

ASX RELEASE

11 July 2019

UPDATE ON TRANSACTION CONSIDERATION

Spicers Limited ('Spicers') refers to its announcement on 4 July 2019 regarding the scheme of arrangement ('Scheme') for the acquisition of Spicers by Kokusai Pulp & Paper Co., Ltd. ('KPP') becoming legally effective.

Spicers confirms that the final amount of the capital return has been determined as \$63.8 million, representing \$0.030 (3.0 cents) per share, comprised of:

- net sale proceeds of \$22.2 million from the sale of Spicers' Asian operations¹;
- net sale proceeds of \$4.4 million from the sale of Spicers' Tasmanian properties²;
- Singapore property sale proceeds of \$10.4 million (which includes an amount of SG\$0.3 million previously held in escrow in respect of the sale of the Singapore property³ which has now been received by Spicers); and
- the final amount of excess net cash in the business as at 30 June 2019, which has now been determined as \$26.8 million.

Spicers shareholders who held shares at 7.00pm (Melbourne time) on Tuesday, 9 July 2019 will thus receive a total transaction consideration payment of \$0.073 (7.3 cents) per share on implementation of the Scheme and Capital Return, comprised of:

- Scheme Consideration of \$0.043 (4.3 cents) per share; and
- Capital Return Consideration of \$0.030 (3.0 cents) per share.

Implementation of the Scheme and Capital Return is expected to take place on 16 July 2019.

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About Spicers Limited (SRS)

Spicers is a dynamic and solutions-focused distribution business with an extensive network in the geographies we serve. We offer a full suite of products and services to our customers, incorporating commercial print, digital media, label & packaging, industrial packaging, sign & display consumables and hardware, and architectural offerings.

¹ Please refer to the Explanatory Booklet released on ASX on 17 May 2019.

² Please refer to the Explanatory Booklet released on ASX on 17 May 2019.

³ Please refer to announcements made on 4 June 2019 and 25 June 2019.