



26 March 2020

Temporary Closure of Sealegs International and Lancer Industries due to COVID-19 and Debt Restructuring

Future Mobility Solutions (FMS) today announced the temporary closure of its New Zealand subsidiaries Sealegs and Lancer.

The decision to close was in response to the New Zealand government's decision to raise the country's alert level to four (4). This means New Zealanders not working in essential services must stay at home and stop all interactions with others outside of their household for a period of four weeks.

Chairman Eric Series said "Amidst these unprecedented times, the Board of FMS believes the well-being of its staff to be its primary concern. This, together with the Group's increasingly stretched supply chain, has made the continuation of operations in New Zealand extremely difficult. This has necessitated the temporary closure of Sealegs and Lancer."

Last week, FMS also announced the closure of Sillinger (S.A.S) in response to the French government's similar measures in response to COVID-19.

The Group's other principal subsidiary, Willard Marine, continues to operate as it is deemed an essential business due to its US Government customer base. The Board will, however, continue to monitor the situation in the United States on a daily basis.

Given this background, and to ensure the long-term viability of the group post the COVID-19 pandemic, the Board has also agreed the restructuring of a number of its debt facilities which were due to mature shortly.

In summary, the debt providers have variously agreed to extend the maturity date of existing facilities and to provide additional debt capital for the working capital needs of FMS.

As part of these agreements, in respect of a portion of their debt aggregating to approximately US\$1.4 million in total, they have agreed to swap this into equity capital in the group at a price of NZ\$0.02 cents per share, being the average share price of the share over the last month.

The board are pleased to have reached these agreements which help to strengthen the Groups balance sheet moving forward and to provide an element of certainty in the absence of any alternative funding alternatives amidst the current market disruption.

For more information on
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