

# ASX Release

Thursday 29 October 2009

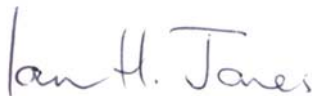
Company Announcements Office  
ASX Limited  
Exchange Centre  
Level 4  
20 Bridge Street  
Sydney NSW 2000

Dear Sir,

## Investor Presentation Takeover Offer & Rights Issue

Please find the Investor Presentation relating to the takeover offer for KLM Group and the 4 for 19 non-renounceable pro rata entitlement offer, announced today.

Yours sincerely,  
**PROGRAMMED MAINTENANCE SERVICES LIMITED**



Ian H. Jones  
Company Secretary

For personal use only



# **PROGRAMMED** *Group*

## **PRESENTATION TO INVESTORS**

### **Takeover Offer for KLM Group**

### **Equity raising: 4-for-19 non-renounceable, pro-rata entitlement offer**

**PRESENTED BY** Chris Sutherland

Managing Director, Programmed Group (Programmed)

29 October 2009

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## **Not an offer - Not investment advice**

This Presentation is not a prospectus or a product disclosure statement under the Corporations Act and has not been lodged with the Australian Securities and Investments Commission ("**ASIC**"). The Entitlement Offer to which this presentation relates complies with the requirements of section 708AA of the Corporations Act as modified by ASIC Class Order 08/35, and a Cleansing Notice complying with that section has been lodged with ASX.

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Recipients should also have regard to the risks set out in this Presentation.

## **Financial data**

All dollar values are in Australian dollars (A\$).

# Overview

- ▲ Programmed proposes acquiring KLM for \$28.1 million cash (\$0.47 per KLM share)
- ▲ The proposed transaction has been unanimously recommended by the KLM Board
- ▲ KLM provides design, installation and maintenance of integrated electrical and communications systems and asset management services
- ▲ An acquisition of KLM has a number of key strategic benefits for Programmed
  - Broadens service offering (electrical, communication, integration services)
  - Additional services (currently outsourced) to support facilities management contracts
  - Enables use of Programmed's client base and branch network to grow KLM's business
- ▲ The acquisition of KLM is expected to be EPS accretive in FY10 (on a pro forma basis)<sup>1</sup>
- ▲ Programmed is undertaking an equity raising through a 4-for-19 non-renounceable, pro-rata entitlement offer
  - Underwritten institutional component of \$50 million
  - Non-underwritten retail component is expected to raise \$9 to \$15<sup>2</sup> million
  - Proceeds used to fund the KLM acquisition and other potential acquisitions
  - The entitlement offer will proceed whether or not the acquisition of KLM group is completed

1. EPS refers to Earnings Per Share. Pro forma basis assumes Programmed had acquired KLM on 1 April 2009 and receives a full 12 month contribution from KLM during the financial year ending 31 March 2010, the \$28.1 million purchase price being funded by the issue of 7.4 million shares at a price of \$3.80 per share.

2. Assumes a register split of 63% institutional shareholders and 37% retail shareholders and a participation rate among retail shareholders of 30% to 50%. The maximum amount that can be raised, based on an institutional component of \$50m and assuming full participation in the retail component, is \$79.7 million.

# 1. KLM Group

## Overview

- ▲ KLM is a national business, providing design, installation, integration and maintenance services in the electrical and communications sector
  - Commenced operations in 1981 as an electrical contractor
  - Expanded into data cabling, audio-visual and building integration services
  - Listed on the ASX in 2003
  - National presence with over 700 employees
  - Revenue of \$161.2 million and EBIT of \$1.83 million (year ending 30 June 2009)<sup>1</sup>
  - First quarter FY10 revenue of \$44.6 million and EBIT of \$1.37 million<sup>2</sup>
  - As at 30 June 2009<sup>3</sup>:
    - Total assets of \$44.4 million; net assets of \$14.7 million
    - Total borrowings of \$0.220 million and total cash of \$4.15 million

1. EBIT refers to Earnings Before Interest and Tax. As disclosed in KLM's 2009 Annual Report.

2. As disclosed in KLM's profit announcement for the first quarter of the financial year ending 30 June 2010, released on 20 October 2009.

3. As disclosed in KLM's 2009 Annual Report.

# 1. KLM Group

## Business Description

- ▲ KLM operates five main businesses across a diverse range of end-markets and customers

### Brief Overview

#### Key businesses

Data and Communications	▲ Voice and data structured cabling, optical fibre and copper cabling, TV cabling
Audio Visual & Video	▲ Audio and video conferencing, interactive whiteboards, data projection, digital display and public address systems
Security	▲ Digital surveillance, access control and monitoring, CCTV networks ▲ Protection of major infrastructure and asset safeguard
Electrical and Lighting	▲ Power, lighting control and earthing systems
Energy Management	▲ Lighting efficiency design, energy audits and monitoring, timers and sensors

#### Market segments

▲ Construction	▲ Retail	▲ Health	▲ Financial
▲ Defence	▲ Education	▲ Justice	▲ Hospitality

#### Geographic Locations

▲ Melbourne	▲ Canberra	▲ Brisbane	▲ Townsville
▲ Sydney	▲ Perth	▲ Adelaide	▲ Hobart

# 1. KLM Group

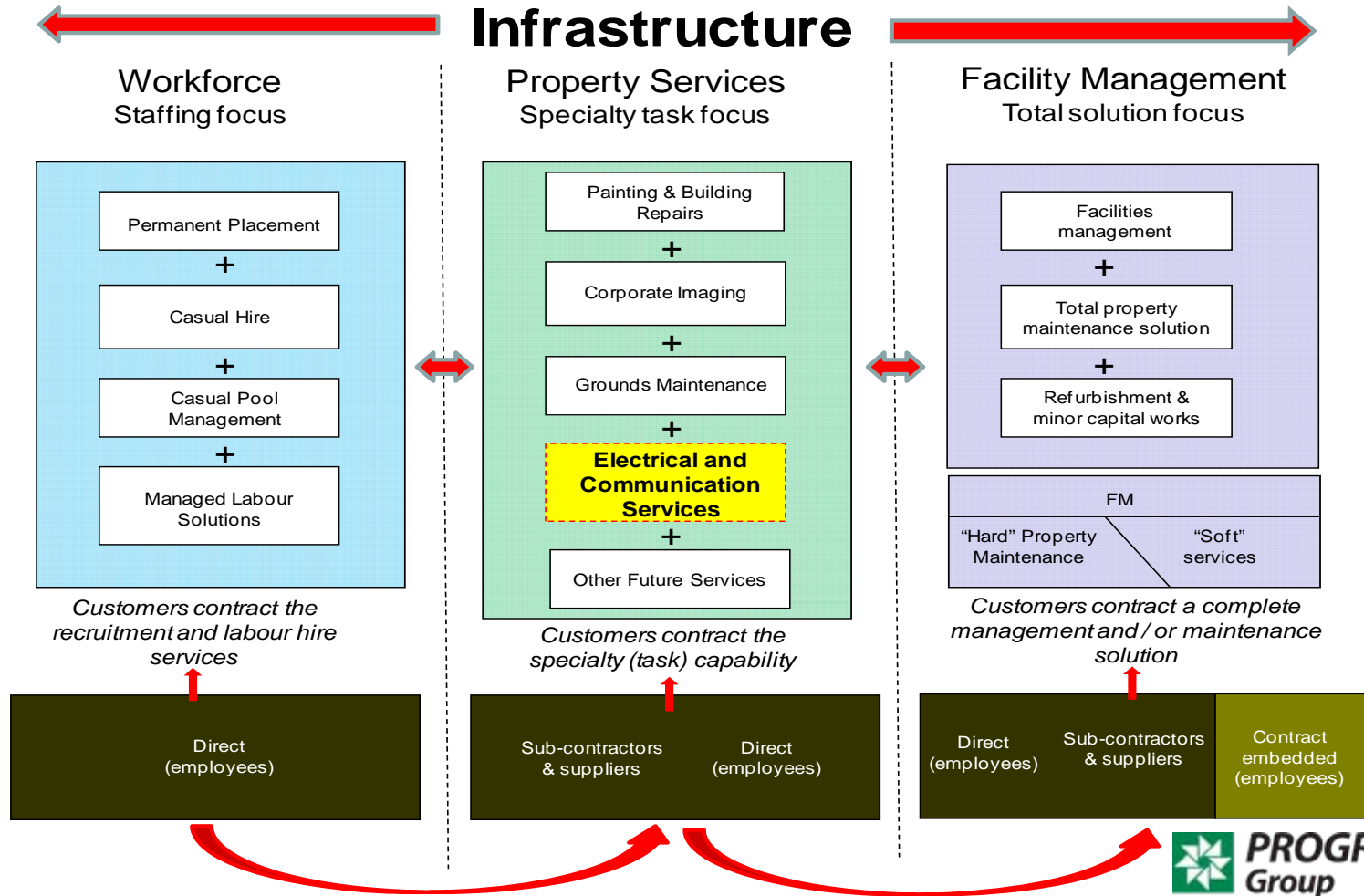
## Business Description

- ▲ KLM undertakes a variety of contracts for a range of clients
- ▲ Examples of contracts undertaken by KLM include the following:

Project	Description
<b>Old Parliament House</b>	▲ Electrical, lighting and data communications systems for the South East wing refurbishment
<b>Link Market Services</b>	▲ Installation of the electrical, communications and audio visual systems
<b>Department of Defence at Amberley</b>	▲ Fully integrated electrical, data and communications system for the Department of Defence in Townsville
<b>Green Building Council Australia</b>	▲ Lighting control and security systems, power and data communications systems
<b>Defence Headquarters Joint Operations Command</b>	▲ Supply and install data and communications systems

# 2. Strategic Rationale

- ▲ The acquisition of KLM fits with Programmed's strategic objectives





## 2. Strategic Rationale

### Benefits from the KLM Acquisition

- ▲ An acquisition of KLM provides a number of strategic benefits for Programmed
  - ✓ Broadens service offering through electrical and communication services
  - ✓ Additional services (currently outsourced) to support facilities management contracts
  - ✓ Diversifies the earnings base through new core competencies
  - ✓ Provides an opportunity to sell KLM's services to Programmed's clients
  - ✓ Enables use of Programmed's branch network and broader geographic reach to expand KLM's business
  - ✓ Provides an opportunity to leverage Programmed's systems and processes to improve KLM's capabilities in contract administration, reporting and controls
- ▲ The acquisition of KLM is expected to be EPS accretive in FY10 (on a pro forma basis)<sup>1</sup>

1. Pro forma basis assumes Programmed had acquired KLM on 1 April 2009 and receives a full 12 month contribution from KLM during the financial year ending 31 March 2010, the \$28.1 million purchase price being funded by the issue of 7.4 million shares at a price of \$3.80 per share.

### 3. Transaction Details

- ▲ KLM's Board of Directors has unanimously recommended that KLM shareholders accept the proposed Programmed takeover offer, subject to there being no superior offer
  - KLM directors intend to accept the takeover offer in respect of their own KLM shares<sup>1</sup>

Key Details	Description
<b>Takeover Offer Price</b>	<ul style="list-style-type: none"> <li>▲ \$0.47 per KLM share</li> <li>▲ 57.7% premium to the 3 months VWAP for the period up to and including 28 October<sup>2</sup></li> <li>▲ 40.0% premium to the 30 day VWAP for the period up to and including 28 October<sup>2</sup></li> <li>▲ Total acquisition price of \$28.1 million<sup>3</sup></li> </ul>
<b>Consideration</b>	<ul style="list-style-type: none"> <li>▲ 100% cash</li> </ul>
<b>Key Conditions</b>	<ul style="list-style-type: none"> <li>▲ Unanimous recommendation of the KLM Board (subject to no superior offer)</li> <li>▲ The S&amp;P ASX 200 index does not fall below 4216.6 during the offer period</li> <li>▲ No material adverse effect affecting KLM</li> <li>▲ 90% minimum acceptance</li> <li>▲ No termination of the Underwriting and Offer Management Agreement</li> </ul>
<b>Mechanics</b>	<ul style="list-style-type: none"> <li>▲ Off-market takeover offer</li> <li>▲ Programmed has entered into a pre-bid acceptance agreement for 19.9% of KLM shares from Joint Managing Directors Greg and Peter Jinks</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>▲ Programmed has undertaken a limited due diligence on KLM and its management systems and controls</li> <li>▲ Senior KLM management to remain with the business</li> </ul>

1. Subject to there being no superior offer for KLM. 2. VWAP refers to volume weighted average price. 3. Based on acquiring 59,875,731 KLM shares and assuming KLM's 2,000,000 employee options will be dealt with by private arrangement.

# 4. Programmed Financial Update

## First Half FY10 Update

- ▲ As disclosed to the market on 22 October 2009, Programmed's operating performance for its first half (1 April 2009 to 30 September 2009) was in line with its budget and is forecast to be approximately \$27 to \$28 million EBITA<sup>1</sup>
  - Compared to the very strong economic conditions in the same prior period<sup>2</sup>, the result was impacted by the slowdown in the economy and resulting reduced demand for services in transport, industrial, commercial and mining sectors, in particular
  - The impacts were felt in the results for the Workforce, SWG and Property Services divisions, with improved results in the Facility Management and Marine divisions
- ▲ Further details with audited first half results are planned for release on 25 November 2009

1. EBITA refers to Earnings Before Interest, Tax and Amortisation of identifiable intangibles arising on acquisition. Based on unaudited management results for the six months from 1 April 2009 to 30 September 2009.

2. First half FY09 (1 April 2008 to 30 September 2008) EBITA was \$32.7 million before costs incurred in responding to Spotless' takeover bid and before earnings from Barry Bros. (now discontinued business) of \$1.4 million.

# 4. Programmed Financial Update

## Outlook

- ▶ As disclosed to the market on 22 October 2009, the general level of activity of clients in many sectors including infrastructure, resources and oil and gas has increased in the past few months, however much of the potential Programmed related work volume relates to the time period post completion of our FY10 year (ending March 2010)
- ▶ Our Facility Management, Marine and SWG divisions are all tendering significant opportunities presently in these sectors for work in future years
- ▶ Current trading continues with results to date in line overall with our second half operating performance last year<sup>1</sup>. Key influences impacting our final FY10 result (both positive and negative) include:
  - Retail trading conditions this Christmas period which impact our Workforce results;
  - The level of work won and executed within the period by SWG; and
  - The degree of discretionary maintenance expenditure associated with commercial/retail customers in Australia, New Zealand and UK

1. Second half FY09 (1 October 2008 to 31 March 2009) EBITA was \$36.1 million before restructuring costs of \$3.4 million.

# 5. Equity Raising

## Key Points

- ▲ Programmed is undertaking an equity raising through a 4-for-19 non-renounceable, pro-rata entitlement offer (“Entitlement Offer”)
  - Underwritten institutional component of \$50 million; and
  - Non-underwritten retail component is expected to raise \$9 to \$15 million<sup>1</sup>
- ▲ Fixed Offer Price of \$3.80 per New Share (“Offer Price”)
  - 15.7% discount to Programmed’s 5-day VWAP up to and including 28 October 2009
  - 9.8% discount to TERP<sup>2</sup>
- ▲ The proceeds from the equity raising will be used to fund the acquisition of KLM (approximately \$28.1 million) and other potential acquisitions<sup>3</sup>
- ▲ The institutional component of the Entitlement Offer will be underwritten by Macquarie Capital Advisers Limited

1. Assumes a register split of 63% institutional shareholders and 37% retail shareholders and a participation rate among retail shareholders of 30% to 50%. The maximum amount that can be raised, based on an institutional component of \$50m and assuming full participation in the retail component, is \$79.7 million.

2. The theoretical ex-rights price (TERP) is the theoretical price at which Programmed shares should trade immediately after the ex-date for the Entitlement Offer assuming 100% take-up of the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which Programmed shares trade immediately after the ex-date for the Entitlement Offer may vary from TERP.

3. Completion of the acquisition of KLM is subject to a number of conditions. The Entitlement Offer will proceed whether or not the acquisition of KLM is completed. To the extent the KLM acquisition is not completed the relevant funds raised under the Entitlement Offer will be available to fund other acquisitions or for general corporate purposes.

# 5. Equity Raising

## Key Points

- ▲ The Entitlement Offer is available to Eligible Shareholders as at the Record Date (7pm Melbourne time on 4 November 2009)<sup>1</sup>
  - Eligible Shareholders may choose to accept all or part of their pro-rata entitlement or none at all
  - Any part of an institutional shareholder's entitlement that is not taken-up by that shareholder will be made available at the Offer Price to new investors or to existing institutional shareholders who have elected to take up more than their pro-rata entitlement
  - Retail component of the Entitlement Offer is only available to Eligible Shareholders with a registered address in Australia or New Zealand
  - No retail shortfall facility is being offered. Retail entitlements that are not taken up will lapse
- ▲ New Shares issued under the Entitlement Offer will rank equally with existing ordinary shares

1. Eligible Shareholders are shareholders who as at 7pm (Melbourne time) on 4 November 2009 have an address on Programmed's share register in Australia or New Zealand, and institutional shareholders in Australia, New Zealand, Hong Kong, Norway, Singapore or the United Kingdom who are not US Persons or acting for the account or benefit of US Persons – see Section 8 of this presentation.

# 5. Capital Raising

## Indicative Timetable

Event	Key Dates
▲ Institutional Entitlement Offer opens	11.00am, Thursday 29 October 2009
▲ Institutional Entitlement Offer closes	1.00pm, Friday 30 October 2009
▲ Shares recommence trading on ASX	Monday 2 November 2009
▲ Record Date for Entitlement Offer	7.00pm Wednesday 4 November 2009
▲ Retail Entitlement Offer opens	Thursday 5 November 2009
▲ Settlement of Institutional Entitlement Offer	Friday 13 November 2009
▲ Normal trading of New Shares issued under the Institutional Entitlement Offer expected to commence on ASX	Monday 16 November 2009
▲ Retail Entitlement Offer closes	Tuesday 24 November 2009
▲ Announce outcome of Retail Entitlement Offer	Friday 27 November 2009
▲ Settlement under the Retail Entitlement Offer	Tuesday 1 December 2009
▲ Normal Trading of New Shares issued under the Retail Entitlement Offer	Friday 4 December 2009

Note: All times and dates in this investor presentation refer to Melbourne time. The timetable above is indicative only and subject to change. Any material changes will be notified to the ASX.

# 6. Programmed Dividend Policy

## Update

- ▲ Programmed's current dividend policy announced 27 May 2009 remains in place
- ▲ Temporary dividend reduction strategy sets a payout ratio of 30% to achieve target debt / equity ratio of 40% by 31 March 2011
- ▲ The Entitlement Offer will increase Programmed's equity base and, as a result, Programmed expects to achieve its debt / equity target sooner than previously indicated
- ▲ Once the debt/equity ratio reaches the target of 40% Programmed will review the current dividend policy



## 7. Key Risks

- ▲ This section discusses some of the key risks associated with an investment in shares in Programmed. A number of risks and uncertainties, which are both specific to Programmed and of a more general, may adversely affect the operating and financial performance or position of Programmed, in turn affecting the value of Programmed shares and the value of your investment in Programmed
- ▲ The risks and uncertainties described below are not an exhaustive list of the risks facing Programmed in connection with the Takeover Offer and Entitlement Offer or associated with an investment in Programmed. Additional risks and uncertainties may also become important factors that adversely affect Programmed's operating and financial performance or position
- ▲ This presentation is not financial product advice and has been prepared without taking into account your investment objectives or personal circumstances
- ▲ Before investing in Programmed shares, you should consider whether this investment is suitable for you. Potential investors should consider publicly available information on Programmed (such as that available on the websites of Programmed and ASX), carefully consider their personal circumstances and consult their stockbroker, solicitor, accountant or other professional adviser before making an investment decision

# 7. Key Risks

## General and Industry Risks

### A. Economic conditions

Adverse changes in economic conditions such as economic growth, interest rates, employment levels, consumer demand, consumer and business sentiment, market volatility, exchange rates, inflation, government policy, international economic conditions and employment rates amongst others are outside Programmed's control and have the potential to have an adverse impact on Programmed and its operations.

### B. Stock market fluctuations

Investors should be aware that there are risks associated with any investment in a company listed on ASX. The market value of Programmed Shares will fluctuate depending on the price at which Programmed Shares are traded on ASX, and may rise above or below the current Programmed share price depending on:

- ▲ the financial and operating performance of Programmed; and
- ▲ external factors over which Programmed and the Directors have no control

These external factors (which are unpredictable and may be unrelated or disproportionate to the performance of Programmed) include:

- ▲ economic conditions in Australia and overseas which may have a negative impact on equity capital markets;
- ▲ changing sentiment in the local and international stock markets;
- ▲ changes in domestic or international fiscal, monetary, regulatory and other government policies; and
- ▲ developments and general conditions in the various markets in which Programmed operates (and proposes to operate) and which may impact on the future value and pricing of shares.

### C. Regulatory risks

Programmed is exposed to any changes in the regulatory conditions under which it operates (in Australia, New Zealand, the United Kingdom, and Singapore). Such regulatory changes can include, for instance, changes in:

- ▲ taxation laws and policies;
- ▲ accounting laws, policies, standards and practices;
- ▲ environmental laws and regulations that may impact upon the operations and processes of Programmed; and
- ▲ employment laws and regulations, including laws and regulations relating to occupational health and safety.

# 7. Key Risks

## Programmed Specific Risks

### A. Increased or new competition

Programmed faces competition in its businesses. To the extent that there are new entrants or changes in strategy by existing competitors, Programmed may lose market share with consequent adverse effects upon operating and financial performance. The increased use of internet based tools to recruit personnel is an emerging trend that presents both opportunities and threats for Programmed's recruitment and labour hire division.

### B. Exchange rate fluctuations

In the financial year ended 31 March 2009, a portion of Programmed's earnings was denominated in foreign currencies (being the New Zealand dollar, Singapore dollar, US dollar and the British pound). Changes in foreign currency exchange rates may affect the book value of Programmed's foreign denominated assets and liabilities and equity reserves. Exchange rate exposures are managed using forward exchange contracts where appropriate.

### C. Financing risks

Programmed's current senior debt facility is not due to expire until May 2012. Given recent developments in global financial markets it has become more difficult to secure debt finance. These difficulties may continue past 2012, in which case it is possible that Programmed may not be able to renew all of the existing debt facility, or such renewal may be on terms which are less favourable than those which currently apply. An inability of Programmed to renew all of its debt facilities in 2012, or the inability to renew them on no less favourable terms, may affect Programmed's financial performance and position in the future.

As disclosed in Programmed's Full Year Results Announcement for the financial year ended 31 March 2009, Programmed is currently operating within its banking covenants. However, if there is a material decline in earnings, or a material increase in interest costs (due to changes in bank interest rates or due to increases in gross debt levels), Programmed may no longer be able to operate within its banking covenants. In such case, Programmed may be obliged to repay its debt facilities and may not be able to find replacement sources of debt finance, or may only be able to find such replacement sources for lesser amounts or on less favourable terms and conditions.

### D. Environmental risks

Extensive national and local environmental laws and regulations in Australia, New Zealand, Singapore and the United Kingdom affect the operations of Programmed. The laws and regulations set various standards which regulate certain aspects of health and environmental quality, provide penalties or other remedies for any violation of standards and, in certain circumstances, impose obligations to undertake remedial action in current or former locations where operations are or were conducted.

There is a risk that significant damages or penalties might be imposed on Programmed, including for certain discharges into the environment, effects on employees, sub-contractors or customers, or as clean up costs.

# 7. Key Risks

## Programmed Specific Risks

### **E. Indexation and cash deferral under long term contracts**

A portion of Programmed's revenue is dependent on the level of indexation under its long term contracts which is linked to increases in prices of labour, materials and overheads. In nearly all contracts, the indexation is based on publicly available indices for wage levels, paint prices and interest rates. Therefore, there may be a difference between the increase in Programmed's costs and the movement in the publicly available indices that may result in Programmed not being adequately covered for its cost increases.

Separately, Programmed's long term contracts are structured such that cash flows are delayed until the latter part of the term of the contract. Consequently, Programmed is exposed to the credit risk of the relevant customer.

### **F. Reliance on key personnel**

The responsibility of overseeing day-to-day operations and the strategic management of Programmed is concentrated amongst a small number of key employees. While it is not currently anticipated, one or a number of these key employees may cease employment with Programmed. The loss of any such key employees by Programmed could have the potential to have a detrimental impact on Programmed until the skills that are lost are adequately replaced.

### **G. Occupational health and safety**

Programmed manages, with its clients, certain risks associated with the occupational health and safety of its employees. Programmed takes out insurance to cover these risks within certain parameters, however, it is possible for injuries and/or incidents to occur which may result in expenses in excess of the amount insured or provided for with a resultant impact on the earnings of Programmed. Additionally, a serious industrial accident, for example resulting in a fatality, or a series of accidents on the same or related contracts could adversely impact Programmed's reputation, which could negatively impact on Programmed's operations or growth prospects, and in turn, adversely affect Programmed's financial performance or position.

### **H. Industrial Relations**

A number of Programmed's employees are covered by workplace agreements, including enterprise bargaining agreements, which need to be renegotiated from time-to-time. Programmed is currently renegotiating an enterprise bargaining agreement in relation to its Marine Division. It is possible that the outcome of such negotiations may be less favourable to Programmed and may therefore result in increased costs for Programmed which could affect Programmed's financial performance or position. It is also possible that disputes may arise between Programmed and employees, or the unions which represent those employees, during the course of such negotiations. Such disputes may lead to industrial action against Programmed (including stoppages of work) that could adversely affect Programmed's operations, and in turn, adversely affect Programmed's financial performance or position.

# 7. Key Risks

## Programmed Specific Risks

### I. Litigation

Programmed is exposed to the risk of third parties bringing claims against Programmed. If any claim were to be pursued and be successful it may adversely affect Programmed's financial performance or position.

### J. Acquisition Risk

#### Completion Risk

There is a risk that the acquisition of KLM may not complete due to a failure to satisfy conditions to the off-market takeover bid for all of the outstanding shares in KLM. A list of these conditions is set out in the annexure to the announcement made by Programmed today in relation to the acquisition of KLM and the capital raising.

Further, while Programmed is considering other potential acquisition opportunities there is no certainty it will proceed with any such acquisitions. It is possible that it will not be able to complete these other acquisitions either due to a breakdown in negotiations or the failure to fulfil various conditions precedent to the completion of those acquisitions. It is also possible that future potential acquisitions may not be available on favourable terms. In all of the above cases, where an acquisition is not completed, Programmed intends to use the proceeds raised under the capital raising for other acquisitions or for general corporate purposes.

#### Acquisition Risk

If the acquisition of KLM (or any other acquisition opportunity) is successfully completed, there is the risk that Programmed, as the new owner of KLM (or any other acquired business), later discovers liabilities or defects which were not identified through due diligence or for which there is no protection for Programmed (in the form of insurance, warranties, representations or indemnities). This could adversely affect the operations, financial performance or position of KLM (or such other acquired business), and in turn, adversely affect the financial performance or position of Programmed.

#### Integration Risk

There is a risk that the integration of KLM (or any other acquired business) is delayed and that the relevant acquisition does not deliver the benefits that were expected at the time the acquisition was agreed (or delivers benefits to a lesser extent than expected). A failure to fully integrate the operations of KLM (or any other acquired business), or a delay in the integration process, could impose unexpected costs that may adversely affect the financial performance or position of Programmed.

# 8. Foreign Selling Restrictions

## A. Hong Kong

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- to "professional investors" (as defined in the SFO); or
- in other circumstances that do not result in this document being a "prospectus" (as defined in the Companies Ordinance) or that do not constitute an offer to the public within the meaning of that ordinance

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such shares in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such shares

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## B. New Zealand

The New Shares in the entitlement offer are not being offered or sold to the public in New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand)

New Shares for which entitlements are not taken up may be offered and sold in New Zealand to (i) persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money or (ii) persons who are each required to pay a minimum subscription price of at least NZ\$500,000 for the securities before allotment

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# 8. Foreign Selling Restrictions

## C. Norway

This document has not been approved by, or registered with, any Norwegian securities regulator pursuant to the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except:

- (a) to "professional investors" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876);
- (b) any natural person who is registered as a professional investor with the Oslo Stock Exchange (No. Oslo Børs) and who fulfils two or more of the following: (i) any natural person with an average execution of at least ten transactions in securities of significant volume per quarter for the last four quarters; (ii) any natural person with a portfolio of securities with a market value of at least €500,000; and (iii) any natural person who works, or has worked for at least one year, within the financial markets in a position which presuppose knowledge of investing in securities;
- (c) to fewer than 100 natural or legal persons (other than "professional investors", as defined in clauses (a) and (b) above); or
- (d) in any other circumstances provided that no such offer of New Shares shall result in a requirement for the registration, or the publication by the Company or an underwriter, of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007.

## D. Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined under the SFA) or (iii) a "relevant person" (as defined under section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares

As such, investors are advised to acquaint themselves with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.



# 8. Foreign Selling Restrictions

## E. United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA). This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of s.21 FSMA) received in connection with the issue or sale of the New Shares has only been communicated, and will only be communicated, in the United Kingdom in circumstances in which s.21(1) FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

## F. United States of America

This document has been prepared for publication in Australia and may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the US Securities Act) except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

## G. Other Jurisdictions

The New Shares may not be offered or sold in any other jurisdiction except to persons to whom such offer or sale is permitted under applicable law.