



MERCER GROUP LIMITED
NZX Release

2nd July 2018

Market update

Banking Facilities

Mercer Group is pleased to announce that it has refinanced its banking facilities with BNZ through to September 2019.

Mercer Stainless

Mercer Stainless will generate positive EBITDA for the financial year to 30th June 2018, despite having a slower second half of the financial year. The outlook for the business for the 2019 financial year is good based on good workflows today and an adequate sales pipeline.

Haden & Custance:

As previously advised, H&C did not meet expectations in the 2018 financial year. We remain optimistic for the future of the business based on its core capability set, its excellent reputation with customers in the ANZ and US regions and the growing demand for automation amongst its customer base.

We have reduced the cost base of the business but continue to invest in the US market as we diversify the offering into the red meat sector. The core business in the cheese converting industry remains solid. In the ANZ region we continue to re-engage with historical customers and are seeing increasing quoting levels and workflows.

S-Clave

Following a number of delays in the production of the S-Clave tool, we now have it completed and are running final tests. We continue to target having an S-Clave unit operating in a hospital in the 2018 calendar year.

Edendale

Discussions with the various parties involved in the Edendale silo collapse are continuing.

A blue ink signature of Richard Rookes, consisting of a series of connected loops and a long horizontal stroke at the end.

Richard Rookes
CEO

A blue ink signature of John Dennehy, featuring a large, stylized initial 'J' followed by several loops and a horizontal stroke.

John Dennehy
Chairman