



29 April 2020

Market Announcements Office
ASX Limited

UPDATE ON PROGRESS OF SALE OF AHG REFRIGERATED LOGISTICS

A.P. Eagers Limited (ASX:APE) (“AP Eagers”) refers to its ASX announcement of 27 February 2020 in relation to it reaching agreement to sell Automotive Holdings Group Limited’s (“AHG”, a subsidiary of AP Eagers) Refrigerated Logistics division (“Refrigerated Logistics”), to Anchorage Capital Partners (“Anchorage”), a Sydney-based private equity firm. Refrigerated Logistics comprises all of the transport and warehousing operations, and associated employees, of Rand, Harris, Scott’s and JAT.

Following broader market impacts as a result of COVID-19, AP Eagers and Anchorage have agreed a number of steps to facilitate completion of the transaction, including Anchorage waiving certain conditions precedent and the parties agreeing to adjust the cash proceeds that AP Eagers would receive on completion (to \$75m¹).

Completion of the transaction is now expected to occur on 30 June 2020 and is not subject to any outstanding conditions precedent that are within Anchorage’s control.

These steps allow AP Eagers to meet its objective to divest the Refrigerated Logistics division as soon as commercially possible at a reasonable price, and provide greater certainty about timing of the divestment.

AP Eagers maintains that Anchorage is the ideal owner for the Refrigerated Logistics business and believes the business will have a positive future under its new owner.

Luminis Partners and UBS are joint financial advisers to AP Eagers and AHG on the transaction, with Ashurst acting as legal adviser.

ENDS

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Authorised for release by the Board.

¹ Remains subject to adjustment for debt-like items and depending on the level of working capital and cash on completion and capital expenditure in the period prior to completion and any deferrals.