

1 May 2023

The QUBE logo is displayed in a bold, yellow, sans-serif font against a dark grey rectangular background.

ASX Announcement

QUBE HOLDINGS LIMITED
ABN 14 149 723 053

Level 27, 45 Clarence Street
Sydney NSW 2000

T: +61 2 9080 1900
F: +61 2 9080 1999

QUBE CONTINUES ITS DIVERSIFICATION AND GROWTH STRATEGY WITH TWO NEW ACQUISITIONS.

qube.com.au

- **Qube enters the New Zealand container logistics market with a 50% stake in Pinnacle Corporation**
- **Qube acquires Australian bulk logistics provider Kalari Proprietary Limited, deepening exposure to the Queensland and South Australian resource markets and unlocking new opportunities**

Qube Holdings Limited (ASX: QUB) today announced it has acquired a 50 per cent stake in New Zealand's [Pinnacle Corporation Limited \(Pinnacle\)](#) and 100 per cent of Kalari Proprietary Limited (**Kalari**) in Australia, further delivering on its strategy for diversification by geography and market.

Pinnacle Corporation

Qube has acquired a 50 per cent stake in Pinnacle, a New Zealand owned and operated group of companies. Pinnacle operates both port-based and stand-alone facilities in nine locations throughout New Zealand under its wholly owned Specialised Group and MetroBox brands.

Pinnacle provides customers with a range of services including container storage and handling (empty container parks), refrigerated container maintenance and repair, container transport and warehousing, predominantly for Tier 1 global customers.

Qube Managing Director, Paul Digney, said the transaction will provide Qube with a unique opportunity to gain an initial exposure to the New Zealand container logistics market, with significant longer term organic growth opportunities.

"I am very pleased that Qube has acquired a 50 per cent share in this very well-regarded and established player in New Zealand's freight and logistics sector, with a high performing and quality workforce.

"This joint venture is consistent with our strategy for growth and geographic diversification within Qube's core strategic focus, and builds on Qube's existing port logistics presence throughout New Zealand, under the ISO brand."

Pinnacle Managing Director, Grant Tregurtha, said the joint venture is a significant and exciting opportunity that will result in a strong and dynamic presence in the New Zealand market.

“The combination of strengths from both companies will better serve customers, promote innovation and provide greater opportunities for future growth and expansion.

“We look forward to the future and the many possibilities this will bring.”

Kalari

Qube also announced that it has acquired Kalari Proprietary Limited from Swire Investments (Australia) Ltd. This acquisition will enhance Qube’s existing resources logistics offering.

Kalari is a leading logistics provider to the Australian mining and resources industry, specialising in on road and remote bulk haulage through a fleet of predominantly performance based standards (PBS) vehicles, materials handling and supply chain optimisation.

Kalari currently services a range of Tier 1 customers with significant mining operations, predominantly across Queensland and South Australia.

Mr Digney said Kalari’s operations are complementary with Qube’s existing bulk mine to market and mine resupply operations and the acquisition offers a number of synergies, as well as an opportunity for Qube to strengthen the Kalari offering through its rail and port infrastructure.

“Kalari is a natural fit for our business, providing us with an excellent opportunity to expand our inbound mine resupply services, and opening new markets and regions for Qube, including in future focused critical minerals.

“For over 45 years, Kalari has established and maintained a strong customer base and built a high performing team with a strong culture and similar values to Qube. I am delighted to welcome this trusted and respected team in the mining services industry to the Qube family,” Mr Digney said.

Kalari Managing Director, Peter O’Shannessy, said he was confident Kalari’s track record of success would continue under Qube’s ownership.

“I am very pleased for our people and our customers that we’ve been able to reach an agreement for Qube to acquire Kalari and I am confident that the business will make a significant contribution to the ongoing success of Qube.”

The initial focus will be to work with the management team to ensure the same high level of service continues for Kalari’s valued customers and to progress new opportunities.

Financial Impact

The total consideration for both transactions is expected to be in the order of \$145 million AUD (subject to a small number of post completion adjustments typical for transactions of this nature) and will be funded through Qube’s existing undrawn debt facilities in Australia and New Zealand.

The acquisitions are expected to meet Qube’s financial hurdles including delivering a Return on Average Capital Employed (ROACE) of at least 10.0% and be Earnings Per Share Pre-Amortisation (EPSA) accretive, in each case on a full year underlying basis.

About Pinnacle

Pinnacle Corporation owns the Specialised Group, which has both port-based and stand-alone Depot facilities in ten locations across New Zealand, providing shipping container structural survey, maintenance and repair services, as well as empty container storage and handling.

With its broad geographic network and purpose-built facilities, Specialised Container Services is ideally equipped to service all customer demands, while remaining flexible enough to deal with volume related peaks and troughs. In addition, this structure has the advantage of a nationwide quality control system, which ensures customers enjoy a consistency of service throughout the country. The business has 300 highly skilled employees, based out of eleven Depot facilities throughout New Zealand.

Following a recent transaction, Pinnacle acquired all of MetroBox - a shipping container Depot facility, based at four locations nationwide. Metrobox had previously been a joint venture between Specialised and CODA (joint venture between Port of Tauranga and Kotahi).

Pinnacle Corporation works closely with shipping lines, major exporters and KiwiRail to ensure that the part it plays in the container logistics is meeting the needs of the shipping industry.

About Kalari

Kalari has been hauling and handling bulk commodities across Australia for 45 years. Trusted by mining operators, chemical producers and dangerous goods manufacturers across Australia to deliver the smartest and safest solutions.

Kalari is an industry leader in high-productivity vehicle innovation delivering high payloads via a large fleet of specialised multi-combination Performance Based Standards bulk handling vehicles.

With a vast geographical footprint covering hundreds of mining and industrial sites across the country, Kalari is a specialist in bulk remote haulage including servicing difficult in-mine haulage, road maintenance and run-of-mine materials handling.

Kalari have expertise in the management and control of storage and handling of dangerous goods and bulk commodities with licenses to transport, store and handle every type of product.

From clean energy and renewables, to vital commodities and processed minerals, Kalari presents innovative solutions for bulk logistics from manufacturer to mine, pit to port and mine to market.

Authorised for release by:

Paul Digney
Managing Director, Qube Holdings Limited

Further enquiries:

Media:
Ben Pratt
Director, Corporate Affairs
ben.pratt@qube.com.au
+61 419 968 734

Analysts/Investors:
Paul Lewis
Group Investor Relations
paul.lewis@qube.com.au
+61 2 9080 1903