

**ASX RELEASE****Acquisition of Fluid Power Services****9<sup>th</sup> April 2021**

Coventry Group Ltd is pleased to announce that it has entered into an agreement to acquire all of the business and assets of Fluid Power Services Pty Ltd (“FPS”) funded through the company’s new financing facility with the NAB.

*Highlights*

- Coventry Group to acquire Tasmanian based FPS for \$2.1m cash.
- FPS is a leading provider of specialised hydraulic equipment in Tasmania.
- In FY20 FPS had total revenue of \$4.9m and adjusted EBITDA of \$1.2m.
- FPS expands Coventry Group’s and Fluid Systems Tasmanian presence.

The acquisition is subject to standard conditions precedent for transactions of this nature and is expected to complete on 30 April 2021. Coventry Group may also elect not to proceed with the FPS acquisition if a material adverse change occurs prior to completion.

Coventry Group Managing Director and CEO, Robert Bulluss, said:

“We are pleased to welcome Fluid Power Services into the Coventry Group. FPS is a well-run business that has delivered sales and earnings growth over an extended period. The business is highly complementary to our Fluid Systems business, further diversifying into non-mining markets and providing geographical coverage in Tasmania. FPS represents another compelling acquisition opportunity that is consistent with Coventry Group’s growth strategy and satisfies Coventry Group’s key acquisition criteria.”

**About the Coventry Group**

Coventry Group delivers innovative industrial solutions to the industrial, mining, construction, infrastructure and agriculture sectors, supplying a range of fastening systems, cabinet hardware systems, industrial products and hydraulics, lubrication, fire suppression, refuelling systems and other products.

Coventry Group operates under two key business units; Trade Distribution and Fluid Systems and operates from 77 locations across Australia and New Zealand.

**About FPS**

FPS is a leading provider of specialised hydraulic products and engineering solutions in Tasmania serving clients in the infrastructure, transport and logistics, building and construction, industrial and mining and resources markets. FPS was founded in 1991 by Richard Lawson and Rodney Callahan and is headquartered in Devonport, Tasmania with 8 employees. FPS has a diversified customer base and strategic supplier alliances with Rexroth and Hydac.

The acquisition represents a multiple of 1.8x FY20 EBITDA and is projected to be EPS accretive in FY22.

This acquisition offers tangible synergies that will benefit Coventry Group’s Fluid Systems division, including growth opportunities, procurement savings and knowledge transfer.

FPS will operate as the Tasmanian branch of the Fluid Systems division. To minimise integration risk, the owners will remain with the business to provide a smooth transition.

Authorised for release by the Board of Directors of Coventry Group Limited.

*For further information contact:*

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