

Fifth Supplementary Bidder's Statement

In relation to the Recommended Cash Offer

by

Downer EDI Services Pty Ltd

ACN 137 732 042

a wholly-owned subsidiary of

Downer EDI Limited

ACN 003 872 848

to purchase all of your ordinary shares in

Spotless Group Holdings Limited

ACN 154 229 562

For each Spotless Share you will receive

\$1.15 Cash

This is an important document and requires your immediate attention. If you are in doubt as to how to deal with this document you should consult your financial or other professional adviser.

Offer Information Line

For information regarding your Spotless Shares, the Offer or how to accept the Offer please read the Bidder's Statement. If you still need assistance please contact the Downer Offer Information Line on:

For Australian callers: 1300 048 144

For international callers: +61 3 9415 4662

IMPORTANT INFORMATION

This document is the fifth supplementary bidder's statement (**Fifth Supplement**) to the bidder's statement dated 21 March 2017 (**Original Bidder's Statement**) made under section 643 of the *Corporations Act 2001* (Cth) (the **Corporations Act**).

The Fifth Supplement is issued by Downer EDI Services Pty Ltd (**Downer Services**), a wholly-owned subsidiary of Downer EDI Limited ACN 003 872 848 (**Downer**) in relation to the offers dated 12 April 2017 made under its off-market takeover bid by Downer Services to acquire all of the ordinary shares in Spotless Group Holdings Limited ACN 154 229 562 (**Spotless**) that it does not already own (**Offer**).

This document supplements, and must be read together with, the replacement bidder's statement dated 10 April 2017 (**Replacement Bidder's Statement**) which replaced the Original Bidder's Statement, the first supplementary bidder's statement dated 10 April 2017 (**First Supplement**), the second supplementary bidder's statement dated 3 May 2017 (**Second Supplement**), the third supplementary bidder's statement dated 19 June 2017 (**Third Supplement**) and the fourth supplementary bidder's statement dated 11 July 2017 (**Fourth Supplement**). In this Fifth Supplement, all references to the Bidder's Statement are references to the Replacement Bidder's Statement (as amended by the Second Supplement, the Third Supplement, the Fourth Supplement and the notices of extension dated 22 May 2017, 2 June 2017, 27 June 2017 and 11 July 2017). This Fifth Supplement prevails to the extent of any inconsistency with the Bidder's Statement, the First Supplement, the Second Supplement, the Third Supplement and the Fourth Supplement. Unless the context requires otherwise or separately defined in this Fifth Supplement, terms defined in the Bidder's Statement have the same meaning in this Fifth Supplement.

A copy of this Fifth Supplement, which incorporates a notice under section 650D of the Corporations Act, was lodged with the Australian Securities and Investments Commission (**ASIC**) on Tuesday, 18 July 2017. Neither ASIC nor any of its officers takes any responsibility for the contents of this Fifth Supplement or the notice incorporated into this Fifth Supplement.

1. **UPDATE ON SPOTLESS BOARD'S RECOMMENDATION**

The Spotless Board has unanimously recommended that shareholders accept Downer Services' Offer of \$1.15 cash per share.

Spotless Shareholders who do not accept the Offer will remain minority shareholders in Spotless unless Downer is able to proceed with compulsory acquisition.

As highlighted in Spotless' ASX announcement dated 18 July 2017, there are a number of significant risks in remaining a minority shareholder in Spotless.

2. **DOWNER SERVICES' NOMINEE DIRECTORS TO BE APPOINTED TO SPOTLESS BOARD**

Downer has announced that its four nominee Directors have been appointed to the Spotless Board. This coincides with the resignation of three existing Spotless Non-executive Directors from the Spotless Board.

The Downer nominees are Philip Garling and Grant Thorne, two of Downer's current Non-executive directors, Michael Ferguson, Downer's Chief Financial Officer and John Humphrey, a former Downer Non-executive Director.

The changes to the Spotless Board will be effective from Wednesday, 19 July 2017.

As a result of the changes, Downer Services has secured majority representation on the Spotless Board commensurate with its controlling interest.

3. **DOWNER'S POSITION AS A CONTROLLING SHAREHOLDER MEANS THAT THERE ARE RISKS FOR SPOTLESS SHAREHOLDERS WHO DO NOT ACCEPT THE OFFER**

Spotless Shareholders who do not accept the Offer will remain minority shareholders in Spotless unless Downer Services is able to proceed with compulsory acquisition.

There are a number of other risks in remaining a minority shareholder in Spotless. These include:

- The liquidity of Spotless Shares will be significantly lower given that Downer owns more than 67% of Spotless¹;
- It is likely that Spotless will be partially or fully removed from certain S&P / ASX market indices;
- There may be limited institutional support for Spotless Shares; and
- There may be fewer analysts providing coverage for Spotless Shares.

In addition, as foreshadowed in section 2.3 of the Bidder's Statement, Downer will seek to have Spotless removed from the Official List of the ASX if:

- at the end of the Offer, Downer owns at least 75% of Spotless Shares; and
- the number of Spotless Shareholders is less than that required by the ASX to maintain an ASX Listing.²

If Spotless is delisted from ASX, there will be no ongoing public market in Spotless Shares.

¹ Downer Services had a relevant interest of 67.318% in the issued share capital of Spotless as at 7pm on Monday, 17 July 2017.

² See section 2.3 of the Bidder's Statement for further information in relation to Downer Services' intentions to delist Spotless and the requirements which need to be satisfied in order to do so.

4. **REASONS TO ACCEPT THE OFFER**

Spotless Shareholders should accept the Offer promptly and without delay for the following reasons:

- The Spotless Board has unanimously recommended that shareholders accept Downer Services' Offer of \$1.15 cash per share.
- The Offer Price of \$1.15 cash per Spotless Share provides compelling value for Spotless Shareholders, being a 59% premium to the closing price of Spotless Shares on 20 March 2017 (being the last trading day prior to the announcement of the Offer).
- Downer Services' unconditional, all cash offer provides Spotless Shareholders with an opportunity to realise certain cash value for their shares.
- Spotless Shareholders who accept the Offer will be paid within seven business days of Downer Services receiving a valid acceptance from the shareholder in accordance with the terms of the offer.
- Downer Services is Spotless' controlling shareholder, with a relevant interest of more than 67%¹ in the issued share capital of Spotless, and will have majority representation on the Spotless Board effective from Wednesday, 19 July 2017.
- Spotless Shareholders who do not accept the Offer will remain minority shareholders in Spotless unless Downer Services is able to proceed with compulsory acquisition. There are a number of risks in remaining a minority shareholder in Spotless.
- If the Offer closes and Spotless remains listed on the Official List of the ASX, the Spotless share price is likely to trade at a substantial discount to the Offer Price.

5. **EXTENSION OF OFFER PERIOD**

Downer Services has decided to extend the Offer Period, so that the Offer will now remain open for acceptance until **7.00pm** (Sydney time) on **Monday, 31 July 2017** (unless further extended under the Corporations Act).

A formal notice under section 650D of the Corporations Act in connection with the extension of the Offer Period is attached as Annexure A.

6. **FURTHER INFORMATION**

For further information regarding the Offer, please refer to the Bidder's Statement which was sent to Spotless Shareholders and is available on the ASX.

Please call the Offer Information Line on 1300 048 144 (from within Australia) or +61 3 9415 4662 (from outside Australia) from Monday to Friday between 9.00am and 5.00pm (Sydney time) if you require further information or assistance.

7. **APPROVAL OF FIFTH SUPPLEMENT**

This Fifth Supplement has been approved by a unanimous resolution of Downer Services on 18 July 2017.

Signed on behalf of Downer EDI Services Pty Ltd:



Peter Tompkins

Director

ANNEXURE A

NOTICE BY DOWNER EDI SERVICES PTY LIMITED

UNDER SECTIONS 650D OF THE *CORPORATIONS ACT 2001* (CTH)

TO: Australian Securities and Investments Commission
Spotless Group Holdings Limited ACN 154 229 562
Australian Securities Exchange Limited

In accordance with ASIC Class Order CO 13/521, to those persons shown as holders of Spotless Shares in the register of members of Spotless as at 12 July 2017 who have not accepted the offer for Spotless Shares

This notice is given by Downer EDI Services Pty Limited (**Downer Services**) in respect of the offers dated 12 April 2017 made by Downer Services in relation to its off-market takeover bid to acquire all of the ordinary shares in Spotless Group Holdings Limited ACN 154 229 562 (**Spotless**) that it does not already own (**Offers**).

A copy of this notice was lodged with the Australian Securities and Investments Commission (**ASIC**) on Tuesday, 18 July 2017. Neither ASIC nor any of its officers takes any responsibility for the contents of this notice.

In this notice, all references to the Bidder's Statement are references to the replacement bidder's statement dated 10 April 2017 (which replaced the bidder's statement dated 21 March 2017), as supplemented by the second supplementary bidder's statement dated 3 May 2017, the third supplementary bidder's statement dated 19 June 2017, the fourth supplementary bidder's statement dated 11 July 2017 and the notices of extension dated 22 May 2017, 2 June 2017, 27 June 2017 and 11 July 2017. Terms defined in the Bidder's Statement have the same meaning when used in this notice unless the context requires otherwise.

Downer Services gives notice under section 650D of the *Corporations Act 2001* (Cth) (the **Corporations Act**) that it varies each of the Offers by:

- (a) extending the period during which the Offers will remain open for acceptance until 7.00pm (Sydney time) on Monday, 31 July 2017 (unless further extended under the Corporations Act); and
- (b) replacing all references to the date "Friday, 21 July 2017" in the Bidder's Statement with references to the date "Monday, 31 July 2017".

Dated 18 July 2017

Signed on behalf of Downer EDI Services Pty Ltd:



Peter Tompkins
Director