scheme Meeting be available?	The results of the Scheme Meeting will be announced on ASX's website at https://www.asx.com.au/markets/company/ebg shortly after its conclusion and will also be made available on Eumundi's website at https://eumundigroup.com.au/asx-announcements/ .	Section 3.6(a)
Can I sell my Eumundi Shares on ASX?	<p>Yes, you can sell some or all of your Eumundi Shares on ASX up to and including the Effective Date (currently expected to be 5 February 2025). Trading in Eumundi Shares on ASX will be suspended following close of trading on the Effective Date, so you will not be able to sell your Eumundi Shares on ASX after that time.</p> <p>If you sell your Eumundi Shares on market:</p> <ul style="list-style-type: none"> you will lose the opportunity to receive future returns from Eumundi, including the Interim Dividend (which is expected to be declared by the Eumundi Board prior to the Scheme Meeting);³⁷ may have potential taxation consequences on which you should obtain independent tax advice that is specific to your particular circumstances; you may incur a brokerage charge; and/or 	Sections 1.4(j) and 4.7

³⁷ Assuming you are removed from the Share Register before the Interim Dividend Record Date.

Question	Answer	More information
	<ul style="list-style-type: none"> • you may receive payment (which may vary from the Transaction Consideration) for the sale of your Eumundi Shares sooner than you would receive the Transaction Consideration. <p>Eumundi Shareholders will also be able to sell their Eumundi Shares privately following the Effective Date provided that the transfer is lodged with the Share Registry by no later than 5:00pm on the day on which the Record Date occurs.</p> <p>Eumundi Shareholders who sell their Eumundi Shares on the market will not be able to participate in the Scheme, will not be able to accept the Takeover Offer or, if one emerges, a Superior Proposal, in respect of those Eumundi Shares that they have sold.</p>	
<p>What happens if a Competing Proposal emerges?</p>	<p>Until the Scheme becomes Effective, there is nothing preventing other parties from making unsolicited approaches to Eumundi. However, the ability to respond, and the degree of any such response by Eumundi will be determined having regard to the provisions of the Implementation Deed (amongst other matters).</p> <p>If, during the Exclusivity Period, Eumundi or any of its Representatives receives a Competing Proposal and the Eumundi Directors determine to take action in reliance on the 'fiduciary exception' to the 'no talk' restriction in the Implementation Deed:</p> <ul style="list-style-type: none"> • (Notification of approaches) Eumundi must notify SEQ in writing of the identity of the competing bidder and the material terms and conditions of the Competing Proposal within 48 hours of becoming aware; • (Matching right) if the Eumundi Board determines that the Competing Proposal constitutes a Superior Proposal, SEQ will be given a period (at least five Business Days after the provision of the material terms and conditions of the Competing Proposal) during which SEQ may make a matching or superior proposal to the terms of the Competing Proposal (SEQ Counterproposal), and during this period Eumundi must not enter into, or agree to enter into, any binding documentation to give effect to the Competing Proposal; and • (SEQ Counterproposal) if the Eumundi Board determines that SEQ's Counterproposal would provide an equivalent or superior outcome for Eumundi Shareholders (as a whole) compared to that offered under the Competing Proposal, then Eumundi and SEQ must use their best endeavours to agree amendments to the Implementation Deed that are reasonably necessary to reflect the SEQ Counterproposal and to implement the SEQ Counterproposal. 	<p>Section 9.7(d)</p>

Question	Answer	More information
	<p>If a Competing Proposal for Eumundi emerges prior to the Second Court Date, the Eumundi Directors, in conjunction with their advisors, will carefully consider the Competing Proposal and determine whether it is a Superior Proposal. The Eumundi Directors will keep you informed of any material developments regarding Superior Proposals. Further details about the exclusivity provisions in the Implementation Deed are set out in section 9.7(d).</p>	
Other		
<p>Could a break fee or reverse break fee become payable?</p>	<p>Yes, in certain specific circumstances a 'break fee' or 'reverse break fee' of \$771,400 may become payable by either Eumundi to SEQ or SEQ to Eumundi. These specific circumstances are detailed in sections 9.7(e) and 9.7(f).</p> <p>Relevantly however, Eumundi will not be required to pay the 'break fee' to SEQ if the Scheme becomes Effective, notwithstanding the occurrence of an event which would otherwise require the payment of such a fee to SEQ.</p>	<p>Sections 9.7(e) and 9.7(f).</p>
<p>What are the prospects of receiving a Superior Proposal?</p>	<p>Since the Scheme was announced on 30 October 2024, no Superior Proposal has emerged.</p> <p>Given the time that has elapsed since the announcement of the Scheme, the Eumundi Directors' view is that a Superior Proposal is unlikely to emerge prior to the Scheme Meeting. It is possible that, if Eumundi were to continue as an independent company, a Superior Proposal for Eumundi may emerge in the future.</p>	<p>Section 3.10</p>
<p>How was the Independent Expert appointed?</p>	<p>The Eumundi Board considered potential independent experts, having regard to their expertise and previous experience in similar transactions.</p> <p>BDO was selected as the Independent Expert after this process and has confirmed its independence and ability to act as Independent Expert on the transaction.</p>	<p>N/A</p>
<p>What happens if the Eumundi Board declares a dividend during the Takeover Offer Period?</p>	<p>Pursuant to the terms of the Implementation Deed, the Eumundi Board is entitled to declare an interim dividend of up to 2.4 cents per Eumundi Share (Interim Dividend). If declared, Eumundi will pay the Interim Dividend to those Eumundi Shareholders on the Share Register as at the Interim Dividend Record Date.</p> <p>Payment of the Interim Dividend by Eumundi will not reduce the Transaction Consideration to be paid to you by SEQ if the Scheme is implemented.</p> <p>If the Eumundi Board declares a dividend other than the Interim Dividend, such circumstances would be considered a 'Material Event', and the Scheme will fail unless SEQ elects to waive the 'No Material Events' condition.</p>	<p>Section 9.7(i)</p>

Question	Answer	More information
What if I have other questions about the Transactions?	Please contact Eumundi's Company Secretary, Duncan Cornish, by email to dcornish@corpservices.com.au or call (07) 3212 6299 for callers within Australia or +61 7 3212 6299 for callers outside Australia from Monday to Friday between 8:30am to 5:00pm (Brisbane time).	

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3. Outline of the Scheme

3.1 Introduction

This summary identifies key features of the Scheme and must be read in conjunction with the additional detailed information for Eumundi Shareholders set out in this Scheme Booklet (including the Independent Expert's Report). You are urged to read this Scheme Booklet in its entirety, together with the Target's Statement (including the report by the Independent Expert in respect of the Takeover Offer) and the Bidder's Statement.

On 30 October 2024, Eumundi announced to ASX that it had entered into an Implementation Deed with SEQ under the terms of which SEQ will acquire all of the issued shares in Eumundi by way of a Court approved scheme of arrangement under Part 5.1 of the Corporations Act (**Scheme**) and an off-market takeover over (**Takeover Offer**) to be implemented in the alternative under a dual and concurrent process (together, the **Transaction**).

SEQ is offering a cash payment of \$1.62 for each Eumundi Share you hold, under each of the Scheme and the Takeover Offer (**Transaction Consideration**). While there are two alternative structures for the purposes of implementing SEQ's acquisition of Eumundi, only one (if any) will proceed.

In accordance with the Implementation Deed, the Scheme and the Deed Poll, SEQ proposes to acquire all of the Eumundi Shares in exchange for providing the Transaction Consideration to Scheme Shareholders. Each of Eumundi and SEQ has agreed to the due and punctual performance of all of its respective obligations under or in connection with the Implementation Deed, the Scheme (in respect of Eumundi only) and the Deed Poll (in respect of SEQ only), including the provision of the Transaction Consideration by SEQ pursuant to the Deed Poll.

If the Scheme is implemented, SEQ will acquire all of the Eumundi Shares held by Eumundi Shareholders, Eumundi will become a wholly owned subsidiary of SEQ and SEQ intends to arrange for Eumundi to be removed from the official list of the ASX.

The Scheme is subject to various Scheme Conditions Precedent, including (among other things), approval by the Requisite Majority of Eumundi Shareholders at the Scheme Meeting, and approval by the Court pursuant to section 411(4)(b) of the Corporations Act on the Second Court Date.

3.2 Eumundi Directors' unanimous recommendation and voting intentions

The Eumundi Directors unanimously recommend that Eumundi Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of Eumundi Shareholders and not publicly changing or withdrawing that conclusion.³⁸ Subject to those same qualifications, each Eumundi Director who holds or controls Eumundi Shares has advised the Eumundi Board that they intend to vote those Eumundi Shares in favour of the Scheme at the Scheme Meeting.

The reasons to vote in favour of or against the Scheme, as considered by the Eumundi Directors, are set out in section 1. The implications for Eumundi Shareholders if the Scheme does not proceed are set out in section 3.10.

³⁸ In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of this Scheme Booklet and the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet.

Before making a decision about the Scheme, you should read the Scheme Booklet (including the Independent Expert's Report) in its entirety, together with the Target's Statement (including the report by the Independent Expert in respect of the Takeover Offer) and the Bidder's Statement, and if you are in doubt about what action you should take, contact your professional adviser.

Notwithstanding any of the Eumundi Directors' personal interests in the outcome of the Scheme³⁹, each Eumundi Director considers that given the importance of the Scheme and their obligations as Eumundi Directors, it is important and appropriate for them to provide a recommendation to Eumundi Shareholders in relation to the Scheme.⁴⁰

3.3 Independent Expert

Eumundi has engaged BDO as the Independent Expert to prepare a report to ascertain whether the Scheme is in the best interests of Eumundi Shareholders. The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and in the best interests of Eumundi Shareholders.

In BDO's opinion, the Scheme is fair because the value of the Transaction Consideration (being a cash payment of \$1.62 per Eumundi Share) is equal to or greater than the value of Eumundi Shares on a controlling interest basis prior to the Transaction (being a value in the range of \$1.502 to \$1.698 per Eumundi Share, calculated using a summation valuation methodology as described in Sections 8.2 to 8.7 of the Independent Expert's Report).

In assessing the fairness of the Scheme, the Independent Expert noted that the Transaction Consideration is in the range of the value of Eumundi Shares on a controlling interest basis prior to the Transaction, albeit on the lower end, as illustrated in the table below.⁴¹

	Low	High
Value of a Eumundi Share prior to the Transaction (controlling interest)	\$1.502	\$1.698
Value of the Transaction Consideration	\$1.62	\$1.62

The full report can be found in Schedule 1 of this Scheme Booklet.

3.4 Transaction Consideration

If the Scheme becomes Effective, Eumundi Shareholders who are registered in the Register on the Record Date will receive a cash payment of \$1.62 for every Eumundi Share held on the Record Date.⁴²

By no later than the Business Day before the Implementation Date, SEQ will deposit in cleared funds into a Eumundi (or Registry) operated Australian dollar denominated trust account as trustee for the Scheme Participants, an amount equal to the aggregate amount of the

³⁹ The interests of the Eumundi Directors are set out in sections 9.2, 9.3, 9.4, 9.5 and 9.6.

⁴⁰ In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of this Scheme Booklet and the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet.

⁴¹ This table is set out in section 2.2.4 of the Independent Expert's Report.

⁴² This is in addition to payment of the Interim Dividend (if declared) from Eumundi (assuming the Eumundi Shareholders hold Eumundi Shares on the Interim Dividend Record Date).

Transaction Consideration payable to all Scheme Participants (except any interest on the amount will be held for the account of SEQ).

On the Implementation Date, Eumundi will pay the Transaction Consideration received from SEQ to Scheme Participants.

Payments will be made by:

- (a) sending a cheque in Australian currency by pre-paid post to the relevant Scheme Participant's address as recorded in the Share Register at the Record Date; or
- (b) making a deposit in Australian currency into an Australian authorised deposit-taking institution, notified by the relevant Scheme Participant to Eumundi and recorded in or for the purposes of the Share Register as at the Record Date.

Where the calculation of the Transaction Consideration to be provided to a Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded to the nearest whole cent.

Immediately after the Transaction Consideration is sent to Scheme Participants, the Scheme Shares will be transferred to SEQ, and Eumundi will enter the name of SEQ in the Share Register in respect of the Scheme Shares, without the Scheme Participants needing to take any further action.

3.5 Conditions to the Scheme

The implementation of the Scheme is subject to a number of Scheme Conditions Precedent which are set out in full in clause 3.1 of the Implementation Deed.

(a) Outstanding Scheme Conditions Precedent

The Scheme Conditions Precedent that remain outstanding as at the date of this Scheme Booklet are summarised as follows:

- (1) Eumundi Shareholders approving the Scheme by the necessary Requisite Majority at the Scheme Meeting (or any adjournment or postponement of the Scheme Meeting);
- (2) The Court approving the Scheme under section 411(4)(b) of the Corporations Act.
- (3) All Regulatory Approvals required to implement the Scheme are obtained (if any).
- (4) No temporary restraining order, preliminary or permanent injunction or other temporary, preliminary or final order issued by any court of competent jurisdiction, no preliminary or final decision, determination, notice of objection, or order issued by any Government Agency or any other legal restraint preventing, restraining, prohibiting or materially adversely affecting the Scheme is in effect as at 8:00am on the Second Court Date.
- (5) The Independent Expert, having issued its report which concludes that the Scheme is in the best interests of Eumundi Shareholders, not changing its conclusions or publicly withdrawing its conclusions before 8:00am on the Second Court Date.
- (6) Eumundi has received a copy of each consent or waiver required under the Change of Control Contracts to the change of control of Eumundi resulting from

the Scheme, and such consents or waivers have not been withdrawn, suspended or revoked before 8:00am on the Second Court Date.

- (7) No Material Event occurring, or is announced or otherwise becomes known to SEQ between (and including) the Announcement Date and 8:00am on the Second Court Date.
- (8) No Prescribed Occurrence occurring between (and including) the Announcement Date and 8:00am on the Second Court Date.
- (9) The representations and warranties of Eumundi being true and correct and are not misleading as if given at all times between (and including) the Announcement Date and 8:00am on the Second Court Date.
- (10) The representations and warranties of SEQ being true and correct and are not misleading as if given at all times between (and including) the Announcement Date and 8:00am on the Second Court Date.

Each of the outstanding Scheme Conditions Precedent (with the exception of Court approval) must be satisfied or (if applicable) waived before 8:00am on the Second Court Date. The Scheme Conditions Precedent relating to approval of Eumundi Shareholders, approval by the Court and regulatory approvals (if any) cannot be waived. If these Scheme Conditions Precedent are not satisfied the Scheme will not proceed. The other Scheme Conditions Precedent may be waived by the party for whose benefit the condition operates, or where the condition operates for the benefit for both parties, by consent.

If there is a breach or non-fulfilment of a Scheme Condition Precedent (which is not waived in accordance with the Implementation Deed), an event occurs of which either party becomes aware will prevent a Scheme Condition Precedent being satisfied, then either party may serve a written notice on the other, and the parties must promptly consult in good faith with a view to determining whether:

- (1) the Transaction may proceed by way of alternate means or methods so as to achieve a commercial outcome which reflects the Transaction;
- (2) to extend the relevant time or date for satisfaction of the Scheme Condition Precedent;
- (3) to change the First Court Date or to adjourn the application for orders pursuant to section 411(1) of the Corporations Act convening the Scheme Meeting to another date agreed by the parties;
- (4) to change the Second Court Date or to adjourn the application for orders pursuant to section 411(4)(b) of the Corporations Act approving the Scheme to another date agreed by the parties;
- (5) to extend the End Date; or
- (6) do all, or any combination of, the matters listed in paragraphs (1) to (5) (above).

As at the date of this Scheme Booklet, the Eumundi Directors are not aware of any reason why a Scheme Condition Precedent referred to above is not likely to be satisfied in the time required by the Implementation Deed.

(b) **Scheme Conditions Precedent that have already been satisfied**

As at the date of this Scheme Booklet, none of the Scheme Condition Precedents have been satisfied.

3.6 **Key steps for implementing the Scheme**

The key steps to implement the Scheme and relevant information concerning these steps are set out below. Key dates and times in relation to the Scheme are set out at the beginning of this Scheme Booklet. These dates are indicative only and subject to change. Eumundi will announce to ASX any change to the dates in the timetable set out in the "IMPORTANT DATES AND TIMES FOR THE SCHEME" section of this Scheme Booklet.

(a) **Scheme Meeting**

The Scheme Meeting to approve the Scheme is scheduled to be held at HopgoodGanim Lawyers, Level 7, Waterfront Place, 1 Eagle Street, Brisbane, Queensland on 31 January 2025 at 10:00am (AEST). Voting eligibility for the Scheme Meeting will be determined as at 7:00pm (Sydney time) on 29 January 2025.

At the Scheme Meeting, Eumundi Shareholders will be asked to approve the Scheme by voting in favour of the Scheme Resolution. The terms of the Scheme Resolution to be considered at the Scheme Meeting are contained in the Notice of Scheme Meeting set out in Schedule 4. The fact that the Court has ordered that the Scheme Meeting be convened is no indication that the Court has a view as to the merits of the Scheme or as to how Eumundi Shareholders should vote on the Scheme Resolution. On these matters, Eumundi Shareholders must reach their own decision.

For the Scheme to proceed, votes "in favour of" the Scheme Resolution at the Scheme Meeting must be received from the Requisite Majority of Eumundi Shareholders. A Requisite Majority for the Scheme Resolution are:

- (1) **(Headcount Test)** a majority in number (more than 50%) of Eumundi Shareholders who are present and voting at the Scheme Meeting (either in person or by proxy, attorney or, in the case of a corporation, its duly appointed corporate representative), unless the Court orders otherwise; and
- (2) **(Voting Test)** at least 75% of the total number of votes cast on the Scheme Resolution by Eumundi Shareholders.

The Court has the power to approve the Scheme even if the Headcount Test has not been satisfied. For example, the Court may do so if there is evidence that the result of the vote has been unfairly influenced by activities such as share splitting. However, there is no guarantee that the Court will grant such a waiver.

Voting at the Scheme Meeting will be conducted by poll. Eumundi Shareholders who are registered on the Register at 7:00pm (Sydney time) on 29 January 2025 will be entitled to vote at the Scheme Meeting. Instructions on how to vote at the Scheme Meeting are set out in section 4.4 and the Notice of Scheme Meeting at Schedule 4.

The results of the Scheme Meeting will be announced on ASX's website at <https://www.asx.com.au/markets/company/ebg> shortly after its conclusion and will also be made available on Eumundi's website at <https://eumundigroup.com.au/asx-announcements/>. Please note that the Scheme Meeting may be postponed or adjourned if for example, satisfaction or waiver (where permitted) of a Scheme Condition Precedent is delayed. Any postponement or adjournment of the Scheme Meeting will be announced to ASX.

(b) **Second Court Date and Court approval of the Scheme**

In the event that:

- (3) the Scheme Resolution is approved by the Requisite Majority of Eumundi Shareholders at the Scheme Meeting;
- (4) all other Scheme Conditions Precedent (other than Court approval of the Scheme) have been satisfied (or, if applicable, waived); and
- (5) the Takeover Offer has not been declared unconditional,

then Eumundi will apply to the Court for orders approving the Scheme at the Second Court Date, which is expected to be held on or around 4 February 2025. Any change to this date will be announced to ASX.

The Court has a wide, overriding discretion whether or not to approve the Scheme under section 411(4)(b) of the Corporations Act and may refuse to approve the Scheme even if the Scheme Resolution is passed by the Requisite Majorities of Eumundi Shareholders.

(c) **Effective Date**

If the Court makes orders approving the Scheme, Eumundi will lodge with ASIC an office copy of the Court orders given under section 411(4)(b) of the Corporations Act approving the Scheme and the Scheme will then become Effective (being the Effective Date). It is likely this lodgement will occur the day after the Court approves the Scheme.

If the Scheme becomes Effective, Eumundi and SEQ will become bound to implement the Scheme in accordance with the terms of the Implementation Deed, the Deed Poll and the Scheme. Only Eumundi Shareholders who qualify as 'Scheme Participants' will be bound by and have the benefit of the Scheme.

(d) **Record Date and suspension from trading in Eumundi Shares on ASX**

If the Scheme becomes Effective, Eumundi intends to apply to ASX for Eumundi Shares to be suspended from trading on ASX from the close of trading on the Effective Date.

Those Eumundi Shareholders on the Register on the Record Date (which is currently expected to be 7:00pm (Sydney time) on 7 February 2025) will be the Scheme Participants and will be entitled to receive the Transaction Consideration in respect of the Eumundi Shares they hold at that time.

(e) **Transfer and registration of Scheme Shares**

Under the Scheme, each Scheme Participant irrevocably agrees to the transfer of their Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares as at the Implementation Date, to SEQ, and Eumundi will enter SEQ in the Share Register as the holder of the Scheme Shares.

Under the Scheme, each Scheme Participant, will be deemed (without the need for any further act) to have irrevocably appointed Eumundi (and each of its directors and officers, jointly and severally) as the Scheme Participant's attorney and agent to do and execute all acts, matters, things and documents on the part of each Scheme Participant necessary to implement and give full effect to the Scheme and the transactions contemplated by it, including (without limitation) executing a Scheme Transfer and any instrument appointing SEQ as sole proxy for or, where applicable, corporate representative of each Scheme Participant.

On the Implementation Date, in consideration of and subject to the provision by SEQ of the Transaction Consideration in the manner contemplated in section 3.4, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, will be transferred to SEQ without the need for any further act by any Scheme Participant, by Eumundi effecting a valid transfer or transfers of the Scheme Shares to SEQ under section 1074D of the Corporations Act.

In consideration of the transfer of the Scheme Shares to SEQ, SEQ will provide the Transaction Consideration to each Scheme Shareholder, in accordance with the provisions of the Scheme.

See sections 3.6(f) to 3.6(i) inclusive for further details on the provision of the Transaction Consideration.

(f) **Transaction Consideration**

Eumundi Shareholders will be entitled to receive consideration under the Scheme if they are registered as the holders of Scheme Shares on the Record Date (and are therefore Scheme Participants).

(g) **Determination of Scheme Participants**

To establish the identity of the Scheme Participants, dealings in Eumundi Shares will only be recognised provided that:

- (1) in the case of dealings of the type to be effected using CHES, the transferee is registered in the Register as the holder of the relevant Scheme Shares at the Record Date; and
- (2) in all other cases, registrable transmission applications or transfers in registrable form in respect of those dealings are received by the Share Registry by 5:00pm on the Record Date,

and Eumundi will not accept for registration, nor recognise for the purpose of establishing the persons who are Scheme Participants, any transfer or transmission application in respect of Eumundi Shares received after such times, or received prior to such times but not in registrable form.

If the Scheme becomes Effective, each Scheme Participant (and any person claiming through that holder) must not dispose of or purport or agree to dispose of any Eumundi Shares or any interest in them after the Record Date otherwise than pursuant to this Scheme, and any such disposal will be void and of no legal effect whatsoever.

Eumundi will, until the Transaction Consideration has been provided to the Scheme Participants and SEQ has been entered in the Register as the holder of all of the Eumundi Shares, maintain the Register in accordance with the provisions of section 8.3 of the Scheme.

As from the Record Date, all share certificates and holding statements for the Eumundi Shares will cease to have effect as documents of title, and each entry on the Register at that date will cease to have any effect other than as evidence of entitlement to the Transaction Consideration.

(h) **Joint holders**

In the case of Scheme Shares held in joint names, any cheque required to be paid to Scheme Participants will be payable to the joint holders and will be forwarded to the holder whose name appears first in the Share Register as at the Record Date.

(i) **Unclaimed monies**

- (1) Eumundi may cancel a cheque issued under this section 3.4 if the cheque:
 - (A) is returned to Eumundi or the Share Registry;
 - (B) has not been presented for payment within six months after the date on which the cheque was sent; or
 - (C) at the request of the Eumundi Shareholder (subject to security validation).
- (2) During the period of 12 months commencing on the Implementation Date, on request in writing from a Scheme Participant to Eumundi (or the Eumundi Registry) (which request may not be made until the date which is 20 Business Days after the Implementation Date), Eumundi must reissue a cheque that was previously cancelled under section 3.6(i)(1).
- (3) The *Public Trustee Act 1978* (Qld) will apply in relation to any Transaction Consideration which becomes 'unclaimed moneys' (as defined in section 98 of the *Public Trustee Act 1978* (Qld)).

3.7 Delisting of Eumundi

If the Scheme becomes Effective, SEQ intends to arrange for Eumundi to apply for termination of the official quotation of Eumundi Shares on ASX. If this occurs, Eumundi Shareholders will no longer be able to acquire a Relevant Interest in Eumundi Shares.

3.8 End Date

If the Transaction has not become Effective on or before the End Date (being 18 May 2025, or such other date as is agreed in writing between the parties), either party is able to terminate the Implementation Deed. If the Implementation Deed is terminated, neither the Scheme nor Takeover Offer will proceed.

3.9 Warranties by Scheme Participants

Scheme Participants' attention is drawn to the warranties, agreements and consents that Scheme Participants will be taken to have given if the Scheme takes effect, in clauses 7.1 and 7.4 of the Scheme (see Schedule 3). Pursuant to clause 7.1 of the Scheme, each Scheme Participant:

- (a) irrevocably agrees to the transfer of their Scheme Shares together with all rights and entitlements attaching to those Eumundi Shares as at the Implementation Date, to SEQ in accordance with the terms of the Scheme;
- (b) irrevocably agrees to the variation, cancellation or modification of the rights attached to their Eumundi Shares constituted by or resulting from the Scheme;
- (c) acknowledges and irrevocably agrees that this Scheme binds Eumundi and all Scheme Participants (including those who do not attend the Scheme Meeting and those who do not vote, or vote against this Scheme, at the Scheme Meeting) and, to the extent of any inconsistency, overrides the Constitution of Eumundi; and
- (d) irrevocably consents to Eumundi and SEQ doing all things and executing all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the terms of the Scheme and the transactions contemplated by it,

without the need for any further act by that Scheme Participant.

Pursuant to clause 7.4 of the Scheme, each Scheme Participant is deemed to have warranted to Eumundi, in its own right and for the benefit of SEQ, that:

- (a) all of their Scheme Shares (including any rights and entitlements attaching to those shares) which are transferred to SEQ under the Scheme will be transferred to SEQ free from all mortgages, pledges, charges, liens, encumbrances and security interests and other interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind; and
- (b) they have full power and capacity to sell and transfer their Scheme Shares to SEQ (including any rights and entitlements attaching to those shares as at the Implementation Date).

The Scheme is set out in full in Schedule 3 of this Scheme Booklet.

3.10 **Consequences if the Scheme is not approved at the Scheme Meeting or is not approved by the Court**

If the Scheme is not approved by the Requisite Majority of Eumundi Shareholders at the Scheme Meeting or, having been approved at the Scheme Meeting, is not approved by the Court, SEQ will not acquire your Eumundi Shares under the Scheme.

The Takeover Offer will become the relevant offer available to Eumundi Shareholders from SEQ. Eumundi Shareholders will continue to hold Eumundi Shares (unless they accept the Takeover Offer and the Takeover Offer is declared or becomes unconditional). In the absence of a party acquiring control of Eumundi and seeking its delisting, Eumundi will continue as an ASX listed entity with management continuing to implement the business plan, and financial and operating strategies it had in place prior to the Transaction being announced.

The Eumundi Directors caution that if the Scheme is not approved, the price of the Eumundi Shares may fall.

The Eumundi Directors believe that the Scheme is in the best interests of Eumundi Shareholders, including having regard to the Independent Expert's Report, in the absence of a Superior Proposal. As at the date of this Scheme Booklet, no Superior Proposal has emerged. If the Scheme does not proceed, you do not accept the Takeover Offer or the Takeover Offer is withdrawn or lapses, and you retain your investment in Eumundi Shares, you will continue to be exposed to the general and business-specific risks associated with your current investment in Eumundi Shares (refer to section 7.2 for more information on the risks).

For further details, please also refer in particular to section 2.3.5 of the Independent Expert's Report (set out in Schedule 1).

3.11 **Tax consequences for Scheme Participants**

The transfer of your Eumundi Shares in accordance with the Scheme may have tax implications for you. You should seek your own professional advice regarding your individual tax consequences. A summary of the relevant Australian tax implications for Scheme Participants is contained in section 8.

3.12 **What to do next**

Read the remainder of this Scheme Booklet in full (including the Independent Expert's Report), together with the Target's Statement (including the report by the Independent Expert in respect of the Takeover Offer) and the Bidder's Statement, before making any decision on the Scheme or how to deal with your Eumundi Shares.

Eumundi Shareholders should refer to section 1 for further guidance on reasons to vote in favour or against the Scheme and section 7 for guidance on the risk factors associated with the Scheme.

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4. Scheme Meeting and Voting Information

4.1 Read this Scheme Booklet carefully

This Scheme Booklet provides information necessary for you to make a decision as to how to vote on the Scheme at the Scheme Meeting. The Eumundi Directors recommend that you read this Scheme Booklet in its entirety (including the Independent Expert's Report), together with the Target's Statement (including the report by the Independent Expert in respect of the Takeover Offer) and the Bidder's Statement.

Eumundi Shareholders should refer to sections 1.1, 1.2 and 1.3 of this Scheme Booklet for further guidance on the reasons to vote in favour of or against the Scheme, and to section 1.4 for other important considerations relating to your vote. The Scheme Booklet does not take into account the investment objectives, financial situation and particular needs of any individual Eumundi Shareholder.

4.2 Scheme Meeting

The Scheme Meeting will be held at Level 7, Waterfront Place, 1 Eagle Street, Brisbane, Queensland on 31 January 2025 at 10:00am (AEST).

At the Scheme Meeting, the Scheme Resolution will be proposed to the Eumundi Shareholders.

If the Takeover Offer is or has been declared unconditional prior to the Scheme Meeting,⁴³ it is the intention of the Eumundi Directors that the Scheme would not proceed, subject to compliance with any regulatory requirements and Eumundi obtaining the agreement of SEQ and any consent required from the Court. The Takeover Offer would then become the relevant Transaction for Eumundi Shareholders.

4.3 Exercising your vote

Eumundi Shareholders eligible to vote at the Scheme Meeting may vote by attending the Scheme Meeting in person, or by proxy, attorney or, in the case of a corporation which is an Eumundi Shareholder, by a corporate representative.

Eumundi Shareholders may elect not to vote at the Scheme Meeting or may vote against the Scheme at the Scheme Meeting. If the Scheme becomes Effective and is implemented, such Eumundi Shareholders will have their Eumundi Shares transferred to SEQ by operation of the Scheme and receive the Transaction Consideration.

If the Scheme is not approved by the Requisite Majority at the Scheme Meeting, the Scheme will not proceed. The Takeover Offer will become the relevant offer available to Eumundi Shareholders from SEQ. Eumundi Shareholders will continue to hold Eumundi Shares (unless they accept the Takeover Offer and the Takeover Offer is declared or becomes unconditional). In the absence of a party acquiring control of Eumundi and seeking its delisting, Eumundi will continue as an ASX listed entity with management continuing to implement the business plan, and financial and operating strategies it had in place prior to the Transaction being announced.

4.4 Voting

Eumundi Shareholders may vote:

⁴³ SEQ has indicated that it has no current intention to waive any Takeover Offer Conditions. However, it is open to SEQ to do so at its discretion, in accordance with the Corporations Act. In that circumstance, those Eumundi Shareholders who had accepted the Takeover Offer would receive a cash payment of \$1.62 for each of their Eumundi Shares, and the outcome described in section 1.7 of the Bidder's Statement may then apply.

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- (a) **in person**, by attending the Scheme Meeting. Eumundi Shareholders who wish to attend and vote at the Scheme Meeting in person will be admitted to the Scheme Meeting by properly identifying themselves;
 - (b) **by proxy**:
 - (1) use your computer or smartphone to appoint a proxy at www.investorvote.com.au; or
 - (2) by completing, signing and lodging a Proxy Form for the Scheme Meeting in accordance with the instructions set out in the form. Proxy Forms should be submitted to the Registry as indicated on the Proxy Form and must be received by the Registry not less than 48 hours before the time for holding the Scheme Meeting or adjourned meeting as the case may be. A validly appointed proxy will be admitted to the Scheme Meeting upon providing evidence of their name and address;
 - (c) **by attorney**, by appointing an attorney to attend and vote at the Scheme Meeting on your behalf and providing a duly executed power of attorney to the Registry. Powers of attorney and authorities should be sent to the Registry as indicated in the Proxy Form and must be received by the Registry not less than 48 hours before the time for holding the Scheme Meeting or adjourned meeting, as the case may be. An attorney will be admitted to the Scheme Meeting upon identifying themselves and providing written evidence of their appointment and the identity of the appointer; and
 - (d) **by corporate representative**, in the case of a body corporate which is an Eumundi Shareholder, by appointing a corporate representative to attend and vote at the Scheme Meeting on behalf of that Eumundi Shareholder and providing a duly executed certificate of appointment (in accordance with section 250D and 253B of the Corporations Act) prior to admission to the Scheme Meeting.

4.5 Voting entitlement

Each Eumundi Shareholder who is registered on the Register at 7:00pm (Sydney time) on 29 January 2025 is entitled to attend and to vote at the Scheme Meeting. Accordingly, registrable transmission applications or transfers registered after this time will be disregarded in determining entitlements to vote at the Scheme Meeting.

If you accept the Takeover Offer before the Scheme Meeting you will still be entitled to vote on the Scheme unless the Takeover Offer becomes or is declared unconditional before the Scheme Meeting, in which case the voting rights in respect of Eumundi Shares which have been accepted into the Takeover Offer pass to SEQ. In that scenario, it is the intention of the Eumundi Directors that the Scheme would not proceed, subject to compliance with any regulatory requirements and Eumundi obtaining the agreement of SEQ and any consent required from the Court. The Takeover Offer would then become the relevant Transaction for Eumundi Shareholders..

Where Eumundi Shares are held by joint holders, only one of the joint holders is entitled to vote. If more than one holder votes in respect of jointly held Eumundi Shares, only the vote of the holder whose name appears first in the Register will be counted.

4.6 Your vote is important

For the Scheme to proceed, the Scheme Resolution must be approved by the Requisite Majority at the Scheme Meeting. The Eumundi Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert

concluding (and continuing to conclude) that the Scheme is in the best interests of Eumundi Shareholders and not publicly changing or withdrawing that conclusion.⁴⁴

If you are unable to attend the Scheme Meeting, the Eumundi Directors recommend that you lodge your Proxy Form via one of the methods noted above in section 4.4 and otherwise in accordance with the instructions on the Proxy Form.

Importantly, if you have already accepted into the Takeover Offer, you can still vote on the Scheme because the terms of each of the Takeover Offer and the Scheme will determine which Transaction process will proceed.

The Eumundi Directors unanimously recommend that you VOTE IN FAVOUR of the Scheme.⁴⁵

4.7 Selling your Eumundi Shares on market

The Scheme does not preclude Eumundi Shareholders from selling some or all of their Eumundi Shares on market, provided they do so before close of trading on ASX on the Effective Date.

If you sell some or all of your Eumundi Shares and you are removed from the Share Register before the Interim Dividend Record Date, and the Eumundi Board declares the Interim Dividend, you will not be entitled to receive the Interim Dividend from Eumundi with respect to those Eumundi Shares sold. See section 9.7(i) of this Scheme Booklet for further detail.

Eumundi Shareholders who are considering selling some or all of their Eumundi Shares should have regard to the prevailing trading prices of Eumundi Shares and compare those to the Transaction Consideration. Eumundi Shareholders may ascertain the current trading prices of Eumundi Shares through ASX's website at <https://www.asx.com.au/markets/company/ebg>.

Eumundi Shareholders who are considering selling some or all of their Eumundi Shares should also contact their stockbroker for information on how to effect the sale, and should also contact their financial, taxation, legal and professional advisers.

If you sell your Eumundi Shares on market:

- (a) you will lose the opportunity to receive future returns from Eumundi, including the Interim Dividend (which is expected to be declared by the Eumundi Board prior to the Scheme Meeting)⁴⁶;
- (b) may have potential taxation consequences on which you should obtain independent tax advice that is specific to your particular circumstances;
- (c) you may incur a brokerage charge; and/or
- (d) you may receive payment (which may vary from the Transaction Consideration) for the sale of your Eumundi Shares sooner than you would receive the Transaction Consideration.

⁴⁴ In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of this Scheme Booklet and the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet.

⁴⁵ In considering the unanimous recommendation of the Eumundi Board to vote in favour of the Scheme, Eumundi Shareholders should have regard to section 1.2 (*Key reasons to vote in favour of the Scheme*), section 1.3 (*Key reasons to vote against the Scheme*), and sections 9.2 to 9.6 (*Other information regarding interest of Eumundi Directors*) of this Scheme Booklet and the fact that the Founding Directors (and their Associates) collectively have a Relevant Interest in 43.34% of the Eumundi Shares as at the date of this Scheme Booklet.

⁴⁶ Assuming you are removed from the Share Register before the Interim Dividend Record Date.

Eumundi Shareholders who sell some or all of their Eumundi Shares on the market will not be able to participate in the Scheme, will not be able to accept the Takeover Offer or, if one emerges, a Superior Proposal, in respect of those Eumundi Shares that they have sold.

4.8 **Further information**

There are answers to questions that you may have in section 2.

If you have any questions or require further information, please contact Eumundi's Company Secretary on (07) 3212 6299 for callers within Australia or +61 7 3212 6299 for callers outside Australia from Monday to Friday between 8:30am to 5:00pm (Brisbane time), excluding public holidays, or via email at dcornish@corpservices.com.au.

If you are in any doubt about anything in this Scheme Booklet, please contact your legal, taxation, financial or other professional adviser.

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5. Information about Eumundi

5.1 Corporate profile - Eumundi

Eumundi Group Limited (ASX:EBG), is a Queensland hotel and investment property company. It is an Australian public company which was admitted to the official list of the ASX on 7 December 1989.

Detailed information about Eumundi is available on its website at <https://eumundigroup.com.au/asx-announcements/> and on the ASX website at <https://www.asx.com.au/markets/company/ebg>.

5.2 The Eumundi Group structure

The Eumundi Group includes parent company, Eumundi Group Limited, and three wholly-owned subsidiaries listed as follows.

- (a) Eumundi Group Hotels Pty Ltd ACN 009 803 749, whose revenues are derived from the operation of the freehold going concern of the Ashmore Tavern and the leasehold going concern of the Aspley Central Tavern;
- (b) Eumundi Property Group Pty Ltd ACN 010 659 622, whose revenues are derived from retail investment properties, being the Aspley Shopping Centre and the Aspley Arcade Shopping Villages (collectively known as Aspley Central and including the Aspley Central Tavern as a tenant), and hotel investment properties comprising the triple net lease of The Plough Inn, Southbank, Brisbane QLD and the Court House Hotel, Murwillumbah NSW; and
- (c) Airlie Beach Lagoon Hotel Pty Ltd ACN 104 835 430, a dormant subsidiary company.

5.3 Overview of Eumundi's operations and assets

Eumundi's principal activities consist of the operation of two hotels and the holding of investment properties, predominantly in Queensland, namely:

Eumundi Group Hotels Pty Ltd	<p>Ashmore Tavern – freehold going concern (Ashmore, Gold Coast, QLD). The Ashmore Tavern is situated on the corner of Cotlew Street and Currumburra Road, Ashmore. The 8,944m² site enjoys good vehicular access and exposure to passing traffic and a major expansion to the venue was completed in 2021-2022.</p> <p>Aspley Central Tavern - leasehold going concern (Aspley, Brisbane, QLD).</p>
Eumundi Property Group Pty Ltd	<p>Aspley Central, (Aspley, Brisbane, QLD) – comprising the Aspley Shopping Centre (of which the Aspley Central Tavern is a tenant) and Aspley Arcade Shopping Villages.</p> <p>Aspley Central is located approximately 13km north of the Brisbane CBD in the established suburb of Aspley.</p> <p>The centres occupy a prominent position close to the intersection of Gympie Road, Robinson Road West and Gayford Streets, Aspley QLD. Gympie Road is the major north-south arterial road linking the CBD with Brisbane's northern suburbs and the Bruce Highway.</p>

	<p>The combined area of the land of the two adjoining centres totals approximately 15,158m², featuring extensive dual road frontage including Gympie Road to the eastern alignment and Gayford Street to the western alignment with multiple ingress/egress points. The site features excellent access and exposure to inbound and outbound traffic and can be described as a true “Gateway Site” on Brisbane’s north side.</p> <p>The land is zoned “DC1 – District Centre” providing a flexible mixed use development framework under which residential, commercial and retail uses can be accommodated. Previous planning advice indicates the potential opportunity for higher mixed use outcomes taking advantage of the site’s high-profile position within one of Brisbane’s major commercial hubs.</p> <p>The Plough Inn– long term lease of The Plough Inn with 90 years remaining as at August 2024. The Plough Inn is located within Southbank Parklands, Brisbane’s major tourism precinct. The lessee of the Plough Inn is part of the ‘Kickon Group’, operators of seven high-profile destination venues across Queensland and Victoria. Since acquisition in 2017, the lessee has substantially invested in upgrades to the premises, strengthening its business and safeguarding the Eumundi Group’s asset.</p> <p>Court House Hotel (land and buildings) – the Court House Hotel, in the NSW far north coast town of Murwillumbah, is located within the town’s main retail precinct. The hotel includes a coffee shop, public bar and TAB, and 15 accommodation rooms. The hotel has 21 gaming machines and benefits from the absence of other gaming hotel competition in the Murwillumbah CBD. The lessee is an experienced hotelier and the triple net lease provides for annual fixed rent rises over the 15-year term which commenced in August 2021.</p>
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Further information about the Eumundi Group and its business is available on Eumundi's website (www.eumundigroup.com.au).

5.4 Directors and senior management of Eumundi

(a) Eumundi Directors

The Eumundi Directors as at the date of the Scheme Booklet are as follows:

- (1) Joseph Michael Ganim – Non-Executive Chair
- (2) Gilbert De Luca – Non-Executive Director
- (3) Murray Raymond Boyte – Independent Non-Executive Director

Joseph Michael Ganim – Non-Executive Chair

<i>Appointed</i>	Mr Ganim has been a Non-Executive Director of Eumundi since 1989 and Non-Executive Chair since 2004.
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<i>Qualifications</i>	LLB
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<i>Experience and Expertise</i>	Mr Ganim has over 50 years' experience conducting complex corporate and commercial litigious matters. He has extensive public and private board experience.
<i>Other current directorships</i>	None
<i>Former directorships (last 3 years)</i>	None
<i>Special responsibilities</i>	Mr Ganim is a member of Eumundi's Audit and Risk Management Committee.

Gilbert De Luca – Non-Executive Director

<i>Appointed</i>	Mr De Luca has been a Non-Executive Director of Eumundi since 1989.
<i>Qualifications</i>	None
<i>Experience and Expertise</i>	Mr De Luca has a wide range of business experience in the property and construction fields overseeing the acquisition of investment and development properties.
<i>Other current directorships</i>	None
<i>Former directorships (last 3 years)</i>	None
<i>Special responsibilities</i>	Mr De Luca is a member of Eumundi's Audit and Risk Management Committee.

Murray Raymond Boyte – Independent Non-Executive Director

<i>Appointed</i>	Mr Boyte has been an Independent Non-Executive Director of Eumundi since 2021.
<i>Qualifications</i>	BCA, MAICD, CMInstD, CA
<i>Experience and Expertise</i>	Mr Boyte has over 35 years' merchant banking and finance experience including corporate restructures, mergers and acquisitions. He has extensive directorship and executive experience in transport, horticulture,

financial services, investment, health services and property industries.

Other current directorships

Mr Boyte has been the chairman of NTAW Holdings Limited since 2017, the chairman of Eureka Group Holdings Limited since 2017 (Mr Boyte transitioned from executive duties to non-executive duties on 12 September 2024) and a non-executive director of Hillgrove Resources Limited since 2019.

Former directorships (last 3 years)

None

Special responsibilities

Mr Boyte is the Chair of Eumundi's Audit and Risk Management Committee.

(b) **Eumundi senior management**

The senior management personnel of Eumundi as at the date of the Scheme Booklet are:

- (1) Suzanne Marie Jacobi – Chief Executive Officer and Chief Financial Officer
- (2) Duncan Cornish – Company Secretary

5.5 **Eumundi securities and capital structure**

(a) **Eumundi securities on issue**

As at the date of this Scheme Booklet, the capital structure of Eumundi comprised of the following securities:

Type of security	Number on issue
Eumundi Shares	49,767,770

There are no other securities on issue in Eumundi as at the date of this Scheme Booklet.

Please see Eumundi's 2024 Annual Report for further information.

(b) **Substantial Eumundi Shareholders**

Based on the substantial shareholder notices lodged with Eumundi and the ASX in accordance with section 671B of the Corporations Act, as at the Last Practicable Date, the following substantial shareholders have a Relevant Interest in 5% or more of Eumundi Shares:

Name	Number of Eumundi Shares	Percentage shareholding
SEQ Hospitality Group Pty Ltd ⁴⁷	35,155,945 ⁴⁸	70.64%
Joseph Michael Ganim ⁴⁹	13,021,572	26.16%
Peter Milton Ganim ⁵⁰	10,834,791	21.77%
Paul Calile Ganim ⁵¹	11,825,726	23.76%
Gilbert De Luca ⁵²	8,548,118	17.18%
SCMS Pty Ltd atf SJ Shoobridge Superannuation Fund ⁵³	9,000,052	18.08%
Robert Darius Fraser ⁵⁴	3,458,547	7.18%
Gansons Pty Ltd	3,323,650	6.68%
Ganbros Pty Ltd	3,137,739	6.30%
Ganboys Pty Ltd	3,094,304	6.22%
Agpro Pty Ltd	2,746,496	5.52%

(c) **Top 20 Eumundi Shareholders**

Based on the Register as at the Last Practicable Date, the top 20 Eumundi Shareholders held approximately 91.39% of the Eumundi Shares, as set out in the following table:

	Name	Number of Eumundi Shares	Percentage shareholding
1.	De Luca Group Superannuation Pty Ltd <De Luca Group S/F A/C>	8,548,118	17.18
2.	SCMS Pty Ltd <SJ Shoobridge S/F A/C>	6,684,851	13.43
3.	Gansons Pty Ltd	3,323,650	6.68
4.	Ganbros Pty Ltd	3,137,739	6.30
5.	Ganboys Pty Ltd	3,094,304	6.22
6.	Agpro Pty Ltd <Joe Ganim Super A/C>	2,746,496	5.52
7.	Mr Robert Darius Fraser	2,720,142	5.47

⁴⁷ If there are further acceptances of the Takeover Offer after the Last Practicable Date, SEQ's Relevant Interest in Eumundi Shares will increase. Eumundi Shareholders are encouraged to monitor Eumundi's website at <https://eumundigroup.com.au/asx-announcements/> and the ASX website at <https://www.asx.com.au/markets/company/ebg> for changes to SEQ's Relevant Interest in Eumundi.

⁴⁸ The power of SEQ to vote or dispose of those Eumundi Shares that are the subject of acceptance of the Takeover Offer is qualified since the Takeover Offer has not been declared unconditional and SEQ is not presently registered as the holder of the Eumundi Shares. The Eumundi Shares which are the subject of acceptances of the Takeover Offer will not be transferred to SEQ unless the Takeover Offer is declared, or becomes, unconditional or the Scheme is implemented.

⁴⁹ Includes Eumundi Shares held by Agpro Pty Ltd, Ganbros Pty Ltd, Ganboys Pty Ltd and Gansons Pty Ltd.

⁵⁰ Includes Eumundi Shares held by Peter Milton Ganim and Paul Calile Ganim (as trustee for Peter Ganim Superannuation), Ganbros Pty Ltd, Ganboys Pty Ltd and Gansons Pty Ltd

⁵¹ Includes Eumundi Shares held by Paul Calile Ganim, Paul Calile Ganim and Alison Elizabeth Ganim as trustee for Paul Ganim Superannuation, Peter Milton Ganim and Paul Calile Ganim (as trustee for Peter Ganim Superannuation), Ganbros Pty Ltd, Ganboys Pty Ltd and Gansons Pty Ltd.

⁵² Includes Eumundi Shares held by De Luca Group Superannuation Pty Ltd.

⁵³ As disclosed in the latest substantial holder notice lodged by SCMS Pty Ltd with Eumundi and ASX on 1 November 2024.

⁵⁴ Includes Eumundi Shares held by Robert Fraser in his personal capacity and Eumundi Shares held by Laicos Securities Pty Limited as trustee of the Fraser Family Superannuation Fund.

8.	SCMS Pty LTD <SJ Shoobridge Super A/C>	2,696,783	5.42
9.	J P Morgan Nominees Australia Pty Limited	2,485,060	4.99
10.	Mr Otto Heinrich Wilhelm + Mr Margaret Jane Wilhelm + Ms Theresia Anna Wilhelm <Wilhelm Super Fund A/C>	2,401,177	4.82
11.	Mr Peter Milton Ganim +Mr Paul Calile Ganim <Peter Ganim Super Fund A/C>	1,279,098	2.57
12.	Mrs Tracy Fraser <Tracy Fraser A/C>	973,493	1.96
13.	Laicos Securities Pty Ltd <Fraser Family Super A/C>	859,163	1.73
14.	Mr Paul Calile Ganim + Mrs Alison Elizabeth Ganim <Paul Ganim Super Fund A/C>	808,238	1.62
15.	Keiser Investments Pty Ltd <Gann Family Retirement A/C>	773,857	1.55
16.	Ruminator Pty Ltd	730,000	1.47
17.	Mr Joseph Michael Ganim	719,383	1.45
18.	KST Group Pty Ltd	626,215	1.26
19.	Rogand Superannuation Pty Ltd <Rogand Super Fund A/C>	477,861	0.96
20.	Caske Family Superannuation Pty Ltd <CASKE FAMILY SUPER FUND A/C>	396,503	0.80
	Total	45,482,131	91.39

5.6 Recent Eumundi Share performance

The closing sale price of Eumundi Shares on the Last Practicable Date was \$1.68.

For the six month period prior to the Announcement Date, the Eumundi Share price traded between \$1.13 and \$1.26.

5.7 Financial profile of Eumundi

(a) Historical financial information

This section 5.7 contains financial information relating to Eumundi extracted from the audited financial statements of Eumundi for the years ending 30 June 2022, 30 June 2023 and 30 June 2024.

The historical financial information in this section 5.7 is a summary only and has been prepared and extracted for the purposes of this Scheme Booklet only.

The historical financial information of Eumundi presented in this section 5.7 is in an abbreviated form and does not contain all the disclosures, presentations, statements or comparatives that are usually provided in an annual report prepared in accordance with the Corporations Act. Eumundi considers that for the purposes of this Scheme Booklet

the historical financial information presented in an abbreviated form is more meaningful to Eumundi Shareholders.

The historical financial information of Eumundi presented in this Scheme Booklet has been prepared in accordance with the recognition and measurement principles contained in the Australian Accounting Standards issued by the Australian Accounting Standards Board, and is presented on a standalone basis, and accordingly, does not reflect any impact of the implementation of the Scheme (or the transactions contemplated by it).

Further detail about Eumundi's historical financial performance can be found in Eumundi's financial statements for the financial years ended 30 June 2022 (included in the Annual Report released to ASX on 29 August 2022 and 11 October 2022), 30 June 2023 (included in the Appendix 4E released to ASX on 28 August 2023 and the Annual Report released to ASX on 20 October 2023) and 30 June 2024 (included in the Appendix 4E released to ASX on 26 August 2024 and the Annual Report released to ASX on 5 November 2024). Copies of these documents can be obtained, free of charge, from ASX's website at <https://www.asx.com.au/markets/company/ebg> or from the Eumundi's website at <https://eumundigroup.com.au/asx-announcements/>.

(b) **Historical consolidated statement of profit or loss and other comprehensive income for full year ended 30 June 2022, 30 June 2023 and 30 June 2024**

	Post-Reclassification		Pre-Reclassification	
	FY24 Annual Report		FY23 Annual Report	FY22 Annual Report
	2024 \$'000	2023* \$'000	2023* \$'000	2022 \$'000
Revenue	30,432	29,733	30,113	27,684
Other income				
Net fair value gain on revaluation of investment properties	840			5,447
Expenses				
Cost of goods sold	(8,141)	(8,310)		
Purchase of Inventories			(8,694)	(8,403)
Change of inventories			3	(145)
Selling and promotion	(1,017)	(1,034)	(1,021)	(1,020)
Employee benefits expense	(4,636)	(4,645)	(4,645)	(4,395)
Repair and maintenance	(151)	(139)		
Depreciation and amortisation	(1,666)	(1,858)	(1,858)	(1,786)
Insurance	(174)	(205)	(205)	(205)
Rates and taxes	(127)	(127)	(127)	(65)

* A reclassification of some accounts occurred in FY24. FY23 accounts are shown pre and post reclassification for comparison purposes.⁵⁵

⁵⁵ During FY24, the Eumundi Group reassessed revenue and expense classifications. This resulted in two new expense categories disclosed in the FY24 statutory accounts - Occupancy costs \$718,000 and Repairs and Maintenance \$139,000 which were shown as Other Expenses. A reduction in Investment Property expenses of \$80,000 related to reclassification of intercompany elimination and is offset by a corresponding increase in Occupancy Expenses. Supplier Rebates of \$380,000 previously disclosed as Revenue was reclassified as a reduction of Cost of Goods Sold

Electricity	(207)	(205)	(205)	(243)
Listing and governance	(362)	(350)	(350)	(340)
Gaming tax	(6,397)	(5,936)	(5,936)	(5,037)
Occupancy	(798)	(718)		
Investment property expense	(594)	(563)		
Outgoings investment properties			(643)	(585)
Other expenses	(485)	(499)	(1,291)	(1,092)
Finance costs	(1,694)	(1,441)	(1,438)	(695)
COVID-19 Government subsidies				15
Net fair value loss on revaluation of investment properties	-	(1,740)	(1,740)	
Total expenses	(26,449)	(27,770)	(28,150)	(23,996)
Profit before income tax expense	4,823	1,963	1,963	9,135
Income tax expense	(1,202)	(486)	(486)	(2,113)
Profit after income tax expense for the year attributable to the shareholders of Eumundi Group Limited	3,621	1,477	1,477	7,022
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Fair value revaluation of land and buildings	937	4,987	4,987	8,108
Income tax on other items of comprehensive income	(234)	(1,247)	(1,247)	(2,027)
Other comprehensive income for the year, net of tax	703	3,740	3,740	6,081
Total comprehensive income for the year attributable to the shareholders of Eumundi Group Limited	4,324	5,217	5,217	13,103
	Cents	Cents	Cents	Cents
Earnings per share	7.71	3.33	3.33	16.74

(c) **Historical consolidated statement of financial position for full year ended 30 June 2022, 30 June 2023 and 30 June 2024**

* A reclassification of some accounts occurred in FY24. FY23 accounts are shown pre and post reclassification for comparison purposes.⁵⁶

	<u>Post-Reclassification</u>		<u>Pre-Reclassification</u>	
	FY24 Annual Report		FY23 Annual Report	FY22 Annual Report
	2024	2023*	2023*	2022
	\$'000	\$'000	\$'000	\$'000
Assets				
Current assets				
Cash and cash equivalents	1,431	1,606	1,606	1,831
Trade and other receivables	186	223	224	222
Inventories	1,387	1,332	1,332	1,335
Other assets	427	349	348	486
Total current assets	3,431	3,510	3,510	3,874
Non-current assets				
Trade and other receivables	-	2	2	5
Property, plant and equipment	53,765	53,900	53,900	48,723
Investment properties	47,100	46,349	46,349	48,150
Intangibles	2,419	2,419	2,419	2,368
Total non-current assets	103,284	102,670	102,670	99,246
Total assets	106,715	106,180	106,180	103,120
Liabilities				
Current liabilities				
Trade and other payables	3,502	3,578	3,578	4,484
Lease liabilities	144	192	192	227
Income tax	364	521	521	396
Provisions	590	586	586	588
Total current liabilities	4,600	4,877	4,877	5,695
Non-current liabilities				
Borrowings	26,206	29,564	29,564	31,432
Lease liabilities	263	407	407	224
Deferred tax	8,795	8,574	8,574	7,986
Provisions	47	47	47	44
Total non-current liabilities	35,311	38,592	38,592	39,686
Total liabilities	39,911	43,469	43,469	45,381
Net assets	66,804	62,711	62,711	57,739

⁵⁶ There was no change to the Statement of Financial Position as a result of the revenue and expense reclassifications.

Equity				
Issued capital	33,080	30,081	30,081	27,276
Reserves	21,128	20,425	20,425	16,685
Retained profits	12,596	12,205	12,205	13,778
Total equity	66,804	62,711	62,711	57,739

(d) **Historical consolidated statement of cash-flows for full year ended 30 June 2022, 30 June 2023 and 30 June 2024**

* A reclassification of some accounts occurred in FY24. FY23 accounts are shown pre and post reclassification for comparison purposes.⁵⁷

	<u>Post-Reclassification</u>		<u>Pre-Reclassification</u>	
	FY24 Annual Report		FY23 Annual Report	FY22 Annual Report
	2024 \$'000	2023* \$'000	2023* \$'000	2022 \$'000
Cash flows from operating activities				
Receipts from customers (inclusive of GST)	34,460	32,402	32,820	29,843
Payments to suppliers and employees (inclusive of GST)	(27,227)	(25,199)	(25,617)	(24,210)
Interest received	7,233	7,203	7,203	5,633
Interest and other finance costs paid	(1,646)	(1,296)	(1,296)	(562)
Income tax refund received				219
Income taxes paid	(1,368)	(1,017)	(1,017)	(403)
Net cash from operating activities	4,220	4,890	4,890	4,889
Cash flows from investing activities				
Acquisition of investment property				(6,379)
Payments for investment property	(15)	(55)	(55)	(373)
Payments for property, plant and equipment	(580)	(2,714)	(2,714)	(910)

⁵⁷ In the FY24 Annual report supplier rebates were classified as Payments to suppliers and employees which had been classified as Receipts from Customers in FY23 Annual Report resulting in a \$418,000 (GST inc) restatement between these categories in the Statement of Cash Flows.

Proceeds from disposal of property, plant and equipment	30	27	27	
Net cash used in investing activities	(565)	(2,742)	(2,742)	(7,662)
Cash flows from financing activities				
Proceeds from Borrowings				10,000
Repayment of borrowings	(3,345)	(1,860)	(1,860)	(6,465)
Loan establishment costs	(37)	(30)	(30)	(29)
Share issue transaction costs	(15)	(13)	(13)	(8)
Dividends paid	(220)	(235)	(235)	(131)
Repayment of lease liabilities	(213)	(235)	(235)	(231)
Net cash used in financing activities	(3,830)	(2,373)	(2,373)	3,136
Net decrease in cash and cash equivalents	(175)	(225)	(225)	363
Cash and cash equivalents at the beginning of the financial year	1,606	1,831	1,831	1,468
Cash and cash equivalents at the end of the financial year	1,431	1,606	1,606	1,831

(e) **Material changes in Eumundi's financial position (since 30 June 2024)**

Other than the accumulation of profits in the ordinary course of trading to the knowledge of the Eumundi Directors, the financial position of Eumundi has not changed materially since 30 June 2024, being the last date of the period to which the financial statements for the full year ended 30 June 2024 relate. Copies of Eumundi's periodic reports can be obtained from Eumundi's website at <https://eumundigroup.com.au/asx-announcements/>, ASX's website at <https://www.asx.com.au/markets/company/ebg> and from Eumundi free of charge following a request in writing via email: dcornish@corpservices.com.au, or, by post: c/- HopgoodGanim Lawyers Level 8, Waterfront Place, 1 Eagle Street, Brisbane QLD 4000, to be received before the Scheme is approved by the Court.

5.8 **Eumundi Directors' intentions for the business**

The Corporations Regulations require a statement by the Eumundi Directors of their intentions regarding Eumundi's business. If the Scheme is implemented, SEQ has stated that it intends to reconstitute the Eumundi Board as appropriate for such an entity. It is for the reconstituted Eumundi Board to determine its intentions as to:

- (a) the continuation of the business of Eumundi or how the existing business will be conducted;
- (b) any major changes to be made to the business of Eumundi; and
- (c) the future employment of the present employees of Eumundi,

and accordingly, it is not possible for the Eumundi Directors to provide such a statement at this time. Eumundi Shareholders should refer to section 6.5 as to the intentions of SEQ.

5.9 Publicly available information about Eumundi

Eumundi is a disclosing entity as defined in the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. Broadly, these require Eumundi to announce price sensitive information as soon as it becomes aware of the information, subject to exceptions for certain confidential information. Eumundi is also required to prepare and lodge with ASIC and ASX both annual and half-year financial statements.

Further announcements concerning Eumundi will continue to be made available on ASX's website at <https://www.asx.com.au/markets/company/ebg>, or alternatively Eumundi's website at <https://eumundigroup.com.au/asx-announcements/> after the date of this Scheme Booklet.

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6. Overview of SEQ

6.1 Introduction

This section 6 forms part of the SEQ Information and has been prepared by SEQ. The information concerning SEQ and the intentions, views and opinions contained in this section are the responsibility of SEQ.

Eumundi and its Eumundi Directors, officers, employees and advisers do not assume any responsibility for the accuracy or completeness of the information in this section.

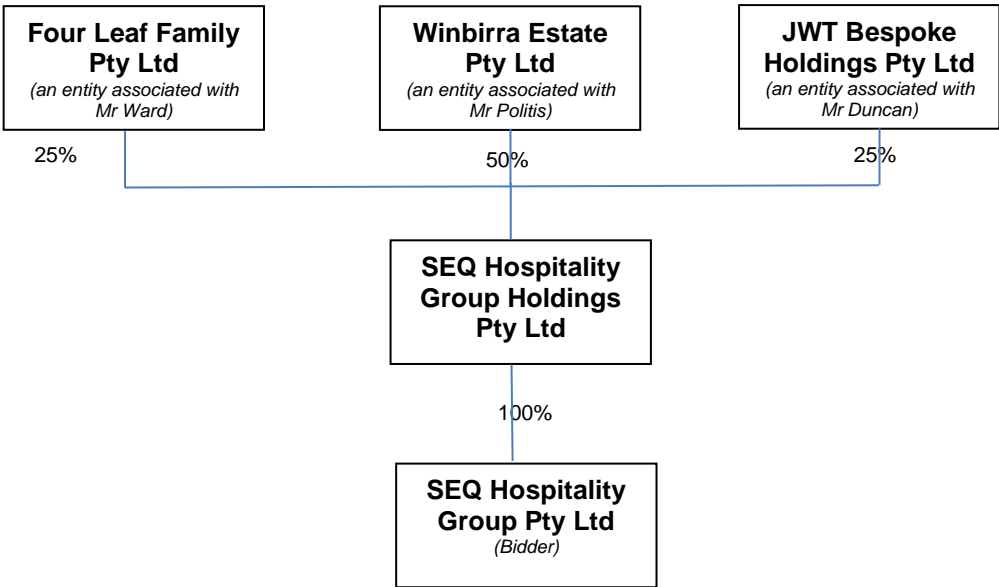
The Independent Expert's Report set out in Schedule 1 to this Scheme Booklet contains further information about SEQ.

6.2 Overview of SEQ

(a) SEQ and SEQ Holdings

SEQ is an Australian proprietary company that was incorporated on 27 September 2024, as a special purpose vehicle to acquire Eumundi Shares under the Transaction. It is a wholly owned subsidiary of SEQ Hospitality Group Holdings Pty Ltd (**SEQ Holdings**). SEQ Holdings is, in turn, owned by entities associated with each of the SEQ Directors.

SEQ and SEQ Holdings are a part of the Fortitudo Group. The diagram below sets out the structure of SEQ and SEQ Holdings as at the Last Practicable Date.



(b) Fortitudo Group

The Fortitudo Group, an independent hotel and liquor retail operator based in Southeast Queensland, owns and operates several popular venues including:

- (1) Boathouse Tavern in Coomera;
- (2) QA Hotel in New Farm, Brisbane;
- (3) Treetops Tavern in Burleigh Waters;

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- (4) The Ambassador of Redcliffe; and
- (5) Trader Dukes in Kings Circle, Caboolture,
- as well as 17 bottle shops.

Further information on the Fortitudo Group can be found at www.fortitudogroup.com.au.

6.3 SEQ Directors

The SEQ Directors as at the Last Practicable Date are:

(a) **Martin Ward**

Mr Ward's career started in hospitality with Allied Breweries as an area manager responsible for 15 large pubs in southeast England. In 1990, he joined Inchcape PLC and relocated to the Middle East to operate within their liquor division in Bahrain. He became managing director of the Middle East liquor division in 1992 and then in 1994 was managing director of the Middle East and Asia Pacific region relocating to Singapore. In 1996, he became managing director of Inchcape Motors (Australia) and in 1998 was additionally appointed regional CEO and director Asia Pacific/Australasia. From 2001 to 2005 Mr Ward was the CEO of Ford Motor Company's Sydney Retail Joint Venture. He joined Eagers Automotive Limited (ASX:APE) in July 2005, was CEO from 2006 to 2021 and remains as an advisor to the Eagers' board and CEO. Martin is also a director of Australian Automotive Dealer Association Limited and non-executive director of Motorcycle Holdings Limited (ASX:MTO).

(b) **Nicholas Politis**

Mr Politis has been a non-executive director of Eagers Automotive Limited (ASX:APE) since May 2000. He is the executive chairman of the NGP Group of companies, and director of a substantial number of proprietary limited companies.

(c) **Gregory Duncan**

Mr Duncan is a director of advisory and investment firm JWT Bespoke Pty Ltd (2013 to present) and has been a non-executive director of Eagers Automotive Limited (ASX:APE) since 2019. He is the former owner and executive chairman of Trivett Automotive Group, Australia's largest prestige automotive business. Mr Duncan was also chairman of Cox Automotive Australia board of management (2016 to March 2021) and director of Automotive Holdings Group Ltd (2015 to 2019).

6.4 SEQ's funding for the Transaction Consideration

(a) *Source of funds*

SEQ will fund the Scheme Consideration using cash committed to it under the funding commitment deeds (**Funding Deeds**) described in section 5.2 of SEQ's bidder's statement and section 3 of SEQ's notice of variation as lodged with ASIC on 13 December 2024.

The Funding Deeds have been entered into with (each a **funding party** and collectively the **funding parties**):

- (1) Four Leaf Family Pty Ltd - which is an entity associated with Martin Ward (who is a director of SEQ);

- (2) JWT Bespoke Holdings Pty Ltd - which is an entity associated with Gregory Duncan (who is a director of SEQ);
- (3) Winbirra Estate Pty Limited - which is an entity associated with Nicholas Polits (who is a director of SEQ).

The amount, in aggregate, which is committed by these three funding parties exceeds the total consideration payable by SEQ under the scheme (namely, \$80,623,787.40) (**Maximum Consideration Amount**).

(b) *Relationship between the funding parties and others*

Each of the funding parties owns shares in SEQ Hospitality Group Holdings Pty Ltd (**SEQ Holdings**) in the following proportions:

- (1) Four Leaf Family Pty Ltd - 25%;
- (2) JWT Bespoke Holdings Pty Ltd - 25%;
- (3) Winbirra Estate Pty Limited - 50%.

SEQ Holdings, in turn, owns 100% of the shares in SEQ.

None of the funding parties is a 'related party' of Eumundi or any of the Eumundi Directors.

(c) *Funding terms*

Under the terms of the Funding Deeds, each funding party has:

- (1) irrevocably and unconditionally undertaken to provide to SEQ, or procure the provision of, the amount set out against its name in the table below (through any combination of equity subscription and loan arrangement) (which amounts in aggregate exceed the Maximum Consideration Amount);

Funding Party	Total funding commitment
Four Leaf Family Pty Ltd	\$13,375,000
JWT Bespoke Holdings Pty Ltd	\$13,375,000
Winbirra Estate Pty Limited	\$54,250,000

- (2) represented and warranted to SEQ that it has an unrestricted right and authority to cash reserves which are sufficient to enable it to comply with its obligations under its Funding Deed.

SEQ's right to receive payment under the Funding Deeds is not subject to any conditions precedent and no demand for repayment of funds provided to SEQ may be made during the period in which SEQ has an obligation, actual or contingent, to make payment to Eumundi Shareholders under the Scheme.

6.5 SEQ's intentions if the Scheme is implemented

(a) **Delisting**

SEQ intends to arrange for Eumundi to be removed from the official list of ASX.

(b) **Operational and strategic review**

Following implementation of the Scheme, SEQ intends to undertake a detailed and broad-based review of Eumundi's assets, strategy and operations in light of the more detailed information then available to it. SEQ's expectation is that the review will focus on:

- (1) Eumundi's asset portfolio (e.g. the geographic spread of those assets, with particular regard to those not located in the Southeast corner of Queensland) with a view to the potential disposal of some assets;
- (2) integration of management operating systems, administrative procedures, systems and reporting lines, the intention being to bring these into line with the Fortitudo Group's current operations, standards and practises and to optimise operating costs;
- (3) review of management and operations;
- (4) potential synergies and cost savings, including overheads, ASX listing costs, insurances, professional advisory fees and other synergistic operational costs;
- (5) Eumundi's current financing arrangements and future funding requirements to determine the optimal capital structure. Eumundi's need for additional capital, either in the form of debt or equity will be assessed, including the Fortitudo Group's ability to provide Eumundi with such capital; and
- (6) external commercial relationships with service providers (e.g. alcohol and inventory supply arrangements).

The outcome of this review may result in changes to the structure of the operating businesses, including changes to the way the businesses are managed or operated, changes to the number of employees and the possible divestment of assets or businesses.

(c) **Business integration**

SEQ intends to centralise certain of Eumundi's corporate functions (such as the company secretarial, financial management and information technology functions) in order to eliminate duplication and reduce those costs where possible. Other similar functions within the Fortitudo Group and Eumundi will be reviewed and either totally merged where relevant or continue to trade under current arrangements. In addition, some functions of Eumundi's head office may no longer be necessary if Eumundi is removed from the ASX following implementation of the Scheme.

(d) **Board composition**

SEQ intends to replace all the members of the Eumundi Board and the members of the boards of Eumundi's subsidiaries with nominees of SEQ. Replacement board members have not yet been identified by SEQ and their identity will depend on the circumstances at the relevant time, including the approval of those persons by the OLGR where appropriate or desirable.

(e) **Impact on management and employees**

After implementation of the Scheme, and as part of the general operational review described above, it is possible that job losses may occur associated with redundant functions such as, but not limited to, the activities associated with maintenance of an ASX listing and certain senior executive offices. The incidence, extent and timing of such job losses cannot be predicted in advance and will depend on the outcome of the strategic review. If redundancies do occur, the Fortitudo Group may seek to find new roles for such employees. If that is not feasible, the relevant employees will receive benefits in accordance with their contractual and other legal entitlements.

(f) **Senior management terms of employment**

It is intended that the terms of employment of the members of the senior management team who remain with Eumundi after implementation of the Scheme will remain substantially the same as their existing employment terms.

(g) **Eumundi's Constitution**

SEQ intends to amend Eumundi's Constitution to reflect its status as a wholly-owned subsidiary of SEQ and will seek to convert Eumundi from a public company to a proprietary company.

(h) **Consolidated tax group**

Eumundi and its wholly owned subsidiaries will become members of the consolidated tax group of which SEQ Holdings is the head company and Eumundi and each of its wholly owned subsidiaries will enter into, or become parties to, the tax sharing agreement and tax funding agreement in place in relation to that consolidated tax group.

(i) **Limitations on intentions**

The intentions and statements of future conduct set out in this section 6.5 must be read as being subject to:

- (1) Eumundi's Constitution, the law (including the Corporations Act) and the ASX Listing Rules;
- (2) the outcome of reviews referred to in this section 6.5(b); and
- (3) the legal obligation of the Eumundi Directors at the time, including any nominees of SEQ, to act in good faith in the best interest of Eumundi and for proper purposes and to have regard to the interests of all Eumundi Shareholders.

6.6 Relevant Interests in the Eumundi securities

As at the Last Practicable Date, SEQ has acquired a Relevant Interest in 35,155,945 Eumundi Shares (representing 70.64% of Eumundi Shares) as a result of acceptances of its Takeover Offer.

The power of SEQ to vote or dispose of those Eumundi Shares that are the subject of acceptance of the Takeover Offer is qualified since the Takeover Offer has not been declared unconditional and SEQ is not presently registered as the holder of the Eumundi Shares. The Eumundi Shares which are the subject of acceptances of the Takeover Offer will not be transferred to SEQ unless the Takeover Offer is declared, or becomes, unconditional or the Scheme is implemented.

Each movement of at least 1% in SEQ's Relevant Interest in Eumundi Shares, during the course of its Takeover Offer, will be notified in substantial holder notices provided by SEQ to the ASX and Eumundi in accordance with its statutory obligations to do so.

6.7 Dealings in Eumundi securities in previous four months

Except as referred to elsewhere in this Scheme Booklet, neither SEQ nor any of its Associates:

- (a) have acquired or disposed of Eumundi Shares during the four month period immediately prior to the date of this Scheme Booklet;
- (b) provided, or agreed to provide, any form of consideration for Eumundi Shares under a purchase or agreement in the four months before the date of this Scheme Booklet, except for the Transaction Consideration which SEQ has agreed to provide under the Transaction (as reflected in the Implementation Deed and the Bidder's Statement).

6.8 No pre-Scheme benefits to Eumundi Shareholders

Except as referred to elsewhere in this Scheme Booklet and the Bidder's Statement, neither SEQ nor any of its Associates has, during the period of four months before the date of this Scheme Booklet, given or offered or agreed to give, a benefit to another person that was likely to induce the other person, or an associate of that person, to:

- (a) vote in favour of the Scheme; or
- (b) dispose of Eumundi Shares,

which benefit is not offered to all Eumundi Shareholders under the Transaction.

6.9 No pre-Scheme agreements or arrangements with Eumundi officers

Except as referred to elsewhere in this Scheme Booklet and the Bidder's Statement, there are no agreements or arrangements made between SEQ with the directors or senior management of Eumundi in connection with the Transaction.

6.10 Publicly available information about SEQ

SEQ is a newly incorporated, proprietary company and therefore:

- (a) has no prior business activities, trading history, or operational records for Eumundi Shareholders to consider; and
- (b) is not subject to the periodic and continuous disclosure requirements of the Corporations Act and the ASX Listing Rules.

Accordingly, there is limited public information available regarding the business and operations and financial performance and position of SEQ. Further information regarding the Fortitudo Group and its business can be found www.fortitudogroup.com.au.

6.11 No other material information

Except as disclosed elsewhere in this Scheme Booklet and the Bidder's Statement, there is no other SEQ Information that is material to the making of a decision in relation to the Scheme, being SEQ Information that is within the knowledge of any SEQ Director, at the date of this Scheme Booklet, which has not previously been disclosed to the Eumundi Shareholders.

7. Summary of Key Risks

7.1 Introduction

There are a number of potential risks of which Eumundi Shareholders should be aware when considering the Transaction and deciding how to vote on the Scheme Resolution at the Scheme Meeting and whether to accept the Takeover Offer.

This section 7 outlines:

- (a) general risks as well as specific risks related to Eumundi, each of which could have a materially adverse effect on the future business and operational performance of Eumundi (refer to section 7.2); and
- (b) specific risks relating to the Scheme (refer to section 7.3).

This section 7 is not intended to provide an exhaustive list of all risks that may be related to Eumundi and the Scheme. Risks associated with the Takeover Offer are set out in sections 7.2, 7.3 and 7.4 of the Target's Statement. Additional risks and uncertainties not currently known may also have an adverse impact on Eumundi or Eumundi Shareholders. Further, these risks do not take into account your individual circumstances including your investment objectives, financial situation, taxation position or other particular needs.

Eumundi Shareholders should carefully consider the risks set out in this section 7, as well as the other information contained in the Target's Statement (including the report by the Independent Expert in respect of the Takeover Offer) and the Bidder's Statement, before deciding how to deal with your Eumundi Shares. You should consult your legal, financial, taxation or other professional adviser if you are uncertain about any aspect of the Transaction.

7.2 Risks associated with holding Eumundi Shares

There are a range of general and business-specific risks associated with your current investment in Eumundi Shares, as set out below (and as set out in section 7.5 of the Target's Statement).

The risks outlined in this section 7.2 will only continue to be relevant to you if you retain your Eumundi Shares, either because:

- the Scheme is NOT implemented, and the Takeover Offer DOES NOT become unconditional; or
- the Scheme is NOT implemented, and the Takeover Offer is declared unconditional but you have NOT ACCEPTED the Takeover Offer and SEQ is unable to compulsorily acquire your Eumundi Shares (i.e. you become a minority shareholder in Eumundi).

For the sake of clarity, if either:

- the Scheme is implemented, or
- the Takeover Offer becomes, or is declared, unconditional and either you have accepted the Takeover Offer or SEQ is otherwise able to compulsorily acquire your Eumundi Shares,

your Eumundi Shares will be transferred to SEQ (either pursuant to the Scheme or the Takeover Offer) and you will no longer be subject to the risks outlined in this section 7.2.

While Eumundi has in place what it considers are appropriate policies and procedures to help manage these risks, there is no guarantee that Eumundi will be able to manage or mitigate these

risks completely. Furthermore, certain aspects of these risks (or Eumundi's ability to respond to and manage them) may be partly or wholly outside of Eumundi's control.

(a) **General investment risks**

Eumundi Shares carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on ASX. If you retain your Eumundi Shares, the market price of Eumundi Shares (assuming Eumundi remains listed on ASX) and future distributions made to Eumundi Shareholders (if any) will be influenced by a number of factors beyond the control of the Eumundi Board and management, including:

- (1) changes in investor sentiment and the overall performance of the Australian and international stock markets;
- (2) changes in general economic conditions (both domestically and internationally) including the costs and general availability of credit, the levels of inflation (including wage inflation), interest rates, exchange rates, general consumption and consumer spending, economic sentiment and levels of employment;
- (3) 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;
- (4) changes in government and to fiscal, monetary and regulatory policies;
- (5) changes in accounting standards which affect the financial performance and position reported by Eumundi;
- (6) changes in taxation laws (or their interpretation by relevant courts or authorities);
- (7) geopolitical events such as an outbreak or exacerbation of hostilities, acts of terrorism, conflict and declaration of war (including the current conflict between Ukraine and Russia and the conflict between Israel and Palestine); and
- (8) natural disasters such as fires, floods and catastrophes, whether on a global, regional or local scale.

(b) **Future share price**

There is a significant risk that the Eumundi Share price may fall if the Transaction is unsuccessful. There has been a recent increase in the holding of an existing substantial shareholder in Eumundi.⁵⁸ This holding creates a potential blocking stake which, if the Scheme does not proceed and the Takeover Offer is not subsequently declared unconditional (such that the Transaction fails), may reduce the likelihood that another offer will be received on at least as favourable terms as the Transaction, and the price of Eumundi Shares will likely fall below the current price as a result.

The Eumundi Directors are not in a position to speculate on the future trading price of the Eumundi Shares, including if the Scheme fails and the Takeover Offer is

⁵⁸ As disclosed in the latest substantial holder notice lodged by SCMS Pty Ltd with Eumundi and ASX on 1 November 2024.

withdrawn or lapses. The future price of Eumundi Shares is dependent not only on Eumundi's performance, but also on external market and other factors.

(c) **Legal and regulatory compliance**

(1) **Title and renewal risk – Crown Lease and Bottle Shop Leases**

The Plough Inn, and the land on which it is situated (**Plough Inn Premises**), is leased by the Eumundi Group from South Bank Corporation ABN 95 927 817 538 under the terms of the Crown Lease, which is administered by the Queensland Government pursuant to the *South Bank Corporation Act 1989* (Qld). Eumundi must abide by the terms and conditions of the Crown Lease, including with regards to the use of the Plough Inn Premises. The Crown Lease will expire in 2114. The Eumundi Group has subleased part of the Plough Inn Premises to a tenant which operates a tavern (including a bistro) at the location.

In order to validly operate its business, the Eumundi Group must also comply with the terms of the Bottle Shop Leases.

Eumundi cannot guarantee future renewals of any of its existing leases or licences, including the Crown Lease and the Bottle Shop Leases. Future applications or renewals of the Crown Lease (if any) may be subject to a competitive tender process. Failure to meet its obligations under its leases, or to otherwise obtain renewals in the future, may negatively impact the Eumundi Group's ability to generate revenue from the relevant business operations and may result in Eumundi being unable to meet its business goals and ultimately adversely affecting the Eumundi Group's financial performance and prospects.

(2) **Compliance with Work Health and Safety**

Employees of Eumundi Group are at risk of workplace accidents and incidents. In the event that an employee is injured or some other event or circumstance occurs giving rise to a claim, in each case in the course of their employment, the Eumundi Group may be liable for penalties or damages (to the extent not covered by insurance). This has the potential to harm both the reputation and financial performance of the Eumundi Group.

There is a risk of serious injury or fatality of tenants, employees, patrons and contractors on the premises operated by the Eumundi Group. The occurrence of such events may have an adverse effect on the productivity, operations and reputation of Eumundi Group. This may also impact the financial performance, position and prospects of the Eumundi Group.

Eumundi manages these risks through appropriate advice, policies and procedures. Notwithstanding this, there is no guarantee that the Eumundi Group will not suffer loss as a result of these risks. In the event that a person is injured or some other event or circumstance occurs giving rise to a claim, the Eumundi Group may be liable to the extent not covered by insurance (such as public liability insurance).

(3) **Legislative and regulatory changes**

Eumundi operates in a highly regulated industry and is reliant on receiving and maintaining regulatory approvals in the jurisdictions in which it conducts gaming and non-gaming operations. Legislative and regulatory changes (including as a result of a change in government or changes to taxation regimes at State or Federal Government levels as well as potential cost

increases related to new compliance obligations or associated disclosures) are (1) outside the control of Eumundi, (2) may not apply to Eumundi's competitors or impact them to the same extent (see also '*Increased industry competition*'), and (3) may have an adverse impact on the operations, financial performance, position and prospects of Eumundi, including with the result that the trading price of Eumundi Shares could decline, and investors could lose all or part of their investment.

(d) **Financing and capital**

There is a risk that the costs of operations may be higher than anticipated or may increase as a result of unforeseen circumstances (which may include circumstances related to other key risk factors set out in this section 7). This may warrant raising additional equity or debt capital in the future. There is no assurance that Eumundi will be able to raise capital when it is required to or that it will be able to raise that capital on satisfactory terms.

In the event of insufficient capital, and without obtaining adequate funding from additional debt or from a capital raise, Eumundi may also have to licence or sell its assets on unfavourable terms, or scale down or cease operations.

(e) **Uncertainty of future costs and resultant impact on profitability**

The cash flow of the Eumundi business is highly seasonal.

Among other expenses, Eumundi's key expenses will consist of employment expenses (salaries), rent, lease expenses, depreciation, finance costs, other overheads or outgoings, and other general operational expenses. Eumundi's future profitability is therefore, contingent on, amongst other things, its ability to manage costs at a sustainable level, enter into appropriate procurement/supply arrangements, realise profitable market opportunities, source labour at sustainable rates and in general manage costs within budgeted and forecast levels.

For the reasons listed above, the level of any future profitability of Eumundi cannot be accurately determined and Eumundi cannot provide any guarantee that future profitability will be achieved.

(f) **Industry risks**

(1) **Government approvals risk**

The hospitality industry is subject to a number of Government Agency approvals in the form of the OLGR Approvals, food safety licences and other similar licences and approvals (**Government Approvals**). In order to meet Eumundi's business plan outcomes, Eumundi must maintain its Government Approvals. A failure to obtain and or maintain such Government Approvals, or significant delays in obtaining new Government Approvals, may limit Eumundi's ability to meet its business and production goals.

The risks associated with the specific Government Approvals are considered further below.

(2) **Food safety**

As a provider of food products, the Eumundi Group is subject to a range of food safety standards. The Eumundi Group has rigorous procedures and quality control practices in place to ensure its compliance with such food safety standards and must have food safety licences in place. However, if the

Eumundi Group's procedures are not complied with, whether intentionally or by omission, the Eumundi brand and reputation could be damaged. In addition to brand and reputational damage, the Eumundi Group could become subject to criminal or civil action as a result of any non-compliance with the food safety standards. Any such events could result in an adverse impact to the Eumundi Group's financial performance, position and prospects.

(3) **Safer gambling**

Eumundi recognises responsible gambling as a material issue for its business operations.

While Eumundi is committed to providing a safer gambling environment at each of its venues, and has policies and procedures in place to support this, there is a risk that Eumundi identifies issues relating to the provision of gaming services, including instances where those services have not been provided by Eumundi in a responsible manner, in accordance with Eumundi's policies, relevant responsible gambling codes of conduct, or regulatory or community expectations. This may result in Eumundi having to self-report these matters to a regulator, which may result in significant fines or other penalties or sanctions, which in turn may have an adverse impact on Eumundi's financial performance, position and prospects.

Eumundi also recognises that, as community standards and expectations evolve to require more harm management responsibility to be exercised by the operators of gaming services, ongoing work and reform will be required by Eumundi in this important area. Any reforms of that type may impact Eumundi's operations, be costly to implement and adversely impact Eumundi's financial performance, position and prospects.

As Eumundi further analyses, implements and tests responsible gambling initiatives, it is possible that Eumundi will identify instances where initiatives may not be as effective as intended. These matters may require new measures to be adopted to better respond to these issues and may have an adverse impact on Eumundi's operations, reputation, customer satisfaction, and financial performance, position and prospects (including as a result of significant monetary penalties or compensatory claims brought against a member of the Eumundi Group).

(4) **AML/CTF compliance**

Eumundi operates in an industry that presents high money-laundering risks. As a provider of 'designated services' under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) (**AML/CTF Act**), some entities within the Eumundi Group are 'reporting entities' which are subject to obligations under the AML/CTF Act and *Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1)* (together, the **AML/CTF Laws**). A failure to comply with these obligations could expose Eumundi to significant civil and/or criminal penalties or other regulatory actions.

(5) **Increased industry competition**

Eumundi is a small scale business which faces substantial competition (particularly from large private corporate groups) in all of the industry segments in which it operates.

The Eumundi Group is managing the competitive impact of venues (such as pubs and clubs) that are licensed to operate electronic gaming machines, have

flexible loyalty programs and new properties with food and beverage offerings, in the markets in which Eumundi's properties are located (in particular, Brisbane and Gold Coast). These competitors may either not be subject to the recent regulatory changes and recommendations to the same extent as Eumundi, or may adopt different operating practices in response, which may impact the industry's competitive dynamics.

Changes in the regulatory environment will potentially influence the industry's competitive dynamic which may in turn adversely affect Eumundi's financial performance, financial position, capital resources and prospects.

Further, gambling activities and pubs compete with other consumer products for consumers' discretionary expenditure and in particular with online gaming channels as an alternative to gaming machines and other forms of leisure and entertainment. If Eumundi does not adequately respond to the competition which it faces, there may be a change in consumer spending patterns which may have an adverse effect on the operational and financial performance of Eumundi and its prospects.

(6) **Diminution of customer satisfaction, loyalty and behaviour**

Eumundi's business model is dependent upon customer satisfaction, behaviour and loyalty. The operational and financial challenges associated with recent regulatory reviews, recent regulatory changes, political sentiment against gambling, COVID-19, the associated impact on the travel and tourism industry and Eumundi's response to those challenges, could impact upon customer satisfaction, behaviour and loyalty, the reputation of Eumundi Group and its ability to attract customers in the future. In this context, Eumundi's competitors may either not be subject to these factors to the same extent as Eumundi, or may adopt different operating practices in response, which may impact the industry's competitive dynamics to the extent that it impacts customer satisfaction, behaviour and loyalty (see also 'Increased industry competition').

Any diminution in customer satisfaction and customer loyalty, a change in customer behaviour, or Eumundi's reputation may have an adverse impact on the operating performance and the financial performance, position and prospects of Eumundi.

(7) **Price risk**

Price risk relates to Eumundi's ability to secure reliable access to quality goods and services at a competitive price to ensure continued profitability of operations while meeting market expectations and strong competition. Should Eumundi be unable to secure reliable access to quality goods and services at a competitive price, this may have adverse consequences for the operations and the financial performance and prospects of Eumundi.

(g) **Reliance on external parties**

(1) **Customer / tenancy relationships**

The Eumundi Group's success is reliant on its relationships with its customers and tenants. In order to continue successful operations, the Eumundi Group will need to supply customers and maintain its tenancies to generate revenue. There can be no guarantee that these relationships will continue, or if they do, that they will continue to be profitable for Eumundi.

(2) **Suppliers**

Eumundi's operations depend on performance by a number of external parties under contractual arrangements with Eumundi including its suppliers and hospitality partners. Non-performance of contractual obligations and poor operational performance may have an adverse impact on Eumundi's business and financial performance and prospects.

(h) **Management**

(1) **Loss of key personnel**

Eumundi relies on a number of well qualified and experienced key senior personnel. Loss of such personnel, or a failure to recruit and retain suitably qualified and experienced personnel in the future may adversely affect the financial performance of Eumundi. Such failure may also result in damage to the reputation of Eumundi which may have additional adverse consequences for the financial performance and prospects of Eumundi.

(2) **Change in strategy**

The Eumundi Group's plans and strategies may evolve over time due to review and assessment of, amongst other things, market conditions and changes in policy or regulations. As such, the current strategies, approaches, and plans of the Eumundi Group may not reflect the strategies, approaches, and plans that will be pursued in the future. Despite the Eumundi Board's efforts to guide the Eumundi Group to commercial success, any such changes in strategy have the potential to expose Eumundi to additional risks that may affect its financial performance, prospects or goodwill.

(i) **Change of Control Contracts**

The Eumundi Group of companies are party to a number of contracts which contain provisions regarding a change of control which may be triggered as a result of the Transaction. For further details, see section 9.7(j) of this Scheme Booklet. Failure to obtain the required approvals from a contract counterpart may cause that counterpart to exercise termination or other rights under the relevant contract and may negatively impact the future prospects of Eumundi.

(j) **Climate change risk**

Eumundi, its customers and external suppliers, may be adversely impacted by the physical risks (including possibility of destruction or disruption to human life, physical and natural capital) and socioeconomic impacts (including impacts to liveability, food systems and infrastructure assets) of climate change. This may directly impact Eumundi and its customers through damage to property, reduced asset values, insurance risk and business disruption and may have an adverse impact on Eumundi's financial performance, position or prospects.

Failure of Eumundi to effectively assess and respond to these risks or to be perceived as failing to do so, could adversely impact Eumundi's reputation which in turn could adversely affect Eumundi's financial performance, position or prospects.

In addition, natural disasters as a result of climate change including (but not limited to) cyclones, floods and earthquakes, and the economic and financial market implications of those disasters on domestic and global market conditions could adversely impact Eumundi's financial performance, financial position, capital resources and ability to access financing sources and prospects.

In the future, if Eumundi were to transition to a low carbon economy, it may require extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. For example, by going green where possible, using better waste management practices, lowering energy consumption, introducing on-site renewables and decreasing paper usage. This could adversely impact Eumundi's financial performance or prospects by increasing operating costs and/or impacting demand in, and the profitability of, certain business operations.

(k) **Operational risk**

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems (including information security systems), or from external events. The Eumundi Group is exposed to a variety of risks including those arising from fraud, technology failure, customer services, staff level and skills, workplace safety, compliance, business continuity, crisis management, data storage, and processing errors.

Eumundi manages these operational risks through appropriate reporting lines, defined responsibilities, policies and procedures. Although these steps are in place, there is no guarantee that Eumundi will not suffer loss as a result of these risks (and an inherent risk also exists due to systems and internal controls failing to identify or prevent losses relating to these operational risks). Those losses can include fines, penalties, loss or theft of funds or assets, customer compensation, loss of shareholder value, reputational losses, loss of life or injury to people and loss of property and information. Loss from those risks could impact Eumundi's financial performance, financial position capital resources, prospects and reputation.

(l) **Reputation risk**

Reputation risk may arise through the actions of Eumundi, its directors, officers or employees or other market participants and adversely affect perceptions of Eumundi held by the public, holders of its securities or regulators. This risk may arise as a result of risk management failures, failures to comply with legal and regulatory requirements (including ethical issues, litigation, money laundering laws, employment laws, trade sanctions legislation, privacy laws, information security policies), sales and trading practices, technology failures and security breaches.

Damage to Eumundi's reputation may have an adverse impact on Eumundi's financial performance, financial position, capital resources and prospects.

(m) **Political and general business and economic conditions**

In light of recent global and domestic macroeconomic events and political, economic and business conditions (including the conflict between Ukraine and Russia, the conflict between Israel and Palestine, natural disasters, inflationary pressures and rising interest rates), Australia is currently experiencing economic variability and uncertainty. These economic conditions could have an adverse impact on Eumundi's operating and financial position and performance and could affect the price of Eumundi's shares.

In addition to geopolitical tensions, rising interest rates, central bank tightening, global shipping capacity constraints, higher costs for freight, supply chain issues, higher energy prices, higher food prices and tightened labour markets, may in the future contribute to rising inflationary pressures on the global and domestic economies. This may have impacts on financial markets, economic stability, levels of investment and consumer spending, which could each adversely impact the financial position and performance of Eumundi Shares.

(n) **Changes in technology**

In order to continue to deliver better services to customers, comply with regulatory obligations and meet the demands of customers in a highly competitive environment, Eumundi needs to renew and enhance its technology regularly. Failure to implement and integrate successfully, and remain competitive with, changes in technology can result in considerable costs, reputational damage and/or in the loss of market share to competitors.

(o) **Cyber security and privacy risks**

Eumundi is required to collect and maintain confidential customer information and commercially sensitive data in the course of its business operations and will seek to engage with relevant regulatory authorities to reduce the period of time for which it is required to maintain this information.

When possessing confidential customer and commercial sensitive data, there is a risk that these, or services Eumundi uses or is dependent upon, might fail, including because of a leak or unauthorised access or use. Most of Eumundi's daily operations are computer-based and information systems applications and technology are essential to maintaining effective operations. Eumundi is also conscious that threats to information systems applications and technology are continuously evolving and cyber threats and the risk of attacks are increasing.

Eumundi manages these risks through appropriate processes and procedures. However, Eumundi may not be able to anticipate all attacks as they may be dynamic in nature and there can be no guarantee that the steps taken by Eumundi to manage these risks will be fully effective. Any failure of these systems could result in business interruption, customer dissatisfaction, legal or regulatory breaches (including of privacy legislation) and liability, loss of customers, financial compensation, damage to reputation and/or a weakening of Eumundi's competitive position (in each case, which may not be recoverable under any of the Eumundi Group's relevant policies of insurance). This in turn could adversely impact Eumundi's financial performance, position and prospects.

(p) **Force majeure**

Eumundi, whether now or in the future, may be adversely affected by risks outside of its control, including climate change, adverse weather event, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics, pandemics or quarantine restrictions. For instance, the COVID-19 pandemic caused ongoing operational challenges to various sectors (including the hospitality sector) when restrictions such as quarantine, lockdowns and supply chain disruptions were introduced. There were also reduced capacities due to social distancing measures enforced by various state governments.

The occurrence of each of these matters were completely out of Eumundi's control.

(q) **Government Agency policy changes**

Adverse changes in Government Agency policies or legislation may affect taxation, royalties, land access, labour relations, and fees associated with Eumundi's operations.

(r) **Insurance**

Eumundi insures its operations in accordance with industry practice. The occurrence of an event that is not covered or fully covered by insurance could have a material

adverse effect on the business, financial condition and results of Eumundi. Insurance of all risks associated with the hospitality industry is not always available and, sometimes where available, the costs can be prohibitive.

(s) **Franking of dividends**

There is no guarantee that Eumundi will be able to pay dividends or, will have sufficient franking credits in the future to fully frank dividends or that the franking system will not be varied or abolished. The value and availability of franking credits to a Eumundi Shareholder will depend on their particular tax circumstances. Eumundi Shareholders should be aware that the ability to use franking credits, as a tax offset or to claim a refund after the end of the income year will depend on the individual tax position of each Eumundi Shareholder.

(t) **Litigation**

Eumundi may be involved in disputes and litigation relating to the conduct of its business. The risk of litigation is a general risk of Eumundi's business and it may incur costs in making payments to settle claims or in complying with any court order (which may not be covered adequately, if at all, by insurance). Any material dispute or litigation could adversely affect the financial position and the financial performance, position and prospects of Eumundi.

(u) **Liquidity risk**

If the Scheme is not implemented, the price of Eumundi Shares may fall below the current trading price and liquidity levels. This may result in Eumundi Shareholders being unable to sell significant quantities of their Eumundi Shares without a significant reduction in the price of their Eumundi Shares, if any at all. Eumundi may be required to take action in order to continue to meet the listing requirements of the ASX.

Refer to section 1.2(e) of this Scheme Booklet for information regarding the liquidity in trading of Eumundi Shares on the ASX during the 12 month period prior to the Announcement Date.

(v) **Other risks**

Additional risks and uncertainties not currently known may also have an adverse effect on Eumundi and the value of the Eumundi Shares. The information set out in this section 7.2 does not purport to be, nor should it be construed as representing, an exhaustive summary of the risks that may affect the performance of Eumundi Shares.

7.3 **Specific risks relating to the Scheme**

The risks outlined in this section 7.3 may result in the Scheme not being implemented.

If the Scheme is not implemented, the risks set out in section 7.2 will continue to apply to the extent that the Takeover Offer does not become unconditional (or otherwise if the Takeover Offer is declared unconditional and you continue to hold Eumundi Shares as a minority shareholder for any reason).

(a) **Implementation Deed may be terminated by Eumundi or SEQ in certain circumstances in which case the Scheme will not be implemented (including in relation to a Material Event)**

Eumundi and SEQ each have the right to terminate the Implementation Deed in the circumstances described in section 9.7(i) of this Scheme Booklet. As such, there is no

certainty that the Implementation Deed will not be terminated before the Scheme is implemented.

If the Implementation Deed is terminated, there is no assurance that the Eumundi Board will be able to find a party willing to offer an equivalent or greater price for Eumundi Shares than the price to be paid under the terms of the Implementation Deed and the Scheme. This may adversely affect the future market price of Eumundi Shares.

In addition, some circumstances which cause the Scheme not to proceed may result in the payment of a break fee by Eumundi or SEQ to the other party. See sections 9.7(e) and 9.7(f) of this Scheme Booklet for a summary of those circumstances.

(c) **Implementation of the Scheme is subject to Scheme Conditions Precedent that must be satisfied or waived (where permitted)**

Implementation of the Scheme is subject to the satisfaction or waiver (where permitted) of a number of outstanding Scheme Conditions Precedent. There can be no certainty, nor can Eumundi provide any assurance, that these Scheme Conditions Precedent will be satisfied or waived (where permitted), or if satisfied or waived (where permitted), when that will occur. A number of outstanding Scheme Conditions Precedent are outside the control of Eumundi and SEQ, including, but not limited to, approval of the Scheme by Eumundi Shareholders and approval by the Court of the Scheme. If, for any reason, a Scheme Condition Precedent is not satisfied or waived (where permitted) and the Scheme is not implemented, there may be adverse consequences for Eumundi and Eumundi Shareholders, including that the market price of Eumundi Shares may be adversely affected.

If the Takeover Offer is or has been declared unconditional prior to the Scheme Meeting, it is the intention of the Eumundi Directors that the Scheme would not proceed, subject to compliance with any regulatory requirements and Eumundi obtaining the agreement of SEQ and any consent required from the Court. SEQ has retained the discretion to waive any of the Takeover Conditions (including the Minimum Acceptance Condition).

(d) **Transaction costs**

If the Scheme is implemented, external costs of approximately A\$1,700,000 (excluding GST) are expected to be paid by Eumundi. This includes financial, advisory, agents, legal, accounting, Independent Expert, tax and administration fees, Scheme Booklet and Target's Statement design, printing and distribution, Share Registry and other expenses.

Transaction related costs of approximately A\$900,000 (excluding GST) are expected to be incurred by Eumundi irrespective of whether or not the Scheme is implemented or the Takeover proceeds.

Further details of the estimated costs are set out in section 9.13 of this Scheme Booklet.

(e) **Approvals may be delayed, conditioned or not obtained**

There is the risk that the Court may not approve the Scheme, or may only be willing to approve the Scheme subject to conditions that Eumundi and / or SEQ (as applicable) are not prepared to accept. There is also a risk that some or all of the aspects of the Eumundi Shareholder and Court approvals required for the Scheme to proceed may be delayed or not granted.

(f) **Tax consequences**

If the Scheme becomes Effective, there will be tax consequences for the Scheme Participants which may include tax being payable. For further details regarding the general Australian tax consequences of the Scheme refer to section 8 of this Scheme Booklet. The tax consequences may vary depending on the nature and characteristics of Scheme Participants and their specific circumstances. Accordingly, you should seek professional tax advice in relation to your specific circumstances.

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8. Tax Implications for Scheme Participants

8.1 Introduction

The following is a summary of the potential Australian income tax and capital gains tax (CGT) consequences generally applicable to Eumundi Shareholders who dispose of Eumundi Shares under the Transaction. This summary is based on the law and practice in effect on the date of this Scheme Booklet.

The following summary is not intended to be an authoritative or complete statement of the Australian tax laws applicable to the specific circumstances of every Eumundi Shareholder.

In particular, this summary does not apply to Eumundi Shareholders:

- (a) who hold their Eumundi Shares as trading stock or otherwise as revenue assets;
- (b) who acquired their Eumundi Shares as part of an employee share scheme operated by Eumundi, or otherwise in return for services;
- (c) that may be subject to special tax rules, such as financial institutions, insurance companies, partnerships (except where expressly stated), tax exempt organisations, trusts (except where expressly stated), superannuation funds (except where expressly stated) or temporary residents; or
- (d) who are subject to the "Taxation of Financial Arrangements" rules as defined in section 230 of the *Income Tax Assessment Act 1997* (Cth).

The outline contained in this section is not intended to be, and should not be relied upon as, taxation advice or financial advice. The applicable tax treatment may vary according to individual circumstances, and as such, each Eumundi Shareholder should seek independent tax advice in connection with the Scheme that is specific to their particular circumstances.

8.2 CGT consequences on the disposal of Eumundi Shares for resident shareholders

This section applies to Eumundi Shareholders who are residents of Australia for Australian income tax purposes and hold their Eumundi Shares on capital account.

- (a) When the Scheme is implemented and Eumundi Shares are subsequently transferred to SEQ, Eumundi Shareholders will have disposed of their Eumundi Shares for Australian CGT purposes, which gives rise to a taxable event (CGT event A1 Disposal).
- (b) On disposal of their Eumundi Shares, Eumundi Shareholders will make a capital gain in respect of each Eumundi Share disposed of, to the extent that the Transaction Consideration exceeds the CGT cost base of each Eumundi Share. For the purpose of calculating any capital gain, any Interim Dividend should be disregarded and the Australian Taxation Office is being requested to confirm this under an application to the Australian Taxation Office for a Class Ruling in respect of the income tax consequences associated with the Transaction for Eumundi Shareholders.
- (c) Alternatively, a Eumundi Shareholder will make a capital loss on the transfer of each Eumundi Share to SEQ, equal to the amount by which the reduced cost base of a Eumundi Share is more than the Transaction Consideration. A capital loss may be used to offset a capital gain made in the same income year or be carried forward to offset a capital gain made in a future income year (subject to the satisfaction of certain loss recoupment tests which apply if the Eumundi Shareholder is a company or trust).

- (d) The sum of all capital gains made by a Eumundi Shareholder in the income year in which the transaction occurs, reduced by any capital loss incurred during that year, or carried forward from prior years, should be included in the assessable income of the Eumundi Shareholder, after applying the relevant CGT discount that may be applicable.

8.3 Cost base or reduced cost base of Eumundi Shares

Generally, the cost base of Eumundi Shares should be equal to the amount paid to acquire the Eumundi Shares.

Incidental costs incurred by a Eumundi Shareholder in respect of their acquisition or ownership of Eumundi Shares (such as brokerage and undedicated borrowing costs) may also be included in the cost base of the Eumundi Shares they own.

The reduced cost base of Eumundi Shares is usually determined in a similar but not identical manner to the cost base although some differences in the calculation of reduced cost base do exist depending on the individual circumstances of each Eumundi Shareholder.

8.4 CGT discount

The CGT discount may apply to Eumundi Shareholders who are individuals, complying superannuation funds or trusts, who have held, or are taken to have held, their Eumundi Shares for at least 12 months at the time of the disposal of their Eumundi Shares to SEQ.

The CGT discount is not available to a Eumundi Shareholder that is a company.

The CGT discount allows a Eumundi Shareholder who is an individual, or a trustee of a trust, to discount the capital gain by 50%, thereby including only the remaining 50% of the capital gain in their assessable income for income tax purposes.

A Eumundi Shareholder that is a complying superannuation entity may discount the capital gain by 1/3rd, thereby only including 2/3rds of the capital gain in the taxable income of that complying superannuation entity.

Such Eumundi Shareholders will be eligible for the CGT discount provided:

- (a) the Eumundi Shares were acquired, or taken to be acquired, at least 12 months before the disposal to SEQ;
- (b) the Eumundi Shareholder did not choose to index the cost base of their Eumundi Shares; and
- (c) the CGT discount is applied to the capital gain only after any available capital losses are first applied to reduce the capital gain.

8.5 CGT consequences on the disposal of Eumundi Shares for non-resident Shareholders

Eumundi Shareholders who are non-residents of Australia need to account for, for Australian income tax purposes, a capital gain or capital loss made when CGT event A1 happens to their Eumundi Share, if, relevantly, their Eumundi Share:

- (a) was used at any time in carrying on a business through a permanent establishment in Australia; or
- (b) was covered by subsection 104-165(3) of the *Income Tax Assessment Act 1997* (Cth) (about individuals choosing to disregard capital gains upon ceasing to be Australian residents).

Otherwise, Eumundi Shareholders who are non-residents of Australia for income tax purposes should not be subject to Australian income tax (including CGT) on any gain made from the disposal of their shares (or be entitled to a capital loss for CGT purposes), unless, broadly:

- (a) the Eumundi Shareholder (together with Associates) holds 10% or more of the Eumundi Shares on issue on the Implementation Date, or have done so for any continuous 12 month period in the 24 month period before the Implementation Date; and
- (b) the value of the Eumundi Shares is principally attributable to Australian real property.

If the above is the case, then the Eumundi Shares sold will constitute “an indirect Australian real property interest” and SEQ will generally be obliged to withhold 12.5% of the Transaction Consideration and remit that amount to the Australian Taxation Office, on account of your expected Australian income tax liability.

Further, non-residents are not entitled to claim any CGT discount on disposal of a CGT asset that was acquired after 8 May 2012.

8.6 **Australian income tax implications associated with receipt of the Interim Dividend**

- (a) To the extent that the Interim Dividend is franked and paid to Australian resident shareholders, such resident shareholders are required to include the dividend and the attached franking credits in their Australian assessable income.
- (b) Generally, a corresponding tax offset (relating to the franking credits) will be available to the Eumundi Shareholder where they are a “qualified person” in relation to the Interim Dividend.
- (c) Where a Eumundi Shareholder is not a “qualified person”, the Eumundi Shareholder will not be required to include the amount of the franking credits in their assessable income and will not be entitled to a corresponding Australian tax offset.
 - (1) For a Eumundi Shareholder to be considered a “qualified person” in relation to the Interim Dividend, they must have held their Eumundi Shares “at risk” for a continuous 45-day period within the “primary qualification period”.
 - (2) The primary qualification period begins on the day after the day a Eumundi Shareholder acquired their Eumundi Shares and ends 45-days after the Interim Dividend Record date (ex dividend date).
 - (3) A Eumundi Shareholder will likely not be taken to be at risk from the Implementation Date, however, and as such, a Eumundi Shareholder will need to have held their Eumundi Shares at risk for a continuous 45-day period prior to the Record Date (excluding the day of acquisition and the Record Date).
 - (4) It is not expected that Eumundi Shares will need to be held at risk for a stricter “secondary qualification period”, i.e. the continuous 45-day period prior to the shares becoming ex dividend (Interim Dividend Record Date) where that date is at least two days before Implementation Date occurs. Again, the Australian Taxation Office is being requested to confirm this under an application to it for a Class Ruling in respect of the income tax consequences associated with the Transaction for Eumundi Shareholders.
- (d) To the extent that the Interim Dividend is fully franked and paid to non-resident Eumundi Shareholders, such dividend should not be assessable to non-resident Eumundi Shareholders for Australian income tax purposes, nor be subject to Australian

withholding tax, at least where the dividend is received other than carrying on business in Australia at or through a permanent establishment.

8.7 Stamp duty

No stamp duty should be payable by Eumundi Shareholders on the acquisition by SEQ of their Eumundi Shares under the Scheme or on the receipt by Eumundi Shareholders of the Transaction Consideration.

8.8 Goods and Services Tax (GST)

No liability to GST should arise for you in respect of a disposal of your Eumundi Shares under the Scheme.

8.9 Obtain your own taxation advice`

Do not rely on the comments or the statements contained in this Scheme Booklet as advice about your own affairs. The taxation laws are complex and there could be implications in addition to those generally described in this Scheme Booklet.

Accordingly, consult your own tax advisers for advice applicable to your individual needs and circumstances. To the extent permitted by law, Eumundi does not accept any responsibility for tax implications for individual Eumundi Shareholders.

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9. Other Information

9.1 Introduction

This section includes additional information that the Eumundi Directors consider is material to a decision on how to vote on the Scheme Resolution to be considered at the Scheme Meeting to approve the Scheme.

In this section, the term 'executive officer' has the meaning given to it in the Corporations Act.

9.2 Interests of the Eumundi Directors in Eumundi Shares

As at the date of this Scheme Booklet, the Eumundi Directors and their Associates have a Relevant Interest in the following Eumundi Shares:

Eumundi Director	Number of Eumundi Shares	Percentage Interest in Eumundi Shares ¹
Jospeh Michael Ganim	13,021,572	26.16%
Gilbert De Luca	8,548,118	17.18%
Murray Raymond Boyte	Nil	0%

1. *Other than the Eumundi Shares, there are no other securities on issue in Eumundi and, therefore, these figures are not subject to any further dilution.*

Please see Eumundi's 2024 Annual Report for further information.

The Founding Directors have each informed the Eumundi Board that they intend to vote (or procure the voting of) any Eumundi Shares held or controlled by them at the time of the Scheme Meeting, in the absence of a Superior Proposal and provided that the Independent Expert continues to conclude that the Scheme is in the best interests of the Eumundi Shareholders, in favour of the Scheme Resolution.

The Founding Directors have accepted the Takeover Offer in respect of all Eumundi Shares they own or control or have a Relevant Interest in.

No Director has acquired or disposed of a Relevant Interest in any Eumundi Share or other security in the four month period ending on the date immediately before the date of this Scheme Booklet except for the Eumundi Shares issued to Mr Ganim and Mr De Luca (or their Associates) under Eumundi's Dividend Reinvestment Plan on 11 September 2024.⁵⁹

9.3 Securities in SEQ held by, or on behalf of, the Eumundi Directors

None of the Eumundi Directors or any of their respective Associates have:

- (a) any Relevant Interest in the securities of SEQ or any Related Body Corporate of SEQ;
or

⁵⁹ On 11 September 2024, Eumundi issued 439,321 Eumundi Shares to Joseph Ganim (or entities whose Eumundi Shares, Joseph Ganim has a Relevant Interest) and 288,398 Eumundi Shares to Gilbert De Luca (or entities whose Eumundi Shares, Gilbert De Luca has a Relevant Interest) at an issue price of \$1.074 each pursuant to the terms of the Dividend Reinvestment Plan.

(b) acquired or disposed of any securities of SEQ or any Related Body Corporate of SEQ, in the four months preceding the date of this Scheme Booklet.

9.4 **Eumundi Directors' interest in any contract by SEQ**

No Eumundi Director, nor any Related Body Corporate or Associate of a Eumundi Director, has an interest in any contract entered into by SEQ or any SEQ Director or Related Body Corporate or Associate of SEQ.

9.5 **Other interests of the Eumundi Directors**

(a) **Interests of the Eumundi Directors**

As at the date of this Scheme Booklet, no Eumundi Director has any interest, whether as a director, member or creditor of Eumundi or otherwise, which is material to the Scheme, other than:

- (1) in their capacity as a holder of Eumundi Shares; and/or
- (2) as otherwise disclosed in this Scheme Booklet or described below.

(b) **Directors' and officers' liability**

Under the Implementation Deed, subject to SEQ acquiring control of Eumundi, SEQ undertakes that it will procure that SEQ, and each Related Body Corporate of SEQ (including without limitation each member of the Eumundi Group) complies with any deeds of indemnity, access and insurance made by SEQ or any Related Body Corporate of SEQ in favour of their respective directors and officers from time to time and ensure that directors' and officers' run-off insurance cover for such directors and officers is maintained (subject to any Corporations Act restrictions) for a period of 7 years from the retirement date of each director and officer so long as it is available on commercially reasonable terms.

(c) **No agreement with any Eumundi Director**

Except as described elsewhere in this Scheme Booklet, there is no agreement or arrangement made between any Eumundi Director or any Related Body Corporate or Associate of any Eumundi Director and any other person in connection with or conditional upon the outcome of the Scheme.

Eumundi appointed Savills (QLD) Pty Ltd (**Savills**) to introduce potential buyers to Eumundi of the operations of Eumundi (**Savills Appointment**). Pursuant to the Savills Appointment, Eumundi has agreed to pay to Savills, at completion of a transaction, a fee 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 offered by a buyer that was introduced by Savills. Mr Joseph Ganim's son is employed by Savills and is paid remuneration by Savills, part of which may include remuneration attached to the fee payable by Eumundi to Savills. Eumundi has no obligation to pay or ability to control any payment by Savills of any amount to Mr Ganim's son. In the event that the Transaction proceeds, and SEQ acquires all of the Eumundi Shares, based on the Offer Price as at the Last Practicable Date, Eumundi will pay a fee equal to \$806,237.88 (excluding GST) to Savills. This fee will be funded by Eumundi and will not reduce the Transaction Consideration.

9.6 **Payments or benefits to the Eumundi Directors, secretary or officers**

Paragraph 8302(d) of Part 3 of Schedule 8 of the Corporations Regulations requires this Scheme Booklet to set out particulars of any payment or benefit made or given to any Eumundi Director, secretary or executive officer of Eumundi or a Related Body Corporate as compensation for loss of, or consideration for or in connection with his or her retirement from, office in Eumundi or a Related Body Corporate. There is no payment or other benefit that is proposed to be made or given to any Eumundi Director, secretary or executive officer of Eumundi (or any of its Related Bodies Corporate) as compensation for the loss of, or consideration for or in connection with his or her retirement from, office in Eumundi (or any of its Related Bodies Corporate) in connection with, or that is materially affected by the implementation of, the Scheme (or the Transaction generally), other than in their capacity as a Eumundi Shareholder.

9.7 **Key terms of the Implementation Deed**

A summary of the key terms of the Implementation Deed relating to the Scheme is set out below. A full copy of the Implementation Deed was released to ASX on the Announcement Date, being 30 October 2024 and can be obtained from <https://www.asx.com.au/markets/company/ebg>.

Capitalised terms used in this section 9.7 which are not otherwise defined have the meaning given to them in the Implementation Deed.

(a) **Scheme Conditions Precedent**

Implementation of the Scheme is subject to the Scheme Conditions Precedent summarised in section 3.5 of this Scheme Booklet and set out in full in clause 3.1 of the Implementation Deed.

(b) **Unanimous recommendation and intentions**

The Implementation Deed requires that Eumundi procure that the Eumundi Directors unanimously recommends that Eumundi Shareholders vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal, and subject to the Independent Expert concluding (and continuing to conclude) in the Independent Expert's Report that the Scheme is in the best interests of Eumundi Shareholders and not publicly changing or withdrawing that conclusion.

The Implementation Deed requires Eumundi to ensure that the Eumundi Directors cause all Eumundi Shares held or controlled by them to be voted in favour of the Scheme Resolution at the Scheme Meeting, in the absence of a Superior Proposal, and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of Eumundi Shareholders and not publicly changing or withdrawing that conclusion.

The Implementation Deed also requires Eumundi to ensure that no Eumundi Director changes, withdraws or modifies their recommendation or voting intention (namely, to cause any Eumundi Shares in which they have a Relevant Interest to be voted in favour of the Scheme Resolution to approve the Scheme) or make any public statement or recommendation that is inconsistent with their recommendation or voting intention, unless:

- (1) the Independent Expert concludes in the Independent Expert's Report that the Scheme is not in the best interests of Eumundi Shareholders; or
- (1) there is a Superior Proposal.

(c) **Obligations to implement the Scheme**

Eumundi must take all steps reasonably necessary, and SEQ must take all steps reasonably necessary to assist Eumundi, to implement the Scheme in accordance with the timetable.

(d) **Exclusivity provisions**

The Implementation Deed provides for exclusivity provisions. These restrictions apply to Eumundi from the Announcement Date until the earlier of the termination of the Implementation Deed and the End Date (**Exclusivity Period**).

The Implementation Deed contains the following customary exclusivity provisions (see clause 11 of the Implementation Deed):

- (1) *'no shop'*: Eumundi must not, and must ensure that each of its Representatives do not, except with SEQ's prior written consent, directly or indirectly, entertain, solicit, invite, encourage or initiate (including by the provision of non-public information to any Third Party) any inquiry, expression of interest, offer, proposal or discussion by any or with any person in relation to, or which would reasonably be expected to encourage or lead to the making of, or with a view to obtaining, an actual, proposed or potential Competing Proposal or communicate any intention to do any of these things which may reasonably lead to an action, proposed or potential Competing Proposal.
- (2) *'no talk and no due diligence'*: Eumundi must not, and must ensure that each of its Representatives do not, except with SEQ's prior written consent, directly or indirectly:
 - (A) participate in or continue any negotiations or discussions with respect to any inquiry, expression of interest, offer, proposal or discussion by any person to make, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal or participate in or continue any negotiations or discussions with respect to any actual, proposed or potential Competing Proposal;
 - (B) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding an actual, proposed or potential Competing Proposal;
 - (C) disclose or otherwise provide any non-public information about the business or affairs of the Eumundi Group to a Third Party (other than a Government Agency) with a view to obtaining, or which would reasonably be expected to encourage or lead to receipt of, an actual, proposed or potential Competing Proposal (including providing such information for the purposes of the conduct of due diligence investigations in respect of the Eumundi Group whether by that Third Party or another person); or
 - (D) communicate to any person an intention to do any of the things listed above.
- (3) *'limitation to no talk and no due diligence'*: Eumundi's 'no-talk and no due diligence' obligations do not prohibit any action or inaction by Eumundi or any of its directors in relation to any actual, proposed or potential Competing Proposal, which the Eumundi Board acting in good faith determines, having regard to written advice from its external advisors, is or could reasonably be expected to become a Superior Proposal and the failure to take or not take such action would constitute, or would be reasonably likely to constitute, a breach of

the fiduciary or statutory duties of the Eumundi Board, provided the actual, proposed or potential Competing Proposal was not directly or indirectly brought about by, or facilitated by a breach of the 'no shop' obligation.

- (4) *'notification of approaches'*: During the Exclusivity Period, Eumundi must as soon as possible (and in any event within 48 hours) notify SEQ in writing if it, or any of its Representatives, becomes aware of any:
- (A) negotiations or discussions, approach or attempt to initiate any negotiations or discussions, or intention to make such an approach or attempt to initiate any negotiations or discussions in respect of any inquiry, expression of interest, offer, proposal or discussion in relation to an actual, proposed or potential Competing Proposal;
 - (B) proposal made to Eumundi or any of its Representatives, in connection with, or in respect of any exploration or completion of, an actual, proposed or potential Competing Proposal; or
 - (C) provision by Eumundi or any of its Representatives of any non-public information concerning the business or operations of Eumundi or the Eumundi Group to any a Third Party (other than a Government Agency) in connection with an actual, proposed or potential Competing Proposal,

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

A notification must include details of the party making or proposing the relevant actual, proposed or potential Competing Proposal and all material terms and conditions of the actual, proposed or potential Competing Proposal.

- (5) *'matching right'*: During the Exclusivity Period, Eumundi must not enter into any legally binding, agreement, arrangement or understanding (whether or not in writing) pursuant to which a Third Party, Eumundi or both proposes to undertake or give effect to an actual, proposed or potential Competing Proposal other than Eumundi entering into a confidentiality agreement with a Third Party consistent with the provisions of clause 11.2(b) of the Implementation Deed and must use reasonable endeavours to procure that none of the Eumundi Directors change their recommendation, voting intention or Takeover Offer acceptance intention or publicly recommend an actual, proposed or potential Competing Proposal or makes any public statement or recommendation that is inconsistent with his recommendation, voting intention or Takeover Offer acceptance intention or that suggests he no longer supports the Scheme, the Takeover Offer or either of them. If the Eumundi Board determines that the Competing Proposal constitutes a Superior Proposal, SEQ will be given a period (at least five Business Days after the provision of all known terms and conditions of the Competing Proposal) during which SEQ may make a matching or superior proposal to the terms of the Competing Proposal (**SEQ Counterproposal**), and during this period Eumundi must not enter into, or agree to enter into, any binding documentation to give effect to the Competing Proposal. If the Eumundi Board determines that SEQ's Counterproposal would provide an equivalent or superior outcome for Eumundi Shareholders (as a whole) compared to that offered under the Competing Proposal, then Eumundi and SEQ must use their best endeavours to agree amendments to the Implementation Deed that are reasonably necessary to reflect the SEQ Counterproposal and to implement the SEQ Counterproposal.
- (6) *'exclusivity of due diligence'*: Eumundi must not, and must ensure that none of its Representatives provide to any other person (other than SEQ) any non-public information about the business or affairs of the Eumundi Group, unless

otherwise permitted by the Implementation Deed and the third party has signed a confidentiality deed.

- (7) *'cease discussions'*: Eumundi must, and must procure that its Representatives, cease any discussions or negotiations existing as at the Announcement Date relating to any actual, proposed or potential Competing Proposal or any transaction that would, or would reasonably be expected to, reduce the likelihood of success of the Takeover Offer or the Scheme.

(e) **Break fee**

The Implementation Deed contains a break fee of \$771,400 (exclusive of GST) payable by Eumundi to SEQ which will be triggered if:

- (1) any one or more Eumundi Director changes their recommendation of the Transaction, changes their voting intention or their Takeover Offer acceptance intention other than where:
- (A) in the case of the Scheme, the Independent Expert concludes that the Scheme is not in the best interests of Eumundi Shareholders; or
- (B) in the case of the Takeover Offer, the Independent Expert concludes that the Takeover Offer is not fair and reasonable,

other than where the reason for that conclusion is a result of a Competing Proposal;

- (1) a Competing Proposal is announced during the Exclusivity Period and, within 6 months after the date of such announcement, the Competing Proposal results in a Third Party obtaining control of Eumundi or acquiring (either alone or in aggregate) a legal, beneficial or economic interest in, or control of, 50.1% or more of the Eumundi Shares;
- (2) Eumundi does or the Eumundi Directors do (or omit to do) anything (whether or not it may be permitted by the terms of the Implementation Deed) which results in any of the Scheme Conditions Precedent set out in sections 3.5(a)(7) and 3.5(a)(8) being breached, unless SEQ waives the condition or declares the Takeover Offer free of the breached condition, as applicable (which it may do so in its absolute discretion); or
- (3) SEQ has terminated the Implementation Deed for material breach.

(f) **Reverse break fee**

The Implementation Deed contains a reverse break fee of \$771,400 (exclusive of GST) payable by SEQ to Eumundi which will be triggered if Eumundi terminates the Implementation Deed for material breach.

(g) **Representations and warranties**

The Implementation Deed contains customary representations and warranties given by each of Eumundi and SEQ to each other.

These representations and warranties are set out in Schedule 3 (in the case of SEQ) and Schedule 4 (in the case of Eumundi) of the Implementation Deed.

(h) **Conduct of Eumundi's business**

The Implementation Deed requires Eumundi to carry on its business and operations, and must cause each member of the Eumundi Group to conduct its respective business and operations, in the ordinary and usual course generally consistent with the manner in which each such business and operations have been conducted in the 12-month period prior to the Announcement Date. This does not restrict the ability of Eumundi to take any of action:

- (1) which is required by any applicable law or Government Agency;
- (2) which is required or expressly permitted under the Implementation Deed or the Transaction;
- (3) which has been agreed to in writing by SEQ;
- (4) which is related to the appointment of any financial or corporate adviser for the purpose of either the Takeover Offer or the Scheme; or
- (5) which has been fully and frankly disclosed in public filings made by Eumundi to the ASX prior to the Announcement Date.

(i) **Interim Dividend**

Pursuant to the terms of the Implementation Deed, the Eumundi Board is entitled (subject to certain requirements being met),⁶⁰ to declare an interim dividend of up to 2.4 cents per Eumundi Share to be paid in cash to those Eumundi Shareholders on the Share Register as at the Interim Dividend Record Date (**Recipient Shareholders**) at any time on or before the Interim Dividend Payment Date (**Interim Dividend**).

If declared, payment of that Interim Dividend by Eumundi to the Recipient Shareholders will not reduce the Transaction Consideration payable by SEQ to Scheme Participants (or who are accept into the Takeover Offer).

The Eumundi Board:

- (1) may determine the Interim Dividend as a partially franked or unfranked dividend as its discretion;
- (2) may apply for a ruling from the Australian Taxation Office as it considers appropriate (subject to SEQ first agreeing to such application, acting reasonably);⁶¹ and
- (3) must not otherwise declare, pay or distribute any dividend other than the Interim Dividend during the period commencing on the Announcement Date and ending 8:00am on the Second Court Date.

If the Eumundi Board declares a dividend other than the Interim Dividend, such circumstances would be considered a 'Material Event', and the Scheme will fail unless SEQ elects to waive the 'No Material Events' condition.

The Eumundi Board expects the Interim Dividend to be fully franked and to be declared prior to the Scheme Meeting.

⁶⁰ Including requirements under the Corporations Act, as set out in clause 7.1 of the Implementation Deed.

⁶¹ Eumundi applied for such ruling as part of the Scheme process on the basis that such applications are market practice for entities implementing a merger by way of scheme of arrangement.

(j) **Change of Control Contracts**

Under clause 7.5 of the Implementation Deed, SEQ and Eumundi are required to cooperate to identify any change of control or unilateral termination rights in material contracts to which Eumundi or another member of the Eumundi Group is a party which may be triggered by or exercised in response to the Transaction.

Eumundi is aware, and has communicated to SEQ, that there are 'change of control' provisions in Eumundi's finance facility agreement with its bank, a supply and services agreement with a supplier and leases between a member of the Eumundi Group (as tenant) and its landlords of bottle shops (together, the **Change of Control Contracts**).

Eumundi will liaise with the counterparties of each of these Change of Control Contracts to obtain the necessary consents.

(k) **Termination rights**

Either party may terminate the Implementation Deed by written notice to the other party if:

- (1) the other party is in material breach of the Implementation Deed (including breach of a representation and warranty where such breach is material in the context of the Transaction as a whole) and the relevant circumstances continue to exist for 5 Business Days from the time the non-breaching party's notice of intention to terminate is given;
- (2) a Scheme condition is not, or becomes incapable of being satisfied and is not waived and, after consulting in good faith, the parties are unable to reach an agreement on the basis on which they will proceed with the Transactions by alternative means; or
- (3) the Effective Date for the Scheme has not occurred, or will not occur, on or before the End Date and Takeover Offer is withdrawn or lapses.

SEQ may terminate the Implementation Deed if any member of the Eumundi Board:

- (1) fails to provide, or withdraws, adversely revises or adversely modifies their recommendation that the Eumundi Shareholders vote in favour of the Scheme or accept the Takeover Offer, Scheme voting intention or Takeover Offer acceptance intention;
- (2) makes a public statement or recommendation that is inconsistent with their recommendation that the Eumundi Shareholders vote in favour of the Scheme or accept the Takeover Offer, Scheme voting intention or Takeover Offer acceptance intention or that suggests that they no longer support the Scheme, the Takeover Offer or either of them; or
- (3) recommends, supports or endorses a Competing Proposal,

provided that a statement that no action should be taken by Eumundi Shareholders pending the Eumundi Board undertaking further assessment of, or obtaining further advice in relation to, a Competing Proposal (or words to that effect) does not constitute a change, withdrawal, modification or qualification of any recommendation by the Eumundi Board or any Eumundi Director or an endorsement of a Competing Proposal for the purposes of this section.

Eumundi may terminate the Implementation Deed if a majority of the Eumundi Board has changed, withdrawn or modified their recommendation that the Eumundi Shareholders vote in favour of the Scheme or accept the Takeover Offer.

(l) **Stamp duty**

Pursuant to clause 16.1 of the Implementation Deed, SEQ must pay all stamp duties and any fines and penalties with respect to stamp duty in respect of the Implementation Deed or the steps to be taken under, performance or enforcement of the Implementation Deed.

Accordingly, Eumundi Shareholders will not incur any stamp duty on the transfer of their Eumundi Shares to SEQ under the Scheme.

(m) **Deeds of Variation**

On 29 November 2024, Eumundi and SEQ entered into a deed of variation to vary the definitions of 'interim dividend payment date' and 'interim dividend record date' in the Implementation Deed to give these terms the following meaning:

(1) **Interim Dividend Payment Date** means the earliest of:

- (A) 31 March 2025;
- (B) the date which is 10 Business Days after the Takeover Offer has become or is declared unconditional; and
- (C) the Effective Date.

(2) **Interim Dividend Record Date** means the date being 4 Business Days after the announcement of declaration of the Interim Dividend in accordance with Appendix 6A of the ASX Listing Rules.

On 16 December 2024, Eumundi and SEQ entered into a deed of variation to increase the offer price under the Scheme from \$1.55 cash per Eumundi Share to \$1.62 cash per Eumundi Share.

9.8 **Additional information on related parties**

(a) **Savills Appointment**

As noted in section 9.5(c), Eumundi has appointed to introduce potential buyers and Mr Joseph Ganim's son is employed by Savills. Mr Ganim's son is a Related Party of Eumundi pursuant to section 228 of the Corporations Act, however the Eumundi Directors do not consider the Savills Appointment a related party transaction for the purposes of Chapter 2E of the Corporations Act because Mr Ganim's son does not control Savills and Savills is not a related party of Eumundi. Eumundi has no obligation to pay or ability to control any payment by Savills of any amount to Mr Ganim's son. Please refer to section 9.5(c) for further information on the Savills Appointment.

(b) **HopgoodGanim Lawyers' engagement**

Notwithstanding that Mr Joseph Ganim was a founding partner of HopgoodGanim Lawyers, the engagement of HopgoodGanim Lawyers as the solicitors to Eumundi is not a related party transaction given Mr Ganim retired from the partnership in 2009 and, as at the date of this Scheme Booklet, Mr Ganim has no financial interest in HopgoodGanim Lawyers. Mr Ganim is engaged as a consultant by HopgoodGanim

Lawyers and does not charge HopgoodGanim Lawyers for these services. No fees are payable to Mr Ganim by HopgoodGanim Lawyers in respect of or arising from the Transaction.

9.9 **Waivers, relief and exceptions**

No ASIC relief or ASX waivers were sought for the purposes of the Scheme or the issue of this Scheme Booklet.

9.10 **Consents and disclaimer of advisers and experts**

HopgoodGanim Lawyers has given its written consent to be named in the Scheme Booklet, and for the provision of the summary in section 8 of this Scheme Booklet, as the solicitors to Eumundi in the form and context in which it is named and has not withdrawn its consent prior to lodgement of the Scheme Booklet with ASIC and the Federal Court of Australia. Mr Joseph Ganim was a founding partner of HopgoodGanim Lawyers, but as at the date of this Scheme Booklet has no financial interest in HopgoodGanim Lawyers.

Taylor Collison has given its written consent to be named in the Scheme Booklet as the financial adviser to the Eumundi Directors in the form and context in which it is named and has not withdrawn its consent prior to lodgement of the Scheme Booklet with ASIC and the Federal Court of Australia. Mr Robert Darius Fraser, who is a principal of Taylor Collison, holds Eumundi Shares in his personal capacity and as a director of a controlled trust entity. Mr Fraser's holding is set out in section 5.5(b).

Computershare, as the Registry, has given its written consent to be named in the Scheme Booklet as the Registry in the form and context in which it is named and has not withdrawn its consent prior to lodgement of the Scheme Booklet with ASIC and the Federal Court of Australia.

BDO, as the Independent Expert, has given its written consent to:

- (a) to be named in the Scheme Booklet as the independent expert in the form and context in which it is named; and
- (b) the inclusion of the Independent Expert's Report in this Scheme Booklet and to the references to the Independent Expert's Report in this Scheme Booklet in the form and context in which they are made,

and has not withdrawn its consent prior to lodgement of the Scheme Booklet with ASIC and the Federal Court of Australia.

Each of the above persons:

- (a) has not authorised or caused the issue of this Scheme Booklet and does not otherwise make or purport to make any statement in this Scheme Booklet;
- (b) 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, in the case of the statement or report included in this Scheme Booklet with the consent of that party;
- (c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Scheme Booklet, other than a reference to its name or statement or report, if any, which has been included in this Scheme Booklet with the consent of that party; and
- (d) will be entitled to receive professional fees charged in accordance with their normal basis of charging or as otherwise disclosed in the Scheme Booklet.

9.11 **Independent advice**

Eumundi Shareholders should consult their own independent financial, legal, taxation or other professional adviser if they have any queries regarding:

- (e) the Scheme;
- (f) the taxation implications for them if the Scheme is implemented;
- (g) the recommendations of the Eumundi Directors in this Scheme Booklet and intentions in relation to the Scheme as set out in this Scheme Booklet; and
- (h) any other aspects of this Scheme Booklet.

9.12 **No unacceptable circumstances**

The Eumundi Directors believe that the Scheme does not involve any circumstances in relation to the affairs of Eumundi that could reasonably be characterised as constituting “unacceptable circumstances” for the purposes of section 657A of the Corporations Act.

9.13 **Fees and expenses**

The aggregate amount of the fees and expenses expected to be incurred by Eumundi in connection with the Transaction is approximately \$1,700,000 (excluding GST). This includes fees and expenses paid or payable (excluding GST) to Eumundi’s professional advisers (including its financial, legal, accounting, communications and tax advisers), fees paid or payable to the Independent Expert, registry costs, fees and expenses associated with the Court proceedings, costs relating to design, printing and dispatch of the Target’s Statement, this Scheme Booklet, expenses associated with convening and holding the Scheme Meeting and other general and administrative expenses in connection with the Takeover Offer and the Scheme.

Of this, approximately \$900,000 will be paid irrespective of whether the Scheme becomes Effective (and is implemented) or the Takeover Offer proceeds.

9.14 **Other material information**

Except as set out in this Scheme Booklet, in the opinion of the Board, there is no other information material to the making of a decision in relation to the Scheme, being information that is within the knowledge of any Director or of any Related Body Corporate of Eumundi which has not been previously disclosed to the Eumundi Shareholders.

9.15 **Continuous disclosure**

Eumundi is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. Eumundi has an obligation (subject to limited exceptions) to notify ASX immediately upon becoming aware of any information which a reasonable person would expect to have a material effect on the price or value of Eumundi Shares. Copies of documents filed with ASX may be obtained from ASX’s website.

In addition, Eumundi is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC in relation to Eumundi may be obtained from, or inspected at, an ASIC office.

9.16 **Supplementary information**

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

- (a) a material statement in this Scheme Booklet becomes false and misleading;
- (b) a material omission from this Scheme Booklet;
- (c) a significant change affecting a matter included in this Scheme Booklet; or
- (d) a significant new matter arising which would have been required to be included in this Scheme Booklet if it has arisen before the date of lodgement of this Scheme Booklet for registration by ASIC,

then Eumundi intends to publish supplementary material by:

- (e) placing an advertisement in a prominently published newspaper that is circulated throughout Australia;
- (f) releasing that material to ASX (<https://www.asx.com.au/markets/company/ebg>) and posting the supplementary document on Eumundi's website at <https://eumundigroup.com.au/asx-announcements/>; or
- (g) posting the supplementary document to Eumundi Shareholders at their address shown on the Share Register,

as Eumundi, in its absolute discretion, considers appropriate.

The form which the supplementary material may take, and whether a copy will be sent to Eumundi Shareholders, will depend on the nature and timing of the new or changed circumstances and the supplementary material. In each case, Eumundi will obtain any necessary regulatory or court approvals prior to release or dispatch of the supplementary material.

9.17 **Directors' statement**

The issue of this Scheme Booklet has been authorised by the Board, and this Scheme Booklet has been signed by or on behalf of the Eumundi Directors. The Eumundi Board has given (and not withdrawn) its consent to lodgement of this Scheme Booklet with ASIC.

Signed for and on behalf of Eumundi Group Limited:



Joseph Michael Ganim

Non-Executive Chair
Eumundi Group Limited

10. Definitions and Interpretation

10.1 Definitions

In this Scheme Booklet (including the annexures and schedules) except where the context otherwise requires, the following terms shall bear the following meanings:

\$, A\$ or AUD\$ means Australian dollars.

AEST means Australian Eastern Standard Time.

Announcement Date means 30 October 2024.

ASIC means the Australian Securities and Investments Commission.

Associate in relation to each party, has the meaning given in sections 11, 12 and 16 of the Corporations Act.

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

ASX Listing Rules means the official listing rules of the ASX, as amended and waived by ASX from time to time.

ASX Settlement Operating Rules means the operating rules of the ASX Settlement Pty Limited ACN 008 504 532 as amended or replaced from time to time.

BDO means BDO Corporate Finance Ltd ACN 010 185 725.

Bidder's Statement means the bidder's statement dated 6 November 2024 given by SEQ to Eumundi on 11 November 2024 in accordance with the provisions of Part 6.5 of the Corporations Act (as supplemented by the first supplementary bidder's statement dated 12 December 2024 and the second supplementary bidder's statement dated 16 December 2024).

Bottle Shop Leases means the leases by a member of the Eumundi Group (as lessee) of the following real property:

- (c) part of the floor shown as Shop 52A of the building erected on Lot 2 on RP 180082 Title Reference 50672059, leased from Tsuen Fung Holdings Pty Ltd ACN 106 616 031 trustee under instrument 710767391; and
- (d) part of the ground floor of the building erected on Lot 4 on RP 846051 Title Reference 18451054, leased from KGS Holdings Pty Ltd ACN 122 839 212.

Business Day means a day on which banks are open for business in Brisbane, Australia but not a Saturday, Sunday or public holiday.

CGT means Australian capital gains tax.

Change of Control Contracts has the meaning given to the term in section 9.7(j).

CHES the clearing house electronic subregister system for the electronic transfer of securities operated by ASX Settlement Pty Limited ABN 49 008 504 532.

Competing Proposal means any expression of interest, offer, proposal, agreement, arrangement or transaction, whether existing before, on or after the Announcement Date which, if entered into or completed substantially in accordance with its terms, could mean that

a person other than Eumundi, SEQ or their respective Related Bodies Corporate (either alone or together with an Associate) would:

- (a) directly or indirectly acquire a Relevant Interest in, or having a right to acquire, a legal, beneficial or economic interest (including by way of an equity swap, contract for difference or similar transaction or arrangement) in, or control of, 10% or more of the Eumundi Shares or any material Subsidiary of Eumundi;
- (b) acquire Control of Eumundi or any Subsidiary of Eumundi;
- (c) directly or indirectly acquire or become the holder of, or otherwise acquire or having a right to acquire, a legal, beneficial or economic interest in, or control of, all or substantially all or a material part of Eumundi's business or assets or the business or assets of the Eumundi Group;
- (d) otherwise directly or indirectly acquire or merge with Eumundi or any Subsidiary of Eumundi; or
- (e) require Eumundi to abandon, or otherwise fail to proceed with, the Transaction,

whether by way of takeover bid, members' or creditors' scheme of arrangement, shareholder approved acquisition, capital reduction, buy-back, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), deed of company arrangement, any debt for equity arrangement or other transaction or arrangement. Each successive material modification or variation of any expression of interest, offer, proposal, agreement, arrangement or transaction in relation to a Competing Proposal will constitute a new Competing Proposal.

Computershare means Computershare Investor Services Pty Limited ACN 078 279 277.

Constitution means the constitution of Eumundi as approved by Eumundi Shareholders on 20 November 2015.

Control has the meaning in section 50AA of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Federal Court of Australia.

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Crown Lease means the lease of Lot 934 (Lease PI) on SP 251794 Title Reference 50942254 between a member of the Eumundi Group (as lessee) and South Bank Corporation ABN 95 927 817 538 (as lessor) for the term commencing 18 August 2014 and expiring on 17 August 2114.

Deed Poll means the deed poll dated 16 December 2024, which was executed by SEQ prior to the First Court Date, a copy of which is set out in Schedule 2.

Effective means the coming into effect, pursuant to 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 the Scheme.

Effective Date means the date on which the Scheme becomes Effective, which is currently expected to be 5 February 2025.

End Date means 18 May 2025, being the date that is 6 months after the date of the Takeover Offer.

Eumundi or the **Company** means Eumundi Group Limited ACN 010 947 476.

Eumundi Board means the board of directors of Eumundi from time to time.

Eumundi Directors mean the directors of Eumundi from time to time.

Eumundi Group means Eumundi and each of its Related Bodies Corporate.

Eumundi Information means all information included in this Scheme Booklet and all information provided by or on behalf of Eumundi to the Independent Expert to enable the Independent Expert's Report to be prepared and completed, but does not include the SEQ Information, the Independent Expert's Report or any other expert report.

Eumundi Shares means fully paid ordinary shares in Eumundi.

Eumundi Shareholders means the holders of Eumundi Shares.

Exclusivity Period has the meaning given to the term in section 9.7(d).

First Court Date means the date of the first hearing of the application made to the Court for an order pursuant to section 411(1) of the Corporations Act that the Scheme Meeting be convened, which occurred on 19 December 2024.

Fortitudo Group means a group of entities controlled by the SEQ Directors described in section 3.2 of the Bidder's Statement.

Founding Directors means, collectively, Mr Joseph Ganim and Mr Gilbert De Luca.

Government Agency means any government or any governmental or semi-governmental entity, authority, agency, commission, corporation or body (including those constituted or formed under any Statute), local government authority, administrative or judicial body or tribunal or stock exchange.

GST has the meaning given to the term in section 8.8.

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

Implementation Date means the fifth Business Day after the Record Date or such other date as:

- (a) Eumundi and SEQ agree in writing, with such agreement not to be unreasonably withheld or delayed;
- (b) ordered by the Court; or
- (c) as may be required by the ASX.

Implementation Deed means the deed between SEQ and Eumundi dated 30 October 2024 (as amended by variation deeds dated 29 November 2024 and 16 December 2024) which sets out the terms and conditions of the Transaction, a full copy of which was announced to ASX by Eumundi on 30 October 2024, and a summary of which is provided in section 9.7.

Independent Expert means BDO.

Independent Expert's Report means the Independent Expert's Report dated 20 December 2024 as set out in Schedule 1 to this Scheme Booklet.

Interim Dividend means an interim dividend that the Eumundi may declare to Eumundi Shareholders who hold Eumundi Shares as at the Interim Dividend Record Date on the terms, manner and conditions set out in clause 7.1 of the Implementation Deed.

Interim Dividend Payment Date means the earliest of:

- (f) 31 March 2025;
- (g) the date which is 10 Business Days after the Takeover Offer has become or is declared unconditional; and
- (h) the Effective Date.

Interim Dividend Record Date means the record date in respect of the Interim Dividend as determined in accordance with the ASX Listing Rules.

Last Practicable Date means 17 December 2024, being the last practicable date before the date of this Scheme Booklet.

Material Event has the meaning set out in Schedule 2 (section 2) of the Implementation Deed and section 9.7(c) of the Bidder's Statement.

Minimum Acceptance Condition means the Takeover Condition which requires that SEQ obtain a Relevant Interest in 90% of Eumundi Shares under the Takeover Offer.

Notice of Scheme Meeting means the notice in relation to the Scheme Meeting, as set out in Schedule 4.

OLGR means the Office of Liquor and Gaming Regulation.

OLGR Approvals means any approval, consent, authorisation, registration, filing, lodgement, permit, agreement, notarisation, certificate, permission, licence, direction, declaration, authority, waiver, modification or exemption from, by or with the OLGR as are necessary or desirable in relation to any director or directors who SEQ proposes to be appointed to the board of the relevant member of the Eumundi Group which holds a licence or authority from, or issued by, the OLGR.

Prescribed Occurrence means any of the occurrences set out in paragraph 1 of Schedule 2 of the Implementation Deed (being the occurrences listed in section 652C of the Corporations Act).

Proxy Form means the proxy form for the Scheme Meeting enclosed with this Scheme Booklet.

Record Date means 7:00pm (Sydney time) on the second Business Day after the Effective Date or such other time and date agreed to in writing between SEQ and Eumundi (or as otherwise required by the ASX Listing Rules).

Register or Share Register means the register of members of Eumundi.

Registry or Share Registry means Computershare.

Regulatory Approvals means approval, consent, authorisation, registration, filing, lodgement, permit, agreement, notarisation, certificate, permission, licence, direction, declaration, authority, waiver, modification or exemption from, by or with a Government Agency which is necessary or desirable to:

- (a) implement the Scheme and the Takeover Offer or any aspect of them; and

- (b) permit each member of the Eumundi Group to be in material compliance with each of its permits, licences, contracts and other agreements,

provided that, for the avoidance of doubt, SEQ acknowledges that any OLGR Approvals will not be granted, given, made or obtained unconditionally (or on the basis of conditions that impose only non-material requirements incidental to the Regulatory Approval), prior to the end of the Takeover Offer Period.

Related Body Corporate has the meaning given to that term in the Corporations Act.

Relevant Interest has the meaning given in the Corporations Act.

Representative in respect of a party or its Related Bodies Corporate means each director, officer, employee, agent, adviser or financier of that party or its Related Bodies Corporate and, in the case of advisers and financiers, includes employees, officers, consultants and agents of the adviser or financier (as applicable).

Requisite Majority means the threshold for approval of a resolution on a scheme of arrangement between a body and its members under Part 5.1 of the Corporations Act, being 'in favour' of the resolution received from:

- (a) unless the Court orders otherwise, a majority in number (more than 50%) of the members who are present and voting, either in person or by proxy, attorney or in the case of a corporation its duly appointed corporate representative; and
- (b) at least 75% of the votes cast on the resolution.

Scheme Booklet means this document and the schedules hereto.

Scheme or **Scheme of Arrangement** means the proposed scheme of arrangement between Eumundi and the Eumundi Shareholders under Part 5.1 of the Corporations Act in the form of Schedule 4, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed in writing by SEQ and Eumundi with the approval of the Court.

Scheme Conditions Precedent has the meaning given to the term 'Scheme Condition' in the Implementation Deed and as summarised in section 3.5 of this Scheme Booklet.

Scheme Meeting means a meeting of Eumundi Shareholders ordered by the Court under section 411(1) of the Corporations Act to be convened for the purposes of the Scheme.

Scheme Participants or **Scheme Shareholder** means each holder of Eumundi Shares as at the Record Date.

Scheme Resolution means the resolution in relation to the Scheme to be voted on at the Scheme Meeting, as set out in the Notice of Scheme Meeting.

Scheme Share means a Eumundi Share on issue as at the Record Date, other than any Eumundi Shares held by SEQ as at the Record Date.

Scheme Transfer means for each Scheme Participant, a 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 Scheme Shares.

Second Court Date means the first day on which an application made to the Court for an order pursuant to section 411(4) of the Corporations Act approving the 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.

Second Supplementary Bidder's Statement means the bidder's statement dated 16 December 2024 issued by SEQ to increase the consideration offered under the Takeover Offer in accordance with the provisions of Part 6.5 of the Corporations Act.

SEQ means SEQ Hospitality Group Pty Ltd ACN 681 115 471.

SEQ Directors means the directors of SEQ from time to time.

SEQ Group means SEQ and each of its Related Bodies Corporate.

SEQ Holdings means SEQ Hospitality Group Holdings Pty Ltd ACN 681 097 861.

SEQ Information means information regarding SEQ provided by SEQ or its Representatives to Eumundi in writing for inclusion in the Scheme Booklet, being

- (a) information about SEQ, its Associates, assets, businesses and interests and dealings in Eumundi Shares, its intentions for Eumundi's employees and the implications of each of those matters for the Eumundi Group; and
- (b) any other information required under the Corporations Act, ASIC Regulatory Guide 60 or the ASX Listing Rules (as applicable) to enable the Scheme Booklet to be prepared, which the parties agree is "SEQ Information" in relation to the Scheme Booklet.

Superior Proposal has the meaning given in the Implementation Deed.

Takeover Conditions means the conditions of the Takeover Offer set out in section 2.3 of the Target's Statement and section 9.7 of the Bidder's Statement.

Takeover Offer means the proposed acquisition by SEQ of all Eumundi Shares by way of an off-market takeover bid.

Takeover Offer Period means the period during which the Takeover Offer is open for acceptance as described in section 9.2 of the Bidder's Statement.

Target's Statement means the target's statement issued by Eumundi in respect of the Takeover Offer under section 638 of the Corporations Act on 29 November 2024 and any supplementary target's statement (including the first supplementary target's statement dated 16 December 2024).

Third Party has the meaning given to this term under the Implementation Deed.

Trading Day has the meaning given in the ASX Listing Rules.

Transaction has the meaning given to the term in section 3.1.

Transaction Consideration means a cash payment of \$1.62 per Eumundi Share.

10.2 Interpretation

In this Scheme Booklet (including the schedules), except where the context otherwise requires:

- (a) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any statutory instrument issued under, that legislation or legislative provision;
- (b) a word denoting the singular number includes the plural number and vice versa;

- (c) a word denoting an individual or person includes a corporation, firm, authority, government or governmental authority and vice versa;
- (d) a word denoting a gender includes all genders;
- (e) a reference (other than in the appendices) to a section is to a section of this Scheme Booklet; a reference to a schedule is to a schedule to this Scheme Booklet; and schedules to this Scheme Booklet form part of this Scheme Booklet;
- (f) a reference to any agreement or document is to that agreement or document (and, where applicable, any of its provisions) as amended, novated, supplemented or replaced from time to time;
- (g) a reference to any party to the Scheme, or any other document or arrangement, includes that party's executors, administrators, substitutes, successors and permitted assigns;
- (h) a reference to a "subsidiary" of a body corporate is to a body corporate which is a subsidiary of the first-mentioned body corporate under section 46 of the Corporations Act;
- (i) a reference to "\$" or to "cents" is (unless otherwise specified) to an amount in Australian currency;
- (j) a reference to the "holder" of Eumundi Shares at a particular time includes a reference to a person who, as a result of a dealing received by Eumundi or its Registry on or before that time, is entitled to be entered in the register of members as the holder of Eumundi Shares;
- (k) words and phrases defined elsewhere in this Scheme Booklet shall have the meaning there ascribed to them;
- (l) words and phrases defined in the Corporations Act shall have the meaning there ascribed to them;
- (m) the word "includes" in any form is not a word of limitation;
- (n) headings are for convenience of reference only and do not affect interpretation; and
- (o) where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning.

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For personal use only

Eumundi Group Limited

Independent Expert's Report

20 December 2024

For personal use only

FINANCIAL SERVICES GUIDE

Dated: 20 December 2024

The Financial Services Guide ('FSG') is provided to comply with the legal requirements imposed by the Corporations Act 2001 and includes important information regarding the general financial product advice contained in this report ('this Report'). The FSG also includes general information about BDO Corporate Finance Ltd ABN 54 010 185 725, Australian Financial Services Licence No. 245513 ('BDOCF' or 'we', 'us' or 'our'), including the financial services we are authorised to provide, our remuneration and our dispute resolution.

BDOCF holds an Australian Financial Services Licence to provide the following services:

- a) Financial product advice in relation to deposit and payment products (limited to basic deposit products and deposit products other than basic deposit products), securities, and interests in managed investment schemes excluding investor directed portfolio services;
- b) Arranging to deal in financial products in relation to securities; and
- c) Applying for, acquiring, varying or disposing of a financial product in relation to interests in managed investment schemes excluding investor directed portfolio services, and securities.

General Financial Product Advice

This Report sets out what is described as general financial product advice. This Report does not consider personal objectives, individual financial position or needs and therefore does not represent personal financial product advice. Consequently, any person using this Report must consider their own objectives, financial situation and needs. They may wish to obtain professional advice to assist in this assessment.

The Assignment

BDOCF has been engaged to provide general financial product advice in the form of a report in relation to a financial product. Specifically, BDOCF has been engaged to provide an independent expert's report to the shareholders of Eumundi Group Limited ('Eumundi' or 'the Company') in relation to the proposed acquisition by SEQ Hospitality Group Pty Ltd ('SEQ') of all the ordinary shares in Eumundi by way of a scheme of arrangement ('the Proposed Transaction').

Further details of the Proposed Transaction are set out in Section 4. The scope of this Report is set out in detail in Section 3.3. This Report provides an opinion on whether or not the Proposed Transaction is 'fair and reasonable' to, and in the 'best interests' of, the shareholders of Eumundi ('the Shareholders') and has been prepared to provide information to the Shareholders to assist them to make an informed decision on whether to vote in favour of or against the Proposed Transaction. Other important information relating to this Report is set out in more detail in Section 3.

This Report cannot be relied upon for any purpose other than the purpose mentioned above and cannot be relied upon by any person or entity other than those mentioned above, unless we have provided our express consent in writing to do so. A shareholder's decision to vote in favour of or against the Proposed Transaction is likely to be influenced by their particular circumstances, for example, their taxation considerations and risk profile. Each shareholder should obtain their own professional advice in relation to their own circumstances.

Fees, Commissions and Other Benefits we may Receive

We charge a fee for providing reports. The fees are negotiated with the party who engages us to provide a report. We estimate the fee for the preparation of this Report will be approximately \$10,000 plus GST and note, for completeness, that the fee charged for the independent expert's report dated 29 November 2024 was approximately \$150,000 plus GST. Fees are usually charged as a fixed amount or on an hourly basis depending on the terms of the agreement with the engaging party. Our fees for this Report are not contingent on the outcome of the Proposed Transaction.

Except for the fees referred to above, neither BDOCF, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of this Report.

Directors of BDOCF may receive a share in the profits of BDO Group Holdings Limited, a parent entity of BDOCF. All directors and employees of BDO Group Holdings Limited and its subsidiaries (including BDOCF) are entitled to receive a salary. Where a director of BDOCF is a shareholder of BDO Group Holdings Limited, the person is entitled to share in the profits of BDO Group Holdings Limited.

Associations and relationships

From time to time BDOCF or its related entities may provide professional services to issuers of financial products in the ordinary course of its business. These services may include audit, tax and business advisory services. In the last two years, BDOCF has completed an independent expert's report for Eumundi (dated 29 November 2024).

The signatories to this Report do not hold any shares in Eumundi and no such shares have ever been held by the signatories.

To prepare our reports, including this Report, we may use researched information provided by research facilities to which we subscribe or which are publicly available. Reference has been made to the sources of information in this Report, where applicable. Research fees are not included in the fee details provided in this Report.

Complaints Resolution

Internal Complaints Resolution Process

We are committed to meeting your needs and maintaining a high level of client satisfaction. If you are unsatisfied with a service we have provided you, we have avenues available to you for the investigation and resolution of any complaint you may have.

To make a formal complaint, please use the Complaints Form. For more on this, including the Complaints Form and contact details, see the [BDO Complaints Policy](#) available on our website.

Referral to External Dispute Resolution Scheme

BDO Corporate Finance is a member of Australian Financial Complaints Authority ('AFCA') (Member Number 10236).

Where you are unsatisfied with the resolution reached through our Internal Dispute Resolution process, you may escalate this complaint to the AFCA using the contact details set out below.

Australian Financial Complaints Authority Limited

Mail: GPO Box 3, Melbourne VIC 3001

Online Address: <http://www.afca.org.au>

Email: info@afca.org

Phone: 1800 931 678

Fax: (03) 9613 6399

Interpreter Service: 131 450

Compensation Arrangements

BDOCF and its related entities hold Professional Indemnity insurance for the purpose of compensating retail clients for loss or damage suffered because of breaches of relevant obligations by BDOCF or its representatives under Chapter 7 of the Corporations Act 2001. These arrangements and the level of cover held by BDOCF satisfy the requirements of section 912B of the Corporations Act 2001.

Contact Details

BDO Corporate Finance Ltd

Location Address:	Postal Address:
Level 10 12 Creek Street BRISBANE QLD 4000	GPO Box 457 BRISBANE QLD 4001
Phone: (07) 3237 5999	Email: cf.brisbane@bdo.com.au
Fax: (07) 3221 9227	

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PART I: ASSESSMENT OF THE PROPOSED TRANSACTION

The Shareholders
C/- The Directors
Eumundi Group Limited
c/- HopgoodGanim Lawyers
Level 8, 1 Eagle Street
Brisbane, Qld, Australia, 4000

20 December 2024

Dear Shareholders,

1.0 Introduction

BDO Corporate Finance Ltd ('BDOCF', 'we', 'us' or 'our') has been engaged to provide an independent expert's report ('this Report') to the shareholders ('the Shareholders') of Eumundi Group Limited ('Eumundi' or 'the Company') in relation to the proposed acquisition by SEQ Hospitality Group Pty Ltd ('SEQ') of all the ordinary shares in Eumundi by way of a scheme of arrangement ('the Scheme') under Part 5.1 of the Corporations Act 2001 ('the Corporations Act') ('the Proposed Transaction').

Under the Scheme, Shareholders will be entitled to receive cash consideration of \$1.62 for each Eumundi share held ('the Scheme Consideration').

A more detailed description of the Proposed Transaction is set out in Section 4. For completeness, we note that under a dual and concurrent process, a proposed off-market takeover offer ('the Offer') is being progressed in conjunction with the Proposed Transaction. If there is not acceptances into the Offer of 90% of Eumundi shares (and the other conditions are not satisfied or waived) prior to the Scheme meeting date proposed for on or about 31 January 2025 ('the Scheme Meeting'), then Eumundi shareholders will be asked to approve the Scheme at the Scheme Meeting.

In this Report, BDOCF has expressed an opinion as to whether or not the Proposed Transaction is 'fair and reasonable' to, and in the 'best interests of', the Shareholders. This Report has been prepared solely for use by the Shareholders to provide them with information relating to the Proposed Transaction. The scope and purpose of this Report are detailed in Sections 3.3 and 3.4 respectively.

This Report, including Part I, Part II and the appendices, should be read in full along with all other documentation provided to the Shareholders including the scheme booklet prepared by Eumundi dated on or around 20 December 2024 ('the Scheme Booklet').

2.0 Assessment of the Proposed Transaction

This section is set out as follows:

- ▶ Section 2.1 sets out the methodology for our assessment of the Proposed Transaction;
- ▶ Section 2.2 sets out our assessment of the fairness of the Proposed Transaction;
- ▶ Section 2.3 sets out our assessment of the reasonableness of the Proposed Transaction; and
- ▶ Section 2.4 provides our assessment of whether the Proposed Transaction is fair and reasonable to, and in the best interests of, the Shareholders.

2.1 Basis of evaluation

The Australian Securities and Investments Commission ('ASIC') have issued Regulatory Guide 111: *Content of Expert Reports* ('RG 111'), which provides guidance in relation to independent expert's reports. RG 111 relates to the provision of independent expert's reports in a range of circumstances, including those where the expert is required to provide an opinion in relation to a takeover transaction. RG 111 states that the independent expert's report should explain the particulars of how the transaction was examined and evaluated as well as the results of the examination and evaluation.

The Proposed Transaction involves SEQ acquiring 100% of the issued share capital in Eumundi which represents a controlling interest. RG 111 specifically differentiates between control and non-control transactions in providing guidance on the type of analysis to complete. RG 111 suggests that where the transaction is a control transaction the expert should focus on the substance of the control transaction rather than the legal mechanism to affect it. In our opinion the Proposed Transaction is a control transaction as defined by RG 111 and we have assessed the Proposed Transaction by considering whether, in our opinion, it is fair and reasonable to, and in the best interests of, the Shareholders.

Under RG 111, an offer will be considered 'fair' if the value of the consideration to be received by the shareholders is equal to or greater than the value of the shares that are the subject of the offer. To assess whether an offer is 'reasonable', an expert should examine other significant factors to which shareholders may give consideration prior to accepting or approving the offer. This includes comparing the likely advantages and disadvantages if the offer is approved with the position of the shareholders if the offer is not approved.

RG 111 states that an offer is reasonable if it is fair. It might also be reasonable if, despite being 'not fair', the expert believes that there are sufficient reasons for security holders to vote in favour of an offer in the absence of a higher bid. Our assessment concludes by providing our opinion as to whether or not the Proposed Transaction is 'fair and reasonable'. While all relevant issues need to be considered before drawing an overall conclusion, we will assess the fairness and reasonableness issues separately for clarity.

If our opinion of the Proposed Transaction is that it is 'fair and reasonable' then we will also be able to conclude that the Proposed Transaction is in the 'best interests' of the Shareholders. If our opinion of the Proposed Transaction is that it is 'not fair but reasonable', we may still conclude that the Proposed Transaction is in the best interests of the Shareholders. In this circumstance, we will clearly state that the consideration is not equal to or greater than the value of a Eumundi share, but that there are sufficient reasons for the Shareholders to vote in favour of the Proposed Transaction in the absence of a superior proposal. If our opinion of the Proposed Transaction is that it is 'not fair and not reasonable', we will conclude that the Proposed Transaction is 'not in the best interests of the Shareholders'.

We have assessed the fairness and reasonableness of the Proposed Transaction in Sections 2.2 and 2.3 below and provided an opinion on whether the Proposed Transaction is in the 'best interests' of the Shareholders in Section 2.4 below.

2.2 Assessment of fairness

2.2.1 Basis of assessment

RG 111 states that a transaction is fair if the value of the offer price or consideration is greater than the value of the securities subject to the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. When considering the value of the securities subject to an offer in a control transaction the expert should consider this value inclusive of a control premium and assume a 100% ownership interest.

In our view, it is appropriate to assess the fairness of the Proposed Transaction to the Shareholders as follows:

- a) Determine the value of a Eumundi share on a controlling interest basis prior to the Proposed Transaction; and
- b) Compare the value determined in a) above with the Scheme Consideration.

In accordance with the requirements of RG 111, the Proposed Transaction can be considered 'fair' to the Shareholders if the consideration offered per ordinary share is equal to or greater than the value determined in a) above.

2.2.2 Value of a Eumundi Share prior to the Proposed Transaction on a controlling interest basis

In our view, for the purposes of the analysis set out in this Report, it is appropriate to adopt a value in the range of \$1.502 to \$1.698 per Eumundi share on a controlling interest basis.

Our valuation range was based on a summation valuation methodology. This methodology is commonly used for entities where value is primarily derived from individual assets. Under this approach, we have separately valued each of Eumundi's assets, including its property holdings, on a market value basis, then aggregated the amounts to determine the total entity value. From this, liabilities and other relevant adjustments are deducted to derive an equity value.¹ Our summation method is set out in Sections 8.2 to 8.7 of this Report.

We have cross-checked our valuation range against Eumundi share transactions (refer Section 8.8) along with key metrics from comparable property and hospitality companies (refer Section 8.9).

Our conclusion on the value of a Eumundi ordinary share on a controlling interest basis is set out in Section 8.10.

2.2.3 Value of the Scheme Consideration

Eumundi shareholders have been offered a cash payment of \$1.62 per share for each share they hold in Eumundi (i.e. the Scheme Consideration).

For the purpose of this Report we have adopted the face value of \$1.62 as the value for the Scheme Consideration.

2.2.4 Assessment of the fairness of the Proposed Transaction

In order to assess the fairness of the Proposed Transaction, it is appropriate to compare the value of a Eumundi share on a controlling interest basis with the Scheme Consideration. Pursuant to RG 111, the Proposed Transaction is considered fair if the value of the consideration is equal to or greater than the value of the securities subject to the Proposed Transaction (i.e. the value per Eumundi share).

Table 2.1 below summarises our assessment of the fairness of the Proposed Transaction.

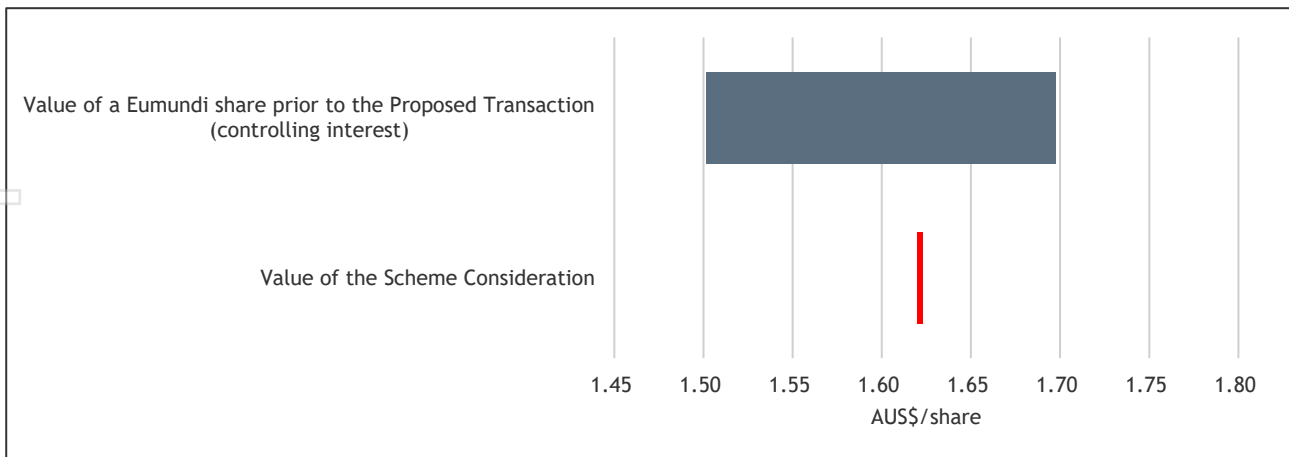
Table 2.1: Assessment of the fairness of the Proposed Transaction

	Low	High
Value of a Eumundi share prior to the Proposed Transaction (controlling interest)	\$1.502	\$1.698
Value of the Scheme Consideration	\$1.62	\$1.62

Source: BDOCF analysis

Figure 2.1 summarises our assessment of the fairness of the Proposed Transaction, setting out a graphical comparison of our valuation of a Eumundi share prior to the Proposed Transaction on a controlling interest basis and the Scheme Consideration offered to the Shareholders under the Proposed Transaction.

Figure 2.1: Fairness of the Proposed Transaction



Source: BDOCF analysis

With reference to Table 2.1 and Figure 2.1, we note that the Scheme Consideration of \$1.62 per Eumundi Share is in the range of the value of a Eumundi share prior to the Proposed Transaction on a controlling interest basis.

After considering the information summarised above and set out in detail in the balance of this Report, it is our view that, in the absence of any other information or a superior proposal, the Proposed Transaction is Fair to the Shareholders as at the date of this Report.

¹ In conjunction with the Proposed Transaction, SEQ have also permitted Eumundi to pay an interim dividend of up to 2.4c per Eumundi share without affecting the \$1.62 of Scheme Consideration under SEQ's offer. We have assumed this interim dividend will be paid (by reducing equity value for the full cash amount) and SEQ will not get the benefit of this cash when acquiring Eumundi.

2.3 Assessment of reasonableness

2.3.1 Basis of assessment

Under RG 111, an offer is considered reasonable if it is fair. It may also be reasonable, despite not being fair, if after considering other significant factors the interests of the shareholders are reasonably balanced.

In addition to our fairness assessment set out in Section 2.2 above, to assess whether the Proposed Transaction is 'reasonable' we consider it appropriate to examine other significant factors to which the Shareholders may give consideration prior to forming a view on whether to vote in favour of or against the Proposed Transaction. This includes comparing the likely advantages and disadvantages of approving the Proposed Transaction with the position of a Shareholder if the Proposed Transaction is not approved, as well as a consideration of other significant factors.

Our assessment of the reasonableness of the Proposed Transaction is set out as follows:

- ▶ Section 2.3.2 sets out the advantages of the Proposed Transaction to the Shareholders;
- ▶ Section 2.3.3 sets out the disadvantages of the Proposed Transaction to the Shareholders;
- ▶ Section 2.3.4 sets out discussion of other considerations relevant to the Proposed Transaction;
- ▶ Section 2.3.5 sets out the position of the Shareholders if the Proposed Transaction is not approved; and
- ▶ Section 2.3.6 provides our opinion on the reasonableness of the Proposed Transaction to the Shareholders.

2.3.2 Advantages of the Proposed Transaction

Table 2.2 below outlines the potential advantages to the Shareholders of voting in favour of the Proposed Transaction.

Table 2.2: Potential advantages of the Proposed Transaction

Advantage	Explanation
The Proposed Transaction is fair	For the reasons summarised in Section 2.2.4 above, the Proposed Transaction is 'fair' to the Shareholders at the date of this Report. RG 111 states that an offer is reasonable if it is fair.
The current transaction price is known	If the Proposed Transaction is implemented, the Shareholders have certainty that they will receive \$1.62 for each Eumundi share held. These Shareholders will no longer be exposed to the ongoing risks associated with holding shares in Eumundi. Shareholders on the share register as at the interim dividend record date will also benefit from receipt of an interim dividend of up to 2.4 cents per Eumundi share. If declared, payment of the interim dividend by Eumundi will not reduce the transaction consideration payable by SEQ. The interim dividend is discussed further in section 9.7(i) of the Scheme Booklet. While the value of the Scheme Consideration under the Proposed Transaction is certain, we note that it may be possible, assuming sufficient liquidity, for the Shareholders to sell their shares on the Australian Stock Exchange ('ASX') for a price that is above, or broadly in line with, the Scheme Consideration. By way of example, we note that following announcement of the Proposed Transaction, shares in Eumundi traded as high as \$1.68 in the period up to 16 December 2024.
The Scheme Consideration is at a premium to the price that Eumundi shares have traded on the ASX prior to the Announcement Date	The Transaction Implementation Deed ('TID') was announced on 30 October 2024 ('the Announcement Date'). As outlined in Table 5.7, ASX trading of Eumundi shares prior to the Announcement Date was at VWAPs in the range of \$1.168 (3 months VWAP prior to the Announcement Date) to \$1.304 (6-month VWAP prior to the Announcement Date). The Scheme Consideration of \$1.62 per share is at a premium to the price that Eumundi shares traded on the ASX prior to the Announcement Date.
Liquidity event to monetise your investment in Eumundi	The Proposed Transaction provides a liquidity event for shareholders to monetise their investment in Eumundi. Eumundi has a tightly held share structure, as outlined in Table 5.5, with 94.9% of shares concentrated among just 8% of shareholders (37 out of 460). Additionally, as outlined in Table 5.8, over the 12 months to 29 October 2024, monthly trading volumes exceeded 100,000 shares in only four months, highlighting the illiquidity of Eumundi's shares and the difficulty shareholders face in realising the value of their investments through the open market. Additionally, while the summation valuation methodology we have applied reflects the combined theoretical worth of Eumundi's property assets, practical limitations (e.g. transaction costs, market uncertainties, and the complexities of the asset sales/winding-up process) may mean the net value realised could materially differ to that estimated in this Report. The Proposed Transaction provides a rare opportunity for shareholders to monetise their holdings at a premium to recent market prices, bypassing the constraints of low trading volumes and market depth, or alternative sales processes for asset realisation. For larger shareholders, in particular, the transaction allows for the realisation of value without the risk of depressing the share price through large-scale disposals.
No brokerage or stamp duty	No brokerage or stamp duty will be payable by the Shareholders on the transfer of their Eumundi shares under the Proposed Transaction.
A superior proposal has not emerged	The Eumundi Directors have advised that, as at the date of this Report, a superior proposal to the Proposed Transaction has not been received by the Company and the Directors are not aware of any superior proposal that is likely to emerge.

Source: BDOCF analysis

2.3.3 Disadvantages of the Proposed Transaction

Table 2.3 below outlines the potential disadvantages to the Shareholders of voting in favour of the Proposed Transaction.

Table 2.3: Potential disadvantages of the Proposed Transaction

Disadvantage	Explanation
No exposure to any future offers	If the Proposed Transaction is approved and implemented, the Shareholders will no longer be able to benefit from any future superior offer. Notwithstanding, there is no indication, nor guarantee that a future offer will be forthcoming.
No exposure to any potential future value of Eumundi	If the Proposed Transaction is approved and implemented, the Shareholders will receive the \$1.62 cash consideration for each share owned, and no longer hold any shares in the Company. Accordingly, the Shareholders will have no exposure to any potential upside in the value of the Company going forward.

Source: BDOCF analysis

2.3.4 Other considerations

Tax considerations

If the Proposed Transaction is approved, the Shareholders will be treated as having disposed of their shares for tax purposes. A gain or loss on disposal may arise depending on the cost base of each individual Shareholder's shares, the length of time held, whether the shares are held on capital or revenue account and whether or not the Shareholder is an Australian resident for tax purposes.

Details of the taxation consequence are set out in section 8 of the Scheme Booklet. As we have not considered the specific taxation implications that may be relevant for individual shareholders in connection with the Proposed Transaction, Shareholders should consult their own advisor in relation to the taxation consequences of the Proposed Transaction.

2.3.5 Position of the Shareholders if the Proposed Transaction is not approved

Table 2.4 below outlines the potential position of the individual Eumundi shareholders if the Proposed Transaction is not approved, or is not implemented.

Table 2.4: Position of the Shareholders if the Proposed Transaction is not implemented

Position of Shareholders	Explanation
Continued shareholding in Eumundi	<p>If the Proposed Transaction is not approved and implemented, the Shareholders will continue to hold shares in Eumundi. The Shareholders will continue to be exposed to the risks and opportunities associated with ownership of Eumundi shares. We specifically note:</p> <ul style="list-style-type: none"> ▶ Eumundi's share price movements have remained within a \$0.35 range over the nearly three-year period prior to the Announcement. As outlined in Figure 5.3, in the period before the Announcement Date, the daily VWAP displays a period low of \$1.00 on 23 March 2022 and a period high of \$1.35 on 28 May 2024, showing a spread of \$0.35; ▶ Eumundi has consistently paid dividends over the past three years. We note that Eumundi has paid 7.0 cents annual dividends (3.5 cents interim dividends and 3.5 cents final dividends) from FY22 to FY24, implying a dividend yield of 5.6% on the 1-week VWAP (\$1.257) prior to the Announcement Date. In September 2024, the Company increased dividends by 0.25 cents relative to last year to 3.75 cents, meaning the dividend yield over the last 12 months is 5.8%. Notwithstanding historical track record, there is also no guarantee that dividends will be paid to shareholders as they have been in the past; ▶ Shareholders are exposed to business operation risks; ▶ Eumundi's dividend reinvestment plan has a strong uptake and results in shares being issued at a discount to the net asset value per share. Any shareholder not participating will be subject to increasing levels of dilution over time; and ▶ Eumundi has a tightly held share register and the share trading is not particularly liquid. For example, approximately 94.9% of Eumundi shares are held by the shareholders within a share parcel in excess of 100,000 shares (refer to Table 5.5). In the 12 months to 29 October 2024, the monthly volume of shares traded exceeded 100,000 shares in only four months (refer to Table 5.8). There may be limited opportunities for shareholders with larger parcels of shares to realise any value for their shares in the absence of the Offer or the Proposed Transaction.

Position of Shareholders	Explanation
Share trading prices may be materially different to recent share trading prices and the shares in Eumundi may trade at prices that are lower than the value of the Scheme Consideration	<p>If Shareholders do not vote in favour of the Proposed Transaction, and once the Proposed Transaction lapses, the price of Eumundi shares may decrease relative to trading prices prior to the Announcement Date and the decrease may be material.</p> <p>As outlined in Table 5.7, ASX trading of Eumundi shares prior to the Announcement Date was at VWAPs in the range of \$1.168 (3-month VWAP prior to the Announcement Date) to \$1.304 (6-month VWAP prior to the Announcement Date).</p> <p>The shares in Eumundi have been valued in this Report on a controlling interest basis to assess the Proposed Transaction. If the Proposed Transaction is not approved, the Offer is not accepted (or does not become unconditional if accepted) and no superior proposal emerges, the trading price of shares in Eumundi may reflect the value of Eumundi on a minority interest basis.</p> <p>It is possible that shares in Eumundi will trade at a price that is materially lower than the value of the Scheme Consideration if the Proposed Transaction is not approved, the Offer is not accepted (or does not become unconditional if accepted) and no superior proposal emerges.</p>
Prospect of a superior proposal or alternative transaction	<p>As set out in section 9.5(c) of the Scheme Booklet, Eumundi appointed Savills (QLD) Pty Ltd to introduce potential buyers to Eumundi of the operations of Eumundi. At the time of entering into the TID, the Eumundi Directors' considered the Proposed Transaction with SEQ to be the best offer available. As set out in section 9.7(d) of the Scheme Booklet, the TID contains no shop, no talk and no due diligence restrictions on Eumundi during the exclusivity period (to the extent that complying with these restrictions does not involve a breach of the Eumundi Directors' fiduciary duties).</p> <p>It is possible that Eumundi may receive an alternative offer that is superior to the Proposed Transaction. However, as at the date of this Report, the Directors have not received a proposal superior to the Proposed Transaction.</p>
Non-recoverable costs	<p>Eumundi has incurred costs in relation to the Proposed Transaction irrespective of whether the Proposed Transaction is implemented. Eumundi will not be able to recover costs that it has incurred in relation to the Proposed Transaction in the event that the Proposed Transaction is not approved and/or implemented.</p>

Source: BDOCF analysis

2.3.6 Assessment of the reasonableness of the Proposed Transaction

In our opinion, after considering all of the issues set out in this Report, it is our view that, in the absence of any other information or a superior proposal, the Proposed Transaction is **Reasonable** to the Shareholders as at the date of this Report.

2.4 Opinion

After considering the above assessments, it is our view that, in the absence of any other information or a superior proposal, the Proposed Transaction is Fair and Reasonable to the Shareholders as at the date of this Report. On this basis, it is our view that in the absence of any other information or a superior proposal, the Proposed Transaction is in the **Best Interests** of the Shareholders as at the date of this Report.

Before forming a view on whether to vote in favour of or against the Proposed Transaction, Shareholders must:

- ▶ Read the Scheme Booklet in its entirety, including this Report, before deciding whether to vote in favour of or against the Proposed Transaction;
- ▶ Consult their own professional advisers; and
- ▶ Consider their specific circumstances.

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3.0 Important Information

3.1 Read this Report, and other documentation, in full

This Report, including Part I, Part II and the appendices, should be read in full to obtain a comprehensive understanding of the purpose, scope, basis of evaluation, limitations, information relied upon, analysis, and assumptions underpinning our work and our findings.

Other information provided to the Shareholders in conjunction with this Report should also be read in full, including the Scheme Booklet.

3.2 Shareholders' individual circumstances

Our analysis has been completed and our conclusions expressed at an aggregate level having regard to the Shareholders as a whole. BDOCF has not considered the impact of the Proposed Transaction on the particular circumstances of individual Shareholders. Individual Shareholders may place a different emphasis on certain elements of the Proposed Transaction relative to the emphasis placed in this Report. Accordingly, individual Shareholders may reach different conclusions as to whether or not the Proposed Transaction is fair and reasonable in their individual circumstances.

The decision of an individual Shareholder to vote in favour of or against the Proposed Transaction is likely to be influenced by their particular circumstances and accordingly, the Shareholders are advised to consider their own circumstances and seek their own independent advice.

Voting in favour of or against the Proposed Transaction is a matter for individual Shareholders based on their expectations as to the expected value, future prospects and market conditions together with their particular circumstances, including risk profile, liquidity preference, portfolio strategy and tax position. The Shareholders should carefully consider the Scheme Booklet. Shareholders who are in doubt as to the action they should take in relation to the Proposed Transaction should consult their professional adviser.

With respect to the taxation implications of the Proposed Transaction, it is strongly recommended that the Shareholders obtain their own taxation advice, tailored to their own particular circumstances.

3.3 Scope

In this Report we provide our opinion on whether the Proposed Transaction is fair and reasonable to, and in the best interests of, the Shareholders.

This Report has been prepared at the request of the Directors of Eumundi ('Directors') for the sole benefit of the Shareholders, to assist them in their decision to vote in favour of or against the Proposed Transaction. This Report is to accompany the Scheme Booklet to be sent to the Shareholders to consider the Proposed Transaction and was not prepared for any other purpose. Accordingly, this Report and the information contained herein may not be relied upon by anyone other than the Directors and the Shareholders without our written consent. We accept no responsibility to any person other than the Directors and the Shareholders in relation to this Report.

This Report should not be used for any other purpose and we do not accept any responsibility for its use outside this purpose. Except in accordance with the stated purpose, no extract, quote or copy of this Report, in whole or in part, should be reproduced without our written consent, as to the form and context in which it may appear.

We have consented to the inclusion of this Report with the Scheme Booklet. Apart from this Report, we are not responsible for the contents of the Scheme Booklet or any other document associated with the Proposed Transaction. We acknowledge that this Report may be lodged with regulatory authorities to obtain the relevant approvals prior to it being made available to the Shareholders.

The scope of procedures we have undertaken has been limited to those procedures required in order to form our opinion. Our procedures did not include verification work nor constitute an audit or assurance engagement in accordance with Australian Auditing and Assurance Standards. In preparing this Report we considered a range of matters, including the necessary legal requirements and guidance of the Corporations Act 2001 (Cth) ('the Corporations Act'), the Corporation Regulations 2001 ('the Regulations'), the regulatory guides ('RGs') published by ASIC, the listing requirements of the relevant exchanges (where relevant) and commercial practice.

In conducting our analysis and forming our opinion, we have assumed:

- ▶ The conditions precedent to the Proposed Transaction are satisfied;
- ▶ All legal matters (such as title to all relevant assets, compliance with laws and regulations and contracts in place) are in good standing, and will remain so, and there are no material legal proceedings, other than as publicly disclosed;
- ▶ All information material to the Shareholders' decision regarding the Proposed Transaction has been provided and is complete, accurate and fairly presented in all material respects;
- ▶ ASX announcements and other publicly available information we have relied on is accurate, complete and not misleading;
- ▶ If the Proposed Transaction is approved, it will be implemented in accordance with the stated terms;

- ▶ The legal mechanism to implement the Proposed Transaction is correct and effective; and
- ▶ There are no undue changes to the terms and conditions of the Proposed Transaction or complex issues unknown to us.

A range of other assumptions as outlined in this Report have also been adopted in forming our opinion.

In this Report we have not provided any taxation, legal or other advice of a similar nature in relation to the Proposed Transaction. Eumundi has engaged other advisors in relation to those matters.

Eumundi has acknowledged that the Company's engagement of BDOCF is as an independent contractor and not in any other capacity, including a fiduciary capacity.

The statements and opinions contained in this Report are given in good faith and are based upon our consideration and assessment of the information provided by the Board, executives and management of all the entities.

3.4 Purpose of this Report

An independent expert, in certain circumstances, must be appointed to meet the requirements set out in the Corporations Act, the Regulations, RGs and in some cases the listing requirements of the relevant exchanges. These requirements have been set out in Sections 3.4.1 and 3.4.2 below.

3.4.1 Requirements of the Corporations Act

The Proposed Transaction will be implemented by scheme of arrangement. Section 411 of the Corporations Act relates to schemes of arrangement. Under section 411 of the Corporations Act, in order for a scheme of arrangement to be approved, certain steps, including the following, must occur:

- ▶ Unless the Federal Court of Australia ('the Court') orders otherwise, there must be a majority in number (i.e. more than 50%) of the shareholders present and voting (either in person or by proxy); and
- ▶ No less than 75% of the votes cast on the resolution must vote in favour of the scheme.

Part 3 of Schedule 8 of the Corporations Regulations details the prescribed information relating to schemes of arrangement. Specifically, Clause 8303 of Schedule 8 states that an independent expert's report prepared to determine whether, in the opinion of the expert, the proposed scheme is in the best interests of the company's shareholders must accompany a scheme document if:

- ▶ A party to the proposed scheme has a prescribed shareholding in the company subject to the scheme; or
- ▶ The directors of the company are also directors of the company subject to the scheme.

Notwithstanding that neither of these criteria are met in these circumstances, we have been requested to prepare this independent expert's report to provide additional information to the Shareholders to assist them to form a view on whether to vote in favour of or against the Proposed Transaction.

3.4.2 Listing requirements

We have been instructed that Eumundi will not be using this Report or our assessment of the Proposed Transaction for the purpose of complying with the listing requirements of the ASX or any other stock exchange.

3.5 Current market conditions

Our opinion and the analysis set out in this Report is 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 and may have a material impact on the results presented in this Report and result in any valuation or other opinion becoming quickly outdated and in need of revision.

In circumstances where we become aware of and believe that a change in these conditions, prior to the Scheme Meeting, results in a material statement in this Report becoming misleading, deceptive or resulting in a material change in valuation, we will provide supplementary disclosure to Eumundi. BDOCF is not responsible for updating this Report following the Scheme Meeting or in the event that a change in prevailing circumstance does not meet the above conditions.

3.6 Reliance on information

Eumundi recognises and confirms that, in preparing this Report, except to the extent to which it is unreasonable to do so, BDOCF, BDO Services Pty Ltd or any of the partners, directors, agents or associates (together 'BDO Persons'), will be using and relying on publicly available information and on data, material and other information furnished to BDO Persons by Eumundi, its management, and other parties, and may assume and rely upon the accuracy and completeness of, and is not assuming any responsibility for independent verification of, such publicly available information and the other information so furnished.

Unless the information we are provided suggests the contrary, we have assumed that the information provided was reliable, complete and not misleading, and material facts were not withheld. The information provided was evaluated through analysis and inquiry for the purpose of forming an opinion as to whether or not the Proposed Transaction is fair and reasonable to, and in the best interests of, Shareholders.

We do not warrant that our inquiries have identified or verified all of the matters which an audit, extensive examination or due diligence investigation might disclose. In any event, an opinion as to whether a corporate transaction is fair and reasonable is in the nature of an overall opinion rather than an audit or detailed investigation.

It is understood that the accounting information provided to us was prepared in accordance with generally accepted accounting principles.

Where we relied on the views and judgement of management, the information was evaluated through analysis and inquiry to the extent practical. Where we have relied on publicly available information, we have considered the source of the information and completed our own analysis to assist us to determine the accuracy of the information we have relied on. However, in many cases the information we have relied on is often not capable of external verification or validation and on that basis we provide no opinion or assurance on the information.

The Directors represent and warrant to us for the purpose of this Report, that all information and documents furnished by Eumundi (either by management directly or through its advisors) in connection or for use in the preparation of this Report do not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements therein. We have received representations from the Directors in relation to the completeness and accuracy of the information provided to us for the purpose of this Report.

Under the terms of our engagement, Eumundi has agreed to indemnify BDO Persons against any claim, liability, loss or expense, costs or damage, arising out of reliance on any information or documentation provided, which is false or misleading or omits any material particulars, or arising from failure to supply relevant documentation or information.

3.7 Glossary

Capitalised terms used in this Report have the meanings set out in the glossary. A glossary of terms used throughout this Report is set out in Appendix A.

All dollar ('\$') references in this Report are in Australian dollars unless otherwise stated.

3.8 Sources of information

This Report has been prepared using information obtained from sources including the following:

- ▶ Eumundi annual report for the year ended 30 June 2022, 2023 and 2024;
- ▶ Eumundi management accounts as at 31 October 2024;
- ▶ Eumundi budget for the year ended 30 June 2025;
- ▶ Eumundi historical management accounts for Ashmore Tavern and Aspley Central Tavern for the year ended 2023 and 2024;
- ▶ Valuation reports prepared by independent valuation experts with regards to the properties held by Eumundi as at 30 June 2023 ('the Property Valuation(s)');
- ▶ Operational board reports and board minutes prepared, and other operational items furnished to us by Management for the period 30 June 2022 to present;
- ▶ Eumundi ASX announcements;
- ▶ The Bidder's Statement;
- ▶ Capital IQ;
- ▶ IBISWorld;
- ▶ MergerMarket;
- ▶ Other research publications and publicly available data as sourced throughout this Report;
- ▶ Various transaction documents provided by the Management of Eumundi and their advisors; and
- ▶ Discussions and other correspondence with Eumundi, management and their advisers.

3.9 APES 225 Valuation Services

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 *Valuation Services* ('APES 225'). A Valuation Engagement is defined by APES 225 as 'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer 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 Valuer at that time.'

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

3.10 Forecast information

Any forecast financial information referred to in this Report has originated from the Company's management and is adopted by the Directors in order to provide us with a guide to the potential financial performance of Eumundi. There

is a considerable degree of subjective judgement involved in preparing forecasts since they relate to event(s) and transaction(s) that have not yet occurred and may not occur. Actual results are likely to be different from the forecast financial information since anticipated event(s) or transaction(s) frequently do not occur as expected and the variation between actual results and forecast results may be material.

The directors' best-estimate assumptions on which the forecast is based relate to future event(s) and/or transaction(s) that management expect to occur and actions that management expect to take and are also subject to uncertainties and contingencies, which are often outside the control of Eumundi. Evidence may be available to support the directors' best-estimate assumptions on which the forecast is based however, such evidence is generally future-oriented and therefore speculative in nature. In certain circumstances, we may adjust the forecast assumptions provided by management to complete our valuation work. In this instance, the forecasts we have adopted for our valuation work will not be the same as the forecasts provided by management.

BDOCF cannot and does not provide any assurance that any forecast is representative of results or outcomes that will actually be achieved. While we have considered the forecast information to the extent we considered necessary to complete the analysis set out in this Report, we have not been engaged to provide any form of assurance conclusion on any forecast information set out in this Report. We disclaim any assumption of responsibility for any reliance on this Report, or on any forecast to which it relates, for any purpose other than that for which it was prepared. We have assumed, and relied on representations from certain members of management, that all material information concerning the prospects and proposed operations of Eumundi has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

3.11 Qualifications

BDOCF has extensive experience in the provision of corporate finance advice, including takeovers, valuations and acquisitions. BDOCF holds an Australian Financial Services Licence issued by ASIC for preparing expert reports pursuant to the Listing Rules of the ASX and the Corporations Act.

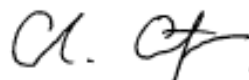
BDOCF and its related parties in Australia have a wide range of experience in transactions involving the advising, auditing or expert reporting on companies that have operations domestically and in foreign jurisdictions. BDO in Queensland and in Australia is a national association of separate partnerships and entities and is a member of the international BDO network of individual firms.

Mark Whittaker and Chris Catanzaro have prepared this Report with the assistance of staff members. Mr Whittaker, BCom (Hons), FCA, CFA, and Mr Catanzaro, BCom (Hons), BBusMan, CA, CFA are directors of BDOCF. Both Mr Whittaker and Mr Catanzaro have extensive experience in corporate advice and the provision of valuation and professional services to a diverse range of clients, including large private, public and listed companies, financial institutions and professional organisations. Mr Whittaker and Mr Catanzaro are considered to have the appropriate experience and professional qualifications to provide the advice offered within this Report.

BDO Corporate Finance Ltd



Mark Whittaker
Director



Chris Catanzaro
Director

PART II: INFORMATION SUPPORTING OUR OPINION ON THE PROPOSED TRANSACTION

4.0 Overview of the Proposed Transaction

This section sets out an overview of the Proposed Transaction and is structured as follows:

- ▶ Section 4.1 provides a brief description of the Proposed Transaction;
- ▶ Section 4.2 describes the key parties involved in the Proposed Transaction;
- ▶ Section 4.3 summarises SEQ's intentions in relation to Eumundi;
- ▶ Section 4.4 summarises the conditions precedent to the Proposed Transaction; and
- ▶ Section 4.5 details the rationale for the Proposed Transaction.

This section is a summary only and should not be treated as a complete description of the Proposed Transaction. The Shareholders should refer to the Bidder's Statement and any subsequent disclosures for additional information relating to the Proposed Transaction and the key parties involved.

4.1 Summary of the Proposed Transaction

On 30 October 2024, Eumundi announced that it had entered into a TID with SEQ. Under the TID, SEQ has agreed to acquire all Eumundi shares through two concurrent mechanisms (together, 'the Transaction'):

- ▶ An off-market takeover offer at \$1.55 cash per Eumundi share ('the Offer'); and
- ▶ A scheme of arrangement at \$1.55 cash per Eumundi share ('the Scheme').

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, SEQ will concurrently:

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

from \$1.55 cash per Eumundi share to \$1.62 cash per Eumundi share.

As at the date of this Report, this condition has been met and the consideration has been increased from \$1.55 to \$1.62.

This Report is solely focused on the Proposed Transaction and does not address the Offer happening concurrently. Shareholders should refer to the transaction structure in the Scheme Booklet to understand the process of the Transaction.

In conjunction with the Proposed Transaction, SEQ have also permitted Eumundi to issue an interim dividend of up to 2.4c per Eumundi share without affecting the \$1.62 of Scheme Consideration under SEQ's offer.

If the Proposed Transaction is approved, Shareholders will be entitled to receive the Scheme Consideration of \$1.62 per Eumundi share. Having regard to the last day Eumundi traded prior to the Announcement Date (i.e. the Pre-Announcement Date), the Scheme Consideration represents:

- ▶ A premium of 28.6% relative to Eumundi's closing share price as at 29 October 2024 (\$1.2600 per share); and
- ▶ A premium of 38.7% relative to the three-month VWAP as at 29 October 2024 (\$1.1678 per share).

Shareholders should refer to the Scheme Booklet and subsequent disclosures for more detailed information in relation to the Transaction, and to the interrelationship between the Offer and the Scheme.

4.2 Description of the key parties involved in the Proposed Transaction

This section is a summary based on information set out in the Bidder's Statement. Shareholders should refer to section 3 of the Bidder's Statement for further information.

4.2.1 SEQ

SEQ is an Australian proprietary company that was incorporated on 27 September 2024, as a special purpose vehicle to acquire Eumundi shares under the Transaction. SEQ and its holding company, SEQ Holdings, are part of the Fortitudo Group ('Fortitudo').

Fortitudo is an independent hotel and liquor retail operator based in Southeast Queensland. Fortitudo owns and operates:

- ▶ Boathouse Tavern in Coomera;
- ▶ QA Hotel in New Farm, Brisbane;

- ▶ Treetops Tavern in Burleigh Waters;
- ▶ The Ambassador of Redcliffe;
- ▶ Trader Dukes in Kings Circle, Caboolture; and
- ▶ A total of 17 bottle shops.

4.2.2 Directors of SEQ

Martin Ward

Mr. Ward began his career in hospitality with Allied Breweries, managing 15 pubs in southeast England. In 1990, he joined Inchcape PLC, working in Bahrain's liquor division, where he became managing director for the Middle East in 1992 and expanded to oversee the Asia Pacific region in 1994, relocating to Singapore. He later managed Inchcape Motors in Australia in 1996 and was appointed regional CEO for Asia Pacific/Australasia in 1998. From 2001 to 2005, he was CEO of Ford Motor Company's Sydney Retail Joint Venture.

In 2005, he joined Eagers Automotive Limited (ASX:APE), serving as CEO from 2006 to 2021, and still remains as an advisor to the board. Mr. Ward is also a director of the Australian Automotive Dealer Association and a non-executive director of Motorcycle Holdings Limited (ASX:MTO).

Nicholas Politis

Mr. Politis has served as a non-executive director of Eagers Automotive Limited (ASX:APE) since May 2000. He is the Executive Chairman of the NGP Group of companies and a director of numerous proprietary limited companies.

Gregory Duncan

Mr. Duncan is a director at JWT Bespoke Pty Ltd (since 2013) and a non-executive director of Eagers Automotive Limited (ASX:APE) since 2019. He is the former owner and executive chairman of Trivett Automotive Group and previously served as chairman of Cox Automotive Australia (2016-2021) and director of Automotive Holdings Group Ltd (2015-2019).

4.3 SEQ's intentions if the Scheme is implemented

SEQ's intentions in relation to Eumundi are set out in full in section 6.6 of the Scheme Booklet.

If the scheme is implemented and SEQ acquires 100% of Eumundi's shares, SEQ plans the following actions:

- ▶ **Delisting:** SEQ will arrange for Eumundi to be removed from the ASX;
- ▶ **Operational and Strategic Review:** SEQ will review Eumundi's assets, strategy, and operations, focusing on:
 - Assessing asset portfolio, with potential asset disposals;
 - Integrating management systems and optimising costs;
 - Reviewing management and operations for synergies and cost savings;
 - Evaluating financing arrangements and future capital needs; and
 - Examining external commercial relationships.
- ▶ **Business Integration:** SEQ will centralise certain corporate functions to eliminate duplication and reduce costs. Some head office functions may become redundant if Eumundi is delisted;
- ▶ **Board Composition:** SEQ will replace Eumundi's board members with its own nominees, subject to relevant approvals;
- ▶ **Impact on Management and Employees:** Potential job losses may occur due to redundancy of certain functions (e.g., ASX listing maintenance). However, SEQ will make efforts to reassign employees where possible and provide legal entitlements if necessary;
- ▶ **Senior Management Employment:** Senior management remaining after the acquisition will retain largely the same employment terms;
- ▶ **Eumundi's Constitution:** SEQ plans to amend Eumundi's constitution to reflect its status as a wholly-owned subsidiary and convert it to a proprietary company; and
- ▶ **Consolidated Tax Group:** Eumundi and its subsidiaries will join SEQ's consolidated tax group, with agreements for tax sharing and funding.

4.4 Key conditions of the Proposed Transaction

The Proposed Transaction is subject to certain conditions that are set out in full in the Scheme Booklet. In summary, these include:

- ▶ **Scheme Shareholder approval:** Eumundi Shareholders approving the Scheme by the necessary requisite majority at the Scheme Meeting (or any adjournment or postponement of the Scheme Meeting).

- ▶ Court approval: The Court approving the Scheme under section 411(4)(b) of the Corporations Act.
- ▶ Regulatory Approvals: All regulatory approvals required to implement the Scheme are obtained (if any).
- ▶ No restraint: No temporary restraining order, preliminary or permanent injunction or other temporary, preliminary or final order issued by any court of competent jurisdiction, no preliminary or final decision, determination, notice of objection, or order issued by any government agency or any other legal restraint preventing, restraining, prohibiting or materially adversely affecting the Scheme is in effect as at 8:00am on the date of the first hearing of the application made to the Court for an order pursuant to section 411(4) of the Corporations Act approving the Scheme, currently expected to be held on 4 February 2025 ('the Second Court Date').
- ▶ Change of Control Contracts: Eumundi has received a copy of each consent or waiver required under change of control contracts to the change of control of Eumundi resulting from the Scheme, and such consents or waivers have not been withdrawn, suspended or revoked before 8:00am on the Second Court Date.
- ▶ No Prescribed Occurrence: Between (and including) the Announcement Date and 8:00am on the Second Court Date, none of the prescribed occurrences as defined in Section 9.7 (b) of the Bidder's Statement occur.
- ▶ No Material Event: Between (and including) the Announcement Date and 8:00am on the Second Court Date, no material events as defined in Section 9.7 (c) of the Bidder's Statement occur.
- ▶ EBG Representations and Warranties: The representations and warranties of Eumundi being true and correct and are not misleading as if given at all times between (and including) the Announcement Date and 8:00am on the Second Court Date.
- ▶ SEQ Representations and Warranties: The representations and warranties of SEQ being true and correct and are not misleading as if given at all times between (and including) the Announcement Date and 8:00am on the Second Court Date.
- ▶ The Independent Expert, having issued its report which concludes that the Scheme is in the best interests of Eumundi Shareholders, not changing its conclusions or publicly withdrawing its conclusions before 8:00am on the Second Court Date.

We recommend that Shareholders consider all conditions of the Proposed Transaction set out in the Scheme Booklet.

As at the date of this Report, we note the conditions precedent have not been satisfied, including those that cannot be waived, being the approval of Eumundi Shareholders, approval by the Court, and regulatory approvals (if any). The Scheme will not proceed unless these conditions precedent are satisfied. The other conditions may be waived by the party for whose benefit the condition operates, or, where the condition operates for the benefit of both parties, by consent.

4.5 Strategic rationale for the Proposed Transaction

SEQ is strategically focused on expanding its portfolio and strengthening its presence in the Southeast Queensland region. The acquisition of Eumundi Group presents a bolt-on opportunity for SEQ, granting access to a well-regarded portfolio of venues.

In forming their view to unanimously recommend the Proposed Transaction (in the absence of a superior proposal and subject to the independent expert's conclusion), Eumundi's directors considered:

- ▶ The Proposed Transaction price represents an attractive premium to Eumundi's historical trading prices. As per the Bidder's Statement, the offer price of \$1.55 represents a premium of:
 - 23.0% to \$1.260, being the closing price of Eumundi shares on 29 October 2024 (or a premium of 28.6% on the updated \$1.62 offer price).
 - 32.2% to the VWAP of Eumundi shares for the 30 days up to and including 29 October 2024, being \$1.172 per share (or a premium of 38.2% on the updated \$1.62 offer price).
 - 32.7% to the VWAP of Eumundi shares for the 90 days up to and including 29 October 2024, being \$1.168 per share (or a premium of 38.7% on the updated \$1.62 offer price).
- ▶ The Proposed Transaction provides a significant liquidity event for monetising the investment in Eumundi. According to the Bidder's Statement, the average daily trading volume of Eumundi Shares in the 12-month period up to and including 29 October 2024 was 13,332 shares. On that basis, only 7.2% of Eumundi shares on issue were traded in that 12-month period². If the Proposed Transaction is not approved and implemented or the Offer is not accepted (or does not become unconditional if accepted), investors may face risks associated with poor liquidity leading to uncertainty as to the future monetisation of the investment.
- ▶ The Proposed Transaction by SEQ to acquire Eumundi Shares is for 100% cash consideration. This gives Eumundi Shareholders certainty about the value of the consideration being offered.
- ▶ Eumundi's share price may fall if the Offer lapses and the Scheme is not implemented.

² This information is sourced directly from the Bidder's Statement and differs from the data we sourced from Capital IQ.

- ▶ No alternative or competing control proposal has emerged for Eumundi shares since the Transaction was announced.
- ▶ Shareholders may risk becoming a minority Eumundi shareholder if neither the Offer nor the Scheme succeed. The Offer is conditional upon SEQ obtaining a relevant interest in at least 90% (by number) of the Eumundi shares currently on issue. While SEQ has no current intention to waive this condition, it is open to SEQ to do so at its discretion in accordance with the Corporations Act. If the Scheme is not implemented and SEQ elects to waive the 90% minimum acceptance condition and gains a majority shareholding in Eumundi (but is not entitled to compulsorily acquire those Eumundi shares which were not accepted into the Offer), those Eumundi Shareholders who do not accept the Offer will become minority Eumundi Shareholders with possibly less influence over the future direction and control of Eumundi.

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5.0 Background of Eumundi

This section is set out as follows:

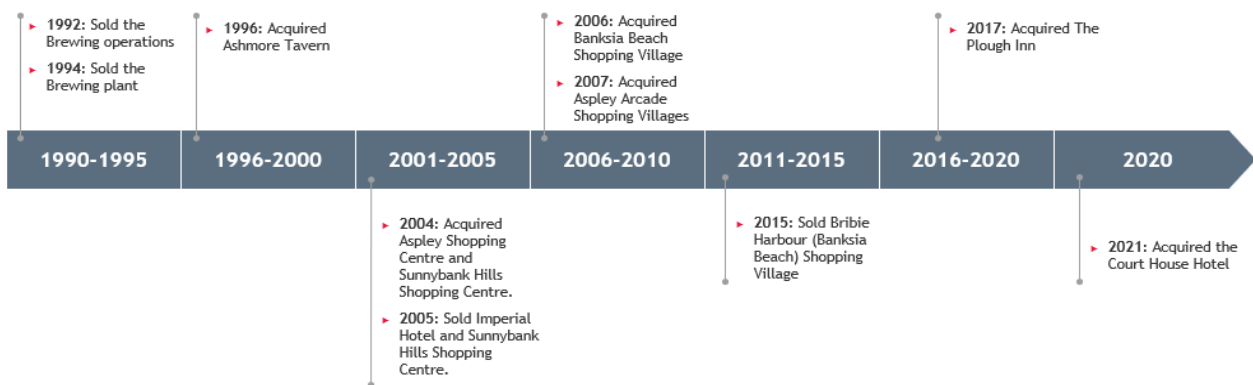
- ▶ Section 5.1 provides an overview and background information on Eumundi;
- ▶ Section 5.2 outlines properties held by Eumundi;
- ▶ Section 5.3 summarises the corporate structure of Eumundi;
- ▶ Section 5.4 summarises the equity structure of Eumundi;
- ▶ Section 5.5 summarises the share market trading in Eumundi shares; and
- ▶ Section 5.6 summarises the historical financial information of Eumundi.

5.1 Background

Eumundi (trading as ASX:EBG), originally known as Eumundi Brewing Group, was listed on the ASX in December 1985, focusing on brewing premium boutique beers and operating the Imperial Hotel Eumundi, located in Eumundi, Queensland, Australia. However, due to competitive pressures and financial challenges, the company exited the brewing industry to shift its focus toward property investments.

Since then, Eumundi has evolved into a diversified property and hotel management company. It specialises in acquiring, developing, and managing a portfolio of commercial properties, primarily in the hospitality and retail sectors. A summary of the corporate history is set out in the figure below.

Figure 5.1: Summary of Eumundi’s corporate history



Source: Eumundi website

The Company’s portfolio includes:

- ▶ Hotel properties:
 - Ashmore Tavern (refer Section 5.2.1 below); and
 - Aspley Central Tavern (refer Section 5.2.2 below).
- ▶ Investment properties:
 - Aspley Shopping Centres (refer Section 5.2.2 below);
 - Aspley Arcade Shopping Villages (refer Section 5.2.3 below);
 - The Plough Inn (refer Section 5.2.3 below); and
 - Court House Hotel (refer Section 5.2.3 below).

5.2 Properties held by Eumundi

5.2.1 Ashmore Tavern

Ashmore Tavern was acquired in August 1996 for \$3.6 million. The tavern offers patrons inviting indoor and outdoor dining areas, versatile function spaces, and 45 gaming machines. The tavern undertook a major capital works program between April 2020 and September 2022, at a total cost of \$5.4 million.

Table 5.1 below provides a summary of the key details for the property.

Table 5.1: Summary of information for Ashmore Tavern

Operating properties	Location	Type of property	Site area (sqm)	Acquisition date	Acquisition cost (\$'m)
Ashmore Tavern	Ashmore, Queensland	Hospitality	8,944	August 1996	3.6

Source: Eumundi website, Management, BDOCF analysis

5.2.2 Aspley Shopping Centre & Aspley Central Tavern

Eumundi acquired the Aspley Shopping Centre in March 2004. In March 2013, the Company assumed control of Publovers' Tavern, a tenant of the shopping centre, as a mortgagee in possession. Following a \$0.85 million upgrade completed in August 2015, the tavern was rebranded and relaunched as Aspley Central Tavern.

Eumundi classifies the shopping centre as an investment property³ while the tavern is treated as an operating entity.

The Aspley Shopping Centre comprises 14 retail tenancies and the tavern, while the tavern features modern and stylish dining areas and 45 gaming machines. The shopping centre has undertaken major capital upgrades, including the following:

- ▶ Between November 2018 and November 2019, a major refurbishment was conducted on Aspley Shopping Centre and Aspley Arcade Shopping Villages, at a total cost of \$5.4 million.
- ▶ Between July and September 2019, capital works were undertaken on Aspley Central Tavern to modernise and extend the venue's gaming lounge at a cost of \$0.7 million.

Table 5.2 provides a summary of the key details for the property.

Table 5.2: Summary of information for Aspley Shopping Centre & Aspley Central Tavern

Operating properties	Location	Type of property	Site area (sqm) ¹	Acquisition date	Acquisition cost (\$'m)
Aspley Shopping Centre & Aspley Central Tavern	Aspley, Queensland	Retail/Hospitality	2,530	March 2004	17.4

Source: Eumundi website, Management, BDOCF analysis

¹ For Aspley Shopping Centre & Aspley Central Tavern, the site area represents the lettable area.

5.2.3 Other investment properties

The Company acquired Aspley Arcade Shopping Villages in 2007, adjoining the Aspley Shopping Centre, and subsequently acquired The Plough Inn and Court House Hotel in the following years to add to its portfolio.

The Aspley Arcade Shopping Villages comprises 14 retail tenancies, while The Plough Inn and the Court House Hotel are both rented out under long term leases, generating passive income. Table 5.3 provides a summary of the key details for the investment properties.

Table 5.3: Summary of information for the investment properties

Investment properties	Location	Type of property	Site area (sqm) ¹	Acquisition date	Acquisition cost (\$'m)
Aspley Arcade Shopping Villages	Aspley, Queensland	Retail	2,219	Jun 2007	13.0
The Plough Inn	South Brisbane, Queensland	Hospitality	984	Nov 2017	13.1
Court House Hotel	Murwillumbah, New South Wales	Hospitality	898	Aug 2021	6.0

Source: Eumundi website, Management, BDOCF analysis

¹ For Aspley Arcade Shopping Villages, the site area represents the lettable area.

³ We note that the Aspley Shopping Centre is classified under Property, Plant and Equipment not Investment Property for financial reporting purposes, and only the land and building values are measured at fair value on the financial statements.

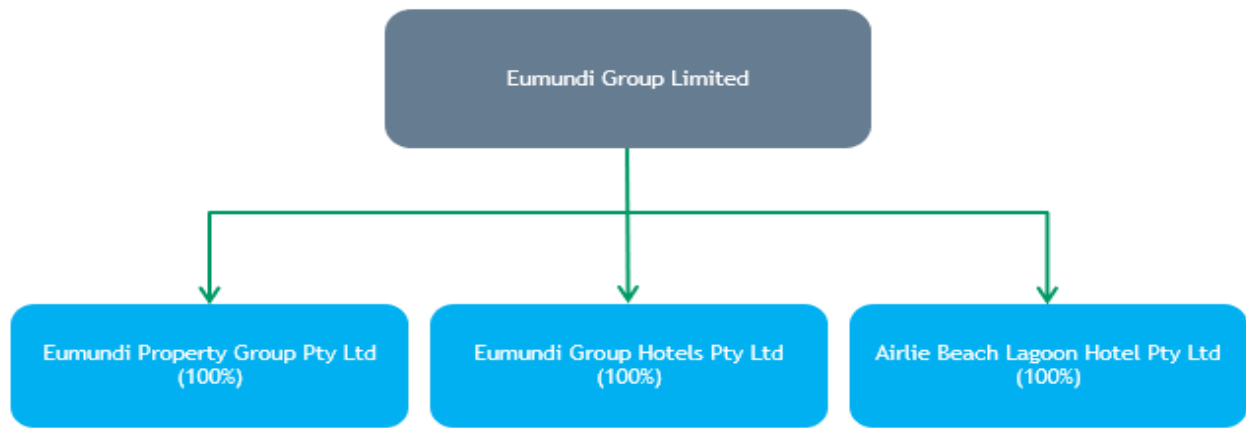
In addition to the Table 5.3 above, we note the following:

- ▶ As mentioned in Section 5.2.2, a total of \$5.4 million was invested in refurbishing both the Aspley Shopping Centre and Aspley Arcade Shopping Villages between 2018 and 2019.
- ▶ The Plough Inn is held under a leasehold agreement with South Bank Corporation for a 100-year term, with approximately 90 years remaining, expiring on 17 August 2114.
- ▶ The Plough Inn is subleased to Plough Inn Brisbane Pty Ltd under the terms of a 15-year sublease agreement, expiring 2 November 2032, with four options of 10 years each.
- ▶ The Court House Hotel is leased to CHTD Pty Ltd under the terms of a 15-year sub-lease agreement, expiring 24 July 2036, with four options of 10 years each.

5.3 Corporate structure of Eumundi

Eumundi's corporate structure is set out in Figure 5.2 below.

Figure 5.2: Corporate structure of Eumundi



Source: FY24 Annual Report

With regards to Figure 5.2 above, we note:

- ▶ Eumundi Property Group Pty Ltd manages the investment properties and performs the corporate functions;
- ▶ Eumundi Group Hotels Pty Ltd manages the operation of the Ashmore Tavern and the Aspley Central Tavern; and
- ▶ Airlie Beach Lagoon Hotel Pty Ltd is a shell company with no business operations or associated assets.

5.4 Equity structure of Eumundi

As at 31 October 2024, Eumundi had 49,767,770 ordinary shares on issue. The substantial shareholders are set out in Table 5.4. Table 5.4 does not consider the impact of any changes in shareholding as a result of the Offer.

Table 5.4: Substantial Shareholders

Name	Number of Shares	% of total shares issued
Joseph Michael Ganim ¹	13,021,572	26.16%
Peter Milton Ganim ¹	10,834,791	21.77%
Paul Calile Ganim ¹	10,546,628	21.19%
Gansons Pty Ltd	3,323,650	6.68%
Ganbros Pty Ltd	3,137,739	6.30%
Ganboys Pty Ltd	3,094,304	6.22%
Agpro Pty Ltd	2,746,496	5.52%
Less Duplication ¹	(31,413,575)	(63.12%)
Subtotal	15,291,605	30.72%
SCMS Pty Ltd - SJ Shoobridge Superannuation Fund	9,000,052	18.08%
Gilbert De Luca	8,548,118	17.18%
Mr Robert Darius Fraser	3,579,305	7.19%
Total Substantial Shareholders	36,419,080	73.17%
Other	13,348,690	26.82%
Total	49,767,770	100.00%

Source: Management

¹ Joseph Michael Ganim, Peter Milton Ganim and Paul Calile Ganim hold interests in Gansons Pty Ltd, Ganbros Pty Ltd and Ganboys Pty Ltd, and Joseph Michael Ganim also holds an interest in Agpro Pty Ltd. These entities collectively contribute to their respective relevant interests in Eumundi. The duplicate shares are removed at the subtotal line to show the holding net of the duplication.

Having regard to the information set out in Table 5.4 above, we note:

- ▶ Table 5.4 does not consider the impact of any changes in shareholding as a result of the Offer. According to ASX announcements, SEQ has become a substantial shareholder post the Announcement Date of the Transaction. As of the announcement on 16 December 2024, SEQ has acquired 34,669,289 shares, representing a relevant interest in 69.66% of the total shares on issue. If there are further acceptances of the Offer after the last practicable date, SEQ's relevant interest in Eumundi shares will increase further. The power of SEQ to vote or dispose of those Eumundi shares that are the subject of acceptance of the Offer is qualified since the Offer has not been declared unconditional and SEQ is not presently registered as the holder of the Eumundi shares. The Eumundi shares which are the subject of acceptance of the Offer will not be transferred to SEQ unless the Offer is declared, or becomes unconditional or the Scheme is implemented. The Shareholders are encouraged to monitor Eumundi's website at <https://eumundigroup.com.au/asx-announcements/> and the ASX website at <https://www.asx.com.au/markets/company/ebg> for changes to SEQ's Relevant Interest in Eumundi;
- ▶ As at 31 October 2024, Eumundi has 49,767,770 fully paid ordinary shares outstanding, of which the substantial shareholders hold 73.17%; and
- ▶ Joseph Michael Ganim and Gilbert De Luca are directors of Eumundi.

In addition to the above analysis, we have set out in Table 5.5 below a summary of the share distribution.

Table 5.5: Share distribution

Range of shares held	No. of Shareholders	No. of ordinary shares	Percentage of issued shares (%)
1 - 1,000	170	105,833	0.21%
1,001 - 5,000	170	403,577	0.81%
5,001 - 10,000	26	201,102	0.40%
10,001 - 100,000	57	1,812,961	3.64%
100,001 - and over	37	47,244,297	94.93%
Total	460	49,767,770	100.00%

Source: Share register dated on 31 October 2024 provided by Management, BDOCF analysis

Having regard to Table 5.5, we note:

- ▶ Eumundi has concentrated share ownership with 94.93% of the shares held by a small group of shareholders (37); and
- ▶ Shareholders holding between 1 to 5,000 shares represent the majority of the shareholders by number but only own 1.02% of shares.

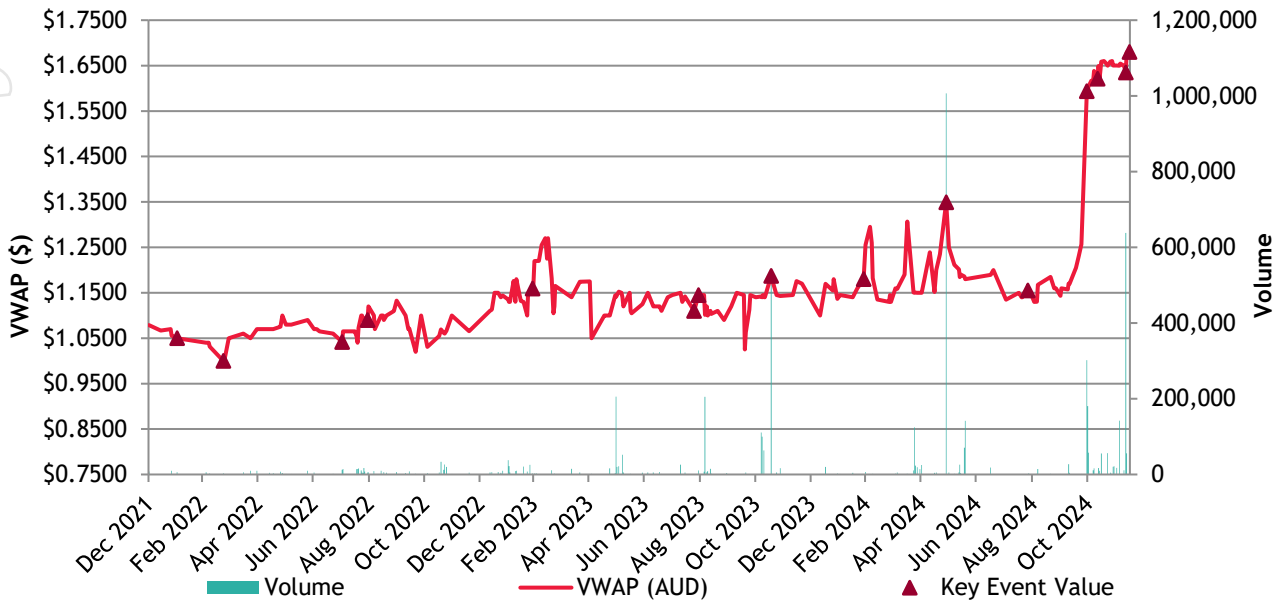
The only class of equity instrument in Eumundi is ordinary shares. There are no unlisted securities (e.g. options or performance rights) in Eumundi.

5.5 Share trading data of Eumundi

5.5.1 Share trading data

Figure 5.3 displays the daily volume weighted average price ('VWAP') and daily volume of Eumundi shares traded on the ASX over the period 7 December 2021 up to and including 22 November 2024.

Figure 5.3: Daily VWAP and volume of Eumundi Shares traded from 7 December 2021 up to and including 16 December 2024



Source: Capital IQ as at 17 December 2024

Over the period graphed in Figure 5.3 above, Eumundi’s daily VWAP displays a period low of \$1.00 on 23 March 2022 and a period high of \$1.68 on 16 December 2024. We note that SCMS Pty Ltd, as trustee for the SJ Shoobridge Superannuation Fund, was a key contributor to the high trading volumes observed around November 2023 and May 2024, as outlined in Figure 5.3 above and Table 5.6 below. Furthermore, SCMS Pty Ltd acquired 1,000,000 shares in January 2024, which is not reflected in the market trading data.

In addition to the share price and volume data of Eumundi shown in Figure 5.3, we have also provided additional information in Table 5.6 below to assist readers to understand the possible reasons for the movement in Eumundi’s share price over the period analysed. The price-sensitive ASX announcements referred to in Table 5.6 below correspond to the key event values in Figure 5.3 above.

For completeness, we note that Eumundi makes relatively few price-sensitive announcements each year, with the announcements generally restricted to half year and full year financials.

Table 5.6: Selected Eumundi ASX announcements from 7 December 2021 to 16 December 2024

Date	Announcement
31/01/2022	Eumundi released a market update to announce the expected financial result for the half-year ended 31 December 2021.
24/02/2022	Eumundi released the financial result for the half-year ended 31 December 2021.
14/03/2022	Eumundi announced the issuance of a total of 1,339,333 new fully paid ordinary shares under the Dividend Reinvestment Plan, at a price of 98.8 cents per share.
01/08/2022	Eumundi released a market update to announce the expected financial result for the full year ended 30 June 2022.
29/08/2022	Eumundi released the financial result for the full year ended 30 June 2022.
27/02/2023	Eumundi released the financial result for the half-year ended 31 December 2022.
22/08/2023	Eumundi released a market update to announce the expected financial result for the full year ended 30 June 2023.
28/08/2023	Eumundi released the financial result for the full year ended 30 June 2023.
22/11/2023	SCMS Pty Ltd atf SJ Shoobridge Superannuation Fund acquired 605,000 shares over two consecutive days.
27/02/2024	Eumundi released the financial result for the half-year ended 31 December 2023.
28/05/2024	SCMS Pty Ltd atf SJ Shoobridge Superannuation Fund acquired 1,006,658 shares.
26/08/2024	Eumundi released the financial result for the full year ended 30 June 2024.
30/10/2024	Eumundi enters into Transaction Implementation Deed with SEQ to acquire 100% of Eumundi for \$1.55 per share, by way of both takeover offer and scheme.
29/11/2024	The Bidder’s Statement for the off-market takeover is released.
11/11/2024	The Target’s Statement for the off-market takeover is released.
12/12/2024	The Supplementary Bidder’s Statement for the off-market takeover is released. The conditional offer price is increased to \$1.62.
16/12/2024	Eumundi announced that SEQ has increased the offer price for both the takeover offer and the scheme from \$1.55 to \$1.62.
16/12/2024	The Supplementary Bidder’s Statement is released.
16/12/2024	The first Supplementary Target’s Statement is released.

Source: ASX announcements

In Table 5.7 below we have set out Eumundi's VWAP for the 1 week, 1 month, 3 months, 6 months, 9 months and 12 months up to and including 29 October 2024, being the date SEQ publicly announced the Proposed Transaction.

Table 5.7: Eumundi's VWAP for specified periods up to and including 29 October 2024

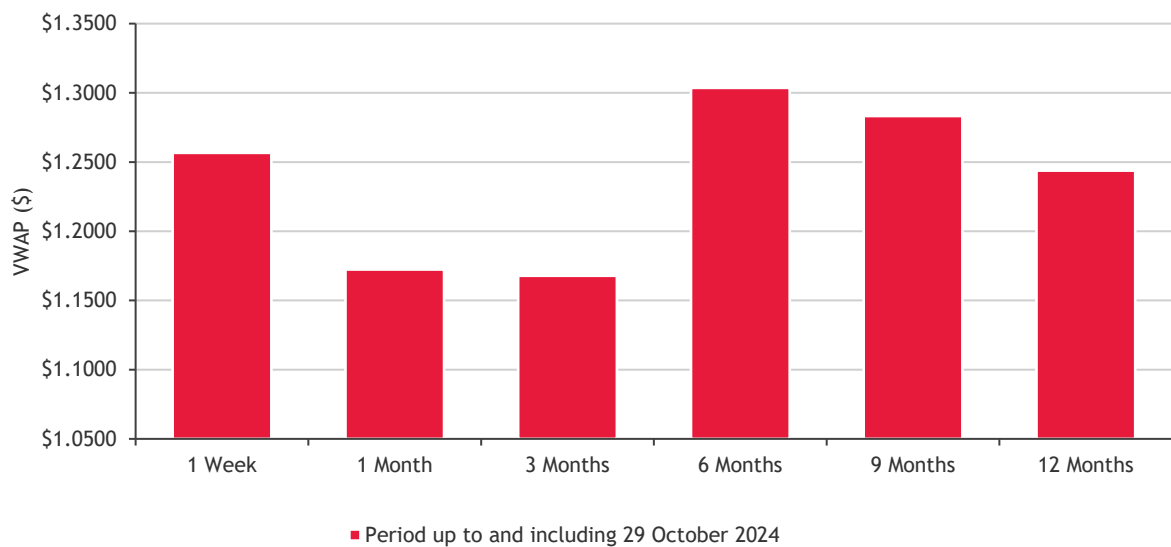
Length of relevant VWAP period	VWAP ¹ up to and including 29 October
1 Week	\$1.2567
1 Month	\$1.1723
3 Months	\$1.1678
6 Months	\$1.3036
9 Months	\$1.2833
12 Months	\$1.2438

Source: Capital IQ as at 17 December 2024

¹ VWAP data may differ from the data set out in the Bidder's Statement due to differences in databases used. For the purposes of the analysis set out in this Report, the differences are immaterial.

The information presented in Table 5.7 is shown graphically in Figure 5.4 below.

Figure 5.4: Eumundi's VWAP for specified periods up to and including 29 October 2024



Source: Capital IQ as at 17 December 2024

With regards to Table 5.7 and Figure 5.4, we note:

- ▶ The Company's share price remained below \$1.25 for most of the time between 17 November 2021 to 29 October 2024; and
- ▶ The 6-month and 9-month VWAPs exceed \$1.25 due to the high transaction volume and turnover that occurred around May 2024.

5.5.2 Liquidity of Eumundi Shares on the ASX

The rate at which equity instruments are traded is generally referred to as the 'liquidity' of the equity instruments. Changes in liquidity may impact the trading price of equity instruments. This is particularly dependent on the number of equity instruments required to be bought and/or sold and the time period over which the equity instrument holder needs to buy and/or sell those equity instruments. Depending on the circumstances, a movement in market price may or may not represent a shift in value of either the equity instruments or a shift in value of the company to which the equity instruments relate as a whole.

Table 5.8 summarises the monthly liquidity of Eumundi shares from 1 October 2023 up to and including 22 November 2024. Liquidity has been summarised by considering the following:

- ▶ Volume of Eumundi share trades per month;
- ▶ Value of total trades in Eumundi shares per month;
- ▶ Number of Eumundi shares traded per month as a percentage of total Eumundi shares outstanding at the end of the month;
- ▶ The monthly low daily VWAP and high daily VWAP of the Company; and
- ▶ Volume weighted average price per month.

Table 5.8: Liquidity of Eumundi shares on the ASX

Month	Volume	Shares Outstanding	Volume per Shares Outstanding	Monthly Low Share Price	Monthly VWAP	Monthly High Share Price
December 2024 (to 16th)	889,870	49,767,770	1.79%	\$1.6350	\$1.6419	\$1.6800
November 2024	275,890	49,767,770	0.55%	\$1.6046	\$1.6390	\$1.6600
October 2024 (From 30th to 31st)	482,710	49,767,770	0.97%	\$1.5935	\$1.5960	\$1.6000
Total Post-Transaction Announcement	1,648,470	49,767,770	3.31%	\$1.5935	\$1.6280	\$1.6800
October 2024 (to 29th)	35,350	49,767,770	0.07%	\$1.1431	\$1.1723	\$1.2567
September 2024	19,900	48,976,460	0.04%	\$1.1300	\$1.1640	\$1.1850
August 2024	5,920	48,185,150	0.01%	\$1.1350	\$1.1538	\$1.1600
July 2024	18,650	48,185,150	0.04%	\$1.1894	\$1.1897	\$1.2000
June 2024	248,820	48,185,150	0.52%	\$1.1798	\$1.1828	\$1.2118
May 2024	1,047,000	48,185,150	2.17%	\$1.1500	\$1.3423	\$1.3492
April 2024	200,470	48,185,150	0.42%	\$1.1499	\$1.1516	\$1.3067
March 2024	3,190	47,601,050	0.01%	\$1.1300	\$1.1614	\$1.2950
February 2024	13,960	46,822,250	0.03%	\$1.1400	\$1.1984	\$1.2552
January 2024	24,980	46,822,250	0.05%	\$1.1000	\$1.1619	\$1.1697
December 2023	2,630	46,822,250	0.01%	\$1.1450	\$1.1620	\$1.1756
November 2023	827,400	46,822,250	1.77%	\$1.1400	\$1.1706	\$1.1871
October 2023	8,170	46,822,250	0.02%	\$1.0251	\$1.0788	\$1.1450
Total Pre-Transaction Announcement	2,456,440	47,865,590	5.13%	\$1.0251	\$1.2433	\$1.3492

Source: Capital IQ as at 17 December 2024

1 We note that the share prices (monthly low and high) included as a total does not represent the sum of share prices over the period. Rather, the share price listed as the total monthly low represents the lowest daily VWAP over the period and the share price listed as the total monthly high represents the highest daily VWAP over the period.

5.6 Historical financial information of Eumundi

This section sets out the historical financial information of Eumundi. As this Report contains only summarised historical financial information, we recommend that any user of this Report read and understand the additional notes and financial information contained in Eumundi's annual reports, including the full Statements of Profit or Loss and Other Comprehensive Income, Statements of Financial Position and Statements of Cash Flows.

Eumundi's financial statements have been audited by Pitcher Partners. BDOCF has not performed any audit or review of any type on the historical financial information of Eumundi and we make no statement as to the accuracy of the information provided. However, we have no reason to believe that any of the information provided is false or misleading.

5.6.1 Statements of profit or loss and other comprehensive income

Table 5.9 summarises the Consolidated Statement of Profit or Loss and Other Comprehensive Income of Eumundi for the 12 month periods ended 30 June 2022, 2023 and 2024.

Table 5.9: Eumundi consolidated statement of profit or loss and other comprehensive income

AUD (\$'000)	Ref	12-months ended 30-Jun-2022 audited	12-months ended 30-Jun-2023 audited	12-months ended 30-Jun-2024 audited
Sales of goods	A	13,640	14,088	13,989
Gaming revenue	A	9,826	11,326	12,110
Rental income	B	3,637	3,922	3,967
Other revenue		581	397	366
Total Income		27,684	29,733	30,432
Expenses				
Cost of goods sold		(8,548)	(8,310)	(8,141)
Selling and promotion		(1,020)	(1,034)	(1,017)
Employee benefits expense	C	(4,395)	(4,645)	(4,636)
Repair and maintenance		-	(139)	(151)
Depreciation and amortisation		(1,786)	(1,858)	(1,666)
Insurance		(205)	(205)	(174)
Rates and taxes		(65)	(127)	(127)
Electricity		(243)	(205)	(207)
Listing and governance		(340)	(350)	(362)
Gaming tax	D	(5,037)	(5,936)	(6,397)
Occupancy		-	(718)	(798)
Investment property expense		(585)	(563)	(594)

AUD (\$'000)	Ref	12-months ended 30-Jun-2022 audited	12-months ended 30-Jun-2023 audited	12-months ended 30-Jun-2024 audited
Other expenses		(1,077)	(499)	(485)
Earnings before interest and taxes		4,383	5,144	5,677
Finance costs		(695)	(1,441)	(1,694)
Net fair value gain (loss) on revaluation of investment properties	E	5,447	(1,740)	840
Net profit before tax		9,135	1,963	4,823
Income tax expense		(2,113)	(486)	(1,202)
Net profit after tax		7,022	1,477	3,621
Other comprehensive income				
Fair value revaluation of land and buildings	F	8,108	4,987	937
Income tax on other items of comprehensive income		(2,027)	(1,247)	(234)
Total comprehensive income for the year, net of tax		6,081	3,740	703
Total comprehensive income		13,103	5,217	4,324

Source: Eumundi FY2022, FY2023 and FY2024 Annual Reports

Notes to Table 5.9

A	<ul style="list-style-type: none"> ▶ Sales of goods and gaming revenue are the main income streams for the tavern operations ▶ Sales of goods saw a slight increase from \$13.6 million to \$14.0 million, while gaming revenue experienced a significant growth of 23%, rising from \$9.8 million in FY22 to \$12.1 million in FY24. ▶ A driver of gaming revenue growth is the Ashmore Tavern bistro and gaming expansion/redevelopment completed in March 2021.
B	<ul style="list-style-type: none"> ▶ Rental income reflects the revenue from investment properties, which increased by 9.1%, rising from \$3.6 million in FY22 to \$4.0 million in FY24.
C	<ul style="list-style-type: none"> ▶ Employee benefits expense accounts for approximately 30% of operating expenses (excluding costs of goods sold) across all the reporting periods. ▶ The expense increased by 6% in FY23, mainly attributed to full operation of hotels during the year (Ashmore Tavern had construction work which required less staffing in the prior years), along with award wage increases. ▶ Labour costs remained stable in FY24 despite rising wage rates. This was achieved through enhanced efficiencies, driven by the implementation of new point-of-sale and business systems, alongside flexible rostering to adapt to fluctuations in sales.
D	<ul style="list-style-type: none"> ▶ Gaming tax, including gaming machine tax and health services levies, increased in line with the rise in gaming revenue, accounting for over 50% of total gaming revenue.
E	<ul style="list-style-type: none"> ▶ Investment properties, including Aspley Arcade Shopping Villages, The Plough Inn and Court House Hotel, are reported at fair value. ▶ FY22 reported a \$5.4 million gain, primarily attributed to a decrease in capitalisation rates and an increase in rent income, driven by low interest rates and high inflation. ▶ FY23 reported a loss of \$1.7 million, primarily driven by the softening of assessed capitalisation rates resulting from rising interest rates and inflationary pressures impacting demand. ▶ FY24 had a 2% increase in property values due to rental increases. ▶ Fair value is discussed further in Section 5.6.2 below.
F	<ul style="list-style-type: none"> ▶ The fair value revaluation reflects movements in the valuation of land and buildings for the Aspley Shopping Centre and Ashmore Tavern. ▶ FY22 recorded an \$8.1 million gain, primarily attributed to a sharpening in capitalisation rates and the improvement in profits. ▶ FY23 recorded a \$5.0 million gain, primarily driven by the value increase of Ashmore Tavern, attributed to its improved earnings performance, despite the market experiencing a slowdown. ▶ FY24 recorded a \$0.9 million gain from the fair value revaluation of the buildings. ▶ Fair value is discussed further in Section 5.6.2 below.

5.6.2 Statements of financial position

Table 5.10 summarises Eumundi statements of financial position as at 30 June 2022, 2023 and 2024.

Table 5.10: Eumundi's summarised consolidated statements of financial position

AUD (\$'000)	Ref	As at 30-Jun-2022 audited	As at 30-Jun-2023 audited	As at 30-Jun-2024 audited
Current assets				
Cash and cash equivalents		1,831	1,606	1,431
Trade and other receivables		222	223	186
Inventories		1,335	1,332	1,387
Other assets		486	349	427
Total current assets		3,874	3,510	3,431
Non-current assets				
Trade and other receivables		5	2	-
Property, plant and equipment	A	48,723	53,900	53,765
Investment properties	B	48,150	46,349	47,100
Intangibles	C	2,368	2,419	2,419
Total non-current assets		99,246	102,670	103,284
Total assets		103,120	106,180	106,715
Current liabilities				
Trade and other payables		4,484	3,578	3,502
Lease liabilities		227	192	144
Income tax		396	521	364
Provisions		588	586	590
Total current liabilities		5,695	4,877	4,600
Non-current liabilities				
Borrowings	D	31,432	29,564	26,206
Lease liabilities		224	407	263
Deferred tax	E	7,986	8,574	8,795
Provisions		44	47	47
Total non-current liabilities		39,686	38,592	35,311
Total liabilities		45,381	43,469	39,911
Net assets	F	57,739	62,711	66,804
Equity				
Issued capital	G	27,276	30,081	33,080
Reserves		16,685	20,425	21,128
Retained profits		13,778	12,205	12,596
Total equity		57,739	62,711	66,804
Number of shares		42,902,666	45,465,892	48,185,154
Net assets per share (\$)	H	1.35	1.38	1.39

Source: Eumundi FY2022, FY2023 and FY2024 Annual Reports

Notes to Table 5.10

A	<ul style="list-style-type: none"> ▶ The land and buildings at Ashmore Tavern and Aspley Shopping Centre, measured at fair value, accounted for \$51.6 million of the \$53.8 million balance as at 30 June 2024. ▶ The combined value of land and buildings at Ashmore Tavern was \$21.7 million in FY22. It increased to \$26.9 million in FY23, primarily driven by the strong financial performance following the completion of the major venue upgrade. The value remained unchanged in FY24. ▶ The combined value of land and buildings at Aspley Shopping Centre was \$25.1 million in FY22. It decreased to \$24.6 in FY23 due to the softening in the market. The value remained stable in FY24. ▶ The land at Ashmore Tavern was valued at \$6.6 million in FY22, where the Company valued the land together with the benefit of gaming and liquor licenses and then subtracted the value of the licenses to determine the land value. However, in FY23, the Company determined that this method was no longer applicable and adopted a new approach based on the unit price per square meter observed in the market, which resulted in the land value increasing to \$9.8 million in FY23. ▶ The land at Aspley Shopping Centre was valued at \$4.4 million in FY22, with the Company referencing the value provided by the Department of Natural Resources. However, in FY23, the Company determined that this method was no longer applicable and adopted the same approach as the Ashmore land, which resulted in the land value increasing to \$10.8 million in FY23. ▶ The building value for Ashmore Tavern was \$15.1 million in FY22 before increasing to \$17.1 million in FY23, attributed to improved earnings. ▶ The building value for Aspley Shopping Centre was calculated by subtracting the apportioned land value from the total property value. While the total property value decreased by 3% in FY23, the land value increased significantly as described above. As a result, the building value decreased from \$20.7 million to \$13.8 million in FY23. ▶ We note that when properties are sold, Capital Gains Tax ('CGT') will apply to any gain in property value based on the fair value at the time of sale, while a capital loss may be recognised if the sale price is lower than the cost value.
B	<ul style="list-style-type: none"> ▶ The investment properties, including Aspley Arcade Shopping Villages, The Plough Inn and Court House Hotel, are measured at fair value. ▶ Aspley Arcade Shopping Villages was valued at \$21.4 million in FY22, with the value decreasing to \$20.4 million in FY23, reflecting a cooling market. The value remained similar in FY24. ▶ The Plough Inn was valued at \$19.3 million in FY22 before decreasing to \$18.8 million in FY23 due to the softer market. The value increased to \$19.3 million in FY24 due to a rent increase. ▶ Court House Hotel was valued at \$7.5 million in FY22 with the value decreasing to \$7.2 million in FY23 due to the softer market. The value increased to \$7.4 million in FY24 due to a CPI increase in rent. ▶ CGT will also apply to investment properties upon sale.
C	<ul style="list-style-type: none"> ▶ Eumundi owns 90 gaming authorities, recorded at a cost value of \$2.3 million. ▶ We note that the gaming authorities represent a net realisable value of \$32.4 million as of June 2024 (\$360k per gaming authority). While these gaming authorities are recorded at cost value, the gaming income generated from them is included in tavern revenue.
D	<ul style="list-style-type: none"> ▶ The Company had total facilities of \$35.4 million, of which \$26.3 million was used as of 30 June 2024, leaving an unused balance of \$9.2 million.
E	<ul style="list-style-type: none"> ▶ As mentioned earlier, CGT is applicable when the properties are sold and the upward revaluations give rise to unrealised gains and consequential deferred tax liabilities. ▶ As at 30 June 2024, the Company had net deferred tax liabilities of \$8.8 million which is primarily related to land and buildings recorded in the property, plant and equipment, as well as investment properties. ▶ Property, plant and equipment accounts for \$6.3 million of deferred tax liabilities. ▶ Investment properties accounts for \$3.3 million of deferred tax liabilities.
F	<ul style="list-style-type: none"> ▶ The net asset position improved by \$9.1 million over the past three years, mainly driven by the increase in valuations of underlying assets and the reduction in borrowings.

- ▶ Eumundi has a Dividend Reinvestment Plan ('DRP'), and the increase in issued capital was attributed to the participation in the plan.
 - ▶ In FY22, the Company had an opening number of shares of 41,543,333. The Company issued 1,339,333 shares at \$0.988 under the DRP and 20,000 shares at \$1.050 under share-based payments, totalling a \$1.3 million increase in the issued capital account.
 - ▶ In FY23, the Company issued 2,563,226 shares at \$1.100 under the DRP, totalling a \$2.8 million increase in the issued capital account.
 - ▶ In FY24, the Company issued 2,719,262 shares at \$1.107 under the DRP, totalling a \$3.0 million increase in the issued capital account.
-
- ▶ Eumundi's net asset value per share increased at a slower rate compared to the overall increase in net asset value due to the dilutionary effect of the DRP shares, which were issued at a price below the net asset value per share.

5.6.3 Statements of cash flows

Table 5.11 summarises Eumundi's Statement of Cash Flows for the 12 month periods ended 30 June 2022, 2023 and 2024.

Table 5.11: Eumundi's summarised consolidated statements of cash flows

AUD (\$'000)	Ref	12-months ended 30-Jun-2022 audited	12-months ended 30-Jun-2023 audited	12-months ended 30-Jun-2024 audited
Receipts from customers (inclusive of GST)		29,843	32,402	34,460
Payments to suppliers and employees (inclusive of GST)		(24,210)	(25,199)	(27,227)
Interest received		2	-	1
Interest and other finance costs paid	A	(562)	(1,296)	(1,646)
Income taxes refund		219	-	-
Income taxes paid		(403)	(1,017)	(1,368)
Net cash from operating activities		4,889	4,890	4,220
Payments for investment property	B	(6,379)	(55)	(15)
Payments for property, plant and equipment	C	(373)	(2,714)	(580)
Proceeds from disposal of property, plant and equipment		(910)	27	30
Net cash used in investment activities		(7,662)	(2,742)	(565)
Proceeds from borrowings	D	10,000		
Repayment of borrowings	D	(6,465)	(1,860)	(3,345)
Loan establishment costs		(29)	(30)	(37)
Share issue transaction costs		(8)	(13)	(15)
Dividends paid	E	(131)	(235)	(220)
Repayment of lease liabilities		(231)	(235)	(213)
Net cash used in financing activities		3,136	(2,373)	(3,830)
Net cash movements		363	(225)	(175)

Source: Eumundi FY2022, FY2023 and FY2023 Annual Reports

Notes to Table 5.11

- A ▶ Interest and other finance costs paid tripled from \$0.6 million to \$1.6 million over the past three years, reflecting the rise in interest rates.
- B ▶ In FY22, the Company acquired the Court House Hotel for \$6.4 million (including acquisition costs).
- C ▶ In FY23, the Company had a cash outflow \$2.7 million, which is mainly attributed to the capital works for the Ashmore tavern and Aspley Central Tavern.
- D ▶ In FY22, the Company increased its borrowings, primarily to finance the acquisition of the Court House Hotel and other planned capital works.
▶ The Company increased its repayment from \$1.9 million in FY23 to \$3.3 million in FY24, resulting in a reduced debt balance.
- E ▶ The Company paid an unfranked interim dividend of 3.5 cents per share, totalling \$1.5 million in FY22, with \$1.3 million participating in the DRP.
▶ The Company paid a fully franked interim dividend and a fully franked final dividend of 3.5 cents per share, totalling \$3.1 million in FY23, with \$2.8 million participating in the DRP.
▶ The Company paid a fully franked interim dividend and a fully franked final dividend of 3.5 cents per share, totalling \$3.2 million in FY24, with \$3.0 million participating in the DRP.

6.0 Industry Overview

The information presented in this section has been compiled from a range of publicly available sources, together with information taken from various databases to which we subscribe. BDOCF has not independently verified any of the information and we recommend that users of this Report refer to the original source of any information listed in this section. This section should be referred to as a guide only.

As outlined in Section 5, Eumundi operates two taverns and holds investment properties spanning the retail and hospitality sectors. Accordingly, this industry overview addresses the broader property sector, with a focus on the hotels, pubs, and hospitality sector. We have also provided an overview of the gambling sub-sector.

6.1 Property sector

6.1.1 Overview

In FY24, the Australian commercial property market was impacted by a combination of rising interest rates, economic uncertainty, and sector-specific challenges. The Property Council of Australia/MSCI Australia Annual Property Index reported a total return of negative 3.7%, with capital growth declining by 8.5%, marking the worst result since 2009⁴. Different sub-sectors have been impacted in varying ways: the office sector has been hit hardest due to oversupply and reduced demand for office space, while the retail sector has shown resilience, supported by strong rental growth despite declining capital values. Industrial properties, which had previously been top performers, have seen a slowdown.

Figure 6.1: Rolling annual returns in Australia



Source: MSCI/PCA

As shown in Figure 6.1, capital growth has largely been negative across all sectors for the past five quarters leading up to June 2024. The office sector posted a total return of negative 9.3% for FY24, driven by a capital loss of 13.6%, with declines surpassing those seen during the Global Financial Crisis ('GFC'). Retail properties performed better with a total return of 2%, supported by an income return of 6%, despite a capital growth decline of 3.8%. The industrial sector saw its total return drop to just 0.1%, reflecting a sharp slowdown from previous years, while healthcare properties remained more stable with smaller fluctuations in returns.

6.1.2 Key drivers

The performance of the property sector is influenced by several macroeconomic factors, including:

- ▶ Interest rates;
- ▶ Property yields;
- ▶ GDP growth; and
- ▶ Inflation.

⁴ Commercial real estate market experiences value adjustments. The Property Council of Australia:

<https://www.propertycouncil.com.au/property-australia/commercial-real-estate-market-experiences-value-adjustments>

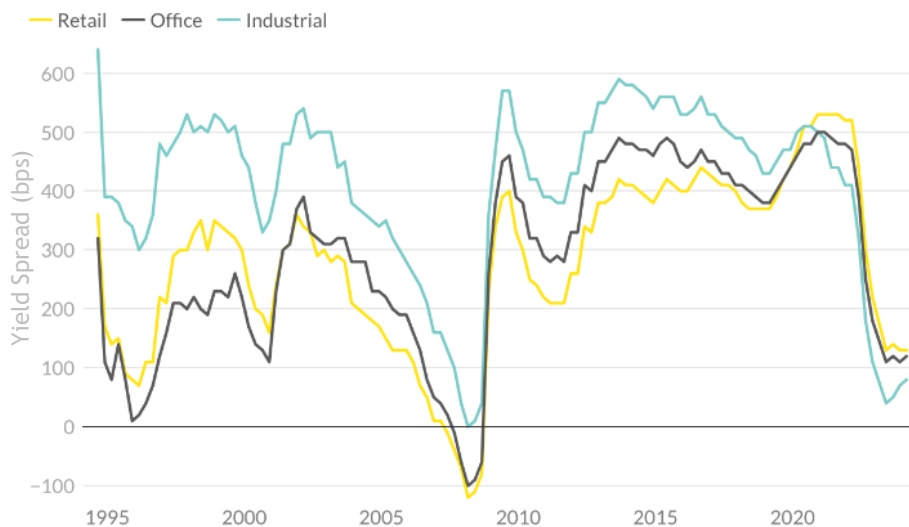
Figure 6.2: 10-year Australian Government bond yields



Source: RBA

Figure 6.2 above sets out Australia's 10-year government bond yields between January and November 2024. Starting at 4.00% on 2 January, yields rose to 4.66% on 13 November, an increase of 66 basis points. This volatility was driven by inflationary pressures, expectations of tighter monetary policy, and global economic conditions. The Reserve Bank of Australia maintained the cash rate at 4.35% during this period, emphasising a restrictive stance to curb inflation. Higher bond yields directly impacted the real estate sector by increasing financing costs, reducing profitability, and raising capitalisation rates, which placed downward pressure on property values.

Figure 6.3: Historical yield spread to cash rate



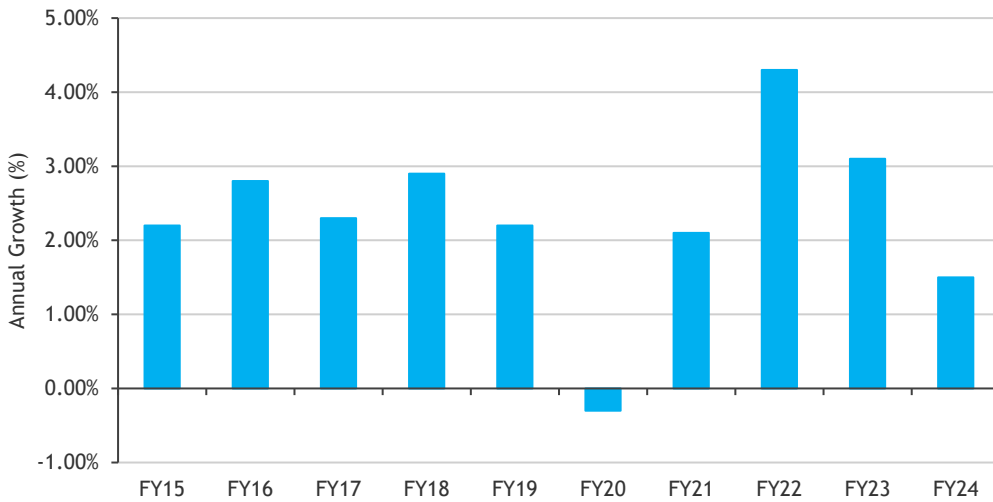
Source: Ray White Commercial, RBA, MSCI

Figure 6.3 above illustrates the historical yield spread to the cash rate across Australian commercial property asset classes, including retail, office, and industrial over the 30 year period to June 2024. The yield spread represents the additional return investors require to compensate for the risks of commercial property compared to alternative investments like government bonds. Since 2021, the spread has narrowed sharply to between 50 and 150 basis points, well below the historical average of 280 to 350 basis points.⁵ This contraction was driven by rapidly rising interest rates from mid-2022, following the pandemic period of ultra-low cash rates that caused significant yield compression. For the real estate industry, the reduced spread has pressured valuations and increased the need for further capitalisation rate adjustments to maintain investor appeal.

⁵ Are we at the bottom of the commercial property market?. Ray White Commercial: <https://www.raywhitecommercial.com/research/are-we-at-the-bottom-of-the-commercial-property-market>

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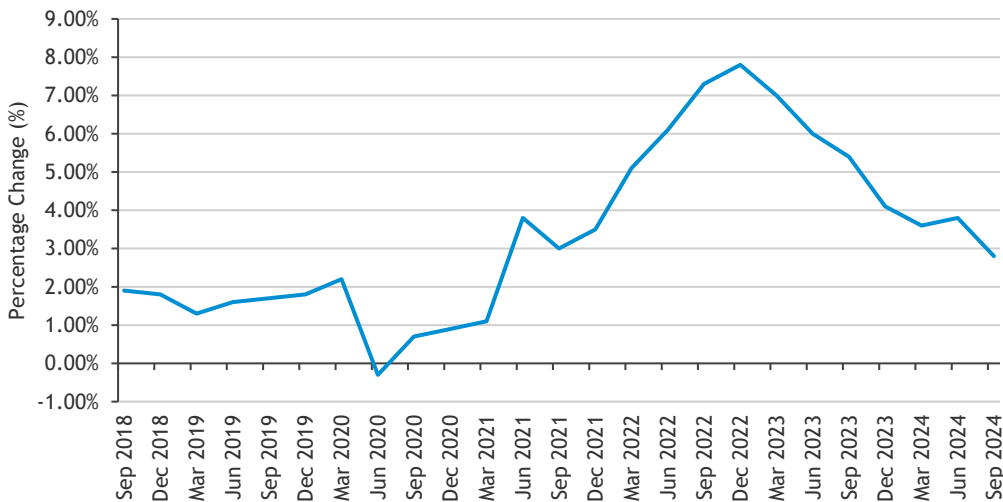
Figure 6.4: Annual GDP growth



Source: ABS

Figure 6.4 above sets out Australia’s annual GDP growth rates from FY15 to FY24, highlighting the volatility in economic performance over the past five years compared to the previous five. During FY24, the economy grew by a modest 1.5%, with 0.2% growth recorded in the June quarter of 2024. While this marks the eleventh consecutive quarter of total GDP growth, it is also the sixth consecutive quarter of GDP per capita declines, with GDP per capita falling 1.0% over the year. This trend reflects subdued household demand, with weaker retail and discretionary spending impacting economic activity. For the real estate sector, slowing economic growth and declining per capita output imply potential challenges for tenant profitability, investment returns, and demand for new developments, particularly in retail and hospitality assets.

Figure 6.5: Consumer Price Index; year-ended change



Source: ABS

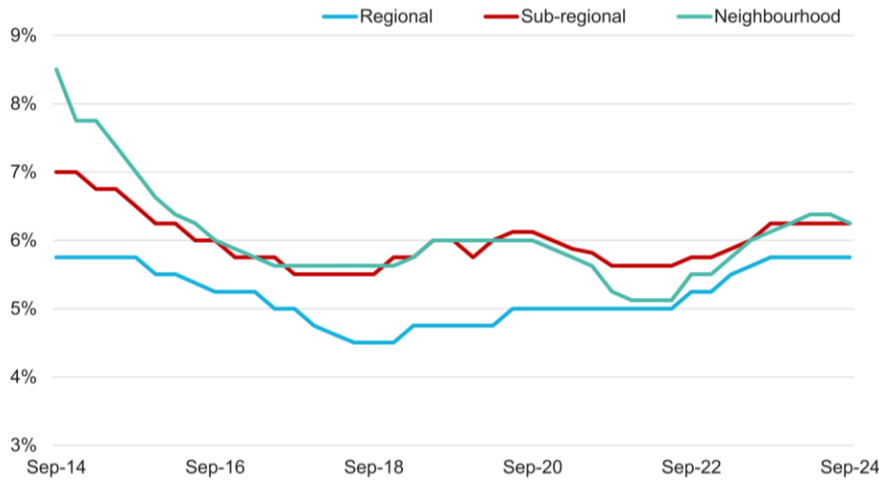
Figure 6.5 above sets out Australia’s Consumer Price Index year-ended change, with inflation easing to 2.8% in Q3 2024 from 3.8% in Q2 2024, reaching its lowest level since Q1 2021. This sharper-than-expected decline, below market forecasts of 2.9%, was driven by a significant slowdown in goods inflation, particularly in electricity and fuel prices, supported by Energy Bill Relief Fund rebates. Despite this, services inflation remained elevated at 4.6%, reflecting rising costs in recreation, education, and household services. The RBA’s Trimmed Mean CPI rose by 3.5% year-on-year, marking the smallest increase in nearly three years but still exceeding the central bank’s 2-3% target band.

6.2 Shopping centres

Shopping centres are classified within the retail sector of the MSCI/PCA index, with their performance and valuation influenced by key factors including:

- ▶ Yields;
- ▶ Retail turnover;
- ▶ Online spending;
- ▶ Discretionary and non-discretionary spending;
- ▶ Vacancy rates; and
- ▶ Rent growth.

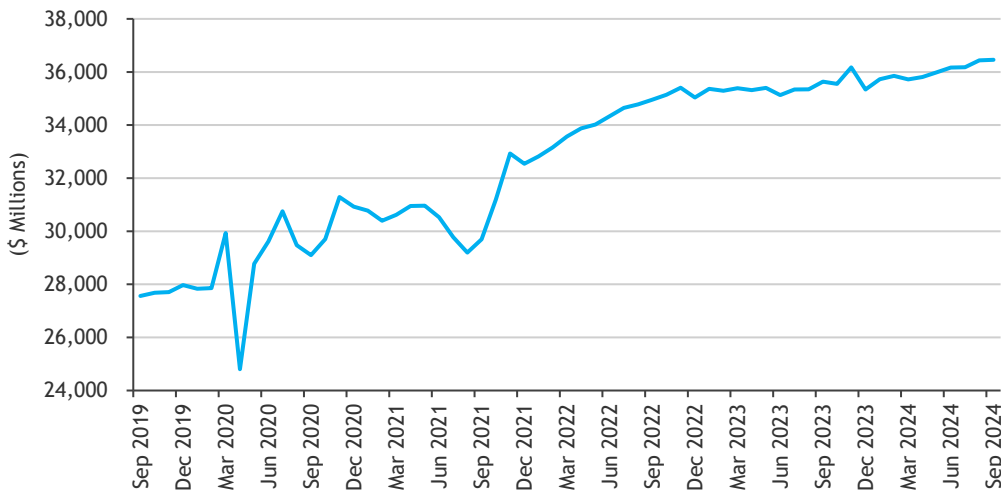
Figure 6.6: Shopping centre yields by type



Source: JLL Research, Dexus Research

Figure 6.6 above sets out the yields across different shopping centre types. Yields are inversely related to valuations, with lower yields indicating higher property values due to perceived lower risk, while higher yields suggest lower values due to higher risk or weaker demand. Neighbourhood Shopping Centres, defined as those with less than 10,000 sqm of gross lettable area, a supermarket, and approximately 35 specialty shops⁶, have experienced relatively stable yields over the past twelve months.⁷ While not directly comparable to Eumundi’s assets, the adjoining Aspley Arcade Shopping Villages and Aspley Shopping Centre feature a combined site area of 15,158 sqm and a gross lettable area of 4,765 sqm.

Figure 6.7: Total retail turnover, seasonally adjusted



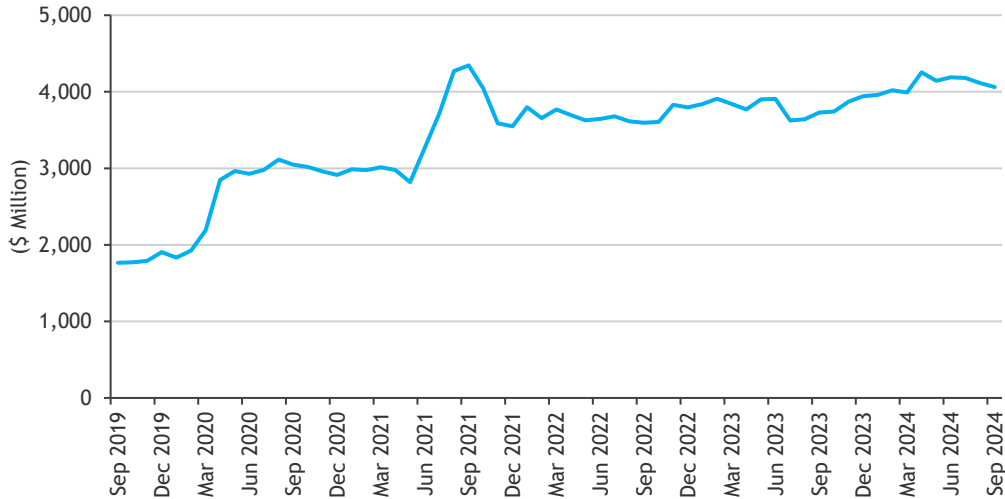
Source: ABS

⁶ Shopping Centre Classifications. Property Council Australia: <https://www.propertycouncil.com.au/wp-content/uploads/2023/03/Property-Council-Shopping-Centre-Classifications.pdf>

⁷ Australian Real Asset Review Q4 2024. Dexus Research: https://www.dexus.com/-/media/files/linked/202410_arar_q4_2024_finaledit.pdf

Figure 6.7 above sets out total retail turnover over the past five years. In September 2024, Australian retail turnover increased by 0.1% month-on-month and was 2.3% higher than September 2023, indicating a measured rise in consumer spending over the year.⁸ Retail turnover plays a pivotal role in the performance of shopping centres, as it directly impacts tenant sales and their ability to meet rental obligations. For centres with turnover-based lease agreements, where rent is linked to a percentage of tenant sales, variations in retail turnover significantly affect revenue streams. Higher turnover supports tenant profitability and stable rental income, whereas lower turnover can create financial challenges for both tenants and landlords.

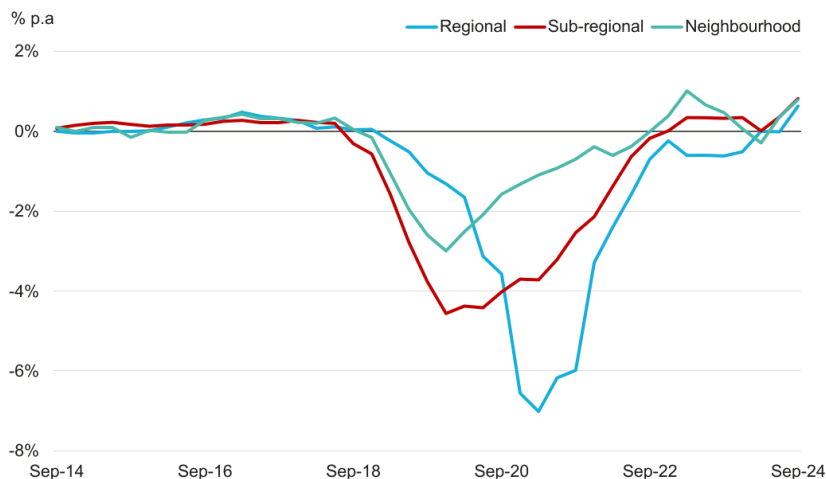
Figure 6.8: Total online sales, seasonally adjusted



Source: ABS

The growth of online sales continues to reshape the retail landscape, with online transactions accounting for 11.4% of total retail sales in September 2024, an increase of 0.9% year-on-year. Figure 6.8 above highlights the expanding volume of online sales, particularly during the COVID-19 period. This trend reflects a growing consumer shift towards digital platforms, which poses challenges for traditional brick-and-mortar stores by reducing foot traffic. However, shopping centres anchored by essential services such as healthcare providers, post offices, and specialty retailers tend to perform more resiliently during periods of declining retail turnover. These tenants attract consistent foot traffic due to their necessity and convenience, helping offset the broader impacts of evolving consumer preferences on physical retail spaces.

Figure 6.9: Shopping centre rent growth by type



Source: JLL Research, Dexus Research

Figure 6.9 illustrates rent growth trends across regional, sub-regional, and neighbourhood shopping centres over the past decade. Neighbourhood centres experienced the smallest rent declines during the COVID-19 pandemic and have recovered the fastest. South East Queensland neighbourhood centres achieved year-on-year rent growth of 3.1% in September 2024.⁹

⁸ Retail Trade, Australia. Australia Bureau of Statistics: <https://www.abs.gov.au/statistics/industry/retail-and-wholesale-trade/retail-trade-australia/latest-release#data-downloads>

⁹ Australian Real Asset Review Q4 2024. Dexus: https://www.dexus.com/-/media/files/linked/202410_arar_q4_2024_finaledit.pdf

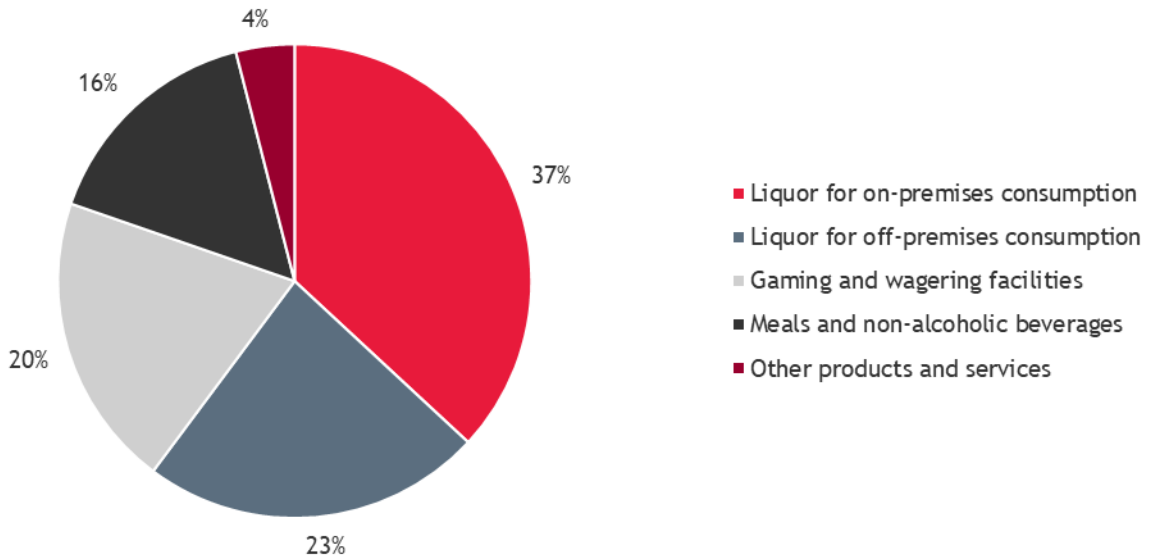
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6.3 Hotels, pubs and hospitality

6.3.1 Overview

The Australian pubs, bars, and hospitality industry is diverse, encompassing small, independent venues alongside larger operators. The sector offers a range of services, including liquor sales, dining, gambling, and entertainment. Figure 6.10 below highlights the composition of revenue sources within the industry, with liquor for on and off-premises consumption accounting for the largest share at 60%, followed by meals and non-alcoholic beverages at 20%. Recent trends, such as a shift towards premium food and beverage offerings, reflect efforts to cater to an increasingly discerning customer base. Rising health consciousness, regulatory changes, and competition from online gambling platforms continue to influence industry dynamics, requiring businesses to adapt their strategies.

Figure 6.10: Product and services segmentation, FY24

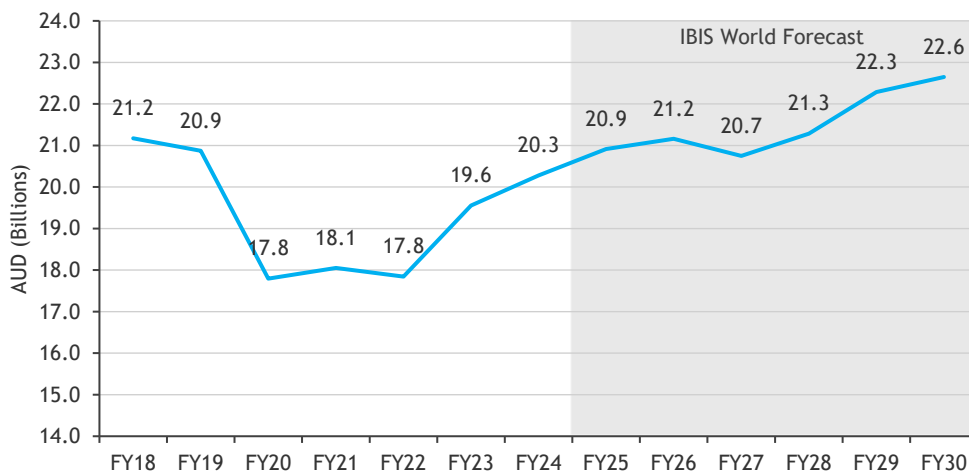


Source: IBIS World: Pubs, bars and nightclubs in Australia

6.3.2 Market size

The industry generated \$20.3 billion in revenue in FY24, reflecting a \$0.6 billion decline from FY19. As shown in Figure 6.11 below, revenue is projected to grow at an annual rate of 1.9%, reaching \$22.6 billion by FY30. While the sector was heavily impacted by COVID-19, it has demonstrated strong recovery momentum, supported by rising domestic tourism and a shift toward premium offerings. Employment within the industry expanded to approximately 88,877 workers in FY24, exceeding pre-pandemic figures.

Figure 6.11: Historical and forecasted revenue



Source: IBIS World: Pubs, bars and nightclubs in Australia

6.3.3 Key drivers

We have set out below a summary of the key drivers of the industry:

- ▶ **Household discretionary income:** Higher levels of household discretionary income positively impact the industry by enabling increased spending on leisure activities such as dining, drinking, and entertainment. Real household discretionary income in Australia is forecast to reach \$542.5 billion in FY25, marking a recovery from recent declines caused by inflation and rising interest rates.¹⁰ This recovery is expected to continue, with a projected compound annual growth rate of 1.03% through to FY30, reaching \$571.1 billion.¹¹
- ▶ **Consumer confidence:** Consumer confidence plays a critical role in hospitality spending, as higher confidence levels encourage discretionary expenditure on dining and entertainment. In October 2024, the Westpac-Melbourne Institute Consumer Sentiment Index increased by 6.2% to 89.8, its highest level in two and a half years.¹² This improvement, driven by easing concerns over inflation and interest rates, reflects growing optimism and is expected to support moderate growth in the hospitality sector.
- ▶ **Alcohol consumption:** Alcohol consumption remains a significant revenue driver for the industry, though evolving consumer preferences pose challenges. Per capita alcohol consumption is expected to decline by 0.5% in FY24 as health awareness grows, alongside rising demand for low- and no-alcohol beverages.¹³ In response, venues are increasingly offering premium and non-alcoholic options to align with these preferences. Off-premises alcohol sales, dominated by major retailers, continue to capture market share, exerting competitive pressure on on-premises liquor sales.
- ▶ **Gambling expenditure:** Gambling, particularly revenue from Electronic Gaming Machines ('EGMs') is a vital income stream for many venues. Per capita gambling expenditure is forecast to increase by 1.9% to \$1,341 in FY25, underscoring its financial importance.¹⁴ However, the sector faces challenges, including the shift toward online gambling, stricter government regulations, and restrictions on new gaming licenses. These factors limit growth opportunities for in-person venues, though gambling remains a key component of the industry's revenue profile.

6.3.4 Competition and barriers to entry

Larger operators, such as the Endeavour Group and Australian Venue Co, hold relatively modest market shares of 9.7% and 4.0% respectively, underscoring the industry's low concentration and the predominance of numerous independent venues.¹⁵ Barriers to entry vary by the scale of operations but are largely defined by regulatory hurdles, including liquor licensing laws, trading hour restrictions, and gaming regulations. Furthermore, new entrants must navigate the challenge of differentiating themselves through premium services or niche offerings to compete effectively in a saturated market.

¹⁰ IBIS World - Real Household Discretionary Income

¹¹ IBIS World - Real Household Discretionary Income

¹² Westpac-Melbourne Institute Consumer Sentiment Index

¹³ IBIS World - Pubs, Bars and Nightclubs

¹⁴ IBIS World - Per Capita Gambling Expenditure

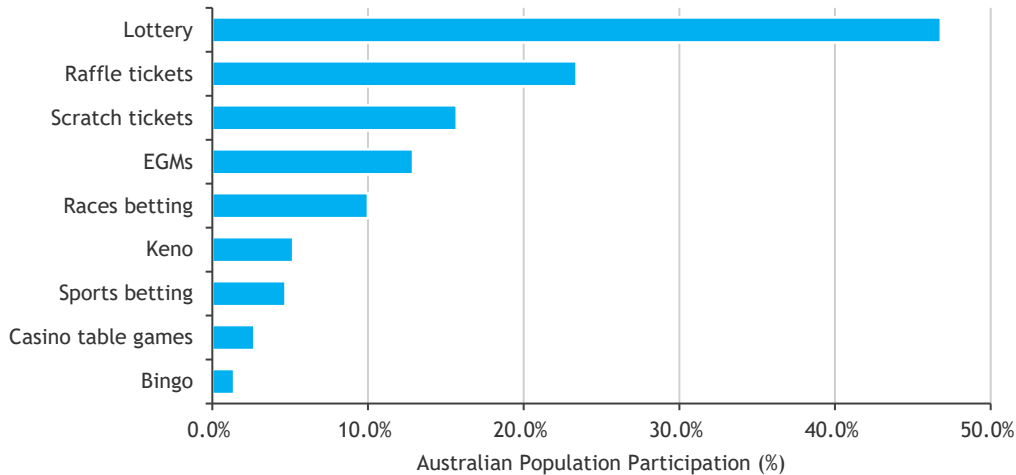
¹⁵ IBIS World - Pubs, Bars and Nightclubs

6.4 Gambling sector

6.4.1 Overview

Due to the COVID-19 pandemic, per capita gambling expenditure fell sharply by 19.4% in FY20, as lockdowns and the closure of physical venues such as casinos, pubs, and gaming sites disrupted in-person gambling activities.¹⁶ Social distancing measures significantly curtailed these activities, though online sports betting and racing helped mitigate some of the losses. Post-pandemic, per capita gambling expenditure recovered, rising from \$1,200 in FY21 to \$1,368 in FY23, supported by the easing of restrictions and increased discretionary income from wage subsidies and reduced household spending during lockdowns.¹⁷ The reopening of physical venues, particularly those with gaming machines, spurred a resurgence in in-person gambling, while online sports betting gained further traction, especially among younger demographics.

Figure 6.12: Gaming participation by activity, 2024



Source: Australian National University: Gambling participation in Australia 2024

Figure 6.12 above sets out the participation rates by gambling activity in 2024. The most popular gambling activities among Australian adults were purchasing lottery tickets, with a participation rate of 46.8%, followed by raffles at 23.4% and scratch tickets at 15.7%. EGMs accounted for 12.9% of participation, while 10.0% of adults engaged in race betting. Less common activities included Keno, sports betting, casino table games, and bingo, which collectively represented smaller shares of the gambling population. These trends reflect the enduring appeal of low-cost, accessible gambling formats like lotteries, alongside the participation in venue-based activities such as EGMs and casino table games.

6.4.2 Regulation

The regulation of EGMs in Queensland is designed to balance community protection with industry sustainability. The state enforces a comprehensive framework to control machine numbers, evaluate social impacts, and mitigate gambling-related harm.

Under the Gaming Machine Act 1991, Queensland imposes caps on the number of EGMs. Hotels are limited to a maximum of 45 gaming machine operating authorities, while clubs can have up to 300 gaming machine entitlements. The Electronic Gaming Machine Reallocation Scheme requires hotels to bid in a tender process, whereas clubs may transfer entitlements or participate in tenders.

Licensees must adhere to a compliance program that meets the prescribed standards to ensure alignment with the state's regulatory framework. Harm minimisation strategies are central to Queensland's regulatory approach, including the use of gaming room supervisors, self-exclusion programs, and restrictions on gaming room visibility. Additional measures target ATM placement, operating hours, and betting limits, ensuring responsible gambling practices. Oversight of these initiatives is provided by the Office of Liquor and Gaming Regulation, which monitors adherence to the framework and enforces compliance across the state.

These measures collectively aim to ensure that the benefits of gaming are realised while safeguarding the community from potential harms associated with gambling.

¹⁶ IBIS World - Per Capita Gambling Expenditure

¹⁷ IBIS World - Per Capita Gambling Expenditure

6.4.3 Outlook

Over the next five years, per capita gambling expenditure in Australia is expected to grow at a compound annual growth rate of 1.1%, reaching \$1,413 by FY30. In the short term, expenditure is projected to increase by 1.0% in FY26, rising to \$1,354, driven by easing cost-of-living pressures and improving household financial positions. These trends are expected to align with reductions in cash rates, growing discretionary incomes, and improving consumer sentiment.¹⁸

Economic factors, including higher disposable incomes and shifting demographics, will underpin this growth. Older Australians, with larger savings, are expected to sustain high-stakes gambling, while younger demographics are increasingly driving growth in online sports betting. However, the number of EGMs is forecast to decline by 5% from FY24 to FY31, reflecting regulatory pressures. Growth areas such as casinos, horse racing, and digital platforms like online sports betting are anticipated to strengthen, supported by technological advancements and targeted marketing campaigns.¹⁹

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¹⁸ IBIS World - Per Capita Gambling Expenditure

¹⁹ IBIS World - Per Capita Gambling Expenditure

7.0 Common Valuation Methodologies

7.1 Overview

RG 111 states that an expert should use its skill and judgment to select the most appropriate methodology or methodologies in its report. The expert must have a reasonable (or tenable) basis for choosing its valuation methodologies. However, RG 111 does not prescribe which methodology should be used by the expert, but rather notes that the decision lies with the expert based on the expert's skill and judgement and after considering the unique circumstances of the securities or assets being valued.

For the purposes of this Report we have had regard to the International Valuation Standards published by the International Valuation Standards Council ('IVSC').

There are three overarching valuation methodologies described by the IVSC as follows:

- ▶ Income approach methods
- ▶ Market approach methods
- ▶ Cost approach methods.

7.2 Basis of value

The basis of valuation we have adopted is 'market value'. Market value is defined by the IVSC as:

"...the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

The valuation work set out in this Report assumes this relationship.

7.3 Income approach

7.3.1 Discounted cash flow ('DCF') method

The DCF method is widely used in cases where future cash flows, while uncertain, can be reasonably forecast based on available data, industry trends, or strategic projections. This approach is particularly applicable when an asset or business may experience initial cash outflows (e.g. during development or expansion phases) with anticipated positive cash flows in later years as it matures or achieves commercialisation. The DCF method captures these varying cash flow profiles by discounting projected future cash flows to present value, enabling a comprehensive valuation of entities with both stable and dynamic cash flow expectations.

The DCF method involves several key steps:

- ▶ Select the appropriate type of cash flow (e.g., pre-tax or post-tax, total cash flows or cash flows to equity, real or nominal) based on the nature of the subject asset.
- ▶ Determine the explicit forecast period, if applicable, over which cash flows will be projected. For assets at a stabilised level of growth and profits at the valuation date, an explicit forecast period may not be necessary, and a terminal value alone may form the basis of value (sometimes referred to as an income capitalisation method).
- ▶ Prepare cash flow projections for the explicit forecast period, aligning them with the asset's expected economic and operational performance.
- ▶ Calculate the terminal value, if appropriate, based on the asset's residual value or long-term growth rate beyond the forecast period.
- ▶ Determine the discount rate to reflect investor expectations of return, taking into account the specific risk characteristics of future cash flows and financing costs.
- ▶ Discount the projected cash flows and terminal value to present value using the selected discount rate.
- ▶ Adjust for non-operating assets or liabilities to ensure the final valuation reflects the entity's full financial position.

7.4 Market approach

7.4.1 Guideline comparable method

The guideline comparable method is a common market approach that values an asset by reference to market-based metrics from comparable companies or transactions. This method is particularly applicable when there is reliable data on similar businesses or transactions in the relevant market.

The guideline comparable method involves several key steps:

- ▶ Identify relevant valuation metrics or comparable evidence that reflect how participants in the market value similar assets. Common metrics in business valuation include revenue, Earnings Before Interest, Taxes, Depreciation and Amortisation ('EBITDA'), Earnings Before Interest and Taxes ('EBIT'), net profit after tax, and book values, with the choice depending on the industry and characteristics of the business.

- ▶ Select comparable publicly traded companies and relevant transactions, calculating key valuation metrics for each. When limited comparable information exists, we may also consider prices of similar businesses listed or offered for sale.
- ▶ Conduct a comparative analysis of qualitative and quantitative similarities and differences between the selected comparable companies and the subject asset to identify relevant adjustments.
- ▶ Make necessary adjustments to valuation metrics, if required, to account for differences between the subject asset and comparable companies (e.g., size, growth prospects, or risk profile).
- ▶ Apply the adjusted valuation metrics to the subject asset to arrive at an estimated value.

Additional adjustments may be appropriate to reflect differences between actual historical cash flows and those expected by a buyer on the valuation date.

Where earnings-based metrics (e.g. EBIT or EBITDA) are used for comparison, this is often referred to as the capitalisation of maintainable earnings ('CME') method.

7.4.2 Share transactions

The share transactions approach values an entity based on recent transactions of its securities, providing an indication of market value when transaction data is available. This approach is particularly relevant in the following scenarios:

- ▶ For publicly traded entities, where share prices on an exchange can indicate market value, provided there is sufficient trading volume and a consistent trading history over time; and/or
- ▶ For entities with recent share issuances, such as rights issues or private placements, which can provide insight into the entity's perceived value.

Share market prices typically reflect transactions for minority interests and may not incorporate a premium for control.

7.4.3 Industry specific metrics

Industry-specific valuation metrics can be relevant when market participants commonly rely on alternative measures of value specific to the industry.

7.5 Cost based method

7.5.1 Replacement cost method

The replacement cost method values an asset based on the economic principle that a buyer would pay no more than the cost to acquire an asset with equivalent utility, either by purchase or by construction, assuming no undue time, inconvenience, or risk factors. This method calculates value by estimating the current replacement or reproduction cost of an asset and deducting allowances for physical deterioration and any other relevant forms of obsolescence.

The key steps in the replacement cost method are:

- ▶ Calculate all costs that a typical participant would incur to create or acquire an asset with equivalent utility.
- ▶ Assess depreciation due to physical, functional, or external obsolescence associated with the subject asset.
- ▶ Deduct total depreciation from the replacement cost to determine the asset's value.

When the replacement cost method is applied based on the book value of an entity's assets, it is often referred to as an asset based valuation ('ABV') methodology.

7.5.2 Summation method

The summation method is useful for valuing entities whose overall value primarily depends on the individual values of different assets at various stages of development, or with different risk profiles.

The key steps in the summation method are:

- ▶ Value each component asset within the entity individually, using appropriate valuation approaches and methods for each type of asset.
- ▶ Aggregate the values of all component assets to determine the total value of the entity.

8.0 Valuation of Eumundi

8.1 Our Valuation Approach for Eumundi

We have considered each of the valuation methodologies outlined in Section 7 within the context of Eumundi's various operating assets and, in our view, it is appropriate to value Eumundi with reference to the summation method. We consider this method appropriate as Eumundi's value is primarily derived from the individual property assets it holds, and the summation method provides the flexibility to value each property asset having regard to their individual characteristics.

We have also utilised share transactions and the guideline comparable method for the purposes of cross checking our valuation using the summation method. We discuss each of these approaches below.

8.1.1 Summation method

We have applied the summation method, commonly used for entities where value is primarily derived from individual assets. Under this approach, each of Eumundi's assets, including its property holdings, is valued separately on a market value basis, then aggregated to determine a total entity value. From this, liabilities and adjustments, such as the capitalised value of planned dividends, are deducted to derive an equity value.

To establish asset values, we have considered Eumundi's valuations for financial reporting purposes in FY23 and FY24 as a starting basis and, based on our additional valuation procedures, applied adjustments to determine the most appropriate values for this Report.

Our summation method is set out in Sections 8.2 to 8.7 below.

8.1.2 Share transactions

Eumundi shares are listed on the ASX and it is possible to observe the market price of trades in Eumundi shares.

As Eumundi shares are listed on the ASX, we have also considered the observed market prices of Eumundi shares. This provides an additional reference point for market value.

Our analysis on the share transactions is set out in Section 8.8 below.

8.1.3 Guideline comparable method

To cross-check the reasonableness of our summation method valuation, we have referenced key metrics from comparable property and hospitality companies, focusing on premium/(discount) to NTA, distribution yield, and relevant financial ratios. This provides a contextual benchmark, allowing us to assess whether Eumundi's valuation aligns with market expectations for similar assets.

Our guideline comparable method is set out in Section 8.9 below.

8.1.4 Conclusion on value

Having regard to the above valuation methodologies, we have formed a view on the most appropriate value to adopt for each Eumundi share, on a controlling interest basis, for the purpose of this Report (refer Section 8.10).

8.2 Summation method overview

Table 8.1 below summarises our summation valuation methodology.

Table 8.1: Summary of valuation methodologies utilised in our summation valuation

Category	Description
Eumundi's properties and business operations (i.e. the taverns and freehold properties)	<p>For financial reporting purposes, Eumundi reports its property holdings at fair value. In doing so, Eumundi periodically obtain an independent valuation of its properties and business operations. Due to this, we have readily available valuation reports on each of the properties which were performed by industry experts for the Company as at 30 June 2023 ('the Property Valuation(s)'). For the purposes of the valuation work in this Report, we have utilised the Property Valuations as a starting point for our work. Further details regarding our assessment of the Property Valuations are set out under this table.</p> <p>While we have considered the Property Valuations, our valuation is ultimately based on our view of:</p> <ul style="list-style-type: none"> ▶ Industry standard valuation methodologies; ▶ An appropriate maintainable earnings estimate for each asset, being either EBITDA, net passing income, net market income, or an alternate income measure; ▶ An appropriate capitalisation rate to adopt; and ▶ Any other required capital adjustments for capital expenses or related items.
Other assets / liabilities	<p>In relation to all other assets and liabilities of Eumundi, including surplus assets, surplus liabilities, cash and debt-like items, we have adopted a valuation methodology appropriate to the individual item, which is generally a cost based valuation methodology utilising the book value of the individual item (refer Section 7.5 for an overview of this valuation methodology). We consider it standard industry practice to adopt the face value of items like cash and debt at book value.</p>

In accordance with the requirements of RG 111, we have critically evaluated the Property Valuations. In relation to the procedures completed, we note:

- ▶ The property valuers state in the Property Valuations that they have no potential conflict of interest or pecuniary interest relating to Eumundi;
- ▶ The Property Valuations were undertaken by well-regarded valuation practitioners who have the necessary experience and qualifications in accordance with the standards of the Australian Property Institute;
- ▶ We considered the engagement instructions provided to the property valuer and note they did not limit the scope of the methodology applied in the valuations;
- ▶ The property valuers adopted valuation methodologies within each of the Property Valuations that we consider common in the industry for the asset class being valued;
- ▶ We held discussions with the authors of the Property Valuations regarding the valuation methodologies applied and key assumptions as well as recent trends, market evidence and other market drivers which are relevant to consider since the date the Property Valuations were undertaken. This has assisted to inform our view on capitalisation rates, yields and other property specific adjustments;
- ▶ We also held discussions with property valuers not involved with the Property Valuations to gain further insights into market evidence, key drivers, and trends, further informing our understanding of capitalisation rates and yields;
- ▶ We completed our own internal research and relied on internal BDO expertise to confirm information set out in the Property Valuations and additional information communicated to us in our discussions; and
- ▶ We performed a sensitivity analysis on the value of the properties as a result of varying selected key assumptions and inputs.

Our valuation of the properties is set out in Sections 8.3 to 8.5 below, other adjustments we considered appropriate to make are set out in Section 8.6, and we conclude on a value per share from our summation valuation methodology in Section 8.7 below.

8.3 Valuation of Ashmore Tavern

The valuation of Ashmore Tavern set out below includes Eumundi's holdings in:

- ▶ Ashmore Tavern operations;
- ▶ Ashmore Tavern buildings, plant and equipment; and
- ▶ The freehold land that Ashmore Tavern occupies.

8.3.1 Adopted maintainable EBITDA

In our view, it is appropriate to adopt EBITDA as an earnings measure for the purpose of determining the fair value of Ashmore Tavern using a capitalisation methodology. We have adopted EBITDA as opposed to other earnings measures for the following reasons:

- ▶ EBITDA is independent of the direct financial impacts of a given capital structure and taxes;
- ▶ Adopting EBITDA as an earnings measure assists in removing irregularities that may arise from differences in depreciation and amortisation accounting policies, including those that may arise from acquisition related amortisation;
- ▶ EBITDA was the earnings metric adopted by the property valuers in the most recent Property Valuation commissioned by Eumundi for Ashmore Tavern; and
- ▶ Management have provided us with historical and budgeted financial information including trading information for Ashmore Tavern, which we consider is sufficiently detailed enough for us to be able to determine a maintainable earnings estimate.

To determine an appropriate maintainable EBITDA for Ashmore Tavern for the purpose of our valuation, we have considered the historical EBITDA, the budgeted EBITDA and the EBITDA adopted by the property valuers in the most recent Property Valuation commissioned by Eumundi for Ashmore Tavern.

Eumundi is responsible for the financial information. BDOCF has not performed any audit or review of any type on the historical financial information of Eumundi, and we make no statement as to the accuracy of the information provided. BDOCF has not completed any audit, review or due diligence procedures on the financial information provided to us beyond critically analysing the assumptions adopted and making enquiries of Management.

Table 8.2 below sets out the EBITDA of Ashmore Tavern for the financial years FY23 to FY25B as well as the EBITDA adopted in the Property Valuation.

Table 8.2: Ashmore Tavern historical, budget and expert EBITDAs

Ashmore Tavern historical	FY23 actuals	Property Valuation ¹	FY24 actuals	FY25 budget	Adopted
EBITDA	3,173,735	3,247,345	3,495,422	3,774,829	3,600,000
EBITDA margin	20.57%	20.78%	22.33%	23.49%	n/a

Source: Eumundi accounts, The Property Valuations, BDOCF analysis
¹ Per the Property Valuation as at 30 June 2023

In our opinion, it is appropriate to adopt an annual maintainable earnings figure of \$3.6 million for the purpose of the valuation set out in this Report. In forming our view, we have considered:

- ▶ The recent trading performance of Ashmore Tavern which has outperformed prior years in its trading history. We note that FY24 was \$248k above the earnings figure adopted by the Property Valuation estimate as at 30 June 2023. Regarding the FY24 result, we understand that the following items contributed to Ashmore’s performance:
 - An increase in gaming revenues, driven by ongoing investments in facilities;
 - Higher bistro sales following a prior-year kitchen redevelopment, while bar sales remained stable;
 - A decrease in retail and corporate liquor sales, attributed to reduced customer spending, increased competition, and a shift towards value-focused purchases; and
 - A marginal increase in employment and operational costs;
- ▶ The FY25 budget projects further earnings growth due to continued increases in both gaming and bistro revenues;
- ▶ We have assumed that gaming and retail operations continue without disruption. We have also considered our maintainable earnings figure net of GST, gaming and staff related taxes which we have treated as operating expenses; and
- ▶ Our capitalisation rates from comparable transactions are based on historical earnings. To ensure a like-with-like comparison between adopted earnings and the selected capitalisation rate, it is standard practice to apply a historical capitalisation rate to the historical earnings of the subject being valued. Notwithstanding this, where we think an adjustment to historical earnings is required to better reflect expected ongoing performance, we have made an additional adjustment.

8.3.2 Capitalisation rate adopted for Ashmore Tavern

A summary of the observable comparable capitalisation rates is set out in Appendix B.

Based on the capitalisation rate research set out in Appendix B, our discussions with the authors of the Property Valuations and other related research, we have adopted a capitalisation rate range of 9.25% and 8.75% for Ashmore Tavern. We note that our adopted capitalisation rate range is consistent with the most recent Property Valuation.

8.3.3 Capitalised value of Ashmore Tavern

Table 8.3 below summarises our calculation of the capitalisation value of Ashmore Tavern.

Table 8.3: Capitalised value of Ashmore Tavern

Ashmore Tavern valuation	Reference	Low Value	High Value
Adopted EBITDA	Section 8.3.1	3,600,000	3,600,000
Adopted yield (capitalisation rate)	Section 8.3.2	9.25%	8.75%
Capitalised value		38,918,919	41,142,857
Adopted value (rounded)		38,900,000	41,150,000

Source: BDOCF analysis

Table 8.4: Capitalisation value of Ashmore Tavern sensitivity analysis

(\$) Income	Yield				
	8.50%	8.75%	9.00%	9.25%	9.50%
(10.00%)	38,100,000	37,050,000	36,000,000	35,050,000	34,100,000
(5.00%)	40,250,000	39,100,000	38,000,000	36,950,000	36,000,000
0.00%	42,350,000	41,150,000	40,000,000	38,900,000	37,900,000
5.00%	44,450,000	43,200,000	42,000,000	40,850,000	39,800,000
10.00%	46,600,000	45,250,000	44,000,000	42,800,000	41,700,000

Source: BDOCF analysis

Having regard to the tables above, we have calculated the capitalised value of Ashmore Tavern to be within the range of \$38.9 million to \$41.2 million exclusive of GST on a controlling interest basis.

8.3.4 Ashmore Tavern's gaming assets

The above valuation work has been conducted based on the assumption that Ashmore Tavern will be operated as a going concern for the remaining term of the lease agreement. Considering this, our adopted maintainable earnings include income and expenses related to Ashmore Tavern's gaming assets.

The ownership of gaming authorities is heavily regulated, and any sale is conducted through publicly observable market tenders. Information on the latest available prices of gaming authority tenders is set out in Appendix D.

Based on the information set out in Appendix D, the highest observed selling price for a gaming authority is \$485k based on the sale of 72 machines on 5 June 2024.

As at the date of this Report, Ashmore Tavern owns 45 gaming authorities, the cap for hotel-based establishments in the state of Queensland. In the event that Ashmore Tavern was not operating efficiently enough to achieve a reasonable return on the gaming authorities relative to their market value, Eumundi could theoretically realise more value by selling the gaming authorities in whole or in part for a lump sum.

If Eumundi were to sell the gaming authorities, the following items would need to be considered:

- ▶ Statutory costs involved in selling the gaming authorities, including:
 - 10% GST payable on the gross sale price of the authorities; and
 - 15% Contribution Fund²⁰ charge payable on the gross sale price excluding GST (prior to 30 June 2025²¹);
- ▶ Tax, marketing and legal costs related to the sale of the gaming authorities;
- ▶ Opportunity costs related to the lost gaming and retail revenue; and
- ▶ Any capital costs which might be required to renovate or repurpose the gaming area, or potentially the entire premises should the entirety of the gaming authorities be sold, and Ashmore Tavern cease operations.

In Table 8.5 below, we have calculated the potential value of Ashmore Tavern's gaming authorities net of the related statutory costs and based on the average selling price of \$485k per authority as per the latest observable public tender.

Table 8.5: Gaming authority sale value

Gaming authority value	Value
Number of gaming authorities	45
Most recent tender value per authority	485,302
Gross value	21,838,590
Selling costs of authorities	
GST on sale	(2,183,859)
Contribution fund charge (15%)	(2,948,210)
Net value	16,706,521
Net value per authority	371,256

Source: BDOCF analysis, Queensland Government

As calculated above, and before any other costs, the 45 gaming authorities may be sold for a net amount of \$16.7 million.

Regarding this, we have also considered the following factors:

- ▶ Ashmore Tavern has a history of profitable operations which we understand have been returning an acceptable yield on operations;
- ▶ The EGMs have historically outperformed the Gold Coast statistical area figures by approximately 200%, driven by ongoing investments in facilities that have supported consistent year-on-year growth over the past three years. Over the most recent rolling 12-month period, Ashmore Tavern has averaged approximately \$541 of daily metered revenue per gaming machine with recent occupancy levels of approximately 30%;
- ▶ Ashmore Tavern occupies a lease and fit out which is specific to its current operations. We expect this may not easily be remodelled to serve an alternate purpose to that of Ashmore Tavern's existing operations without significant capital expenditure;
- ▶ The sale of the authorities may not occur at the price which the above calculation is based upon, and there is a risk that the authorities may sell for less than the amount noted in Table 8.5, or that not all 45 authorities are acquired; and
- ▶ There may not be an equivalent asset or asset class to which Eumundi could deploy the sale proceeds to continue earning an adequate return on their invested capital.

²⁰ A government fund that distributes part of the proceeds of sale from gaming authorities to a consolidated community fund.

²¹ As at the date of this Report, the 15% Contribution Fund charge will increase to 33% on 30 June 2025. We have assumed that any sale of the gaming authorities would occur prior to 30 June 2025.

Noting the points above, we do not consider it reasonable to assume that the sale, or partial sale, of the gaming authority assets of Ashmore Tavern would result in a value higher than that calculated through the capitalisation of Ashmore Tavern's maintainable earnings.

8.3.5 Ashmore Tavern valuation conclusion

Our adopted value is set out in Table 8.6 below.

Table 8.6 Ashmore Tavern adopted value

Ashmore Tavern adopted value	Reference	Low Value	High Value
Capitalised value of Ashmore Tavern	Section 8.3.3	38,900,000	41,150,000
Value of surplus gaming authorities (net of costs)	Section 8.3.4	-	-
Adopted value		38,900,000	41,150,000

Source: BDOCF analysis

8.4 Valuation of Aspley Central Tavern

The valuation of Aspley Central Tavern set out below includes Eumundi's holdings in Aspley Central Tavern operations, plant and equipment and the gaming authorities²².

For clarity, our valuation of Aspley Central Tavern represents the leasehold going concern interest noting that it does not include the freehold land or improvements that the Aspley Central Tavern occupies. We have considered the freehold value within our valuation set out in Section 8.5.2.

8.4.1 Adopted maintainable EBITDA

In our view, it is appropriate to adopt EBITDA as an earnings measure for the purpose of determining the fair value of Aspley Central Tavern using a capitalisation methodology. The reasons for this are consistent with the Ashmore Tavern valuation set out in Section 8.3.1 above.

To determine an appropriate maintainable EBITDA for Aspley Central Tavern for the purpose of our valuation of the leasehold interest, we have considered the historical EBITDA, the budgeted EBITDA and the EBITDA adopted by the property valuers in the most recent Property Valuation commissioned by Eumundi for Aspley Central Tavern.

Eumundi is responsible for the financial information. BDOCF has not performed any audit or review of any type on the historical financial information of Eumundi, and we make no statement as to the accuracy of the information provided. BDOCF has not completed any audit, review or due diligence procedures on the financial information provided to us beyond critically analysing the assumptions adopted and making enquiries of Management.

Table 8.7 below sets out the EBITDA of Aspley Central Tavern for the financial years FY23 to FY25B as well as the EBITDA adopted in the Property Valuation.

Table 8.7: Aspley Central Tavern historical, budget and expert EBITDAs

Aspley Central Tavern historical	FY23 actuals	Property Valuation ¹	FY24 actuals	FY25 budget	Adopted
EBITDA	845,195	802,317	795,092	918,354	920,000
EBITDA margin	18.02%	16.88%	17.16%	19.51%	n/a

Source: Eumundi accounts, The Property Valuations, BDOCF analysis

¹ Per the Property Valuation as at 30 June 2023

In our opinion, it is appropriate to adopt an annual maintainable earnings figure of \$920k for the purpose of the valuation set out in this Report. In forming our view, we have considered:

- ▶ The recent trading performance of Aspley Central Tavern has underperformed prior years in its trading history. We note that FY24 was approximately \$50k below FY23 (or approximately 9%). Regarding the underperformance, we understand that the following items impacted Aspley Central Tavern's FY24 operations:
 - A softening in gaming turnover, which has been slightly offset by a number of gaming machine upgrades in the fourth quarter of FY24;
 - Flat or decreasing bistro and bar sales combined with increasing costs due to larger than anticipated staff turnover, training costs and recruitment fees; and
 - Depressed customer numbers and retail liquor sales, which Eumundi have attributed to cost of living pressures reducing consumer budgets during FY24.
- ▶ The budgeted FY25 figures estimate a reversal of the downward pressure on earnings present in the FY24 actuals. We understand that Eumundi have taken certain measures to turn around the operating results of Aspley Central Tavern. The implemented changes have resulted in a reduction in costs of approximately \$36k year to date versus FY24 and include:
 - Hiring a new head chef to improve bistro operations, along with decreasing staff headcount where applicable;

²² While the gaming authorities are owned by the lessor, being Eumundi, we have considered them as part of the operations and assets in our valuation of the Aspley Central Tavern.

- A reduction of spending on marketing and advertising promotions which were deemed to be uneconomical; and
 - Gaming room upgrade to ensure fleet offering is up to date to attract higher customer engagement.
- ▶ At the revenue level, the trading results of Aspley Central Tavern for the first 4 months of FY25 have been below both the trading results of the same period in FY24 and the FY25 budget. Management have indicated that the year to date results are partly attributable to a slowing economy and may not be directly comparable to the FY24 trading conditions;
 - ▶ The year-to-date costs of Aspley Central Tavern have been in line with or ahead of budgeted estimates, which reflects structural changes made to the operating cost base. We also understand that the bulk of the cost savings discussed above have only recently been implemented and may not yet be fully reflected in the year-to-date results. Removing gaming revenue and gaming related costs from our analysis shows that the first 4 months of FY25 are approximately ~50k ahead of the same period in FY24;
 - ▶ The rental rate charged by Eumundi is on a discretionary basis. However, we have considered it and it sits within an appropriate range for the premises and has been adopted for the purposes of the valuation. Any change in the adopted market rental rate for Aspley Central Tavern results in an inverse but outsized change in the valuation of the Aspley Shopping Centre premises (refer Section 8.5.2) which has a lower capitalisation rate applied;
 - ▶ We have assumed that gaming and retail operations continue without disruption. We have also considered our maintainable earnings figure net of GST, gaming and staff related taxes which we have treated as operating expenses; and
 - ▶ Our capitalisation rates from comparable transactions are based on historical earnings. To ensure a like-with-like comparison between adopted earnings and the selected capitalisation rate, it is standard practice to apply a historical capitalisation rate to the historical earnings of the subject being valued. Notwithstanding this, where we think an adjustment to historical earnings is required to better reflect expected ongoing performance, we have made an additional adjustment.

8.4.2 Capitalisation rate adopted for Aspley Central Tavern

A summary of the observable comparable capitalisation rates is set out in Appendix B.

Based on the capitalisation rate research set out in Appendix B, we have adopted a capitalisation rate range of 18.75% and 17.75% for Aspley Central Tavern on a leasehold going concern basis.

For completeness, we note that the adopted capitalisation rate for Aspley Central Tavern is higher than, and not comparable to, the rate adopted for the Ashmore Tavern. The Aspley Central Tavern capitalisation rate is higher as it reflects the leasehold interest only (i.e. it does not capture the freehold value of the land and buildings).

8.4.3 Capitalised value of Aspley Central Tavern

Table 8.8 below summarises our calculation of the capitalised value of Aspley Central Tavern.

Table 8.8: Capitalised value of Aspley Central Tavern

Aspley Central Tavern valuation	Reference	Low Value	High Value
Adopted EBITDA	Section 8.4.1	920,000	920,000
Adopted yield	Section 8.4.2	18.75%	17.75%
Capitalised value		4,906,667	5,183,099
Adopted value		4,900,000	5,200,000

Source: BDOCF analysis

Having regard to the table above, we have calculated the capitalised value of the leasehold interest in the Aspley Central Tavern to be between \$4.9 million and \$5.2 million exclusive of GST utilising a capitalised earnings methodology on a controlling interest basis.

We have also tested our adopted capitalisation value under alternate maintainable earnings and capitalisation rates in the sensitivity analysis set out in Table 8.9 below.

Table 8.9: Aspley Central Tavern valuation sensitivity analysis

(\$)	Yield				
	18.75%	18.50%	18.25%	18.00%	17.75%
Income					
(10.00%)	4,400,000	4,500,000	4,550,000	4,600,000	4,650,000
(5.00%)	4,650,000	4,700,000	4,800,000	4,850,000	4,900,000
0.00%	4,900,000	4,950,000	5,050,000	5,100,000	5,200,000
5.00%	5,150,000	5,200,000	5,300,000	5,350,000	5,450,000
10.00%	5,400,000	5,450,000	5,550,000	5,600,000	5,700,000

Source: BDOCF analysis

8.4.4 Aspley Central Tavern's gaming assets

The above valuation work has been conducted based on the assumption that Aspley Central Tavern will be operated as a going concern under a notional long term lease agreement. Considering this, our adopted maintainable earnings includes income and expenses related to Aspley Central Tavern's gaming assets.

As at the date of this Report, Aspley Central Tavern owns 45 gaming authorities, the cap for hotel-based establishments in the state of Queensland. In the event that Aspley Central Tavern was not operating efficiently enough to achieve a reasonable return on the gaming authorities relative to their market value, Eumundi could theoretically realise more value by selling the gaming authorities in whole or in part for a lump sum.

For the reasons set out in Section 8.3.4 above, before any other costs, the 45 gaming authorities may be sold for a net value of \$16.7 million, which equates to a value of approximately \$371k per machine.

Regarding this, we have also considered the following factors:

- ▶ Aspley Central Tavern has had flat to negative EBITDA growth recorded across the prior two financial periods. Albeit the budgeted earnings anticipate a reversal of this trend;
- ▶ Excluding gaming revenue and related costs, the Aspley Central Tavern EBITDA returned negative \$1.2 million in FY24 and is forecast to return negative \$1.0 million in FY25B (on a gaming machine excluded basis);
- ▶ When compared to the results of Ashmore Tavern's gaming machines, Aspley Central Tavern is operating well below optimal capacity. Over the most recent rolling 12-month period, Aspley Central Tavern has averaged approximately \$284.38 of daily metered revenue per gaming machine with recent occupancy levels of approximately 15%;
- ▶ Discussions with Management indicate that a reduction in the number of gaming machines available at Aspley Central Tavern may not result in a material reduction of the total gaming profit for the venue, but rather, an increase in per machine utilisation. This would indicate that a portion of the gaming authorities may be surplus to the current operations of Aspley Central Tavern;
- ▶ Aspley Central Tavern sits on a fit for purpose lease which may not easily be remodelled to serve any purposes alternate to that of Aspley Central Tavern's existing operations. However, we note that Aspley Central Tavern sits within a broader operating commercial shopping centre owned by Eumundi. We consider it reasonable to assume that such a property could be subdivided and remodelled successfully in an area where there is already commercial infrastructure and foot traffic;
- ▶ The calculated net sale value of the gaming authorities is \$16.7 million, being \$11.7 million greater than the calculated midpoint capitalised value of Aspley Central Tavern's maintainable earnings (leasehold interest);
- ▶ Management have indicated that the sale of a portion of the gaming authorities may be done without having to undergo any capital works or refurbishment of the gaming room;
- ▶ The sale of the authorities may not occur at the price which the above calculation is based upon, and there is a risk that the authorities may sell for less than the amount noted in Table 8.5, or that not all 45 authorities are acquired; and
- ▶ There may not be an equivalent asset or asset class to which Eumundi could deploy the sale proceeds to earn an adequate return on their invested capital.

Noting the points above, we consider it reasonable to assume that 10 of the gaming authorities are surplus to the operations of the Aspley Central Tavern and could be sold separately. We consider this assumption reasonable due to the following:

- ▶ While both venues have the same amount of gaming authorities, Aspley Central Tavern machines have underperformed when compared to Eumundi's Ashmore Tavern machines by roughly 48%. While there may be a range of factors which contribute to this performance asymmetry, we have no reason to believe that this theme will change in the near term. We also note that, in the near term, Eumundi is not planning on making any material expenditure in capital works or marketing and advertising which might result in a rapid increase in the performance of Aspley Central Tavern's gaming;
- ▶ Gaming machines are a key driver of EBITDA for the Aspley Central Tavern and a core number would need to be retained to generate the EBITDA figure we have adopted; and
- ▶ An alternative course of action is to sell the entirety of Aspley Central Tavern's gaming authorities and redevelop the area as an extension of the Aspley Arcade Shopping Villages and Aspley Shopping Centre. However, as Eumundi has not fully investigated this option, we have not been able to accurately quantify the costs associated with this option or the alternative revenue that may be generated from the redevelopment if such an option were taken.

As discussed above, the net realisable value per gaming authority for Aspley Central Tavern is \$371k. Considering this, we have included the potential sale of 10 of the gaming authorities in the high end of our valuation range for Aspley Central Tavern.

At the low end of the valuation range we have assumed no surplus gaming authorities. This is on the basis that Eumundi has no immediate plans to sell any of the gaming authorities, there is no guarantee of the price that may be

realised if they were to sell the gaming authorities, and there may be a consequential risk to the business from selling the gaming authorities.

8.4.5 Aspley Central Tavern valuation conclusion

In determining the value of Aspley Central Tavern, we have considered the items set out in Section 8.4. Our adopted value is set out in table 8.10 below.

Table 8.10: Aspley Central Tavern adopted value

Aspley Central Tavern adopted value	Reference	Low Value	High Value
Capitalised value of Aspley Central Tavern earnings	Section 8.4.3	4,900,000	5,200,000
Value of surplus gaming authorities (net of costs)	Section 8.4.4	-	3,712,560
Adopted value		4,900,000	8,912,560

Source: BDOCF analysis

8.5 Valuation of Eumundi's freehold and long-term leasehold assets

8.5.1 Valuation approach

Eumundi's freehold and long-term leasehold assets are the land and buildings owned by the Company on which Eumundi collects rental income but does not operate within the premises. These assets include:

- ▶ Aspley Shopping Centre (including the lease of the Aspley Central Tavern);
- ▶ Aspley Arcade Shopping Villages;
- ▶ The Plough Inn; and
- ▶ Court House Hotel.

In our view, it is appropriate given the income producing nature of the assets to adopt a capitalised earnings methodology as follows:

- ▶ Determine net market income for each of the assets, which refers to the expected market rental income to be received for each of the properties;
- ▶ Determine a capitalisation rate appropriate to the net market income;
- ▶ Calculate a capitalised value by dividing the net market income by the capitalisation rate;
- ▶ Perpetual vacancy allowance where deemed relevant for multi-tenant properties;
- ▶ Adjust the capitalised value for items such as:
 - Forecast capital expenditure or building works;
 - Unexpired leasing incentives and rental abatements;
 - Current passing incomes determined to be either above or below expected market rental income rates and accounting for this variance until lease expiry; and
 - Incentive allowances and leasing up allowances accounting for the assumed time and costs to lease any vacant areas.

The above approach is consistent with the methodology adopted in the Property Valuations as at 30 June 2023.

8.5.2 Aspley Shopping Centre

Our valuation of Aspley Shopping Centre includes the following Eumundi assets:

- ▶ Leased tenancies as per the tenancy schedule dated 31 October 2024 and relied on for the purpose of this Report. As per the tenancy schedule, the Aspley Shopping Centre comprises 14 specialty tenancies, of which 3 are currently vacant;
- ▶ Outgoings of \$101/sqm has been adopted as per the agreed upon budget between the Company and each of the current tenants; and
- ▶ The notional Aspley Central Tavern lease, which was included as an expense in the calculations in Section 8.4.

To determine the appropriate net market income to adopt for Aspley Shopping Centre, we have had regard to Aspley Shopping Centre's net passing income as at FY24 (net of outgoings) in addition to Management's latest available rental tenancy schedules as well as leasing evidence including recent rents within the centre. The rental tenancy schedules include items such as:

- ▶ Tenancy and lessee details including trading name;
- ▶ Rental rates for each tenancy;
- ▶ Rental review mechanism under the lease;

- ▶ Outgoings contributions for each tenancy;
- ▶ Lease start and finish dates as well as any options periods under the lease;
- ▶ Rental periods for each tenancy; and
- ▶ Any special arrangements or rental abatements for each tenancy.

To determine the appropriate capitalisation rate to adopt against the net market income for Aspley Shopping Centre we have had regard to the detailed analysis of capitalisation rates set out in Appendix B.

We have discussed adjustments required to our capitalised value with management and, in our view, it is reasonable to make an adjustment of \$620k for items including leasing up allowances on vacant tenancies, agent fees at 15% of the first years gross annual income relating to new leases over the vacant tenancies, incentives and unexpired rental incentives under the existing leases. The adjustments we have applied are generally consistent with the adjustments made in the Property Valuations.

Table 8.11 below summarises our calculation of the capitalised value of Aspley Shopping Centre.

Table 8.11: Capitalised value of Aspley Shopping Centre

Aspley Shopping Centre	Low Value	High Value
Net market income	1,535,000	1,535,000
Capitalisation rate	6.75%	6.00%
Capitalisation value	22,740,741	25,583,333
Capital adjustments	(620,000)	(620,000)
Adjusted capitalisation value	22,120,741	24,963,333
Adopted value	22,100,000	24,950,000

Source: BDOCF analysis, the rental tenancy schedules

Having regard to the table above, the value of the Aspley Shopping Centre falls within the range of \$22.1 million to \$25.0 million exclusive of GST utilising the capitalisation approach on a controlling interest basis.

8.5.3 Aspley Arcade Shopping Villages

Our valuation of Aspley Arcade Shopping Villages include the 14 specialty tenancies as per the tenancy schedule (dated 31 October 2024), of which two tenancies are vacant.

To determine the appropriate net market income to adopt for Aspley Arcade Shopping Villages, we have had regard to Aspley Arcade Shopping Villages' net passing income as at FY24 (net of outgoings) in addition to Management's latest available tenancy schedules.

To determine the appropriate capitalisation rate to adopt against the net income for the Aspley Arcade Shopping Villages we have had regard to the detailed analysis of capitalisation rates set out in Appendix B.

We have discussed adjustments required to our capitalised value with management and, in our view, it is reasonable to make an adjustment of \$490k for items including leasing up and incentive allowances for vacant tenancies and unexpired rental incentives, forecast capital expenditure allowances etc. The adjustments we have applied are generally consistent with the adjustments made in the Property Valuations.

Table 8.12 below summarises our calculation of the capitalisation value of Aspley Arcade Shopping Villages.

Table 8.12: Capitalisation value of Aspley Arcade Shopping Villages

Aspley Arcade Shopping Villages	Low Value	High Value
Net market income	1,305,000	1,305,000
Capitalisation rate	6.50%	6.00%
Capitalisation value	20,076,923	21,750,000
Capital adjustments	(490,000)	(490,000)
Adjusted capitalisation value	19,586,923	21,260,000
Adopted value	19,600,000	21,250,000

Source: BDOCF analysis, the rental tenancy schedules

Having regard to the table above, the value of Aspley Arcade Shopping Villages falls within the range of \$19.6 million to \$21.3 million exclusive of GST utilising a capitalised earnings methodology on a controlling interest basis.

8.5.4 The Plough Inn

Our valuation of The Plough Inn includes the leasehold value of the land and building in which The Plough Inn hotel operates. Eumundi holds the property under a leasehold agreement with South Bank Corporation, with approximately 90 years remaining on the term. The property has been subleased to Plough Inn Brisbane Pty Ltd, which assumes responsibility for all ongoing capital and operating expenses associated with the building. Eumundi collects rent with no material outgoings. We note that there is limited available evidence of recent transactions involving long-leasehold

interests. However, given the length of the lease, we consider that any variation in investment parameters compared to a freehold interest is likely to be minimal.

To determine the appropriate net market income to adopt for The Plough Inn, we have had regard to the sub-lease contract between Eumundi (lessor) and Plough Inn Brisbane Pty Ltd (lessee) and the position paper as at 30 June 2024 provided by Management. We consider the current rental rate for The Plough Inn to be reasonably representative of current market rates.

To determine the appropriate capitalisation rate to adopt against the earnings of The Plough Inn, we have had regard to the detailed analysis of capitalisation rates set out in Appendix B.

Following discussions with Management and the authors of the Property Valuations, we have not made any capital adjustments to the capitalised value of The Plough Inn on the assumption that any sustaining capital for the asset is captured within the net market income assumption. The asset is subject to a triple net lease which comprises a long residual lease term of approximately 8 years to Plough Inn Brisbane Pty Ltd, with the passing rent generally in line with market.

Table 8.13 below summarises our calculation of the capitalisation value of The Plough Inn.

Table 8.13: Capitalisation value of The Plough Inn

The Plough Inn	Low Value	High Value
Net market income	1,255,000	1,255,000
Capitalisation rate	6.50%	6.00%
Capitalisation value	19,307,692	20,916,667
Adopted value	19,300,000	20,900,000

Source: BDOCF Analysis, The Plough Lease Contract, Position Paper provided by Management

Having regard to the table above, the value of The Plough Inn falls within the range of \$19.3 million to \$20.9 million exclusive of GST utilising a capitalised earnings methodology on a controlling interest basis.

8.5.5 Court House Hotel

Our valuation of the Court House Hotel includes the freehold value of the land and building in which the Court House Hotel operates. We note that, while Eumundi owns the Court House Hotel building, the tenants are responsible for the ongoing capital and operating expenses related to the building such that Eumundi collects rent with no material outgoings.

To determine the appropriate net market income to adopt for the Court House Hotel, we have had regard to the lease contract between Eumundi (formerly Tweed Volcano Pty Limited) (lessor) and CHTD Pty Ltd (lessee) and the position paper as at 30 June 2024 provided by Management. We consider the current rental rate for the Court House Hotel to be reasonably representative of current market rates.

To determine the appropriate capitalisation rate to adopt against the earnings of the Court House Hotel, we have had regard to the detailed analysis of capitalisation rates set out in Appendix B.

Following discussions with Management and the Independent Valuation Experts, we have not made any capital adjustments to the capitalised value of the Court House Hotel. The asset is subject to a triple net lease which comprises a long residual lease term of approximately 12 years to CHTD Pty Ltd, with the passing rent generally in line with market. We believe this is reasonable as the sustaining capital for the asset is captured within the net passing income assumption.

Table 8.14 below summarises our calculation of the capitalisation value of the Court House Hotel.

Table 8.14: Capitalisation value of the Court House Hotel

Court House Hotel	Low Value	High Value
Net passing income	410,000	410,000
Capitalisation rate	5.75%	5.25%
Capitalisation value	7,130,435	7,809,524
Adopted value	7,150,000	7,800,000

Source: BDOCF Analysis, Court House Hotel Lease Contract, Position Paper provided by Management

Having regard to the table above, the value of Court House Hotel falls within the range of \$7.2 million to \$7.8 million exclusive of GST utilising a capitalised earnings methodology on a controlling interest basis.

8.6 Valuation of Eumundi's remaining assets and liabilities

The asset values set out in Sections 8.3 to 8.5 exclude the impact of the Company's debt on the financial results as well as the value of surplus assets or liabilities (i.e. those assets and liabilities which are not required for the usual business operations).

When adopting the summation valuation methodology to calculate the value of the equity in a company, it is appropriate to add the Company's surplus cash and cash equivalents, subtract the value of interest-bearing liabilities, and add (subtract) the value of any surplus assets (liabilities) to (from) the enterprise value to find the equity value.

We have set out our analysis of Eumundi’s remaining assets and liabilities below in this section.

8.6.1 Eumundi’s deferred tax liabilities

Eumundi’s deferred tax liabilities primarily relate to the deferred tax on unrealised gains recognised on the upward revaluation of the Company’s assets.

The asset values set out in Sections 8.3 to 8.5 above for Eumundi’s core operations do not account for the potential tax consequences that would arise from the realisation of these gains. To ensure our summation valuation methodology accurately reflects the net value of the assets, we have separately considered the deferred tax liabilities.

To determine the value of the Company’s deferred tax liabilities, we have:

- ▶ Obtained information regarding the original or depreciated cost base of the assets valued in Section 8.3 to Section 8.5;
- ▶ Calculated the surplus value of the assets based on the updated valuations in Section 8.3 to Section 8.5; and
- ▶ Applied the Company’s applicable tax rate of 25% to determine the expected capital gains tax liability on the surplus value.

Based on the above, we have calculated a deferred tax liability in the range of \$11.9 million to \$15.2 million. We note that our calculated range is \$2.4 million to \$5.7 million greater than the book value of \$9.5 million²³ for Eumundi’s deferred tax liabilities based on the Company’s 31 October 2024 management accounts. We note this uplift largely reflects the impact of the value we have attributed to Eumundi’s operating assets (i.e. the tavern operations), which we understand are recorded in Eumundi’s financial accounts at cost and for which no deferred tax liability has been previously recorded.

8.6.2 Eumundi’s net debt position

To determine the value of the Company’s net debt position, we have considered the information included in the Company’s 31 October 2024 financial accounts and have made enquiries with Management in relation to any material adjustments required to reflect the fair market value of the assets and liabilities.

Eumundi’s net debt position as at 31 October 2024 is set out in Table 8.15 below.

Table 8.15 Eumundi’s net debt

Eumundi net debt	Value (\$)
Cash	(1,075,682)
Borrowings	24,307,556
Net debt	23,231,874

Source: Management Accounts as at 31 October 2024

8.6.3 Capitalised corporate costs

The summation valuation methodology reflects the theoretical aggregate value of Eumundi Group’s property assets without considering the practical operational costs that may be incurred by an acquirer. While Eumundi’s hotels have existing management teams in place and its rental properties operate as passive investments, some ongoing corporate costs would remain relevant for a hypothetical acquirer.

Eumundi’s assets are likely to require minimal incremental costs for oversight and integration. These include one-off costs such as system alignment and branding, as well as modest recurring costs for lease renewals, tenant interactions, and occasional portfolio-level oversight. However, a well-established acquirer with an existing hospitality and property management platform would likely absorb significant corporate functions, such as human resources, finance, and compliance, without requiring additional overhead.

We estimate that the residual corporate overheads specific to Eumundi’s assets would equate to approximately \$125,000 annually after accounting for synergies. Capitalising these costs at a multiple of 8x, consistent with market practices for recurring costs of this nature, results in an assessed value of \$1.0 million for residual corporate overheads.

8.6.4 Portfolio premium

The summation valuation methodology does not take into account a potential portfolio premium for acquiring a group of properties. We have considered the application of a portfolio premium and formed the view that no portfolio premium is required to be applied to the group of properties owned by Eumundi. In forming this view, we note that we have no compelling market evidence that a premium would be paid for Eumundi’s properties over and above the values that we have determined as part of our summation valuation methodology.

8.6.5 Other surplus assets and liabilities

Other items which we consider to be surplus assets or liabilities the Company’s operations include:

²³ Excludes \$224k of deferred tax liabilities/(assets) related to items we have classified working capital and \$499k of deferred tax assets we have considered in Section 8.6.5.

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- ▶ \$499k deferred tax assets related to losses on previous sales of the Company's property assets;
- ▶ The \$351k income tax payable as per 31 October 2024 per Management Accounts; and
- ▶ \$1.2 million relating to the permissible 2.4c per share interim dividend, as per the details set out in Section 4.1.

8.7 Adopted per share value using summation method

Our summation valuation of Eumundi is set out in Table 8.16 below.

Table 8.16: Equity value of Eumundi - summation method

\$	Reference	Low Value	High Value
Ashmore Tavern	Section 8.3	38,900,000	41,150,000
Aspley Central Tavern	Section 8.4	4,900,000	8,912,560
Aspley Shopping Centre (14 specialty tenancies)	Section 8.5.2	22,100,000	24,950,000
Aspley Arcade Shopping Villages (14 speciality tenancies)	Section 8.5.3	19,600,000	21,250,000
The Plough Inn	Section 8.5.4	19,300,000	20,900,000
Court House	Section 8.5.5	7,150,000	7,800,000
Enterprise value		111,950,000	124,962,560
Add/(less): surplus assets/(liabilities)			
Deferred tax (on properties)	Section 8.6.1	(11,938,139)	(15,191,279)
Cash	Section 8.6.2	1,075,682	1,075,682
Borrowings	Section 8.6.2	(24,307,556)	(24,307,556)
Capitalised corporate overheads	Section 8.6.3	(1,000,000)	(1,000,000)
Deferred tax assets	Section 8.6.5	499,000	499,000
Income tax	Section 8.6.5	(350,604)	(350,604)
Proposed interim dividend (2.4c)	Section 8.6.5	(1,194,426)	(1,194,426)
Equity value		74,733,956	84,493,376

Source: BDOCF analysis

Table 8.16 shows that the total equity value of we have calculated for Eumundi using the summation valuation methodology is between \$74.7 million and \$84.5 million on a controlling interest basis. Table 8.17 below converts this value into a value per Eumundi share.

Table 8.17: Value per Eumundi ordinary share - summation method

	Reference	Low Value	High Value
Total summation method value	Table 8.16	74,733,956	84,493,376
Total number of Eumundi Shares	Section 5.4	49,767,770	49,767,770
Value per Eumundi Share (\$/Share)		1.502	1.698

Source: BDOCF analysis

Table 8.17 sets out our value of Eumundi's ordinary shares within the range of \$1.502 and \$1.698 per share. We note that our summation valuation of Eumundi provides a value per share for Eumundi on a controlling interest basis.

8.8 Share transactions

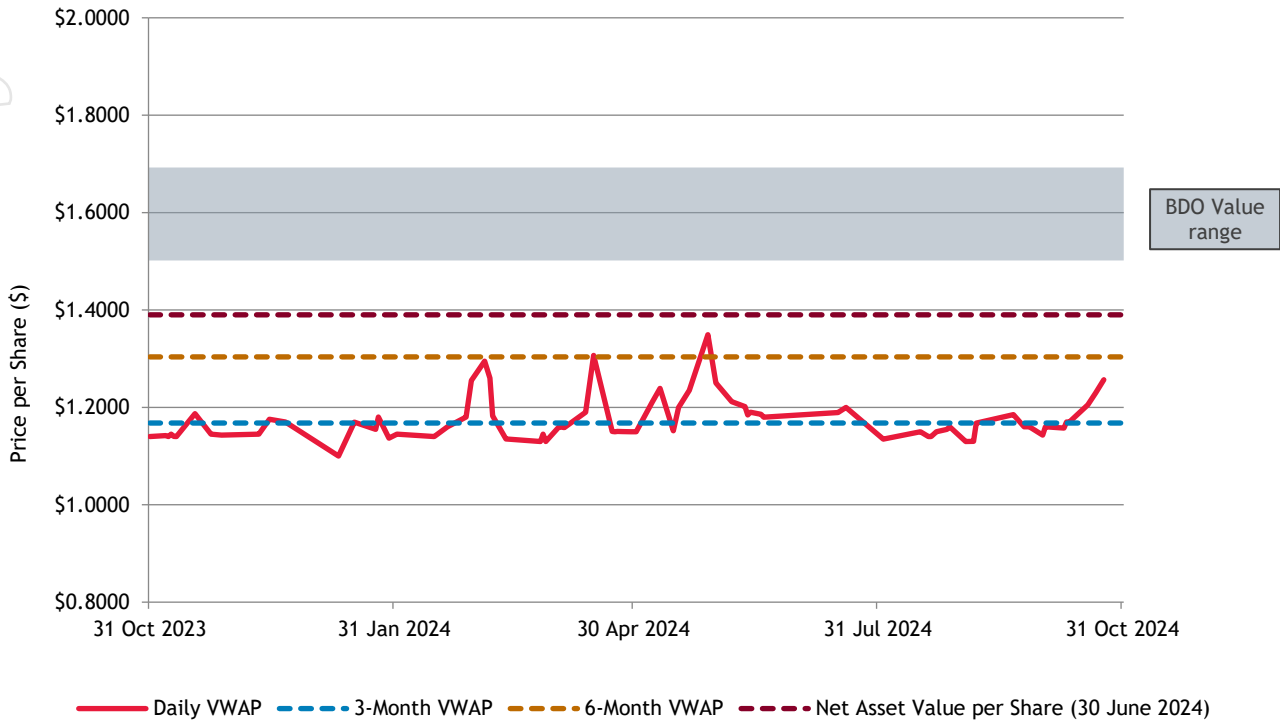
Eumundi's ordinary shares are listed on the ASX and trade under the ticker 'EBG'. Information relating to the recent share trading data of Eumundi's ordinary shares along with an analysis of recent announcements made by Eumundi to the ASX are set out in Section 5.5 of this Report.

Notwithstanding that Eumundi shares are traded on the ASX, we do not consider the underlying share data to be particularly liquid. For example, we note:

- ▶ Eumundi has a tightly held share structure, as shown in Table 5.5, with approximately 94.9% of Eumundi shares held by shareholders with a share parcel in excess of 100,000 shares;
- ▶ As outlined in Table 5.8, the monthly trading volumes exceeded 100,000 shares in only four months in the 12 months to the Announcement Date; and
- ▶ The total trading volume over the 12 months preceding the Announcement Date represents approximately 5.13% of the average shares outstanding.

As a result of the limited liquidity in Eumundi's shares, it is our view that it is more appropriate to compare our summation value for Eumundi to share trading data to confirm reasonableness, rather than complete a valuation based off the underlying Eumundi share transactions. For completeness, in this graph we have also shown the 3 month and 6 month VWAP prior to the Announcement Date along with the net asset value per share as at 30 June 2024. This analysis is set out in Figure 8.1 below.

Figure 8.1: Share price and summation value analysis



From Figure 8.1 above, we note:

- ▶ We have set out the daily VWAP and volume traded for the period from 31 October 2023 to 29 October 2024 (being the last day of trading prior to the Proposed Transaction being announced);
- ▶ Eumundi’s daily VWAP over the period graphed was in the range of \$1.100 to \$1.349;
- ▶ We have set out the 3 month and 6 month VWAP for Eumundi for the period up to and including 29 October 2024. We note the 3 month VWAP of \$1.168 is the lowest VWAP listed in Table 5.7²⁴ above while the 6 month VWAP of \$1.301 is the highest VWAP listed in Table 5.7 above;
- ▶ We have set out Eumundi’s reported net asset per share value as at 30 June 2024 of \$1.39 (refer Table 5.10 for this calculation); and
- ▶ We have set out our summation method valuation range of \$1.502 to \$1.698 per share. Our summation method valuation range is:
 - A premium of 28.6% to 45.4% over the 3 month VWAP. We consider the 3 month VWAP generally reflective of the value of share trades over the previous 12 month period;
 - A premium of 15.4% to 30.5% over the 6 month VWAP. We note that the higher value for the 6 month VWAP is influenced by trading during three specific periods (i.e. early March, mid April and late May) where share prices were elevated. However, the trading volumes during these periods were sufficient to significantly impact the VWAP calculation, resulting in the higher observed value; and
 - A premium of 8.3% to 22.5% over the reported net asset value per share as at 30 June 2024.

In considering a comparison of Eumundi’s share transactions to our summation method, in our view it is not unusual to expect the share transaction values to be at a discount to the summation method valuation range. The reason for this is that share prices from market trading typically do not reflect the market value for control of a company while our summation method valuation range is on a controlling interest basis. A controlling interest in a company is generally regarded as being more valuable than that of a minority interest as it may provide the owner with:

- ▶ Control over the operating and financial decisions of the company;
- ▶ The right to set the strategic direction of the company;
- ▶ Control over the buying, selling and use of the company’s assets; and
- ▶ Control over the appointment of staff and setting of financial policies.

²⁴ Table 5.7 sets out Eumundi’s VWAP for the 1 week, 1 month, 3 months, 6 months, 9 months and 12 months up to and including 29 October 2024, being the date SEQ publicly announced the Proposed Transaction.

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The increase in value for a controlling interest is often observed where an acquirer launches a takeover bid, or some other mechanism for control, for another company. Empirical research suggests that control premiums are typically within the range of 20% to 40%, albeit we would expect a value towards the lower end of this range for an Australian Real Estate Investment Trust ('A-REIT') transaction. We would expect a premium at the lower end of the range because A-REITs are generally traded in liquid and transparent markets, where the value of the underlying real estate assets is already well-reflected in the share price. In such markets, there is typically less scope for an acquirer to achieve significant operational or strategic synergies, which often drive higher control premiums in other sectors. Additionally, the relatively low volatility and stable income profile of A-REITs tend to limit the potential for substantial value uplift upon obtaining control.

In Table E.1 in Appendix E we have summarised some recent A-REIT transactions and note the premium observed was in a range of 9.2% to 41.0% with a median and average of 17.7% and 21.2% respectively.

We are of the opinion that the above analysis supports our valuation assessment based on the summation valuation methodology.

8.9 Guideline comparable method

As a cross-check to our summation valuation method, we have compared dividend yields and premium/(discount) to net assets against market evidence derived from various listed retail and hotel REITs. We have based our guideline comparable analysis on REITs because we consider they provide the most relevant and reliable market evidence for valuing property-centric businesses. While Eumundi may not be regarded as a pure REIT because of its operating activities, we consider its exposure to property investments and income-generating assets makes REITs the most directly comparable benchmark. A summary of the market evidence is set out in Appendix C.

Table 8.18: REIT dividend yield and premium/(discount) to net assets

(\$ Million)	Market capitalisation	Net assets	Premium / (discount) to NA	Dividend yield LTM
Mean	2,589	2,897	(13.8%)	6.3%
Median	2,011	2,619	(13.4%)	6.4%
Min	385	491	(27.2%)	5.3%
Max	9,969	10,639	(6.2%)	7.1%

Source: Capital IQ as at 25 October 2024, BDOCF analysis

From Table 8.18 above, we note:

- ▶ The REITs predominantly own freehold land, avoiding exposure to the operational risks associated with their tenants' businesses. However, Eumundi is more uniquely placed, as it combines business operations from the hotels with investments across freehold and leasehold retail and hotel assets (making the identification of directly comparable companies more difficult);
- ▶ The median market capitalisation is \$2 billion, whereas Eumundi's market capitalisation is below \$100 million and significantly below this median benchmark;
- ▶ The dividend yield and discount to net assets are assessed against observed share trading prices on the ASX on 25 October 2024. We consider these share prices to be reflective of a non-controlling interest;
- ▶ Despite the above observations, we consider the REITs offer directional insights that are relevant to considering the reasonableness of our summation valuation approach; and
- ▶ The observed REITs trade at a median discount to net assets of 13.4% and provide a median dividend yield of 6.4%.

From Table 8.19 below, we have calculated similar metrics for Eumundi being the dividend yield and premium/(discount) to net assets. For the purpose of this analysis, we have used the 3 month and 6 month VWAP as the Eumundi share price. This enables direct comparability to the non-controlling interests set out in Table 8.19 above. We have also set out the analysis using the low and high values from our summation valuation methodology.

Table 8.19: Eumundi's dividend yield and premium/(discount) to net assets

\$	Reference	Summation low value	Summation high value	3 month VWAP	6 month VWAP
Value per Eumundi share	Section 8.7, 8.8	1.502	1.698	1.168	1.304
Dividend yield					
LTM dividend (cents per Share)		7.250	7.250	7.250	7.250
LTM dividend yield		4.83%	4.27%	6.21%	5.56%
Premium/(discount) to net assets					
Net assets as at 30 June 2024		1.386	1.386	1.386	1.386
Premium/(discount) to net assets (%)		8.31%	22.46%	(15.77%)	(5.97%)

Source: Capital IQ as at 25 October 2024, BDOCF analysis

From Table 8.19 above, we note:

- ▶ The summation method valuation is presented on a controlling basis, whereas the 3 month and 6 month VWAP is calculated on a non-controlling basis;

- ▶ The 3 month VWAP largely reflects the values that Eumundi has traded at over the previous 12 month period leading up to the Announcement Date. The dividend yield and discount to net assets observed over this period of 5.97% and a discount of 15.77% aligns relatively closely with the mean and median values set out in Table 8.19 above;
- ▶ At the 6 month VWAP, the discount to net assets value observed for Eumundi is closer to the maximum value from Table 8.19 above, while the dividend yield is closer to the minimum value;
- ▶ The summation method indicates a premium to net assets as at 30 June 2024, ranging from 8.31% to 22.46%. We have considered the data available in relation to comparable transactions involving REITs and consider this premium to be within the range observed for the other transactions (albeit the data on this type of transaction is more limited relative to other types of corporate takeovers). We have set out more information on this analysis in Appendix E and note this analysis indicates a median premium to net tangible assets of 11.85% and an average premium to net tangible assets of 12.55%; and
- ▶ The summation method indicates a dividend yield in the range of 4.27% to 4.83%, which is below the observed dividend yield for the REITs. In our view, a marginal acquirer would consider the impact of this lower dividend yield on their overall yield. If the acquisition results in dilution to their existing dividend yield, this may reduce the price they are willing to pay.

We are of the opinion that the above analysis supports our valuation assessment based on the summation valuation methodology.

8.10 Conclusion on the value of Eumundi Shares

In our view, for the purpose of our assessment of the Proposed Transaction set out in this Report, it is appropriate to adopt a value in the range of \$1.502 to \$1.698 per Eumundi share on a controlling interest basis. This valuation range was determined having regard to our summation valuation methodology. We believe this value is appropriate having regard to the cross-checks we have applied to the share transactions and the guideline comparable method.

For completeness, we note we have set out sensitivity analysis' throughout Section 8 of this Report to assist users that may have an alternative view on certain key assumptions adopted for our work.

APPENDIX A: GLOSSARY

Reference	Definition
A\$ or \$	Australian dollars
ABV	Asset-based valuation
AFCA	Australian Financial Complaints Authority
Announcement Date, the	30 October 2024
APES 225	Accounting Professional and Ethical Standards Board professional standard APES 225 <i>Valuation Services</i>
ASIC	Australian Securities and Investment Commission
ASX	Australian Securities Exchange
A-REIT	Australian Real Estate Investment Trust
BDO Persons	The partners, directors, agents or associates of BDO
BDOCF	BDO Corporate Finance Ltd
Bidder's Statement, the	The Bidder's Statement dated 11 November 2024 prepared by SEQ
Board, the	The board of directors of the Company
CGT	Capital Gain Tax
CME	Capitalisation of Maintainable Earnings
Company, the	Eumundi Group Limited
Court, the	The Federal Court of Australia
Corporations Act, the	The Corporations Act 2001
DCF	Discounted cash flow
Directors, the	The Directors of the Company
DRP, the	Dividend Reinvestment Plan
EBIT	Earnings Before Interest and Taxes
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
EGM	Electronic Gaming Machine
Eumundi	Eumundi Group Limited
Fortitudo	The Fortitudo Group
FH	Freehold
FHGC	Freehold Going Concern
FSG	Financial Services Guide
FY	The financial year or 12-month period ended on 30 June
GFC	Global Financial Crisis
Implementation Deed, the	The deed between SEQ and Eumundi dated 30 October 2024 (as amended by a variation deed dated 29 November 2024) which sets out the terms and conditions of the Transaction, a full copy of which was announced to ASX by Eumundi on 30 October 2024.
IVSC	International Valuation Standards Council
LHGC	Leasehold Going Concern

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Reference	Definition
LTLH	Long-term leasehold
Offer, the	An off-market takeover offer at \$1.62 cash per Eumundi share
OLGR	Office of Liquor and Gaming Regulation
Property Valuation, the	Property Valuation performed by independent industry experts for the Company as at 30 June 2023
Proposed Transaction, the	The SEQ proposal to acquire all the shares in Eumundi by way of a scheme of arrangement
Regulations, the	The Corporation Regulations 2001
Report, this	This independent expert's report prepared by BDOCF and dated 20 December 2024
RG 111	Regulatory Guide 111: <i>Content of Expert Reports</i> , issued by ASIC
RGs	Regulatory guides published by ASIC
Scheme, the	A scheme of arrangement at \$1.62 cash per Eumundi share
Scheme Booklet, the	Scheme Booklet prepared by Eumundi dated on or about 20 December 2024
Scheme Consideration, the	Cash consideration of \$1.62 per Eumundi share
Scheme Meeting	A meeting expected to be held on 31 January 2025
Second Court Date, the	The date of the first hearing of the application made to the Court for an order pursuant to section 411(4) of the Corporations Act approving the Scheme. Expected to be held on 4 February 2025
SEQ	SEQ Hospitality Group Pty Ltd
Shareholders, the	The holders of fully paid ordinary shares in the Company
TID, the	The Transaction Implementation Deed
Transaction, the	The proposed acquisition by SEQ of all Eumundi Shares by way of the Offer and the Scheme, to be implemented in the alternative under a dual and concurrent process and either the Offer or the Scheme
VWAP	Volume weighted average price
We, us, our	BDO Corporate Finance Ltd

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APPENDIX B: ADOPTED CAPITALISATION RATES

Capitalisation rates adopted

In selecting the appropriate capitalisation rates, we have had regard to our assessment of the financial performance, risk and future growth prospects for each of the properties, in addition to the valuation procedures summarised in Section 8.2

Table B.1 below sets out the capitalisation rates for each of the properties held.

Table B.1: Capitalisation rates

Capitalisation rates		Property Valuations ²		Director Valuations ³	BDO adopted	
Property	Type ¹	Low	High	Adopted	Low	High
Ashmore Tavern	FHGC	8.75%	9.25%	9.00%	8.75%	9.25%
Aspley Central Tavern	LHGC	17.75%	18.75%	18.25%	17.75%	18.75%
Aspley Shopping Centre	FH	6.25%	6.75%	6.37%	6.00%	6.75%
Aspley Arcade Shopping Villages	FH	6.00%	6.50%	6.25%	6.00%	6.50%
The Plough Inn	LTLH	6.00%	6.50%	6.25%	6.00%	6.50%
Court House Hotel	FH	5.35%	5.75%	5.51%	5.25%	5.75%

Source: BDOCF analysis

- 1 Freehold Going Concern ('FHGC'), Leasehold Going Concern ('LHGC'), Long-term Leasehold ('LTLH'), Freehold ('FH')
- 2 Independent Expert Valuations as at 30 June 2023
- 3 Director Valuations as at 30 June 2024

Observable market yields

Table B.2 below sets out the yields observed for freehold going concern hotel sales.

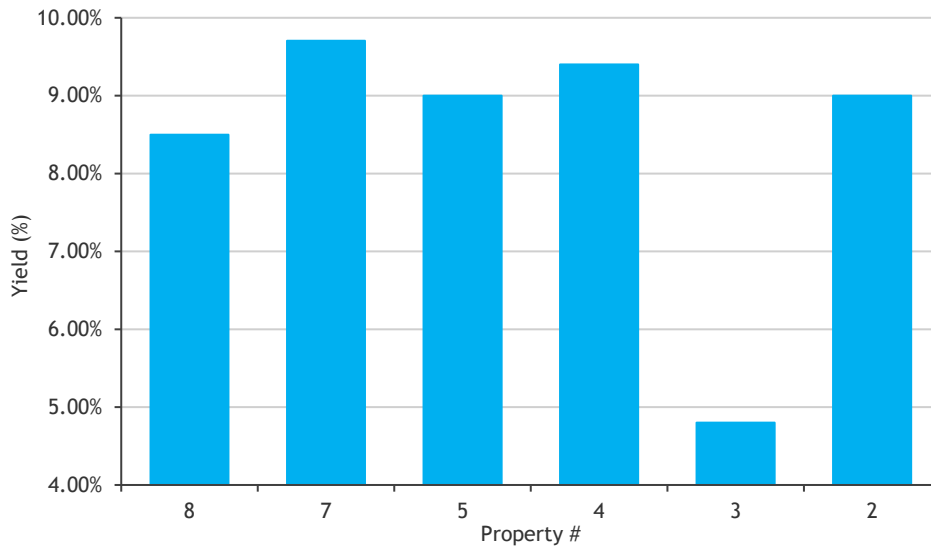
Table B.2: Freehold going concern - hotel sales

#	Property name	Sale date	Sale price	No. EGM	Passing net income (pa)	Yield
1	The Fox Hotel, South Brisbane	Aug-24	13,500,000	10	n/a	n/a
2	The Shafston Hotel, East Brisbane	Sep-23	18,600,000	34	1,674,000	9.00%
3	Aspley Hotel, Aspley	Jul-23	10,500,000	40	504,000	4.80%
4	Montague Hotel, West End	May-23	16,000,000	10	1,504,000	9.40%
5	Beachmere Tavern, Beachmere	Apr-23	17,000,000	30	1,530,000	9.00%
6	Lord Stanley Hotel, East Brisbane	Mar-22	20,000,000	40	n/a	n/a
7	Arundel Tavern, Gold Coast	Nov-21	34,000,000	45	3,300,000	9.71%
8	Durack Tavern, Brisbane	Oct-21	15,650,000	35	1,330,000	8.50%
	Min		10,500,000	10	504,000	4.80%
	Median		16,500,000	35	1,517,000	9.00%
	Average		18,156,250	31	1,640,333	8.40%
	Max		34,000,000	45	3,300,000	9.71%

Source: BDOCF analysis

Figure B.1 below sets out the yields observed for freehold going concern hotel sales.

Figure B.1: Freehold going concern - hotel sales



Source: BDOCF analysis

Table B.3 below sets out the yields observed for leasehold going concern hotel sales.

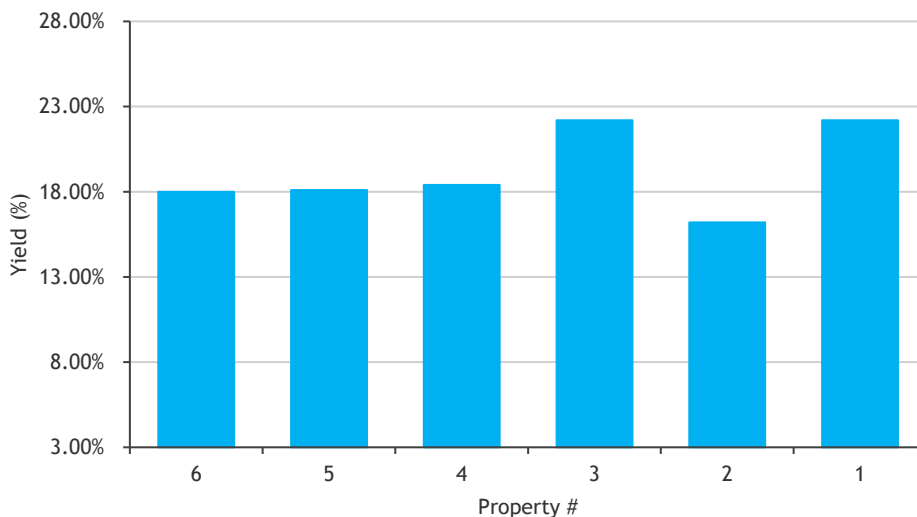
Table B.3: Leasehold going concern - hotel sales

#	Property	Sale date	Sale price	No. EGM	Passing net income (pa)	Yield
1	The Dock, Mooloolaba	Aug-23	4,500,000	0	999,000	22.20%
2	Meadowbrook Hotel, Meadowbrook	Mar-23	11,000,000	40	1,782,000	16.20%
3	Rainbow Beach Hotel, Rainbow Beach	Oct-22	6,676,000	10	1,228,964	18.40%
4	Horse & Jockey Hotel Motel, Warwick, QLD	Sep-22	3,370,000	22	748,495	22.20%
5	Boundary Hotel, West End, Brisbane	Jun-22	10,500,000	25	1,900,000	18.10%
6	Watermark Hotel, Townsville	Jan-22	2,500,000	15	450,000	18.00%
Min			2,500,000		450,000	16.20%
Median			5,588,000		1,113,982	18.25%
Average			6,424,333		1,184,743	19.18%
Max			11,000,000		1,900,000	22.20%

Source: BDOCF analysis

Figure B.2 below sets out the yields observed for leasehold going concern hotel sales.

Figure B.2: Leasehold going concern - hotel sales



Source: BDOCF analysis

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Table B.4 below sets out the yields observed for freehold hotel sales.

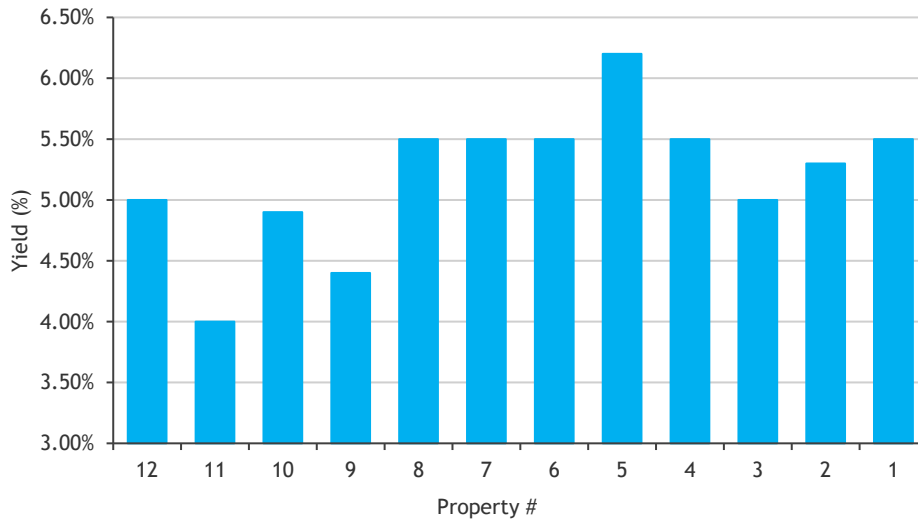
Table B.4: Freehold - hotel sales

#	Property name	Sale date	Sale price	No. EGM	Passing net income (pa)	Yield
1	Hotel HQ, Underwood	May-24	\$34,000,000	45	\$1,870,000	5.50%
2	Ball Court Hotel, Sunbury	Mar-24	\$8,700,000	0	\$461,100	5.30%
3	Woodpecker Bar & Grill, Burpengary	Mar-24	\$7,600,000	22	\$380,000	5.00%
4	Royal Mail Hotel, Tewantin	Mar-24	\$17,300,000	40	\$951,500	5.50%
5	Alex Hotel, Alexandra Headland	May-23	\$11,000,000	40	\$682,000	6.20%
6	Rainbow Beach Hotel, Rainbow Beach	Oct-22	\$3,424,000	10	\$188,320	5.50%
7	Horse & Jockey Hotel Motel, Warwick, QLD	Sep-22	\$7,880,000	22	\$433,262	5.50%
8	Redcliffe Tavern & 1st Choice Liquor, Redcliffe	Dec-21	\$19,290,000	40	\$1,068,000	5.50%
9	Acacia Ridge Hotel, Acacia Ridge	Dec-21	\$25,000,000	45	\$1,111,000	4.40%
10	Imperial Hotel, Beenleigh	Sep-21	\$6,618,000	40	\$323,000	4.90%
11	Royal Exchange Hotel, Toowong, Brisbane	Aug-21	\$14,050,000	40	\$562,715	4.00%
12	Osbourne Hotel, Fortitude Valley, Brisbane	Jul-21	\$7,850,000	0	\$392,500	5.00%
Min			3,424,000		188,320	4.00%
Median			9,850,000		511,908	5.40%
Average			13,559,333		701,950	5.19%
Max			34,000,000		1,870,000	6.20%

Source: BDOCF analysis

Figure B.3 below sets out the yields observed for freehold hotel sales.

Figure B.3: Freehold - hotel sales



Source: BDOCF analysis

Table B.5 below sets out the equivalent market yields observed for freehold retail centre sales.

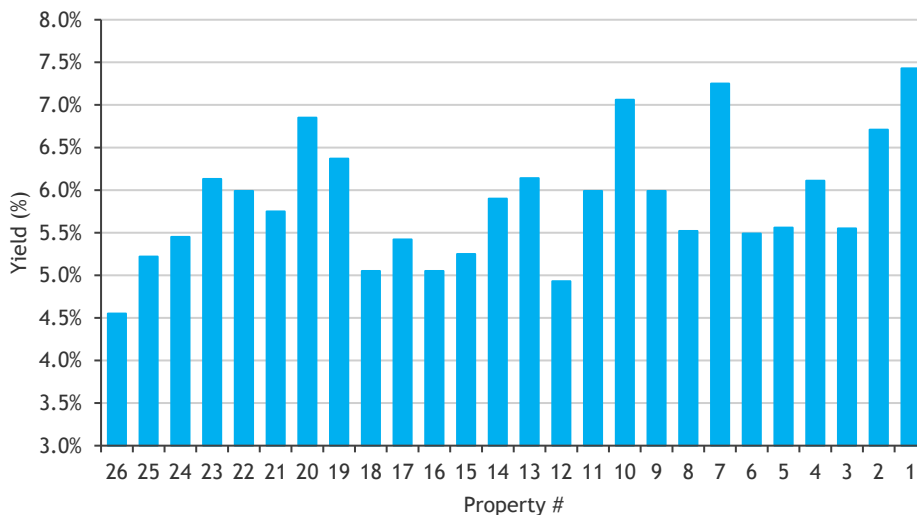
Table B.5: Freehold - retail centre sales

#	Property name	Sale date	Sale price	Equivalent market yield	IRR	GLAR (sqm)	Analysed \$psm (GLAR)	Income WALE (years)
1	Northway Plaza, Bundaberg	Aug-24	18,590,000	7.43%	8.87%	4,046	4,595	3.17
2	Yeronga Village, Yeronga	Jul-24	21,500,000	6.71%	7.70%	2,410	8,921	3.07
3	Woolworths Coomera East, Coomera	Jul-24	24,000,000	5.55%	5.04%	3,869	6,203	8.58
4	East Brisbane Marketplace, East Brisbane	Jun-24	16,250,000	6.11%	7.55%	2,019	8,049	6.34
5	Soda Factory, South Brisbane	Jun-24	42,000,000	5.56%	5.53%	5,239	8,017	4.94
6	Dockside Village, Pelican Waters	Jun-24	13,500,000	5.49%	6.91%	1,579	8,550	13.82
7	Lillybrook Shopping Village, Kallangur	Jun-24	25,200,000	7.25%	7.91%	6,993	3,604	3.42
8	Bellmere Central, Bellmere	Apr-24	37,750,000	5.52%	5.71%	5,164	7,310	8.4
9	Flagstone Village, Flagstone	Nov-23	26,435,000	5.99%	6.33%	4,602	5,744	7.69
10	Coomera Waters Marketplace, Coomera	Oct-23	7,050,000	7.06%	7.40%	2,237	3,152	2.11
11	Windaroo Village, Windaroo	Sep-23	10,400,000	5.99%	7.46%	1,795	5,794	6.25
12	Robina Central, Robina	Sep-23	34,000,000	4.93%	6.33%	2,891	11,761	12.7
13	The Hub, Westlake	Jul-23	11,460,000	6.14%	7.87%	1,668	6,871	8.31
14	Central Park, Calamvale	Jun-23	10,900,000	5.90%	6.94%	2,217	6,574	2.3
15	Poinciana Place, Tewantin	Jun-23	17,500,000	5.25%	6.20%	3,104	5,638	2.73
16	Woolworths, Mountview	Apr-23	35,200,000	5.05%	5.34%	4,981	7,067	8.09
17	Gailey Fiveways Shopping Centre, Taringa	Apr-23	13,400,000	5.42%	6.70%	1,557	8,606	n/a
18	Woolworths Mountview, Redbank Plains	Apr-23	35,200,000	5.05%	5.34%	4,981	7,067	n/a
19	50 Market Place, Waterford West	Jan-23	9,415,000	6.37%	6.29%	1,256	7,496	n/a
20	Deagon Marketplace, Deagon	Nov-22	20,000,000	6.85%	7.82%	6,006	3,330	n/a
21	Yamanto Village, Yamanto	Jul-22	21,100,000	5.75%	7.05%	1,928	10,944	n/a
22	Strathpine Square, Strathpine	May-22	23,000,000	5.99%	6.88%	3,391	6,783	2.4
23	Flagstone Markets, Flagstone	May-22	10,550,000	6.13%	7.37%	1,749	6,032	n/a
24	Ashmore Pitstop, Ashmore	Apr-22	11,800,000	5.45%	6.41%	1,082	10,906	n/a
25	1354 Gympie Road, Aspley	Apr-22	8,187,887	5.22%	6.69%	861	9,510	n/a
26	Caloundra Village, Caloundra	Apr-22	30,500,000	4.55%	6.25%	3,005	10,150	n/a
Min			7,050,000	4.55%	5.04%	861	3,152	2.11
Median			19,295,000	5.83%	6.79%	2,651	7,067	6.25
Average			20,572,611	5.87%	6.77%	3,101	7,257	6.14
Max			42,000,000	7.43%	8.87%	6,993	11,761	13.82

Source: BDOCF analysis

Figure B.4 below sets out the equivalent market yields observed for freehold retail centre sales.

Figure B.4: Freehold - retail centre sales



Source: BDOCF analysis

APPENDIX C: MARKET EVIDENCE A-REITS

Comparable listed A-REITs

The table below sets out a summary of the trading premium/(discount) to net asset value and dividend yields of listed A-REITs.

Table C.1: Comparable company premium/(discount) to net asset value and dividend yields

Ticker	Company name	Market capitalisation (\$m)	Net assets (\$m) ¹	Premium/(Discount) to NA (\$m)	Dividend yield (\$m)
ASX:EBG	Eumundi Group Limited	63	67	(6%)	5.95%
ASX:HPI	Hotel Property Investments	707	782	(10%)	5.28%
ASX:CLW	Charter Hall Long WALE REIT	2,868	3,370	(15%)	6.50%
ASX:CQR	Charter Hall Retail REIT	2,011	2,619	(23%)	7.14%
ASX:CDP	Carindale Property Trust	385	530	(27%)	5.69%
ASX:DXC	Dexus Convenience Retail REIT	406	491	(17%)	7.11%
ASX:VCX	Vicinity Centres	9,969	10,639	(6%)	5.37%
ASX:HDN	HomeCo Daily Needs REIT	2,591	2,993	(13%)	6.83%
ASX:RGN	Region Group	2,640	2,815	(6%)	6.04%
ASX:WPR	Waypoint REIT	1,719	1,833	(6%)	6.44%
Mean		2,589	2,897	(14%)	6.26%
Median		2,011	2,619	(13%)	6.44%
Min		385	491	(27%)	5.28%
Max		9,969	10,639	(6%)	7.14%

Source: Capital IQ as at 25 October 2024, BDOCF analysis

¹ NA per the most recent end of financial report for each entity

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APPENDIX D: GAMING AUTHORITIES

Public tenders of gaming authorities

The table below sets out the public information regarding the tendered sale of gaming in South East Queensland. We note that this area includes the Brisbane and Moreton Australian Bureau of Statistics statistical divisions. We understand this is the same area in which the Aspley Central Tavern is located.

Table D.1: Public tenders of gaming authorities

Tender	Closing date of sale	Offered	South East		Avg. price ¹
				Sold	
Tender 55	05/06/2024	72		72	\$485,302
Tender 54	20/03/2024	21		21	\$465,929
Tender 53	28/09/2023	12		12	\$400,888
Tender 52	10/05/2023	103		103	\$380,870
Tender 51	11/01/2023	44		44	\$384,057
Tender 50	14/09/2022	39		39	\$374,471
Tender 49	13/04/2022	2		2	\$281,500
Tender 48	21/07/2021	0		0	0
Tender 47	24/03/2021	12		12	\$197,937
Tender 46	25/11/2020	25		25	\$178,603

Source: Queensland Government

¹ Average prices include GST and the contribution to the Queensland Government Consolidated Fund, but exclude stamp duty and fees payable to the Public Trustee

APPENDIX E: COMPARABLE TRANSACTIONS A-REITS

Comparable Transactions A-REITs

The table below sets out a summary of transactions that have taken place since 2018 involving A-REITs.

Table E.1: Comparable transactions A-REITs

#	Announcement date	Target	Consideration (\$ millions)	Premium/(Discount) to NTA ¹	Premium/(discount) to VWAP ²
1	Jan-24	Newmark Property REIT	246.8	(17.20%)	41.00%
2	Oct-21	Aventus Group	2,177.9	12.00%	16.00%
3	Sep-21	ALE Property Group	2,413.7	53.80%	19.30%
4	Apr-21	Primewest Group Limited	598.9	n/a	11.80%
5	Nov-20	Vitalharvest Freehold Trust	246.1	12.80%	32.90%
6	Oct-18	Asia Pacific Data Centre Group	162.8	n/a	9.20%
7	Sep-18	Propertylink Group	723.3	11.70%	13.10%
8	May-18	Investa Office Fund	3,016.0	2.20%	26.10%
Min			162.8	(17.20%)	9.20%
Median			661.1	11.85%	17.65%
Average			1,198.2	12.55%	21.18%
Max			3,016.0	53.80%	41.00%

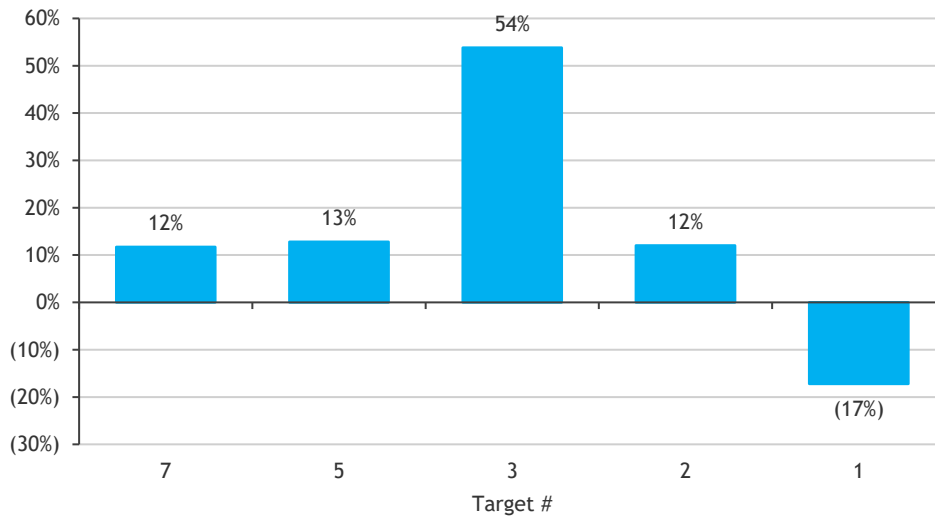
Source: Capital IQ, BDOCF analysis

1 NTA from the last financial report for each target entity

2 One-month VWAP prior to the announcement of the transaction or notable corporate activity

Figure E.1 below sets out the premium/(discount) to NTA in transactions that have taken place since 2018 involving A-REITs.

Figure E.1: Premium/(discount) to NTA in A-REIT transactions



Source: Capital IQ, BDOCF analysis

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LAWYERS

Deed Poll

SEQ Hospitality Group Pty Ltd ACN 681 115 471 (**SEQ**)

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This Deed Poll is made on 16 December 2024

Parties

SEQ Hospitality Group Pty Ltd ACN 681 115 471 (**SEQ**)

in favour of

Each holder of EBG Shares at the Scheme Record Date (each a **Scheme Participant** and together the **Scheme Participants**)

Background

- A. SEQ and EBG have entered into the Implementation Deed.
- B. Pursuant to the terms of the Implementation Deed, EBG has agreed to propose the Scheme.
- C. Under the Scheme, all Scheme Shares held by Scheme Participants will be transferred to SEQ for the Scheme Consideration.
- D. SEQ enters into this deed to covenant in favour of Scheme Participants to perform its obligations under the Scheme.

It is agreed

1. Definitions and interpretation

1.1 Definitions

In this deed:

ASX means ASX Limited ABN 98 008 624 691 or, as the context requires, the financial market known as the Australian Securities Exchange operated by it.

ASX Listing Rules means the official listing rules of ASX, as amended and waived by ASX from time to time.

Authorised Officer of a party which is a corporation means:

- (a) the Chief Executive Officer, Chief Financial Officer or an employee of the party whose title contains either of the words Director or Company Secretary;
- (b) a person performing the function of any of those people set out in (a) above;
- (c) a solicitor acting on behalf of the party; or
- (d) a person appointed by the party to act as an Authorised Officer for the purposes of this deed and notified to the others.

Business Day means:

- (a) if determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and

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- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Brisbane, Queensland, Australia.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Federal Court of Australia or the Supreme Court of Queensland or such other court of competent jurisdiction under the Corporations Act, as agreed in writing by SEQ and EBG (each acting reasonably).

Delivery Time means in relation to the Second Court Date, not later than two hours before:

- (a) the commencement of the hearing; or
- (b) if the commencement of the hearing is adjourned, the commencement of the adjourned hearing,

of the Court to approve the Scheme in accordance with section 411(4)(b) of the Corporations Act.

EBG means Eumundi Group Limited ABN 30 010 947 476.

EBG Group Member means EBG and each of its subsidiaries.

EBG Register means the register of EBG securityholders maintained by the EBG Registry in accordance with the Corporations Act.

EBG Registry means Computershare Investor Services Pty Limited.

EBG Shareholder means a holder of EBG Shares.

EBG Shares means the fully paid ordinary shares in the capital of EBG.

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

Effective Date means the date on which the Scheme becomes Effective in accordance with section 411(10) of the Corporations Act.

End Date has the meaning set out in the Implementation Deed.

First Court Date means the date the Court first hears the application to order the convening of the Scheme Meetings under section 411(1) of the Corporations Act or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.

Government Body means:

- (a) any person, body or other thing exercising an executive, legislative, judicial or other governmental function of any country or political subdivision of any country;
- (b) any public authority constituted by or under a law of any country or political subdivision of any country; and
- (c) any person deriving a power directly or indirectly from any other Government Body.

Implementation Deed means the merger implementation Deed between EBG and SEQ dated 30 October 2024, as varied by the deed of variation between EBG and SEQ dated 29

Deed Poll



November 2024 and the second deed of variation between EBG and SEQ dated on or around the date of this Deed Poll.

Scheme or **Scheme of Arrangement** means a scheme of arrangement between EBG and the Scheme Participants for the transfer of the Scheme Shares to SEQ, made under Part 5.1 of the Corporations Act and includes any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and approved in writing by EBG and SEQ. A copy of the **Scheme** will be annexed to the Scheme Booklet.

Scheme Booklet has the meaning set out in the Implementation Deed.

Scheme Consideration means the consideration to be provided by SEQ to the Scheme Participants under the terms of the Scheme for the transfer to SEQ of their Scheme Shares, being \$1.62 per Scheme Share.

Scheme Order means the order of the Court made for the purposes of section 411(4)(b) of the Corporations Act in respect of the Scheme.

Scheme Participants means EBG Shareholders who are registered in the EBG Register as a holder of EBG Shares as at the Scheme Record Date.

Scheme Record Date means the date and time on which the entitlements to receive the Scheme Consideration under the Scheme will be determined, being 7:00pm on the fifth Business Day after the Effective Date (or such other time and date required by the ASX Listing Rules or agreed to in writing between the parties, subject to the written approval of the ASX).

Scheme Shares means EBG Shares on issue at the Scheme Record Date.

Second Court Date means the first day on which an application made to the Court for a Scheme Order 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.

1.2 Interpretation

- (a) Unless the contrary intention appears, a reference in this deed to:
- (1) this deed or another document includes any variation or replacement of it despite any change in the identity of the parties;
 - (2) one gender includes the others;
 - (3) the singular includes the plural and the plural includes the singular;
 - (4) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Body or other entity includes any other of them;
 - (5) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this deed and a reference to this deed includes any schedule or attachment;
 - (6) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;
 - (7) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;
 - (8) money is to Australian dollars, unless otherwise stated; and

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- (9) a time is a reference to Queensland, Australia time unless otherwise specified.
- (b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.
- (c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
- (d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this deed.
- (e) A provision of this deed must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this deed or the inclusion of the provision in this deed.

1.3 Business Days

- (a) If anything under this deed must be done on a day that is not a Business Day, it must be done instead on the next Business Day.
- (b) If an act is required to be done on a particular day, it must be done before 5.00pm on that day or it will be considered to have been done on the following day.

1.4 Parties

- (a) If a party consists of more than one person, this deed binds each of them separately and any two or more of them jointly.
- (b) An agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them separately.
- (c) An agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and each of them separately.

2. Nature of deed poll

SEQ acknowledges that:

- (a) this deed may be relied on and enforced by any Scheme Participant in accordance with its terms, even though Scheme Participants are not party to it; and
- (b) under the Scheme, each Scheme Participant irrevocably appoints EBG and any of EBG's directors and officers as its agent and attorney, inter alia, to enforce this deed against SEQ on behalf of that Scheme Participant.

3. Conditions precedent and termination

3.1 Conditions precedent

The obligations of SEQ pursuant to this deed are subject to the Scheme becoming Effective.

3.2 Termination of deed

If:

- (a) the Implementation Deed is terminated in accordance with its terms; or
- (b) the Scheme does not become Effective on or before the End Date,

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SEQ's obligations under this deed will automatically terminate, unless SEQ and EBG otherwise agree in writing in accordance with the Implementation Deed.

3.3 Consequences of termination

If this deed is terminated under clause 3.2 then, in addition and without prejudice to any other rights, power or remedies available to Scheme Participants:

- (a) SEQ is released from any obligation to further perform this deed, except those obligations under clause 10.8; and
- (b) each Scheme Participant retains any rights, power or remedies it has against SEQ in respect of any breach of this deed by SEQ which occurred before termination of this deed.

4. Certificate in relation to conditions

SEQ and EBG must provide to the Court on the Second Court Date certificates (or such other evidence as the Court may request) stating, to the best of their knowledge, whether or not the conditions precedent to the Scheme have been satisfied or waived, subject to the terms of the Implementation Deed as at the Delivery Time on the Second Court Date.

5. Compliance with Scheme Obligations

5.1 Performance of obligations generally

Subject to clause 3, in consideration for the transfer to SEQ of the Scheme Shares in accordance with the Scheme, SEQ covenants in favour of each Scheme Participant that it will observe and perform all obligations contemplated of it under the Implementation Deed and the Scheme, including the relevant obligations relating to the provision of the Scheme Consideration as contemplated in clause 5.2.

5.2 Provision of Scheme Consideration

Subject to clauses 3, in consideration of the transfer of the Scheme Shares to SEQ, SEQ must:

- (a) acquire all of the Scheme Shares from Scheme Participants, in accordance with the provisions of the Scheme;
- (b) pay the Scheme Consideration to each Scheme Participant; and
- (c) otherwise do all things necessary or expedient on its part to implement the Scheme.

6. Representations and warranties

SEQ represents and warrants that:

- (a) it is a company limited by shares and validly existing under the Corporations Act;
- (b) it has full legal capacity and power to enter into this deed and to carry out the transactions that this deed contemplates;
- (c) it has taken all corporate action that is necessary or desirable to authorise its entry into this deed and its carrying out the transactions this deed contemplates;
- (d) this deed constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditor's rights generally) subject to any necessary stamping; and

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- (e) the execution and performance by it of this Deed Poll and each transaction contemplated by this Deed Poll did not and will not violate in any respect a provision of:
 - (1) a law, judgment, ruling, order or decree binding on it; or
 - (2) its constitution or other constituent documents.

7. Continuing obligations

This deed is irrevocable and, subject to clause 3, remains in full force and effect until the earlier of:

- (a) SEQ having fully performed its obligations under this deed; or
- (b) termination of this deed under clause 3.

8. Notices

8.1 Form

Any notice or other communication to or by any party must be:

- (a) in writing and in the English language;
- (b) addressed to the address of the recipient in clause 8.4 or to any other address as the recipient may have notified the sender; and
- (c) be signed by the party or by an Authorised Officer of the sender.

8.2 Manner

In addition to any other method of service authorised by law, the notice may be:

- (a) personally served on a party;
- (b) left at the party's current address for service;
- (c) sent to the party's current address for service by prepaid ordinary mail or if the address is outside Australia by prepaid airmail; or
- (d) sent by electronic mail to the party's electronic mail address.

8.3 Time

If a notice is sent or delivered in the manner provided in clause 8.2 it must be treated as given to or received by the addressee in the case of:

- (a) delivery in person, when delivered;
- (b) delivery by post:
 - (1) in Australia to an Australian address, the second Business Day after posting; or
 - (2) in any other case, on the tenth Business Day after posting; or
- (c) electronic mail, when the sender's computer reports that the message has been delivered to the electronic mail address of the addressee,

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but if delivery is made after 5.00pm on a Business Day it must be treated as received on the next Business Day in that place.

8.4 Initial details

The addresses and numbers for service are initially:

(a) EBG

Attention: Suzanne Jacobi
 Address: c/- HopgoodGanim Lawyers, Level 8, 1 Eagle Street, Brisbane QLD 4000
 Email address: sjacobilee@eumundigroup.com.au
 With a copy to: HopgoodGanim Lawyers
 Attention: Luke Dawson and Rebecca Rutland
 Address: Level 8, 1 Eagle Street, Brisbane QLD 4000
 Email address: l.dawson@hopgoodganim.com.au and r.rutland@hopgoodganim.com.au

(b) SEQ

Attention: Andrew Prothero
 Address: 64 James Street, New Farm QLD 4005
 Email address: andrew@capitalinmotion.com.au
 With a copy to: Clayton Utz
 Attention: Jim Peterson and Lisa Houston
 Address: Level 28, 71 Eagle Street, Brisbane QLD 4000
 Email address: jpeterson@claytonutz.com and lhouston@claytonutz.com

8.5 Changes

A party may from time to time change its address or numbers for service by notice to each other party.

9. Governing law and jurisdiction

9.1 Governing law

This deed is governed by and construed in accordance with the laws of Queensland.

9.2 Jurisdiction

Each party irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of Queensland and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this deed; and
- (b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within paragraph 9.2(a).

10. Miscellaneous

10.1 Exercise rights

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A single or partial exercise or waiver by a party of any right under or relating to this deed will not prevent any other exercise of that right or the exercise of any other right.

10.2 Merger

If the liability of a party to pay money under this deed becomes merged in any deed, judgment, order or other thing, the party liable must pay interest on the amount owing from time to time under that deed, judgment, order or other thing at the higher of the rate payable under this deed and that fixed by or payable under that deed, judgment, order or other thing.

10.3 Moratorium legislation

Any law which varies prevents or prejudicially affects the exercise by a party of any right, power or remedy conferred on it under this deed is excluded to the extent permitted by law.

10.4 No assignment

The rights and obligations of SEQ and of each Scheme Participant under this deed are personal. They cannot be assigned, encumbered or otherwise dealt with and no person may attempt, or purport, to do so without the prior consent of SEQ and EBG.

10.5 Remedies cumulative

The rights and remedies under this deed are cumulative and not exclusive of any rights or remedies provided by law.

10.6 Severability

If a provision of this deed is illegal, invalid, unenforceable or void in a jurisdiction it is severed for that jurisdiction and the remainder of this deed has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected.

10.7 Further assurance

SEQ must, on its own behalf and, to the extent authorised by the Scheme, on behalf of each Scheme Participant, promptly at its own cost do all things (including executing and delivering all documents) necessary or desirable to give full effect to this deed and the transactions contemplated by it.

10.8 Costs

SEQ must bear its own costs arising out of the negotiation, preparation and execution of this deed. All duty (including stamp duty and any fines, penalties and interest) payable on or in connection with this deed and any instrument executed under or any transaction evidenced by this deed must be borne by SEQ. SEQ must indemnify each Scheme Participant on demand against any liability for that duty (including any related fines, penalties and interest).

10.9 Taxes

SEQ must:

- (a) pay all taxes which may be payable or determinable in connection with the execution, delivery, performance or enforcement of this deed or any payment or receipt or of any transaction contemplated by this deed; and
- (b) indemnify EBG against any liabilities resulting from any delay or omission by SEQ to pay any taxes,

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provided that SEQ is not required to pay, reimburse or indemnify against any taxes to the extent that they have been imposed directly as a result of a delay caused by EBG or EBG Group Member.

10.10 Time

- (a) Time is of the essence of this deed.
- (b) If the parties agree to vary a time requirement, the time requirement so varied is of the essence of this deed.
- (c) An agreement to vary a time requirement must be in writing.

10.11 Variation

An amendment or variation to this deed is not effective unless:

- (a) either:
 - (1) before the First Court Date, the amendment or variation is agreed to in writing by EBG and SEQ (which such agreement may be given or withheld without reference to or approval by any EBG Shareholder);
 - (2) on or after the First Court Date, the amendment or variation is agreed to in writing by EBG and SEQ (which such agreement may be given or withheld without reference to or approval by any EBG Shareholder), and is approved by the Court; and
- (b) SEQ enters into a further deed poll in favour of the Scheme Participants giving effect to that amendment or variation.

10.12 Waiver

- (a) A party's waiver of a right under or relating to this deed, whether prospectively or retrospectively, is not effective unless it is in writing and signed by that party.
- (b) No other act, omission or delay by a party will constitute a waiver of a right.

10.13 Counterparts

This deed may be executed in any number of counterparts each of which will be considered an original but all of which will constitute one and the same instrument. A party who has executed a counterpart of this deed may deliver it to, or exchange it with, another party by:

- (a) faxing; or
- (b) emailing a pdf (portable document format) copy of,

the executed counterpart to that other party.

10.14 Electronic signing

This deed may be executed by Electronic Signature. Each party who Electronically Signs this deed agrees:

- (a) the Electronic Signature has been used to identify the person signing and to indicate that the party intends to be bound by the Electronic Signature; and
- (b) the Electronic Signature method is appropriately reliable for the purposes of executing this deed.

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For the purposes of this clause, **Electronic Signature** means a digital signature, a visual representation of a person's handwritten signature or a mark which is applied to a physical or electronic copy of this deed by electronic or mechanical means, and **Electronically Signs** has a corresponding meaning.

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Executed and delivered as a deed

Executed as a deed by SEQ Hospitality Group
Pty Ltd ACN 681 115 471

Signed by:

52EA6E4CC3F34F6...
Director

Martin Ward

Print full name of Director

DocuSigned by:

DC75812A1D87415...
Director/Secretary

Andrew Prothero

Print full name of Director/Secretary

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LAWYERS

Scheme of Arrangement

Eumundi Group Limited ABN 30 010 947 476 (**EBG**)

BRISBANE

Level 8, Waterfront Place, 1 Eagle Street
Brisbane Qld 4000 Australia

T +61 7 3024 0000
F +61 7 3024 0300

PO Box 7822, Waterfront Place Qld 4001 Australia

E contactus@hopgoodganim.com.au
L\356173822.2

PERTH

Level 27, Allendale Square, 77 St Georges Terrace
Perth WA 6000 Australia

T +61 8 9211 8111
F +61 8 9221 9100

www.hopgoodganim.com.au

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Scheme of Arrangement pursuant to section 411 of the *Corporations Act 2001* (Cth)

Between

Eumundi Group Limited ABN 30 010 947 476 (**EBG**)

and

Each holder of EBG Shares at the Scheme Record Date (each a **Scheme Participant** and together the **Scheme Participants**)

Background

- A. EBG is a public company limited by shares incorporated in Australia and is admitted to the official list of the ASX.
- B. SEQ is a proprietary company limited by shares incorporated in Australia.
- C. EBG and SEQ have entered into the Implementation Deed, pursuant to which, amongst other things, EBG has agreed to propose the Scheme to EBG Shareholders, and each of EBG and SEQ have agreed to take certain steps to give effect to the Schemes.
- D. If the Scheme becomes Effective, then:
 - (a) all the Scheme Shares will be transferred to SEQ and the Scheme Consideration will be provided to the Scheme Participants in accordance with the terms of the Scheme; and
 - (b) EBG will enter the name and address of SEQ in the EBG Register as the holder of the Scheme Shares.
- E. SEQ has entered into the Deed Poll for the purpose of covenanting in favour of the Scheme Participants that it will observe and perform the obligations contemplated of it under the Scheme.

It is agreed

1. Definitions and interpretation

1.1 Definitions

In this deed:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 or, as the context requires, the financial market known as the Australian Securities Exchange operated by it.

ASX Listing Rules means the official listing rules of ASX, as amended and waived by ASX from time to time.

ASX Operating Rules means the settlement operating rules of ASX Settlement.

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ASX Settlement means ASX Settlement and Transfer Corporation Pty Ltd ABN 49 008 504 532.

Business Day means:

- (a) if determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Brisbane, Queensland, Australia.

CHES means the Clearing House Electronic Subregister System, which facilitate electronic security transfer in Australia.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Federal Court of Australia or the Supreme Court of Queensland or such other court of competent jurisdiction under the Corporations Act, as agreed in writing by SEQ and EBG (each acting reasonably).

Deed Poll means the deed poll to be executed by SEQ in favour of the Scheme Participants prior to the First Court Date, in the form set out in Annexure C of the Implementation Deed (or such other form as SEQ and EBG may agree in writing, such agreement not to be unreasonably withheld or delayed) under which SEQ covenants in favour of each Scheme Participant to perform its respective obligations under the Scheme and the Implementation Deed as regards the implementation of the Scheme. A copy of the **Deed Poll** will be annexed to the Scheme Booklet.

Delivery Time means in relation to the Second Court Date, not later than two hours before:

- (a) the commencement of the hearing; or
- (b) if the commencement of the hearing is adjourned, the commencement of the adjourned hearing,

of the Court to approve the Scheme in accordance with section 411(4)(b) of the Corporations Act.

EBG Register means the register of EBG Shareholders maintained by the EBG Registry in accordance with the Corporations Act.

EBG Registry means Computershare Investor Services Pty Limited.

EBG Shareholder means a holder of EBG Shares.

EBG Shares means the fully paid, ordinary shares in the capital of EBG.

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

Effective Date means the date on which the Scheme becomes Effective in accordance with section 411(10) of the Corporations Act.

End Date has the meaning set out in the Implementation Deed.

First Court Date means the date the Court first hears the application to order the convening of the Scheme Meetings under section 411(1) of the Corporations Act or, if the application is

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adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.

Government Body means:

- (a) any person, body or other thing exercising an executive, legislative, judicial or other governmental function of any country or political subdivision of any country;
- (b) any public authority constituted by or under a law of any country or political subdivision of any country; and
- (c) any person deriving a power directly or indirectly from any other Government Body.

GST has the meaning given to that term in the *A New Tax System (Goods & Services Tax) Act 1999* (Cth).

Implementation Date means the fifth Business Day after the Scheme Record Date or such other date:

- (a) agreed between SEQ and EBG in writing, with such agreement not to be unreasonably withheld or delayed;
- (b) ordered by the Court; or
- (c) as may be required by the ASX.

Implementation Deed means the Implementation Deed between EBG and SEQ dated 30 October 2024, as varied by the deed of variation between EBG and SEQ dated 29 November 2024 and the second deed of variation between EBG and SEQ dated on or around the date of the Deed Poll.

Registered Address means the address of the Scheme Participant shown in the EBG Register.

Scheme means this scheme of arrangement, 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 EBG and SEQ.

Scheme Booklet has the meaning set out in the Implementation Deed.

Scheme Consideration means the consideration to be provided by SEQ to the Scheme Participants under the terms of the Scheme for the transfer to SEQ of their Scheme Shares, as described in clause 5.1(a).

Scheme Meeting means the meeting of the EBG 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 meeting convened following any adjournment or postponement of that meeting.

Scheme Order means the order of the Court made for the purposes of section 411(4)(b) of the Corporations Act in respect of the Scheme.

Scheme Participants means EBG Shareholders who are registered in the EBG Register as a holder of EBG Shares as at the Scheme Record Date.

Scheme Record Date means the date and time on which the entitlements to receive the Scheme Consideration under the Scheme will be determined, being 7:00pm on the fifth Business Day after the Effective Date (or such other time and date required by the ASX Listing Rules or agreed to in writing between EBG and SEQ subject to the written approval of the ASX).



Scheme Shares means EBG Shares on issue at the Scheme Record Date.

Scheme Transfer means for each Scheme Participant, a proper instrument of transfer of the Scheme Shares for the purposes of section 1071B of the Corporations Act, which may be a master transfer of all Scheme Shares.

Second Court Date means the first day on which an application made to the Court for a Scheme Order 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.

SEQ means SEQ Hospitality Group Pty Ltd ACN 681 115 471.

Trust Account means an Australian dollar denominated trust account operated by EBG or the EBG Registry as trustee for the benefit of the Scheme Participants.

1.2 Interpretation

- (a) Unless the contrary intention appears, a reference in this deed to:
- (1) this deed or another document includes any variation or replacement of it despite any change in the identity of the parties;
 - (2) one gender includes the others;
 - (3) the singular includes the plural and the plural includes the singular;
 - (4) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Body or other entity includes any other of them;
 - (5) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this deed and a reference to this deed includes any schedule or attachment;
 - (6) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;
 - (7) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;
 - (8) money is to Australian dollars, unless otherwise stated; and
 - (9) a time is a reference to Brisbane, Queensland, Australia unless otherwise specified.
- (b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.
- (c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
- (d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this deed.
- (e) A provision of this deed must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this deed or the inclusion of the provision in this deed.



1.3 Business Days

- (a) If anything under this deed must be done on a day that is not a Business Day, it must be done instead on the next Business Day.
- (b) If an act is required to be done on a particular day, it must be done before 5.00pm on that day or it will be considered to have been done on the following day.

1.4 Parties

- (a) If a party consists of more than one person, this deed binds each of them separately and any two or more of them jointly.
- (b) An agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them separately.
- (c) An agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and each of them separately.

2. Preliminary Matters

2.1 EBG

- (a) EBG is a public company limited by shares under section 112(1) of the Corporations Act.
- (b) EBG was incorporated in Queensland, Australia on 21 June 1989 and has its registered office at Level 8, Waterfront Place, 1 Eagle Street, Brisbane QLD 4000.
- (c) EBG is listed on the ASX.
- (d) As at the date of the Implementation Deed, EBG has 49,767,770 EBG Shares on issue.

2.2 SEQ

- (a) SEQ is a proprietary company limited by shares under section 112(1) of the Corporations Act.
- (b) EBG was incorporated in New South Wales, Australia on 27 September 2024 and has its registered office at William Buck, Level 7, 3 Horwood Place, Parramatta NSW 2150.

2.3 Implementation Deed

SEQ and EBG have agreed, by executing the Implementation Deed, to implement the terms of the Scheme and to perform their respective obligations under the Scheme.

2.4 Deed Poll

SEQ has executed the Deed Poll in favour of the Scheme Participants pursuant to which SEQ has covenanted to perform its obligations under the Scheme, including to provide to each Scheme Participant the Scheme Consideration to which the Scheme Participant is entitled under the Scheme, and to carry out its other obligations under the Implementation Deed and do all things necessary or expedient on its part to implement the Scheme.

2.5 Effect of the Scheme

Subject to clauses 3.1, 3.5, 3.6 and 3.7, if the Scheme becomes Effective then:



- (a) SEQ will provide to each Scheme Participant the Scheme Consideration in accordance with the terms of the Scheme and the Deed Poll;
- (b) subject to SEQ's compliance with its obligations in clause 2.5(a), all of the Scheme Shares and all of the rights and entitlements attached to them as at the Implementation Date will be transferred to SEQ; and
- (c) EBG will enter the name and address of SEQ in the EBG Register as the holder of the Scheme Shares transferred to SEQ in accordance with the terms of the Scheme.

3. Conditions

3.1 Conditions of the Scheme

The Scheme is conditional upon:

- (a) all of the conditions precedent set out in clause 3.1 of the Implementation Deed (other than the condition precedent relating to the approval of the Court set out in clause 3.1(b) of the Implementation Deed) having been satisfied or waived in accordance with the terms of the Implementation Deed as at the Delivery Time on the Second Court Date;
- (b) as at the Delivery Time on the Second Court Date, neither the Implementation Deed nor the Deed Poll having been terminated in accordance with their terms;
- (c) the Court having approved the Scheme pursuant to section 411(4)(b) of the Corporations Act, without modification or with modifications made or required by the Court under section 411(6) of the Corporations Act which are acceptable to both EBG and SEQ;
- (d) such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to the Scheme as are acceptable to EBG and SEQ have been satisfied; and
- (e) the orders of the Court made under section 411(4)(b) (and, if applicable, section 411(6)) of the Corporations Act approving the Scheme come into effect, pursuant to section 411(10) of the Corporations Act.

3.2 Effect of conditions

The fulfilment of the conditions in clause 3.1 is a condition precedent to the operation of the provisions of clauses 4, 5, 6, and 7 of this deed.

3.3 Certificate

EBG and SEQ will each provide to the Court on the Second Court Date a certificate signed by at least one of its respective directors (or such other evidence as the Court may request) stating (to the best of its knowledge) whether or not all the conditions precedent in clauses 3.1(a) and 3.1(b) of this Scheme (inclusive) have been satisfied or waived in accordance with the terms of the Implementation Deed as at the Delivery Time on the Second Court Date.

3.4 Conclusive evidence

The giving of a certificate by each of EBG and SEQ in accordance with clause 3.3 will, in the absence of manifest error, be conclusive evidence of the matters referred to in the certificate.



3.5 Termination of Implementation Deed

Without limiting any rights under the Implementation Deed, if the Implementation Deed is terminated in accordance with its terms before the Delivery Time on the Second Court Date, or the Effective Date has not occurred before the End Date, EBG and SEQ are each released from:

- (a) any further obligation to take steps to implement the Scheme; and
- (b) any liability with respect to the Scheme,

provided that EBG and SEQ retain the rights they have against each other in respect of any prior breach of the Implementation Deed.

3.6 Effective Date

Subject to clause 3.7, the Scheme will take effect on the Effective Date.

3.7 End Date

The Scheme will lapse and be of no further force or effect if:

- (a) the Effective Date has not occurred on or before the End Date; or
- (b) the Implementation Deed or the Deed Poll is terminated in accordance with its terms, unless SEQ and EBG otherwise agree in writing.

4. Implementation of the Scheme

4.1 Lodgement of Court order

Following the approval of the Scheme by the Court in accordance with section 411(4)(b) of the Corporations Act, EBG will, as soon as possible, lodge with ASIC an office copy of the Scheme Order in accordance with section 411(10) of the Corporations Act.

4.2 Transfer of Scheme Shares

On the Implementation Date, in consideration of and subject to the provision by SEQ of the Scheme Consideration in the manner contemplated in clause 5.2, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, will be transferred to SEQ without the need for any further acts by any Scheme Participant (other than acts performed by EBG or any of its directors and officers as attorney and agent for the Scheme Participants under clause 7.2) by EBG effecting a valid transfer or transfers of the Scheme Shares to SEQ under section 1074D of the Corporations Act or, if that procedure is not available for any reason, by:

- (a) EBG delivering to SEQ for execution duly completed Scheme Transfers to transfer all of the Scheme Shares to SEQ, duly executed by EBG (or any of its directors and officers) as attorney and agent for each of the Scheme Participants as transferor under clause 7.2; and
- (b) SEQ duly executing the Scheme Transfers as transferee and delivering them back to EBG for registration.

4.3 Transfer documentation

As soon as practicable after receipt by EBG of the Scheme Transfers duly executed by SEQ as transferee pursuant to clause 4.2(b), but, subject to stamping of the Scheme Transfer (if

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necessary), in any event on the Implementation Date, EBG must register SEQ in the EBG Register as the holder of all of the Scheme Shares.

4.4 Provision of Scheme Consideration

In consideration for, and prior to, the transfer to SEQ of each of the Scheme Shares, SEQ must pay into the Trust Account an amount equal to the aggregate amount of the Scheme Consideration payable to Scheme Participants, in accordance with clause 6.1.

4.5 Beneficial entitlement by SEQ

From the time of the provision of the Scheme Consideration to the Scheme Participants in accordance with clause 4.4, SEQ will be beneficially entitled to the Scheme Shares (together with all rights and entitlements attached to the Scheme Shares as at the Implementation Date) to be transferred to it under the Scheme pending the registration of SEQ in the EBG Register as the holder of the Scheme Shares.

4.6 Enforcement of Deed Poll

EBG undertakes in favour of each Scheme Participant to enforce the Deed Poll against SEQ on behalf of and as agent for the Scheme Participants.

5. Scheme Consideration

5.1 Entitlement to Scheme Consideration

- (a) Subject to clauses 5.2 and 5.3, the Scheme Consideration, in respect of a Scheme Participant, means A\$1.62 per Scheme Share for which a Scheme Participant is registered in the EBG Register as the holder as at the Scheme Record Date.
- (b) On the Implementation Date, in consideration of the transfer to SEQ of the Scheme Shares, each Scheme Participant will be entitled to receive the Scheme Consideration in respect of each of their Scheme Shares in accordance with, and subject to the terms of this Scheme and the Deed Poll.

5.2 Fractional entitlements

If the number of Scheme Shares held by a Scheme Participant as at the Scheme Record Date is such that the aggregate entitlement of that Scheme Participant to Scheme Consideration includes a fractional entitlement to a cent in cash, then the entitlement of that Scheme Participant must be rounded up or down with:

- (a) any fractional entitlement of less than 0.5 being rounded down to the nearest whole number of cents; and
- (b) any fractional entitlement of 0.5 or more being rounded up to the nearest whole number of cents.

5.3 Shareholding splitting or division

If SEQ is of the opinion (acting reasonably) that two or more Scheme Participants (each of whom holds a number of Scheme Shares that results in rounding in accordance with clause 5.2) have, before the Scheme Record Date, been party to shareholding splitting or division in an attempt to obtain unfair advantage by reference to such rounding, SEQ may give notice to those Scheme Participants:

- (a) setting out their names (as shown in the EBG Register) and Registered Addresses;
- (b) stating that opinion; and

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- (c) attributing to one of them specifically identified in the notice the Scheme Shares held by all of them,

and, after such notice has been given, the Scheme Participant specifically identified in the notice as the deemed holder of all the specified Scheme Shares will, for the purposes of the other provisions of the Scheme, be taken to hold all of those Scheme Shares and each of the other Scheme Participants whose names and Registered Addresses are set out in the notice will, for the purposes of the other provisions of the Scheme, be taken to hold no Scheme Shares. SEQ, in complying with the other provisions of the Scheme relating to it in respect of the Scheme Participant 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 Participants named in the notice under the terms of the Scheme.

6. Provision of Scheme Consideration

6.1 Payment of Scheme Consideration

- (a) SEQ must, no later than the Business Day before the Implementation Date, deposit in cleared funds into the Trust Account an amount equal to the aggregate amount of the Scheme Consideration payable to the Scheme Participants, such amount to be held by EBG or the EBG Registry (as applicable) on trust for the Scheme Participants and for the purpose of sending the aggregate amount of the Scheme Consideration to the Scheme Participants (except that any interest on the amount will be for the account of SEQ).
- (b) On the Implementation Date and subject to funds having been deposited in accordance with clause 6.1(a), EBG must pay or procure the payment of the Scheme Consideration to each Scheme Participant from the Trust Account by either (in the sole discretion of EBG):
- (1) despatching, or procuring the despatch, to that Scheme Participant of a pre-printed cheque in the name of that Scheme Participant and for the relevant amount (denominated in A\$) drawn on the Trust Account, with such despatch to be made by pre-paid post to that Scheme Participant's Registered Address (as at the Scheme Record Date); or
 - (2) making, or procuring the making of, a deposit for the relevant amount (denominated in A\$) in a account with any Australian authorised deposit-taking institution notified by that Scheme Participant to EBG and recorded in or for the purposes of the EBG Register as at the Scheme Record Date.
- (c) To the extent that, following satisfaction of EBG's obligations under clause 6.1(b), there is any remaining amount held in the Trust Account, EBG must pay, or procure the payment of, that amount promptly to SEQ.

6.2 Joint holders

In the case of Scheme Shares held in joint names, any cheque required to be paid to Scheme Participants will be payable to the joint holders and will be forwarded to the holder whose name appears first in the EBG Register as at the Scheme Record Date.

6.3 Foreign resident capital gains withholdings

- (a) If SEQ determines, having regard to professional advice, that SEQ is required by law to withhold any amount from a payment to a Scheme Participant or is liable to pay an amount to the Commissioner of Taxation under Subdivision 14-D of Schedule 1 to the *Taxation Administration Act 1953* (Cth) (**Subdivision 14-D**) in respect of the acquisition of Scheme Shares from a Scheme Participant (the **Relevant Amount**), then SEQ shall be entitled to withhold an amount, in Australian dollars, equal to the amount of the Relevant Amount from the amount otherwise required to be paid into the



Trust Account under clause 6.1(a) (**Withholding Amount**) and payment of the reduced amount (being the Scheme Consideration less the Withholding Amount) by SEQ into the Trust Account in accordance with clause 6.1(a) or by EBG to the relevant Scheme Participant in accordance with clause 6.1(b), will constitute the full discharge of each of SEQ's and EBG's obligations under clause 6.1 with respect to the payment of the Scheme Consideration to the relevant Scheme Participant, subject to SEQ paying the Withholding Amount to the relevant taxation authority and providing evidence of the payment in accordance with clause 6.3(b).

- (b) SEQ must pay any Withholding Amount so withheld to the relevant taxation authority in accordance with and in the time required by law, and, if requested in writing by the relevant Scheme Participant provide a receipt or other appropriate evidence (or procure the provision of such receipt or other evidence) of such payment to the relevant Scheme Participant.
- (c) SEQ shall not pay any amounts to the Commissioner of Taxation under clause 6.3(a) with respect to a Scheme Participant where it receives an entity declaration from the Scheme participant prior to the Implementation Date, where:
- (1) the entity declaration is made in accordance with the requirements in section 14-225 of Subdivision 14-D and covers the Implementation Date (**Entity Declaration**); and
 - (2) SEQ does not know that the Entity Declaration is false.
- (d) If SEQ forms the view that it has knowledge that an Entity Declaration it has received is false, and SEQ received the Entity Declaration more than 30 days before the Implementation Date, SEQ shall not pay any amounts to the Commissioner of Taxation in respect of that Scheme Participant until it has:
- (1) provided information upon which it relied on to form that view to the Scheme Participant who has provided that Entity Declaration no less than 20 days before the Implementation Date;
 - (2) provided the Scheme Participant by notice in writing the opportunity to review the information provided to it and respond with their views no less than 10 days before the Implementation Date; and
 - (3) reviewed any responses from the Scheme Participant and, after having reconsidered its view, still be of the view that it has knowledge that the Entity Declaration it has received is false.
- (a) SEQ will notify EBG in writing in the event that it contacts any Scheme Participant in connection with the application of Subdivision 14-D to this Scheme.
- (e) EBG and SEQ shall consult in good faith as to the application of Subdivision 14-D and agree to take all actions that they agree (each acting reasonably) are necessary or desirable following that consultation which may include, without limitation, making amendments to the Implementation Deed, this Scheme or the Deed Poll to ensure that relevant representations are obtained from Scheme Participants.

6.4 Unclaimed monies

- (b) EBG may cancel a cheque issued under this clause 6 if the cheque:
- (1) is returned to EBG; or
 - (2) has not been presented for payment within six months after the date on which the cheque was sent.



- (c) During the period of 12 months commencing on the Implementation Date, on request in writing from a Scheme Participant to EBG (or the EBG Registry) (which request may not be made until the date which is 20 Business Days after the Implementation Date), EBG must reissue a cheque that was previously cancelled under this clause 6.4.
- (d) The *Public Trustee Act 1978* (Qld) will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 98 of the *Public Trustee Act 1978* (Qld)).
- (e) Any interest or other benefit accruing from the unclaimed Scheme Consideration will be to the benefit of SEQ.

6.5 Orders of a court or Government Body

If written notice is given to EBG (or the EBG Registry) or SEQ of an order or direction made by a court of competent jurisdiction or by another Government Body that:

- (a) 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 Participant, which would otherwise be payable or required to be issued to that Scheme Participant by EBG in accordance with this clause 6, then EBG shall be entitled to procure that provision of that consideration is made in accordance with that order or direction; or
- (b) prevents EBG from providing consideration to any particular Scheme Participant in accordance with this clause 6, or the payment or issuance of such consideration is otherwise prohibited by applicable law, EBG shall be entitled to retain an amount, in Australian dollars, equal to the number of Scheme Shares held by that Scheme Participant multiplied by the Scheme Consideration until such time as the provision of the Scheme Consideration in accordance with this clause 6 is permitted by that (or another) order or direction or otherwise by law.

7. Scheme Participants

7.1 Agreements and consents

Each Scheme Participant:

- (a) irrevocably agrees to the transfer of their Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares as at the Implementation Date, to SEQ in accordance with the terms of the Scheme;
- (b) irrevocably agrees to the variation, cancellation or modification of the rights attached to their EBG Shares constituted by or resulting from this Scheme;
- (c) acknowledges and irrevocably agrees that this Scheme binds EBG and all Scheme Participants (including those who do not attend the Scheme Meeting and those who do not vote, or vote against this Scheme, at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of EBG; and
- (d) irrevocably consents to EBG and SEQ doing all things and executing all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the terms of the Scheme and the transactions contemplated by it,

without the need for any further act by that Scheme Participant.



7.2 Authority given to EBG for implementation of the Scheme

Each Scheme Participant will be deemed (without the need for any further act) to have irrevocably appointed EBG (and each of its directors and officers, jointly and severally) as the Scheme Participant's attorney and agent to do and execute all acts, matters, things and documents on the part of each Scheme Participant necessary to implement and give full effect to this Scheme and the transactions contemplated by it, including (without limitation):

- (a) executing any document necessary or expedient to give effect to the Scheme (including executing a Scheme Transfer and any instrument appointing SEQ as sole proxy for or, where applicable, corporate representative of each Scheme Participant as contemplated by clause 7.3);
- (b) where Scheme Shares are held in a CHESS holding, causing a message to be transmitted to ASX Settlement in accordance with the ASX Operating Rules to transfer the Scheme Shares held by the Scheme Participant from the CHESS sub-register to the issuer sponsored sub-register operated by EBG and subsequently completing a proper instrument of transfer under paragraph (a) above; and
- (c) any other act necessary or desirable to give full effect to the Scheme and the transactions contemplated by it.

7.3 Appointment of SEQ as attorney for Scheme Shares

Upon the Scheme Consideration being paid by SEQ, each Scheme Participant:

- (a) is deemed to have appointed SEQ as attorney and agent (and directed SEQ in such capacity) to appoint any director, officer, secretary or agent nominated by of SEQ as its sole proxy and, where applicable, corporate representative, to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution, and no Scheme Participant may itself attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to this clause 7.3(a));
- (b) must take all other actions in the capacity of a registered holder of Scheme Shares as SEQ reasonably directs; and
- (c) acknowledges and agrees that in exercising the powers referred to in clause 7.3(a), SEQ and any director, officer, secretary or agent nominated by SEQ under clause 7.3(a) may act in the best interests of SEQ as the intended registered holder of the Scheme Shares.

7.4 Warranties by Scheme Participants

Each Scheme Participant is deemed to have warranted to EBG, in its own right and for the benefit of SEQ, that:

- (a) all of their Scheme Shares (including any rights and entitlements attaching to those shares) which are transferred to SEQ under the Scheme will be transferred to SEQ free from all mortgages, pledges, charges, liens, encumbrances and security interests (including 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and other interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind; and
- (b) they have full power and capacity to sell and transfer their Scheme Shares to SEQ (including any rights and entitlements attaching to those shares as at the Implementation Date).

EBG undertakes that it will provide the warranties in this clause 7.4 to SEQ as agent and attorney of each Scheme Participant.



7.5 Title to Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares as at the Implementation Date) transferred under this Scheme to SEQ will, at the time of transfer of them to SEQ, vest in SEQ free from all mortgages, charges, liens, encumbrances, pledges, security interests (including 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and other interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind.
- (b) Immediately upon the provision of the Scheme Consideration to each Scheme Participant in the manner contemplated by clause 6, SEQ will be beneficially entitled to the Scheme Shares transferred to it under the Scheme pending registration by EBG of the name and address of SEQ in the EBG Register as the holder of the Scheme Shares.

8. Dealings in EBG Shares

8.1 Determination of Scheme Participants

For the purpose of establishing the persons who are Scheme Participants, dealings in Scheme Shares will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESSE, the transferee is registered in EBG Register as the holder of the relevant Scheme Shares at the Scheme Record Date; and
- (b) in all other cases, registrable transmission applications or transfers in registrable form in respect of those dealings are received by the EBG Registry by 5:00pm on the day which is the Scheme Record Date (in which case EBG must register such transfers or transmission applications before 7:00pm on that day),

and EBG will not accept for registration, nor recognise for the purpose of establishing the persons who are Scheme Participants, any transfer or transmission application in respect of EBG Shares received after such times, or received prior to such times but not in registrable form.

8.2 No disposals after Scheme Record Date

If the Scheme becomes Effective, a holder of EBG Shares (and any person claiming through that holder) must not dispose of or purport or agree to dispose of any EBG Shares or any interest in them after the Scheme Record Date otherwise than pursuant to this Scheme, and any such disposal will be void and of no legal effect whatsoever.

8.3 Maintenance of EBG Register

- (a) For the purpose of determining entitlements to the Scheme Consideration, EBG will, until the Scheme Consideration has been provided, maintain the EBG Register in accordance with the provisions of this clause 8.3 and the EBG Register in this form will solely determine entitlements to the Scheme Consideration.
- (b) All certificates and holding statements for Scheme Shares (other than holding statements in favour of SEQ and its successors in title after the Implementation Date) will cease to have any effect from the Scheme Record Date as documents of title in respect of those Scheme Shares. Subject to provision of the Scheme Consideration by SEQ and registration of the transfer to SEQ of the Scheme Shares contemplated by this deed, after the Scheme Record Date, each entry current at that date on EBG Register relating to Scheme Shares will cease to be of any effect other than as evidence of entitlement to the Scheme Consideration in respect of the Scheme Shares relating to that entry.



8.4 Information to be made available to SEQ

EBG will procure that, as soon as reasonably practicable after the Scheme Record Date, and in any event by 5.00pm on the first Business Day after the Scheme Record Date, details of the names, Registered Addresses and holdings of Scheme Shares of every Scheme Participant as shown in EBG Register as at the Scheme Record Date are made available to SEQ in such form as SEQ reasonably requires.

8.5 Suspension and Termination of Quotation of EBG Shares

- (a) EBG must apply to ASX for suspension of trading of the EBG Shares on ASX with effect from the close of business on the Effective Date.
- (b) On a date after the Implementation Date to be determined by SEQ, EBG must apply to ASX for termination of official quotation of the EBG Shares on ASX and the removal of EBG from the official list of ASX.

9. Notices

9.1 General

Any notice, transfer, transmission, application, direction, demand, consent or other communication (**Notice**) given or made under this document must be in writing in English and signed by the sender or a person duly authorised by the sender.

9.2 Communications by post

Subject to clause 9.3, where a Notice referred to in this document is sent by post to EBG, it will not be deemed to have been received in the ordinary course of post or on a date other than the date (if any) on which it is actually received at EBG's registered office or at EBG Registry.

9.3 After hours communications

If a Notice is given:

- (a) after 5.00 pm in the place of receipt; or
- (b) on a day which is a Saturday, Sunday or bank or public holiday in the place of receipt,

it is taken as having been given at 9.00am on the next day which is not a Saturday, Sunday or bank or public holiday in that place.

10. General

10.1 EBG and Scheme Participants bound

The Scheme binds EBG and all Scheme Participants (including Scheme Participants who do not attend the Scheme Meeting, do not vote at that meeting or vote against the Scheme) and will, for all purposes, to the extent of any inconsistencies and permitted by law, have effect notwithstanding any provision in the constitution of EBG.

10.2 Further assurances

- (a) Subject to clause 10.3, EBG will execute all documents and do all acts and things (on its own behalf and on behalf of each EBG Shareholder) necessary or expedient for the implementation of, and performance of its obligations under, the Scheme.
- (b) Without limiting EBG's other powers under the Scheme, EBG has power to do all things that it considers necessary or desirable to give effect to the Scheme and the Implementation Deed

For personal use only



10.3 Alterations and conditions

EBG may, with the consent of SEQ, by its counsel consent on behalf of all Scheme Participants to any modifications or conditions which the Court thinks fit to impose, provided that in no circumstances will EBG be obliged to do so.

10.4 GST

EBG must pay to the Scheme Participants an amount equal to any GST for which the Scheme Participants are liable on any supply by the Scheme Participants under or in connection with the Scheme Shares, without deduction or set off of any other amount.

10.5 Costs

Any costs, and any stamp duty and any related fines, interest or penalties, which are payable on or in respect of this document or on any document referred to in this document will be paid as provided for in the Implementation Deed. For the avoidance of doubt, Scheme Participants do not have to pay any stamp duty, related fines, interest or penalties which are payable on or in respect of this document or any document referred to in this document.

10.6 Governing law and jurisdiction

- (a) This document is governed by and is to be construed in accordance with the laws applicable in Queensland.
- (b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Queensland and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

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Schedule 4 - Notice of Scheme Meeting

Notice of Scheme Meeting

Notice is given that, by an order of the Federal Court of Australia (**Court**) made on 19 December 2024 pursuant to section 411(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), a meeting of the holders of ordinary shares in Eumundi Group Limited (**Eumundi**) will be held at on 31 January 2025 commencing at 10:00am (AEST) at Level 7, Waterfront Place, 1 Eagle Street, Brisbane Queensland.

PURPOSE OF THE SCHEME MEETING

To consider and, if thought fit, pass the following resolution agreeing to a scheme of arrangement (**Scheme**) (with or without modification) proposed to be made between Eumundi and the holders of shares in Eumundi as at the Record Date pursuant to Part 5.1 of the Corporations Act.

A copy of the Scheme and a copy of the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme are contained in the Scheme Booklet of which this notice forms part.

RESOLUTION

The meeting will be asked to consider and, if thought fit, to pass (with or without amendment) the following resolution:

*“THAT, pursuant to and in accordance with section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement (**Scheme**) proposed to be entered into between Eumundi and the holders of its fully paid ordinary shares, as contained in and more particularly described in the booklet of which the notice convening this meeting forms part, is agreed to (with or without modification as approved by the Federal Court of Australia (**Court**) to which Eumundi and SEQ agree) and FURTHER that, the directors of Eumundi are authorised to agree to such alterations or conditions as are thought fit by the Court and, subject to approval of the Scheme by the Court, the directors of Eumundi are authorised to implement the Scheme with any such alterations or conditions”.*

CHAIRPERSON

The Court has appointed Mr Murray Boyte, or failing him, Nicole Radice, to be the chairperson of the Scheme Meeting (**Chairperson**) and to report the result of the Scheme Meeting to the Court.

Dated: 20 December 2024

The Board of Directors

Eumundi Group Limited

Notes to the Notice of Scheme Meeting

Terminology

Capitalised terms used in this Notice but not defined in it have the same meaning as set out in section 10 of the Scheme Booklet, unless the context requires otherwise.

Required voting majority

In accordance with section 411(4)(a)(ii) of the Corporations Act, the resolution to approve the Scheme must be passed at the Scheme Meeting by:

- unless the Court orders otherwise, a majority in number of Eumundi Shareholders present and voting (either in person or by proxy, attorney, or, in the case of bodies corporate, body corporate representative) at the Scheme Meeting; and
- at least 75% of the votes cast on the resolution.

The Court has a discretion under section 411(4)(a)(ii)(A) of the Corporations Act to approve the Scheme if it is approved by at least 75% of the votes cast on the resolution, but not by a majority in number of Eumundi Shareholders present and voting at the Scheme Meeting.

Court Approval

In accordance with section 411(4)(b) of the Corporations Act, the Scheme (with or without modification) is subject to the approval of the Court. If the resolution put to the Scheme Meeting is passed by the Requisite Majority and the other Scheme Conditions Precedent to the Scheme (other than approval by the Court) are satisfied or waived by the time required under the Scheme, Eumundi intends to apply to the Court for the necessary orders to give effect to the Scheme.

Entitlement to vote

Under section 411 of the Corporations Act and all other enabling powers, the Court has determined that the time for determining eligibility to vote at the Scheme Meeting is 7:00pm (Sydney time) on 29 January 2025. Only those Eumundi Shareholders entered on the Register at that time will be entitled to attend and vote at the Scheme Meeting. The remaining comments in these explanatory notes are addressed to Eumundi Shareholders entitled to attend and vote at the Scheme Meeting.

How to vote

Voting will be on a poll. You may vote at the Scheme Meeting by:

- (a) attending and voting in person;
- (b) appointing one or two proxies to attend and vote on your behalf, using the Proxy Form that accompanied this Scheme Booklet;
- (c) appointing an attorney to attend and vote on your behalf, using a power of attorney; or
- (d) in the case of a body corporate, appointing a body corporate representative to attend and vote on your behalf, using a certificate of appointment of body corporate representative.

Participation in, and voting at, the Scheme Meeting in person

To vote in person, you must attend the meeting.

Eumundi Shareholders who are eligible and wish to attend and vote at the meeting in person will be admitted and given a voting card at the point of entry to the Scheme Meeting, once they have disclosed their name and address.

Voting by proxies and representatives

You may appoint not more than two proxies. Your proxy need not be another Eumundi Shareholder. Each proxy will have the right to vote on the poll and also to speak at the Scheme Meeting.

To appoint a proxy, you should complete and return the Proxy Form that accompanied the Scheme Booklet in accordance with the instructions on that form. You must deliver the signed and completed Proxy Form to the Eumundi Share Registry by 10:00am (AEST) on 29 January 2025 (or, if the Scheme Meeting is adjourned or postponed, no later than 48 hours before the resumption of the Scheme Meeting in relation to the resumed part of the meeting) in any of the following ways:

(a) **Online:**

Use your computer or smartphone to appoint a proxy at

www.investorvote.com.au

(b) **By mail:**

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

(c) **By facsimile:**

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia

Proxy Forms received after this time will be invalid.

If a Proxy Form is completed under power of attorney or other authority, the power of attorney or other authority, or a certified copy of the power of attorney or other authority, must accompany the completed proxy form unless the power of attorney or other authority has previously been noted by the Eumundi Share Registry.

A vote given in accordance with the terms of a proxy appointment is valid despite the revocation of that appointment, unless notice in writing of the revocation has been received by the Eumundi Share Registry at least 48 hours before the start of the Scheme Meeting (or, if the Scheme Meeting is adjourned or postponed, at least 48 hours before the resumption of the Scheme Meeting in relation to the resumed part of the meeting, or any lesser time that the Eumundi Directors or Chairperson of the Scheme Meeting decide) in any of the ways above.

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the

percentage of votes or number of securities for each in Step 1 of the Proxy Form. If you hold Eumundi Shares jointly with one or more other persons, all securityholders must sign the Proxy Form.

You should consider how you wish your proxy to vote. That is, whether you want your proxy to vote 'for' or 'against', or abstain from voting on, the resolution, or whether to leave the decision to the proxy after he, she or they has considered the matters discussed at the meeting.

If you do not direct your proxy how to vote on an item of business, the proxy may vote, or abstain from voting, as he or she thinks fit. If you instruct your proxy to abstain from voting on an item of business, he, she or they is directed not to vote on your behalf, and the shares the subject of the proxy appointment will not be counted in computing the required majority.

If you return your Proxy Form:

- without identifying a proxy on it, you will be taken to have appointed the Chairperson of the Scheme Meeting as your proxy to vote on your behalf; or
- with a proxy identified on it but your proxy does not attend the meeting, the Chairperson of the Scheme Meeting will act in place of your nominated proxy and vote in accordance with any directions on your Proxy Form.

The Chairperson of the Scheme Meeting intends to vote all available valid undirected proxies in favour of the resolution, in the absence of a Superior Proposal.

Proxies of Eumundi Shareholders will be admitted to the Scheme Meeting and given a voting card on providing at the point of entry to the meeting written evidence of their name and address.

Your appointment of a proxy does not preclude you from attending in person, revoking the proxy and voting at the Scheme Meeting.

Voting by attorney

You may appoint not more than two attorneys to attend and vote at the Scheme Meeting on your behalf. Your attorney need not be another Eumundi Shareholder. Each attorney will have the right to vote on the poll and also to speak at the Scheme Meeting.

The power of attorney appointing your attorney to attend and vote at the Scheme Meeting must be duly executed by you and specify your name, the company (that is, Eumundi), and the attorney, and also specify the meetings at which the appointment may be used. The appointment may be a standing one.

The power of attorney, or a certified copy of the power of attorney, should be lodged with the Share Registry before 10:00am (AEST) on 29 January 2025 (or, if the Scheme Meeting is adjourned or postponed, no later than 48 hours before the resumption of the meeting in relation to the resumed part of the meeting) in any of the following ways:

(a) **By mail:**

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

(b) **By facsimile:**

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia

Attorneys of Eumundi Shareholders will be admitted to the meeting and given a voting card on providing at the point of entry to the Scheme Meeting, written evidence of their appointment, their name and address, and the name of their appointors.

If you appoint two attorneys, each attorney should be appointed to represent a specified proportion of your voting rights. If you do not specify the proportions in the power of attorney, each attorney may exercise half of your votes with any fractions of votes disregarded.

Your appointment of an attorney does not preclude you from attending in person and voting at the Scheme Meeting.

Voting by corporate representative

If you are a body corporate, you may appoint an individual to act as your body corporate representative. The appointment must comply with the requirements of section 250D of the Corporations Act, meaning that Eumundi will require a certificate of appointment of body corporate representative to be executed by you in accordance with the Corporations Act. A form of certificate may be obtained from the Eumundi Share Registry by calling 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

The certificate of appointment may set out restrictions on the representative's powers. The certificate should be lodged with the Eumundi Share Registry before the Scheme Meeting (or, if the Scheme Meeting is adjourned or postponed, before the resumption of the meeting in relation to the resumed part of the meeting) in any of the following ways:

(a) **By mail:**

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

(b) **By facsimile:**

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia

Alternatively, the certificate can be brought to the meeting (or, if the Scheme Meeting is adjourned or postponed, the resumed meeting).

If a certificate is completed under power of attorney or other authority, the power of attorney or other authority, or a certified copy of the power of attorney or other authority, must accompany the completed certificate unless the power of attorney or other authority has previously been noted by the Eumundi Share Registry.

Body corporate representatives of Eumundi Shareholders will be admitted to the meeting and given a voting card on providing at the point of entry to the meeting, written evidence of their appointment, their name and address and the name of their appointors.

Questions about voting at the Scheme Meeting

Eumundi Shareholders should contact the Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia), with any queries regarding the number of Eumundi Shares held, how to vote at the Scheme Meeting, or how to vote by proxy.

Jointly held securities

If you hold shares jointly with one or more other persons, only one of you may vote. If more than one of you attempts to vote, only the vote of the holder whose name first appears on the Register will be counted.

Any inquiries in relation to the resolution or the Scheme Booklet should be directed to the Company Secretary, Duncan Cornish, by email to dcornish@corpservices.com.au or call (07) 3212 6299 for callers within Australia or +61 7 3212 6299 for callers outside Australia from Monday to Friday between 8:30am to 5:00pm (Brisbane time).

Eumundi Group Limited

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EUMUNDI GROUP

Eumundi Group Limited

ABN 30 010 947 476

EBG

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AEST) Wednesday, 29 January 2025.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Eumundi Group Limited hereby appoint

the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Scheme Meeting of Eumundi Group Limited to be held at HopgoodGanim Lawyers, Level 7, Waterfront Place, 1 Eagle Street, Brisbane Qld 4000 on Friday, 31 January 2025 at 10:00am (AEST) and at any adjournment or postponement of that meeting.

Step 2 Item of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

RESOLUTION

For Against Abstain

The meeting will be asked to consider and, if thought fit, to pass (with or without amendment) the following resolution:

"THAT, pursuant to and in accordance with section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement (Scheme) proposed to be entered into between Eumundi and the holders of its fully paid ordinary shares, as contained in and more particularly described in the booklet of which the notice convening this meeting forms part, is agreed to (with or without modification as approved by the Federal Court of Australia (Court) to which Eumundi and SEQ agree) and FURTHER that, the directors of Eumundi are authorised to agree to such alterations or conditions as are thought fit by the Court and, subject to approval of the Scheme by the Court, the directors of Eumundi are authorised to implement the Scheme with any such alterations or conditions".

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Date

Update your communication details (Optional)

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

Mobile Number

Email Address





EUMUNDI GROUP

Corporate Directory

Eumundi Group Limited	c/- HopgoodGanim Lawyers Level 8, Waterfront Place 1 Eagle Street Brisbane QLD 4000
Financial Adviser	Taylor Collison Limited Level 10, 151 Macquarie Street Sydney NSW 2000
Legal Adviser	HopgoodGanim Lawyers Level 8, Waterfront Place 1 Eagle Street Brisbane QLD 4000
Independent Expert	BDO Corporate Finance Ltd Level 10 12 Creek Street Brisbane QLD 4000
Share Registry	Computershare Investor Services Pty Limited Level 1, 200 Mary Street Brisbane QLD 4000
Website	https://eumundigroup.com.au/

EUMUNDI GROUP LIMITED

161 Cotlew Street
Ashmore QLD 4214