



28 June 2021

ASX Announcement

Metcash Limited

ABN 32 112 073 480
1 Thomas Holt Drive
Macquarie Park
NSW 2113 Australia

Increase in ownership of Total Tools

Metcash Limited (ASX:MTS) today advises that it has increased its ownership in Total Tools Holdings Pty Limited (TTH or Total Tools) from 70% to 85% for an acquisition cost of \$59.4 million.

TTH is the franchisor to the largest professional tools network in Australia with 90 bannered stores across Australia, and it is complementary to Metcash's Independent Hardware Group. Total Tools has a history of strong performance, and this has continued since Metcash acquired its 70% stake in September last year with the business contributing EBIT of \$24 million for the eight months ended 30 April 2021.

Metcash has also increased its debt facility to TTH from \$40 million to \$65 million. TTH has significant growth opportunities and this increase, together with a portion of the consideration for the additional 15% holding, is expected to help fund TTH's growth plan as outlined at Metcash's Investor Day held in March this year. This includes expansion of the store network and the acquisition of an ownership interest in a select number of stores.

Metcash continues to have a pathway to full ownership of TTH towards the end of FY24 with put and call arrangements in place.

This announcement has been approved by the Board of Directors of Metcash Limited.

Ends

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