

Linfox Armaguard Pty Ltd

Proposed Merger with Prosegur Australia Holdings Pty Ltd (Proposed Transaction)

Statement of:	Peter Donald Fox AM
Address:	[REDACTED]
Occupation:	Executive Chairman at Linfox Pty Ltd, Linfox Australia Pty Ltd, Linfox International Group Pty Ltd and Linfox Armaguard Pty Ltd
Date:	26 February 2023

On 26 February 2023, I, Peter Donald Fox AM of [REDACTED], say:

1. I am the Executive Chairman of Linfox Australia Pty Ltd, Linfox International Group Pty Ltd and Linfox Armaguard Pty Ltd (**Armaguard**) and have held these positions since 1993.
2. I have been asked to make a statement by MinterEllison for the purpose of the Australian Competition and Consumer Commission's (**ACCC**) review of Armaguard and Prosegur Australia Holdings Pty Ltd's (**Prosegur**) application for merger authorisation (**ACCC's Review**).
3. I am authorised to make this statement on behalf of Armaguard for the purpose of the ACCC's Review.

EXPERIENCE AND EMPLOYMENT HISTORY

4. I have over 30 years' experience in the transport and logistics industries and hold the following educational qualifications:
 - (a) Certificate in Effective Distribution Management from the University of New South Wales Australian Graduate School of Management in 1983;
 - (b) Bachelor of Business Degree (Marketing) from Chisholm Institute of Technology in 1986;
 - (c) International Marketing and International Management Program from David Syme Business School in 1986;
 - (d) Certification of Management from Darden Graduate School of Business Administration at the University of Virginia in 1989; and
 - (e) Graduate Diploma in Owner President Management Program from Harvard University in 1996.

5. In my role as Executive Chairman of Armaguard, I provide leadership and direction to the Board of Armaguard, facilitate its operation and the deliberations of its members and ensure the Board effectively performs its functions.

ARMAGUARD'S FINANCIAL POSITION

6. Although Armaguard's cash-in-transit (CIT) business was previously profitable (at a time where it was enabled by a client base and an economy far more reliant on cash and therefore in need of cash services), it has been in significant decline since 2012 and is no longer financially viable.
7. In recent years, the Board has repeatedly encouraged the Executive Leadership Team to take all necessary steps to improve Armaguard's financial position.
8. However, none of the measures or initiatives implemented to date have been sufficient to return Armaguard to profitability. **[Confidential to Armaguard]** [REDACTED]
[REDACTED] I consider that the Proposed Transaction with Prosegur is the only option for Armaguard to continue providing CIT services as it does today, but in a financially sustainable manner.

23 February 2023 Board Meeting

9. On 23 February 2023, I attended a scheduled Armaguard Board meeting (the **February Board Meeting**). At the February Board Meeting, Mick Cronin, the Chief Executive Officer of Armaguard, and Rodney Mills, the Chief Financial Officer of Armaguard presented: **[Confidential to Armaguard]**
[REDACTED]
10. [REDACTED]
[REDACTED]
11. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
12. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

13. [Redacted]

14. As at the date of making this statement, I am not aware of any other measures the Board or the Executive Leadership Team of Armaguard could take, other than the Proposed Transaction, which would restore Armaguard's CIT business to profitability in the short, medium or long term.

15. **[Confidential to Armaguard]** [Redacted]

16. [Redacted]

Signed by Peter Donald Fox AM on 26 February 2023 in the presence of

[Redacted Signature]

Signature of witness

[Redacted Signature]

Peter Donald Fox AM

Sonali Karunanayake

Name of witness (print)