



**11 OCTOBER 2017**

**SKYDIVE THE BEACH GROUP LIMITED (ACN 167 320 470)**

**(ASX: SKB)**

**ASX ANNOUNCEMENT**

**PROPOSED ACQUISITION OF GBR HELICOPTERS**

**A\$20 MILLION INSTITUTIONAL PLACEMENT**

### **Highlights**

- Skydive to acquire GBR Helicopters Pty Ltd and GBR Holdings Pty Ltd ("GBR Helicopters")
- Materially earnings accretive on an annualised basis
- Enhances Skydive's market leading position in adventure tourism
- Significant strategic advantage, synergies and cost savings
- Institutional Placement to raise A\$20million, completed oversubscribed

### **1. Proposed Acquisition of GBR Helicopters**

Skydive the Beach Group Limited ('SKB', 'the Company', 'Skydive'), Australia and New Zealand's leading skydiving adventure tourism company, is pleased to announce that it has entered into a conditional agreement to acquire GBR Helicopters, located in Cairns Far North Queensland.

Skydive will acquire 100% of the shares of GBR Helicopters for a maximum of A\$19.6m, a payment that includes the payout of GBR Helicopters' debt facility.

Skydive expects the acquisition to be materially earnings accretive on an annualised basis.

The agreement is expected to complete on 1 November.

The agreement contains provisions to support warranties and to provide an incentive payment of \$1.25m if GBR Helicopters achieves specific FY18 EBITDA targets.

GBR Helicopters has 3 parts to its business, being tourism, commercial operations and a flight training school. GBR Helicopters offer full day, half day and scenic flights to the Great Barrier Reef, the Daintree Rainforest and other surrounding areas, departing from Cairns, Port Douglas and Mareeba.

Skydive is acquiring a fleet of 22 helicopters.

### **2. A\$20 million Institutional Placement**

To fund the acquisition, Skydive undertook an institutional Placement to sophisticated and institutional investors to raise A\$20 million, which was completed on Tuesday 10<sup>th</sup> October 2017. Skydive issued 30.3M shares at a price of \$0.66 and this placement falls within the companies capacity under rule 7.1.

The Placement was strongly oversubscribed.

The proceeds will be used as follows:

- A\$10.0m acquisition of GBR Helicopters
- A\$8.6m payout of existing debt facility
- A\$1.4m costs of placement, Due Diligence and Working Capital



### 3. Comments

Anthony Ritter, CEO of Skydive said:

“The GBR Helicopters acquisition strengthens Skydive’s position in the Far North Queensland adventure tourism and experience market.

Helicopter flights over the Great Barrier Reef and Daintree Rainforest are world class experiences, and we are fortunate to add such a wonderful product to our portfolio of highly recognisable and respected company and adventure brands.

When you add this acquisition to the existing products we offer customers, we are well on our way in becoming the largest and most respected adventure tourism company in the world.

### 4. GBR Helicopters

GBR Helicopters was established 20 years ago and is the largest helicopter operator in North Queensland

It has:

- strong market position, reputation and brand
- circa 80 employees
- a helicopter fleet of 22
- a strong operating culture with established quality system and procedures
- long-term airfield, heli-pad and hanger leases
- premium locations of heli-pads and offices

- ENDS -

### CONTACT

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### About Skydive the Beach Group Limited (ASX:SKB)

Skydive the Beach Group Ltd (SKB) is an adventure tourism and leisure company. From its origins in Wollongong NSW in 1999 and now provides tandem diving experiences in 18 locations in Australia and three locations in New Zealand. SKB also provides activities of white water rafting, hot air ballooning, canyoning and boat tours to the Great Barrier Reef in North Queensland, Australia. Since successfully completing an initial public offer (IPO) in March 2015, SKB has acquired Australian Skydive (March 2015), NZone Skydive (October 2015), Skydive Wanaka (July 2016), Raging Thunder Adventures (October 2016), Reef Magic Cruises (April 2016) and Byron Bay Balloons (August 2017).