

Acquisition of Goudie Holdings Limited and Fraser Coast Bolts and Industrial Supplies

17th March 2022

At the Coventry Group we create a sustainable future by empowering our people to deliver great customer experiences

GHL expands our Trade Distribution operations in New Zealand

- Announced the acquisition of the business and assets of Goudie Holdings Limited and NZ Planks Limited (GHL) for NZ\$8.5m cash plus up to an additional NZ\$0.5m based on an earn out on EBITDA above a NZ\$1.7m FY22 result.
- Expected completion on 31 March 2022, funded through the company's debt facility.
- GHL is Auckland's leading specialist in temporary fencing sales and hire and plank hire into our existing construction and infrastructure markets.
- GHL expands our Trade Distribution presence in New Zealand.
- In FY22, GHL is forecast to generate sales revenue of NZ\$8.6m and adjusted EBITDA of NZ\$1.9m.



Acquisition criteria	GHL	Alignment with CGL strategy
Industrial Supply market	Excellent fit for CGL and Trade Distribution New Zealand segment. Provides expansion and diversification	●
Turnover scale > \$10m	NZ\$8.6m turnover FCT FY22	●
Profitable business	Yes	●
Disciplined approach to value	5 times EBITDA multiple	●
Management to be retained	Owner retained for handover. Owner's son retained as General Manager	●
Clear post-acquisition integration strategy	Will operate as a standalone division in the New Zealand Trade Distribution business	●
Conservative funding strategy	Using existing finance facility	●

Fraser Coast Bolts and Industrial Supplies expands KAA's branch network

- Announced the acquisition of the business and assets of Fraser Coast Bolts and Industrial Supplies (FCB) for A\$2.8m with expected completion on 31 March 2022, funded through the company's debt facility.
- FCB is a leading provider of fasteners and industrial supplies in the Hervey Bay and Bundaberg regions in Queensland.
- FCB has a diversified customer base in those regions.
- In FY21, FCB generated sales revenue of A\$2.9m and adjusted EBITDA of A\$0.6m.



Acquisition criteria	FCB	Alignment with CGL strategy
Industrial Supply market	Excellent fit for CGL and Konnect and Artia Australia segment. Provides geographical expansion	●
Scale	A\$2.9m turnover	●
Profitable business	Yes	●
Disciplined approach to value	4.5 times EBITDA multiple	●
Owners Management to be retained	Owner retained	●
Ability to adapt to CYG culture	Owner previously worked for the Coventry Group	●
Clear post-acquisition integration strategy	Will operate as a branch in the KAA network	●
Conservative funding strategy	Using existing finance facility	●

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