

20 December 2024

Agreement to sell Coregas

Wesfarmers today announced it has agreed to sell its Coregas business to a subsidiary of Nippon Sanso Holdings Corporation ("NSHD") for \$770 million.

On successful completion of the transaction, Wesfarmers expects to report a pre-tax profit on sale of approximately \$230 million to \$260 million, subject to completion adjustments. The sale is subject to the receipt of certain consents and approvals, including from the Australian Competition and Consumer Commission and Foreign Investment Review Board.

Coregas is part of the Wesfarmers Industrial and Safety division and is one of Australia's largest manufacturers and suppliers of industrial gases. The business distributes industrial, medical and specialty gases in cylinders and offers a wide range of bulk gases for medium to large users across Australia and New Zealand.

NSHD is listed on the Tokyo Stock Exchange and is headquartered in Japan. NSHD is the world's fourth-largest supplier of industrial, electronic and medical gases operating in over 30 countries, across Japan, the United States, Europe, Asia and Oceania. In Australia, NSHD's wholly owned subsidiary Supagas Pty Limited is a leading supplier of liquefied petroleum gas, industrial, medical, specialty and helium gases.

Wesfarmers Managing Director Rob Scott said the agreement to sell Coregas delivers value for shareholders and recognises the strong growth delivered by Coregas in the industrial gases markets across Australia and New Zealand.

"We believe the divestment is in the best interests of Wesfarmers shareholders and is consistent with our disciplined focus on portfolio management. The sale gives customers and team members of Coregas the opportunity to join an established business in NSHD, which has global expertise owning and operating successful industrial gas businesses," Mr Scott said.

"I thank all the Coregas team for their efforts in significantly growing and improving the business. They should be very proud of the Coregas business and I am confident there will be new opportunities that will arise with NSHD, a global leader in industrial gases."

Mr Scott said the remaining businesses in the Industrial and Safety division will continue to execute their strategies to create shareholder value, with ongoing investment from Wesfarmers.

"We continue to see attractive opportunities to deliver satisfactory returns for shareholders over the long term from Blackwoods and Workwear Group."

Excluding Coregas, the remaining businesses in the Industrial and Safety division generated earnings before tax of \$72 million in the 2024 financial year.

Subject to satisfying conditions precedent, Wesfarmers expects the sale of Coregas to complete by mid-calendar year 2025.

For more information:

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This announcement was authorised to be given to the ASX by the Wesfarmers Disclosure Committee.