

16 January 2020

SEALINK COMPLETES ACQUISITION OF TRANSIT SYSTEMS GROUP

- SeaLink's acquisition of Transit Systems Group was completed today
- Strategically compelling acquisition creating a leading Australian multi-modal transport provider, with established international operations in Singapore and United Kingdom
- Transit Systems Group is a highly scalable operating platform, with a strong track record of contract wins and renewals, and an experienced management team operating typically long-term, low-risk, CPI indexed government service contracts
- Current Transit Systems Group CEO, Clint Feuerherdt, has replaced Jeff Ellison as SeaLink Group CEO

SeaLink Travel Group Limited (**ASX:SLK**) ("**SeaLink**") today announced it has completed the acquisition of 100% of Transit Systems Pty Ltd, Tower Transit Group Ltd and their broader group of entities (including trusts) (together the "**Transit Systems Group**"), Australia's largest private operator of metropolitan public bus services and an established international bus operator in London and Singapore (the '**Acquisition**').

The SeaLink Board is also pleased to announce that Clint Feuerherdt, the current Group CEO of Transit Systems Group, has replaced Jeff Ellison as SeaLink Group CEO, effective from today. Jeff has agreed to provide support to Clint to ensure a smooth transition of leadership by remaining as an executive director of SeaLink for a short period of time, following which he will remain on the SeaLink Board of Directors as a non-executive director to continue sharing his extensive tourism and transport experience and knowledge.

In addition, Neil Smith, one of the founding shareholders and current Chairman of Transit Systems Group, has joined the SeaLink Board of Directors as a non-executive director from today. Neil brings over 30 years of commuter transport operations experience in domestic and international markets and, following completion of the Acquisition, now owns approximately ~15.3% of SeaLink shares on issue.¹

Transaction overview

The key strategic and commercial rationale for the Acquisition includes:

- Creation of Australia's leading integrated land and marine passenger transport business, with enhanced scale and capabilities to compete for large government contracts and ability to provide multi-modal solutions;
- Diversifies SeaLink's end-market exposure, growing contribution from resilient passenger transport activities, with an enhanced domestic footprint and scalable platform for significant international expansion with established businesses in Singapore and the United Kingdom;

¹ The registered shareholders are entities controlled by Neil Smith or trustees of trusts of which Neil Smith is a beneficiary.

- Significantly increases exposure to long-term government contracted revenues and reinforces position as a trusted counterparty to governments, with a strong track record of service delivery and safety;
- Provides greater ability to benefit from the extensive pipeline of opportunities both domestically and internationally by leveraging combined expertise, client relationships and geographical presence;
- Brings together two highly skilled and experienced management teams with complementary expertise and capabilities across bus and passenger management operations; and
- Attractive financial metrics of the transaction and potential synergy realisation (see previous announcement 8 October 2019).

New SeaLink Group CEO well credentialed to lead the business forward

Current CEO of Transit Systems Group, Clint Feuerherdt, will lead SeaLink as Group CEO. Commenting on the appointment, SeaLink Chair, Andrew McEvoy, said:

“The Board of Directors of SeaLink believe that Clint is uniquely positioned to lead the combined SeaLink and Transit Systems Group business. Clint has worked with Transit Systems Group for 10 years and throughout this time has acquired significant experience in managing a large passenger transport business delivering reliable and safe services to large-scale government contracts. Clint also has an extensive background in marine transport operations having built Transit Systems Group’s marine operations into Australia’s largest private operator of passenger and vehicle ferries before divesting the business to SeaLink in 2015.”

New SeaLink Travel Group CEO, Clint Feuerherdt commented:

“Over a long period of time, both SeaLink and Transit Systems Group have developed market leading positions in their respective sectors and I see significant opportunity for the combined group to target integrated multi-modal passenger transport contracts across the public and private sectors. I particularly look forward to leveraging the skills and expertise of both groups as we look to deliver a range of synergies from the combined business.”

Board, SeaLink Travel Group

About SeaLink Travel Group (ASX:SLK)

Prior to the acquisition of Transit Systems Group, SeaLink Travel Group operated across New South Wales, Queensland, the Northern Territory, Western Australia, South Australia and Tasmania, with a vision to better connect people, creating brilliant travel experiences and memories. The Group moved over seven million customers each year. With the acquisition it has now expanded its area of operations into Victoria and internationally.

About Transit Systems Group

Transit Systems Group operates metropolitan bus services in Perth (Swan Transit), Adelaide (Torrens Transit), Sydney (Transit Systems NSW), Victoria (Sita Group) and Darwin (Territory Transit). The globally recognised Transit Systems Group currently operates approximately ~3,129 buses across 40 contracts in Australia, London and Singapore on behalf of governments and transport authorities. Transit Systems Group carries ~344 million passengers annually on its services.

Internationally, the Group operates significant urban bus services in the Transport for London (TfL) network (Tower Transit), and in Singapore (Tower Transit Singapore) – bringing world best practice to local operations.

Further information

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