

BIDVEST GROUP LIMITED

Incorporated in the Republic of South Africa

Registration number: 1946/021180/06

ISIN: ZAE000117321

“Bidvest” or “the Company”

VOLUNTARY ANNOUNCEMENT: BIDVEST ACQUIRES BIC AUSTRALIA

“We are excited to have found a business and management team that I believe can contribute to advancing Bidvest’s international growth strategy and add value to a stakeholder base that now includes Australia”, Mpumi Madisa, Bidvest Chief executive

Introduction

Bidvest is pleased to announce that it has acquired 100% of B.I.C. Services Pty Limited (“BIC”) from its private shareholders (“the Acquisition”), effective 7 July 2022.

BIC’s current management team has signed service agreements and remains committed to the business.

The Acquisition is for an enterprise value consideration of AUD160 million, approximately R1.8 billion, and will be settled from the Group’s international bond proceeds raised in October 2021. All conditions have been fulfilled.

Overview of BIC

BIC, which is head quartered in Sydney and operates across Australia, was established in 1989 and is a leading provider of niche integrated facilities management services across office, commercial and education sites. Its core cleaning service offering leverages an interactive technology solution and is augmented by a full range of hygiene, waste, maintenance and other ancillary services.

BIC employs almost 2,500 people across 3,250 sites and its client base primarily comprise premium A-grade offices in New South Wales. Over the years, BIC has developed a vertically-focused, client-centric business model supported by a web-based reporting system that can be integrated into client systems and an interactive customer experience platform.

BIC has a seasoned and commercially strong management team who have introduced innovative and enabling technology to drive value for all stakeholders and integrated sustainability efforts in the daily operations.

Rationale for the Acquisition

The Acquisition of BIC is firmly aligned to Bidvest's stated strategic intent of expanding its international presence in facilities management as well as hygiene services and the distribution of plumbing and related products. It also meets Bidvest's acquisition criteria which are:

- Delivering a niche service with a strong innovation and sustainability underpin;
- Being a meaningful player in its chosen niche and geographic footprint with the potential to scale further;
- An entrepreneurial and passionate management team with deep industry experience and driven to grow the business;
- Strong cash flow conversion supported by an annuity, contractual income stream; and
- Attractive, sustainable returns in a low-asset intensity business.

The Acquisition will be modestly earnings and return accretive to Bidvest.

7 July 2022

Transaction Services advisor to The Bidvest Group Limited:

Deloitte & Touché (South Africa)

Legal advisor to The Bidvest Group Limited:

Alchemy Law Africa and Baker McKenzie

Sponsor to the Bidvest Group Limited:

Investec Bank Limited

Financial advisor to BIC and BIC Shareholders:

MA Moelis Australia

Legal advisor to BIC and BIC Shareholders:

Gilbert and Tobin