



Sapex Group Limited  
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NSX RELEASE

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## SUBSTANTIAL COMPLETION OF ACQUISITION

SAPEX Group Limited (NSX:SAA) (**Company** or **SAA**) is pleased to advise that it has substantially completed the acquisition of the PT SAS Dura-Base® Mat Rental Services business in Indonesia (**Acquisition**) from PT SAS International (**PT SAS**), subject only to the issue of US\$2.0m worth of fully paid ordinary shares in SAA to PT SAS and the Company obtaining shareholder approval to issue those shares.

The material terms of the Acquisition remain the same as advised in the announcement dated 22 February 2018:

- the payment of US\$6.425 million in cash; and
- the issue of US\$2.0 million equivalent of SAA fully paid ordinary shares at an issue price which is the closing share price for SAA shares on the date of completion of the Acquisition. 80% of these shares will be subject to voluntary escrow for 12 months, with 20% subject to 6 months voluntary escrow.

As advised in the announcement dated 3 August 2018, the Company and PT SAS later executed a variation to the Asset Purchase Agreement in which PT SAS agreed to a partial settlement and extension of financial close date in return for an initial payment of US\$1.4m.

As previously announced on 13 June 2018, the Acquisition is partially financed through the raising of AUD\$12m by way of a Convertible Note issue (**Facility**). Further, the Acquisition is partially financed by a loan entered into between the Company, Athos Asia Event Driven Master Fund (**Athos**), Sapex Oilfield Services Ltd and PT Sapex Services Indonesia, in which Athos has advanced a maximum of USD\$3 million to the Company (**Advance**). Accordingly, the Company has drawn down on that Facility and used the Advance to settle the US\$5.025m cash balance for the Acquisition.

The issue of US\$2.0m equivalent of SAA fully paid ordinary shares is subject to shareholder approval and a Notice of General Meeting containing the resolution will be despatched to shareholders in due course.

The transaction brings significant value and scale to SAA, increasing its mat inventory and earnings capacity, allowing it to meet demand from its existing network of users across the Oil & Gas and other industries in Indonesia.

Board of Directors.  
Sapex Group Limited

For further information please contact:  
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