



Big River Industries Limited (ACN 609 901 377)

ASX RELEASE

24 August 2021

Acquisition of Revolution Wood Panels – Brisbane, Queensland

Big River Industries Ltd (**Big River, ASX: BRI**) is pleased to advise that it has entered into an agreement to acquire the trading business and assets of Revolution Wood Panels Pty Ltd (RWP) located in Brisbane, Queensland. The acquisition is subject to certain procedural, administrative conditions precedent, which the Company expects will be met in the ordinary course, and is expected to complete in early October 2021.

This acquisition is highly complementary to the recent purchase of Timberwood Panels that settled in March 2021, as RWP has been a long-time customer of the Timberwood business. RWP annual revenue of circa \$15m into predominantly the Queensland market complements the strong market positions held by Timberwood in Victoria, South Australia and the ACT. It is also highly synergistic with the Big River New Zealand sites, which also specialise in the highly differentiated plywood and panels category of the business. RWP also offers considerable leverage for the Company's Panels manufacturing sites in Grafton and Melbourne, helping with scale efficiencies as well as a strong product development ethos.

This also continues to expand the Big River distribution network, with the RWP business operating out of two sites in Brendale, Brisbane. This further adds to the geographic diversity of Big River, which has held the Company in good stead during the disrupted period of the last two financial years. Ongoing variances in State Covid-19 related restrictions continue to highlight the positive impact of the Group's diversity.

The founders of the RWP business, Graham Anderson and Greg Adams, will remain with Big River and continue to manage the business. Strong alignment for Big River and the founders has been ensured with their ongoing management involvement, and the fact that the total consideration being paid includes \$6m in cash and \$1m in BRI ordinary shares (to be issued at the 10-day weighted average trading price prior to the completion date). There is also a strong alignment through a potential \$1m in additional earnout payments, payable over two years subject to certain profitability targets being met. The acquisition is expected to be earnings per share accretive from year one and will be funded out of available debt facilities.

Revolution Wood Panels is a highly regarded business in the specialised Panels category, having been established for over 15 years, after the founders had spent many years in the plywood and panels industries. Jim Bindon, Big River CEO said: "This acquisition continues the expansion of Big River's specialised Panels category, which has grown rapidly in recent years, and leverages over 80 years of Big River's product experience in this sector. With Graham and Greg both having had a long exposure to both the Big River and Timberwood businesses, it is extremely pleasing to now have them as part of the team. I welcome them and all their staff into the Big River Group."

For more information, please contact:

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This announcement has been authorised for release to the ASX by the Managing Director and CEO.

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