



Media Release

GRACEKENNEDY ANNOUNCES CONCLUSION OF THE SALE OF ITS SHARES IN HARDWARE & LUMBER

Kingston, Jamaica, December 30 – GraceKennedy Limited today announced the completion of the sale of its shares in Hardware & Lumber Limited (“H&L”) to purchaser, Argyle Industries Inc. (“Argyle”).

Argyle (a St. Lucian Company) is special purpose vehicle incorporated for the purposes of acquiring and holding the Investor’s equity interests in Hardware & Lumber Limited. The investors in Argyle include a group of sophisticated investors led by, ABBECO INVEST S.A. (a Bahamian investment company), Sterling Asset Management Limited (along with its affiliates and associates) and Greystone Equity Partners Inc. (along with its affiliates and associates) (collectively, the “Investors”).

In keeping with the sale agreement, GraceKennedy has divested its 58.15% interest in H&L to Argyle for a price of \$18.50 per share.

GraceKennedy Group CEO, Don Wehby, stated “As previously indicated GraceKennedy’s decision to sell our shares in H&L was not an easy one, however, this divestment is consistent with our present strategy of concentrating on the food business locally and internationally and financial services in the region.” He added, “I feel very positive about the continued growth of H&L under the prospective new owners, Argyle, who are excited about the possibilities for the future. I would like to thank the staff of H&L and the H&L Board for the contributions made to the company over the years and we remain committed to working towards a smooth transition to the new ownership.”

H&L currently comprises two separate divisions - Rapid True Value — the foremost local supplier of hardware and home improvement products, and the Agro Grace business — local wholesaler and retailer of agricultural products. There are currently 10 Rapid True Value outlets across Jamaica, along with six Agro Grace Retail Centres. The company is headquartered at 697 Spanish Town Road in Kingston.

GK Capital Management Limited was the lead broker for the transaction.

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