

24 November 2017

Loan Agreement with AMA

Automotive Solutions Group Limited (ASX: 4WD, or the “Company”) has obtained a loan from AMA Group Limited (**AMA**) for purposes of funding payments of tax owed by the Company.

The Company is in the process of finalising returns for GST, BAS, PAYG and payroll tax. It is estimated, pending final preparation of returns and discussions with the Australian Tax Office (**ATO**), that the payments due could be around \$3 million. The tax due is already provided for in the Company’s accounts. The loan facility is to meet the cash flow requirements for those payments. The loan from AMA is the only reasonable funding option available to the Company.

The Directors have been very focused on ensuring that the Company can pay these amounts immediately following the final amount payable being determined by the ATO. Without the loan from AMA, the Company would not have the funds available to pay amounts due to the ATO.

As shareholders will be aware, AMA has made an offer for shares in the Company. In the circumstances, given the timing requirements for these funds, AMA has been willing to advance the loan on short notice.

The loan has been entered into on commercial market terms, with the key terms as follows:

- facility limit of \$3.5 million;
- funds to be used to pay the ATO tax liabilities;
- interest rate per annum of 5.3% on the outstanding amount;
- a line fee of 1.4% per annum on the unused amount in the facility;
- an establishment fee of \$50,000;
- a 6 month repayment term;
- security to be registered in the Personal Property Securities Register over all present and after-acquired property of the Company and its wholly owned subsidiary, Fleet Alliance Pty Ltd;
- default interest rate of 10% (on overdue payments); and
- an amount to cover the estimated ATO payment is being paid by AMA into the Company’s account with the ATO before the end of this week.

For further information or enquiries, please contact:

Investor Enquiries:

Laila Green
CFO and Company Secretary
Automotive Solutions Group
E: admin@asgl.com.au



07 5613 2331

P (07) 5613 2331
E info@asgl.com.au
W asgl.com.au

Emirates House, Level 9, 167 Eagle St.
Brisbane, QLD, 4000 Australia