

SG Fleet Successfully Completes Acquisition of LeasePlan Australia and New Zealand

1 September 2021

SG Fleet Group Limited ("SG Fleet" / "the Company" / ASX: SGF) announces the successful completion of its acquisition of the Australian (**LeasePlan Australia**) and New Zealand (**LeasePlan New Zealand**) businesses (together, **LeasePlan ANZ**) from LeasePlan Corporation N.V. (**LeasePlan**) for a cash consideration of \$273 million and a 13% equity interest in SG Fleet (**Consideration Shares**), as announced on Wednesday, 31 March 2021 (**Acquisition**).¹

Ongoing strategic arrangements

In accordance with the terms of the Acquisition, the parties today entered into a Transitional Service Agreement in relation to the operational separation of the LeasePlan ANZ businesses from LeasePlan after completion. Integration planning is in an advanced stage. Under an International Alliance Agreement that will also operate from today, SG Fleet and LeasePlan will provide international customer and business opportunities referrals, product know-how and innovation sharing to each other. LeasePlan has also nominated its CEO and Chairman, Tex Gunning, to join SG Fleet's Board.

Lease Portfolio Refinance and Completion Payments

SG Fleet has also today successfully completed the refinancing of the combined lease portfolio. The proceeds will be used to repay the existing LeasePlan ANZ securitisation and corporate debt facilities. Pre-completion profits and surplus cash on the LeasePlan ANZ balance sheet, and capital invested in the LeasePlan ANZ lease portfolio will be released to LeasePlan.

Transformational Acquisition

Robbie Blau, CEO of SG Fleet, said that the combined team was very excited to start taking full advantage of the potential created by joining forces with a highly respected industry peer. Mr Blau also welcomed Tex Gunning to the Company's Board. "It has been a pleasure to work with Tex and Spiro, and their teams, to bring together these two great businesses. I look forward to Tex's contributions as a Director as we embark on a truly transformational journey for SG Fleet," he said.

¹ After taking into account the shares that were issued as part of the Entitlement Offer announced on 1 April 2021 and 28 April 2021. See pages 17 to 19 of the Investor Presentation announced on 31 March 2021 for more details, including the escrow restrictions on this scrip consideration and for further detail about the payments made by SG Fleet to LeasePlan Corporation in connection with the Acquisition. This figure excludes the pre-completion profits and surplus cash on LeasePlan ANZ balance sheet and the amounts released to LeasePlan Corporation by refinancing capital invested in the LeasePlan lease portfolio through a new securitisation warehouse after completion of the Acquisition (which have a floor value of \$207 million).

LeasePlan CEO and Chairman, Tex Gunning, commented: "Today, LeasePlan and SG Fleet have created a true leasing powerhouse in Australia and New Zealand. Together, the combined business will be in an even stronger position to lead the subscription megatrend and provide compelling products and services to its customers in the region. We are very proud of the businesses we have built up in Australia and New Zealand and I would like to thank everyone for their contributions over the years. I look forward to working with the team at SG Fleet to take the business to the next level."

LeasePlan ANZ Managing Director Spiro Haralambopoulos said: "By joining forces with SG Fleet, we have an incredible opportunity to grow our combined business and deliver a comprehensive suite of products and services and best-in-class service to our customers across the region."

This announcement was approved for release by Tawanda Mutengwa, Company Secretary of SG Fleet.

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