



NSX RELEASE

3 MAY 2023

ACQUISITION OF DW SULLIVAN WINDOWS

Australia Sunny Glass Group Limited (**ASGG** or **Company**) (NSX: AG1) is pleased to announce that it has executed a binding term sheet to acquire a 100% interest in Sullivan Facades, a specialist provider of windows, cladding and curtain wall solutions for Australia's top tier builders in Melbourne, Victoria, through the acquisition of 100% of the issued capital of DW Sullivan Windows Pty Ltd (**Sullivans**). The transformational acquisition includes a robust projects pipeline and custom manufacturing and supply capabilities from the Sullivans' factory in Melbourne's West.

The acquisition, which is consistent with the Company's focus on securing large-scale commercial glass supply projects, will allow AG1 to pursue its growth objectives such as expansion plans in its primary markets of New South Wales and Victoria as well as complement and strengthen its project capabilities and integrated glass supply solutions.

Acquisition terms

The acquisition of Sullivans from its shareholders (**Vendors**) will be funded through the issue of AG1 shares and two separate cash payments.

In part consideration for the acquisition, AG1 will pay the Vendors A\$150,000 as an upfront cash consideration, in accordance with the terms of the binding term sheet (**Upfront Payment**). An additional payment of A\$150,000 to the Vendors will occur one year after completion, in accordance with the terms of the transaction (**Final Payment**). The cash payments will be made to the Vendors on a pro rata basis.

Subject to shareholder approval, the Company will issue 13,333,333 fully paid ordinary shares at a deemed issue price of A\$0.30 per share pro-rata to the Vendors to complete the acquisition.

In addition, the completion of the acquisition will be subject to conditions precedent, including:

- the Company obtaining all necessary change of control consents and any required third-party consents, shareholder or regulatory approvals; and
- other conditions customary for a transaction of this nature.

A notice of meeting containing further details of the acquisition will be circulated to shareholders later in the week.

Other material terms

AG1 has agreed to provide a working capital injection of A\$3 million to Sullivans, to be paid in quarterly instalments of not less than A\$375,000 per instalment, commencing on the last day of the financial quarter in which completion occurs or as otherwise agreed by the parties.

Additionally, Sullivans has the right to appoint a representative to the Company's Board in accordance with the terms of the acquisition.

ACN 632 790 660

82 Belmont Avenue, Rivervale, Western Australia 6159

Email: security.asgg@sunnyglass.com.au

Phone: +61 8 9277 9197

Indicative timetable and capital structure

The following indicative timetable sets out expected dates for the acquisition and general meeting:

Event	Date
Notice of General Meeting despatched to shareholders and lodged with NSX	Friday, 5 May 2023
Anticipated date for the General Meeting	Monday, 5 June 2023
Anticipated date for the completion of the Sullivans acquisition – issue of Consideration Shares and lodgement of Application for Quotation	Monday, 3 July 2023
Lodgement of Cleansing Prospectus in respect of the Consideration Shares	Monday, 3 July 2023

The above dates are indicative only and may be subject to change.

The anticipated effect of the acquisition on AG1's issued share capital is detailed below:

Element	Number of Shares	%
Existing Shares	96,298,169	87.84
Consideration Shares ¹	13,333,333	12.16
Total	109,631,502	100

¹The issue of Consideration Shares is subject to shareholder approval.

Management comment

Managing Director of AG1, Mr Sunny Chi, said the acquisition of Sullivans marked the start of an exciting chapter for the Company.

“The growth potential of the combined group is supported by a highly experienced team at Sullivans, existing infrastructure and a healthy projects pipeline. In addition, a Sullivans representative will join us on the Board and further details will be provided in the notice of general meeting.

The Board believes that the acquisition will enhance the profile of the group and facilitate improved access to equity capital and other fundraising opportunities and enable the group to support and progress its growth objectives.

Our small but capable team is looking forward to working with Sullivans and the expansion of our operational capability in Victoria.”

Authorised by:

The Board of Directors
Australia Sunny Glass Group Limited

Investor Inquiries

Australia Sunny Glass Group Limited
+61 8 9277 9197
security.asgg@sunnyglass.com.au