

14 March 2014

SUCCESSFUL PARTNERING WITH MAUI CAPITAL

On 11 December 2013 Speirs Group Limited (“SGL”) advised shareholders (by way of a Prebreak Announcement) that it was intending to partner, as a minority partner, with a New Zealand domiciled investor to create a new asset backed finance business together. The business will fund motor vehicles and commercial plant that is to be acquired by small to medium sized New Zealand businesses and consumers. The announcement on 11 December 2013 contains the full detail of the transaction.

SGL is pleased to advise that the transaction is now complete and that SGL’s senior partner in the venture is Maui Capital, one of New Zealand’s pre-eminent private equity firms.

An extract from Maui Capital’s advice to its investors reads:

“We are very pleased to announce a new investment into Vantage Finance. This investment will provide a new industry platform in the growing area of asset financing of plant, equipment and vehicles to medium-sized enterprises (SMEs). This is a sector we have been following for some time. Vantage Finance is the culmination of several months of negotiation and represents the closure of two separate deals that will be combined into a single investment.

Vantage is focused on business-to-business lending for plant, equipment and vehicles. Its focus is on medium-sized asset finance to the SME market. Vantage has been created by the acquisition, from Speirs Group Limited, of the securitisation and business structure of the former Speirs Finance business. The structure comes intact with skilled staff, securitisation and lending IT platforms and an initial broker network which is now being rapidly expanded. Phil Herbert is leading this part of the business and comes from a long and successful career in many finance organisations where he has led sale programmes, completed turnarounds and helped set up successful businesses. His roles, amongst others have included working at such companies as UDC, Fleet Partners and TR Group. The business recently opened for lending upon Phil’s assumption of the role and has already completed its first \$2 million of loans.

A further Vantage acquisition has been agreed, and is expected to complete on or around March 31st. We believe that, at this point of the economic cycle, Vantage provides an attractive investment proposition and a strong base from which to evolve a more diversified finance business.”

As a result of this transaction SGL will recognise a profit of approximately \$900,000 in the first quarter of the 2014 calendar year. Although this gain was noted in SGL’s financial reports for the six months ended 31 December 2013 as a post balance date event, no income was recognised in that period as the transaction was not completed until after 31 December 2013.

Speirs Group Limited is an NZAX listed company based in the Manawatu/Rangitikei area and is primarily involved in fresh food production and nationwide distribution (through Speirs Foods Limited, a wholly owned subsidiary) and as a minority partner in Vantage. Speirs Foods Limited manufactures and distributes fresh foods, mainly fresh salads, to supermarkets and the food service industry across New Zealand.

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