

TO CREDITORS AND SUPPLIERS

15 August 2014

Dear Sir/Madam

**Re: ACN 000 237 678 Pty Ltd (formerly Custom Coaches (Sales) Pty Ltd)
(Administrators Appointed) ACN 000 237 678
("the Company")**

I refer to the appointment of Timothy Norman and I as Joint and Several Administrators of the Company on 30 May 2014 and previous correspondence to creditors and suppliers.

1. Sale of Business

I am pleased to advise the business and assets of the Company were sold to Custom Bus Australia Pty Ltd (**CBA**) on 15 August 2014 and control of the business will be assumed by CBA immediately from this date.

Please find attached a brochure providing information regarding CBA.

2. Authorised Purchase Orders during the Administration

Any outstanding or "open" purchase orders raised by the Administrators (signed by an authorised signatory of the Administrators' team) but not yet delivered as at 15 August 2014, should be processed and delivered as normal. The Administrators confirm they will continue to honour all invoices if accompanied with a valid purchase order from the Administration.

We request that a statement be prepared for the Administrators account as at 15 August 2014.

Please note the Administrators accept no liability for any new purchase orders raised after 15 August 2014. The Administrators and CBA appreciate your assistance in ensuring an efficient transition.

3. Contact Details for the Purchaser

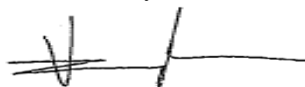
The Purchaser has requested for all trade suppliers to contact Cathy Wilson of CBA on cathyw@custombus.com.au to arrange the establishment of account(s) with the Purchaser from the date of sale.

CBA will not accept liability for the payment of any goods or services supplied without the authority of the Purchaser.

Thank you for your support during the Administration period. This has enabled us to continue to trade and achieve a sale of the business and continued employment for the majority of staff.

Should you have any questions in relation to this matter, please contact Megan Quagliata of this office on (02) 9322 5104 or by email customcoaches@deloitte.com.au.

Yours faithfully



Vaughan Strawbridge
Joint and Several Administrator

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A young girl with blonde hair and striking blue eyes is shown in profile, looking out of a window. She is resting her chin on her hand, looking thoughtful. The background is a blurred view of a city street with buildings and a red traffic light.

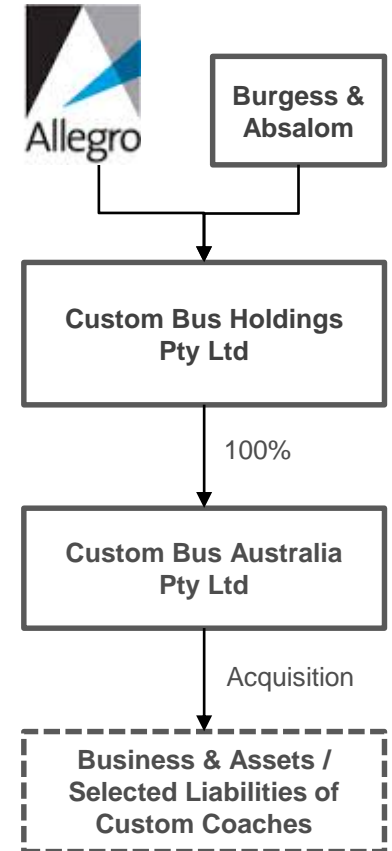
Custom Bus

A New Beginning

www.custombus.com.au

Business has been sold

- Deloitte (the administrators) sold the business to a consortium of Allegro, Burgess Family and Absalom
- Operating company is Custom Bus Australia Pty Ltd. It will hold all the assets of the business
- Effective change in control on 15 August
- Debt free company. Strong financial backing
- Majority of staff are being transferred to Custom Bus Australia from 15 August



About Allegro Funds?

- Allegro Funds is a leading Australian private equity manager, specialising in turnaround investing
- Allegro adopts a common approach to its portfolio companies – **stabilise** businesses, systematically **operationally improve** businesses and then **grow them** to their potential

Current Allegro Portfolio



Changing Custom

Stabilising the Business

- Re-invigorate customer and supplier relationships
- New board and governance structure
- Clear lines of staff responsibility & leadership
- Move Adelaide production to Sydney by end of August
- Ensure production flows
- Quality output
- Reinvigorate custom care
- 100 day transition plan

Improving The Operations

- Listen to customers, suppliers and staff
- Develop “best of breed” bus manufacturing capability that will improve production quality
- Develop a motivated high performance team within a collaborative culture
- Develop a differentiated offering to meet our customers’ needs
- Implement a change program to improve the business
- Act quickly