

**30 July 2018**

**Speirs Group Limited – Partial Sale of Its Shareholding in Speirs Foods Limited**

Speirs Group Limited is pleased to announce that it has entered into a conditional Heads of Agreement to sell 33% of the operating business of Speirs Foods Limited to interests associated with the General Manager of Speirs Foods (Ross Kane).

As part of this process, the majority of the existing Speirs Foods Limited business excluding land and buildings, will be transferred into a newly established Limited Partnership called Speirs Foods LP which will be the operating entity. 100% of the land and buildings will be retained within the Speirs group of companies and be leased to the new Speirs Foods LP.

Speirs will receive an upfront cash payment with the balance paid progressively over a three year period. The deferred balance will be collaterally secured and will be subject to interest payments at market rates.

As part of the agreement, Ross Kane has agreed to continue to provide general management services to Speirs Foods.

Chair of Speirs Group Derek Walker said “the proposed arrangement is a win-win for both parties and will provide the leadership and incentives to continue the strong performance and development of Speirs Foods that has occurred under Ross’s leadership.”

The Heads of Agreement contains a number of conditions which are expected to be fulfilled over the coming weeks. A further announcement will be made advising shareholders when the conditions have been met or, should the conditions not be met, providing a further update of the status of the proposed transaction.

Speirs Group Limited is a company based in the Manawatu/Rangitikei area and is primarily involved in fresh food production (through Speirs Foods Limited) and as a minority shareholder in Equipment, Leasing and Finance Holdings Limited. Speirs Foods Limited manufactures and supplies fresh foods, mainly fresh salads, to supermarkets and the food service industry across New Zealand.

**For further information please contact:**

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