

TERMINATION OF SCHEME IMPLEMENTATION AGREEMENT

Silver Chef Limited (**Silver Chef**) (ASX: SIV) advises that the Scheme Implementation Agreement with Next Capital (**SIA**) was terminated effective from 5.00pm (AEST) on 31 August 2019.

As a consequence, the General Meeting and Scheme Meetings originally scheduled to be held on 6 September 2019 are cancelled.

Continuing right to break fee

There is no break fee payable to Next Capital upon termination of the SIA. However, a continuing obligation to pay the break fee exists and will be triggered if a third party announces a "Competing Transaction" (as defined in section 1.1 of the SIA) on or before 15 November 2019 and that third party (and/or its associates) completes a Competing Transaction, or alternatively acquires a relevant interest in more than 50% of Silver Chef shares, on or before 14 November 2020.

Negotiation with financiers

Under the existing waivers from financiers, termination of the SIA will trigger a "waiver review event". Accordingly, Silver Chef must negotiate with its financiers for 30 days to determine the effect that termination of the SIA will have on Silver Chef and its ability to comply with its obligations under the finance facilities. Following negotiations, the financiers may notify the Company that it wishes to cancel the facilities, in which case all amounts owing will need to be immediately repaid. If this occurs, there is significant uncertainty that Silver Chef will continue as a going concern and it may be required to realise assets at amounts different to their carrying amounts and settle liabilities other than in the ordinary course of business.

Silver Chef intends to engage with Blue Stamp Company in relation to its recapitalisation proposal and will keep shareholders updated on negotiations with financiers as required.

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About Silver Chef

Silver Chef was established in 1986 to help businesses fund their equipment needs through the Rent-Try-Buy® Solution. This keeps their options open and preserves their cash to grow their business.

Silver Chef Limited is an Australian Securities Exchange-listed company (ASX Code: SIV) focused on rentals of commercial equipment to small-to-medium enterprise. The Company has operations in Australia, New Zealand and Canada.