

26 October 2020

ADMINISTRATION UPDATE

Entry into sale transaction for Designworks and Yarra Trail

The PAS Group Limited (ASX: PGR) (Subject to Deed of Company Arrangement) announces that it has entered into binding documentation for the sale of its Designworks and Yarra Trail businesses (**First Transaction**).

The details of the First Transaction are:

- Acquirer for Designworks: Designworks International Pty Ltd
- Acquirer for Yarra Trail: Yarra Trail International Pty Ltd
- Targeted completion date: On or before 24 December 2020

The First Transaction represents a sale of the Designworks and Yarra Trail businesses and the majority of their assets. The First Transaction ensures the continued employment for a majority of current employees of the businesses, who will be offered ongoing roles on the same or no lesser terms by the Acquirers. The First Transaction is subject to the satisfaction of certain conditions, which are expected to be satisfied.

The net proceeds of the First Transaction will be applied in accordance with the terms of the Deeds of Company Arrangement for The PAS Group Limited (Subject to Deed of Company Arrangement) and its wholly owned Australian subsidiaries.

Entry into sale transaction for The PAS Group Limited

The PAS Group Limited (ASX: PGR) (Subject to Deed of Company Arrangement) announces that it has entered into binding documentation for, amongst other things, the possible sale of the shares in The PAS Group Limited (Subject to Deed of Company Arrangement) (**Second Transaction**).

The details of the Second Transaction are:

- Acquirer: PAS Group International Pty Ltd
- Targeted completion date: On or before 31 January 2021

The Second Transaction represents the potential sale of the remainder of The PAS Group as a whole. The Second Transaction is conditional upon a number of matters, including the completion of the First Transaction and the approval of the Federal Court of Australia for the sale of the shares in The PAS Group Limited (Subject to Deed of Company Arrangement) pursuant to section 444GA of the *Corporations Act 2001* (Cth).

The net proceeds of the Second Transaction will be applied in accordance with the terms of the Deeds of Company Arrangement for The PAS Group Limited (Subject to Deed of Company Arrangement) and its wholly owned Australian subsidiaries.

The sale price payable on completion of each Transaction (together, the **Transactions**) is expected to produce returns to creditors which exceed the estimated 'high case' liquidation return to creditors set out in section 2.8 of the 7 August 2020 Voluntary Administrators' report (but will not satisfy creditor claims in full).

As creditors will not be able to be repaid in full from the proceeds of sale from the Transactions, there is no expected return to shareholders arising from the Transactions.

The Deed Administrators will continue to update the ASX as appropriate.

This announcement has been approved for release by the Deed Administrators.

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For further information, please contact:

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