

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Ritchie Bros. Auctioneers Incorporated (“**RBA**”)
9500 Glenlyon Parkway
Burnaby, British Columbia
V5J 0C6

Item 2 Date of Material Change

November 7, 2022

Item 3 News Release

A news release was issued and disseminated through the facilities of a newswire service and filed on the System for Electronic Document Analysis and Retrieval (www.sedar.com) on November 7, 2022.

Item 4 Summary of Material Change

On November 7, 2022, RBA announced that it had entered into an Agreement and Plan of Merger and Reorganization (the “**Merger Agreement**”) pursuant to which it will acquire IAA Inc. (“**IAA**”) in a stock and cash transaction valued at approximately US\$7.3 billion, including the assumption of approximately US\$1.0 billion in debt. Under the terms of the Merger Agreement, IAA stockholders will receive US\$10.00 in cash and 0.5804 shares of RBA common shares for each share of IAA common stock they own. Upon completion of the Mergers (as described below), RBA stockholders will own approximately 59% of the common shares of the combined company and IAA stockholders will own approximately 41%. As of the date of this report, the transaction is expected to close in the first half of 2023, subject to the satisfaction or waiver of certain conditions as described more fully below.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

On November 7, 2022, RBA announced that it had entered into the Merger Agreement with Ritchie Bros. Holdings Inc., a Washington corporation and a direct and indirect wholly owned subsidiary of RBA (“**US Holdings**”), Impala Merger Sub I, LLC, a Delaware limited liability company and a direct wholly owned subsidiary of US Holdings (“**Merger Sub 1**”), Impala Merger Sub II, LLC, a Delaware limited liability company and a direct wholly owned subsidiary of US Holdings (“**Merger Sub 2**”), and IAA, a Delaware corporation, providing for RBA’s acquisition of IAA for total consideration as of the date hereof of approximately US\$7.3 billion, including the assumption of approximately US\$1.0 billion in debt. Upon the terms and subject to the conditions set forth in the Merger Agreement, (i) Merger Sub 1 will be merged with and into IAA (the “**First Merger**”), with IAA surviving as an indirect wholly owned subsidiary of RBA and a direct wholly owned subsidiary of

US Holdings (the “**Surviving Corporation**”) and (ii) immediately following the consummation of the First Merger, the Surviving Corporation will be merged with and into Merger Sub 2 (together with the First Merger, the “**Mergers**”), with Merger Sub 2 surviving as a direct wholly owned subsidiary of US Holdings.

Subject to the terms and conditions of the Merger Agreement, each share of IAA common stock, par value \$0.01 per share (“**IAA Common Stock**”), issued and outstanding immediately prior to the effective time of the First Merger (the “**Effective Time**”) (excluding any shares of IAA Common Stock held by IAA as treasury stock, owned by RBA, US Holdings, Merger Sub 1 and Merger Sub 2 immediately prior to the Effective Time, or owned by stockholders of IAA who have validly demanded and not withdrawn appraisal rights in accordance with Section 262 of the Delaware General Corporation Law) will be converted automatically into the right to receive: (A) 0.5804 of a common share, without par value, of RBA (“**RBA Common Shares**”) and (B) US\$10.00 in cash, without interest (together, the “**Merger Consideration**”). In addition, subject to the terms and conditions of the Merger Agreement, at the Effective Time, all outstanding IAA equity awards (other than those that vest in accordance with their terms upon the First Merger) will be assumed by RBA. Upon completion of the Mergers, RBA stockholders will own approximately 59% of the common shares of the combined company and IAA stockholders will own approximately 41%.

Each party has agreed to call a meeting of its stockholders to consider (i) in the case of RBA, the approval of the issuance of the RBA Common Shares by the affirmative vote of a majority of the votes cast by holders of the outstanding RBA Common Shares (the “**RBA Shareholder Approval**”), and (ii) in the case of IAA, the adoption of the Merger Agreement by the holders of a majority of the outstanding shares of IAA Common Stock (the “**IAA Stockholder Approval**”). The closing of the Mergers is subject to the satisfaction or waiver of certain conditions including, among other things, (a) the RBA Shareholder Approval, (b) the IAA Stockholder Approval, (c) certain approvals, clearances and/or expirations of waiting periods under applicable antitrust laws, (d) a registration statement on Form S-4 to be filed by RBA being declared effective by the Securities and Exchange Commission (the “**SEC**”), (e) the approval for listing by the NYSE and TSX of the RBA Common Shares to be issued in the First Merger, (f) subject to certain materiality exceptions, the accuracy of the representations and warranties of each of RBA and IAA contained in the Merger Agreement and the compliance by each party with the covenants contained in the Merger Agreement, (g) the absence of a material adverse effect with respect to each of RBA (with respect to IAA’s obligations) and IAA (with respect to RBA’s obligations), and (h) other customary closing conditions. As of the date of this report, the transaction is expected to close in the first half of 2023, subject to the satisfaction or waiver of these conditions.

The Merger Agreement contains customary representations, warranties and covenants made by each of RBA, US Holdings, Merger Sub 1, Merger Sub 2 and IAA, including, among others, covenants by each of RBA and IAA to conduct their respective businesses in the ordinary course in all material respects between the date of signing of the Merger Agreement and the closing of the Mergers and prohibiting the parties from engaging in certain kinds of activities during such period without the consent of the other party.

Each of RBA and IAA has agreed to customary non-solicitation covenants that prohibit them from soliciting competing proposals or entering into discussions or negotiations or providing confidential information in connection with certain proposals for an alternative transaction. These non-solicitation provisions allow RBA and IAA, under certain circumstances and in compliance with certain obligations under the Merger Agreement, to provide non-public information to, and enter into discussions or negotiations with, third parties in response to an unsolicited competing proposal. Under the terms of the Merger Agreement, each of the board of directors of RBA and IAA may change its recommendation to stockholders regarding the Mergers in response to an unsolicited competing proposal that such board determines is more favorable to RBA or IAA stockholders, respectively, than the Mergers, or another intervening event as specified in the Merger Agreement, if such board of directors determines that the failure to take such action would be inconsistent with the directors' fiduciary duties under applicable law.

The Merger Agreement contains customary termination rights for RBA and IAA, including if (i) the RBA Shareholder Approval or the IAA Stockholder Approval is not obtained, (ii) the Mergers are not consummated by August 7, 2023, as such date may be extended under the terms of the Merger Agreement, or (iii) any law, order, decree, ruling or judgment permanently prohibits completion of the Mergers. The Merger Agreement also provides certain termination rights for the benefit of each party, including (A) if the other party's board of directors changes its recommendation to stockholders in relation to the Mergers, (B) for a breach of any representation, warranty, covenant or agreement made by the other party under the Merger Agreement (subject to certain procedures and materiality exceptions), and (C) to enter into a definitive agreement with respect to a superior proposal under certain circumstances and in compliance with certain obligations under the Merger Agreement. If the Merger Agreement is terminated under certain circumstances, RBA or IAA, as applicable, would be required to pay the other a termination fee of US\$189 million.

The Merger Agreement provides that, as of immediately following the Effective Time, the board of directors of RBA will consist of twelve members, of whom (i) eight directors will be designated by RBA, which designees will consist of: Erik Olsson, who will continue as Chair of the RBA board of directors; Ann Fandozzi, who will continue as the Chief Executive Officer of RBA; and six existing directors of RBA who are independent under the rules and regulations of the NYSE and applicable Canadian securities laws as designated by RBA; and (ii) four directors of IAA, three of whom are independent under the rules and regulations of the NYSE and applicable Canadian securities laws, as designated by IAA.

In connection with the proposed Mergers, on November 7, 2022, RBA entered into (i) a commitment letter (the "**Commitment Letter**") with Goldman Sachs Bank USA ("**GS Bank**"), Bank of America, N.A. ("**BANA**"), BofA Securities, Inc. (or any of its designated affiliates, "**BofA Securities**", and, together with BANA, "**BofA**"), Royal Bank of Canada ("**Royal Bank**"), and RBC Capital Markets, LLC ("**RBCCM**", and, together with Royal Bank through such of its affiliates and branches as it deems appropriate, "**RBC**", and, together with GS Bank and BofA, each, an "**Initial Lender**", and collectively, the "**Initial Lenders**"), pursuant to which the Initial Lenders are committing to provide (a) a backstop senior secured revolving credit facility in an aggregate principal amount of up to US\$750 million and (b) a senior unsecured 364-day bridge loan facility in an aggregate principal amount of up to

US\$2.8 billion (the “**Bridge Loan Facility**”) and (ii) an engagement letter with GS Bank, BofA Securities and RBCCM (collectively, the “**Investment Banks**”), pursuant to which the Investment Banks may agree, subject to the terms and conditions set forth in such engagement letter, to serve as lead arrangers and bookrunners in connection with an amendment to RBA’s existing credit facility, a Term Loan A facility, a Term Loan B facility and/or any other loan facilities, credit facilities, commercial bank financings or other bank or institutional facilities, or lead placement agents for, or lead underwriters or initial purchasers of, any senior notes and any and all secured or unsecured debt, equity or equity-linked securities of RBA or any of its subsidiaries issued to finance the proposed Mergers or refinance any amounts borrowed under the Bridge Loan Facility.

Additional Information

The foregoing description of the Merger Agreement and the Mergers does not purport to be complete and is qualified in its entirety by reference to the full text of the Merger Agreement. The foregoing description of the Commitment Letter does not purport to be complete and is qualified in its entirety by reference to the full text of the Commitment Letter. Copies of the Merger Agreement and Commitment Letter are available on the Company’s SEDAR profile.

The Merger Agreement contains representations, warranties, covenants and agreements, which were made only for purposes of such agreement and as of specified dates. The representations and warranties in the Merger Agreement reflect negotiations between the parties to the Merger Agreement and are not intended as statements of fact to be relied upon by RBA’s stockholders. In particular, the representations, warranties, covenants and agreements in the Merger Agreement may be subject to limitations agreed by the parties, including having been modified or qualified by certain confidential disclosures that were made between the parties in connection with the negotiation of the Merger Agreement, and having been made for purposes of allocating risk among the parties rather than establishing matters of fact. In addition, the parties may apply standards of materiality in a way that is different from what may be viewed as material by investors. As such, the representations and warranties in the Merger Agreement may not describe the actual state of affairs at the date they were made or at any other time and you should not rely on them as statements of fact. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the Merger Agreement, and unless required by applicable law, RBA undertakes no obligation to update such information.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

For more information, please contact:

Darren Watt
Corporate Secretary
Tel: (778) 331-5500

Item 9 Date of Report

November 7, 2022

Forward-Looking Statements

*This report contains information relating to a proposed business combination transaction between RBA and IAA. This report includes forward-looking information within the meaning of Canadian securities legislation and forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act (collectively, “**forward-looking statements**”). Forward-looking statements may include statements relating to future events and anticipated results of operations, business strategies, the anticipated benefits of the proposed transaction, the anticipated impact of the proposed transaction on the combined company’s business and future financial and operating results, the expected amount and timing of synergies from the proposed transaction, the anticipated closing date for the proposed transaction, other aspects of RBA’s or IAA’s respective businesses, operations, financial condition or operating results and other statements that are not historical facts. There can be no assurance that the proposed transaction will in fact be consummated. These forward-looking statements generally can be identified by phrases such as “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “predicts,” “potential,” “continue,” “foresees,” “forecasts,” “estimates” or other words or phrases of similar import.*

It is uncertain whether any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what impact they will have on the results of operations and financial condition of the combined companies or the price of RBA Common Shares or IAA Common Stock. Therefore, you should not place undue reliance on any such statements and caution must be exercised in relying on forward-looking statements. These forward-looking statements involve certain risks and uncertainties, many of which are beyond the parties’ control, that could cause actual results to differ materially from those indicated in such forward-looking statements, including but not limited to: the possibility that shareholders of RBA may not approve the issuance of new RBA Common Shares in the transaction or that stockholders of IAA may not approve the adoption of the Merger Agreement; the risk that a condition to closing of the proposed transaction may not be satisfied (or waived), that either party may terminate the merger agreement or that the closing of the proposed transaction might be delayed or not occur at all; the anticipated tax treatment of the proposed transaction; potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement or completion of the proposed transaction; the diversion of management time on transaction-related issues; the response of competitors to the proposed transaction; the ultimate difficulty, timing, cost and results of integrating the operations of RBA and IAA; the effects of the business combination of RBA and IAA, including the combined company’s future financial condition, results of operations, strategy and plans; the failure (or delay) to receive the required regulatory approval of the transaction; the fact that operating costs and business disruption may be greater than expected following the public announcement or consummation of the proposed transaction; the effect of the announcement, pendency or consummation of the proposed transaction on the

trading price of RBA Common Shares or IAA Common Stock; the ability of RBA and/or IAA to retain and hire key personnel and employees; the significant costs associated with the proposed transaction; the outcome of any legal proceedings that could be instituted against RBA, IAA and/or others relating to the proposed transaction; restrictions during the pendency of the proposed transaction that may impact the ability of RBA and/or IAA to pursue non-ordinary course transactions, including certain business opportunities or strategic transactions; the ability of the combined company to realize anticipated synergies in the timeframe expected or at all; changes in capital markets and the ability of the combined company to finance operations in the manner expected; legislative, regulatory and economic developments affecting the business of RBA and IAA; general economic and market developments and conditions; the evolving legal, regulatory and tax regimes under which RBA and IAA operates; unpredictability and severity of catastrophic events, including, but not limited to, pandemics, acts of terrorism or outbreak of war or hostilities, as well as RBA's or IAA's response to any of the aforementioned factors. These risks, as well as other risks related to the proposed transaction, will be included in the registration statement on Form S-4 and joint proxy statement/prospectus that will be filed with the SEC and applicable Canadian securities regulatory authorities in connection with the proposed transaction. While the list of factors presented here is, and the list of factors to be presented in the registration statement on Form S-4 are, considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties.

For additional information about other factors that could cause actual results to differ materially from those described in the forward-looking statements, please refer to RBA's and IAA's respective periodic reports and other filings with the SEC and/or applicable Canadian securities regulatory authorities, including the risk factors identified in RBA's most recent Quarterly Reports on Form 10-Q and Annual Report on Form 10-K and IAA's most recent Quarterly Reports on Form 10-Q and Annual Report on Form 10-K. The forward-looking statements included in this report are made only as of the date hereof. RBA undertakes no obligation to update any forward-looking statements to reflect actual results, new information, future events, changes in its expectations or other circumstances that exist after the date as of which the forward-looking statements were made, except as required by law.