

RELEASE

Tuesday, 1 September 2020

SPOTLESS RELEASES TARGET'S STATEMENT IN RELATION TO DOWNER TAKEOVER BID

Spotless Group Holdings Limited (**Spotless**) today released its Target's Statement in which the Independent Board Committee (**IBC**) unanimously recommends that, in the absence of a superior proposal, shareholders **ACCEPT** the offer from Downer EDI Limited (**Downer**), through its wholly owned subsidiary Downer EDI Services Pty Ltd (**Downer Services**), to acquire all the ordinary shares of Spotless (**Offer**).

The Target's Statement contains Spotless' formal response to the Offer, including detailed reasons for the IBC's recommendation, as well as other relevant information for shareholders to consider in deciding whether or not to accept the Offer. The Target's Statement also includes an Independent Expert's Report prepared by Deloitte Corporate Finance Pty Limited (**Independent Expert**).

Shareholders are encouraged to read the Target's Statement and the Independent Expert's Report, together with Downer's Bidder's Statement and Supplementary Bidder's Statement, carefully and in their entirety.

IBC Recommendation

Under the terms of the Offer, Spotless shareholders are being offered \$1.00 cash per share plus, for every 17.92741 shares accepted into the Offer, a contingent share option exercisable over 1 Downer share, subject to the future market prices of Downer shares.

The IBC, with assistance from its advisers, has carefully considered the Offer and unanimously recommends that, in the absence of a superior proposal, Spotless shareholders should **ACCEPT** the Offer.

As previously announced, Downer has commenced the process to compulsorily acquire all shares in Spotless not owned by it at completion of the Offer. The Offer remains open and if Spotless shareholders accept the Offer, they will receive their consideration earlier than those shareholders whose shares are compulsorily acquired after close of the Offer.

Independent Expert's Recommendation

The Independent Expert has concluded that the Offer is fair and reasonable for Spotless Shareholders not associated with Downer. The Independent Expert has assessed the estimated market value of the Offer consideration to be in the range of \$1.07 to \$1.12 per Spotless share which is within the range of its estimate of the market value of a Spotless share of \$0.83 to \$1.11.

