



Big River Industries Limited (ACN 609 901 377)

ASX RELEASE

17 February 2020

Acquisition of Pine Design Truss & Timber – Adelaide, South Australia

Big River Industries Ltd (**Big River, ASX: BRI**) advises that it has entered into an agreement with Pine Design Holdings Pty Ltd to acquire the trading business and assets of Pine Design Truss and Timber (**Pine Design**), located in Adelaide, South Australia. The acquisition is subject to certain non-contentious customary pre-conditions being met and is expected to complete in early March 2020.

This continues the expansion of Big River's network to directly supply the Trade segment of the building and construction industry. The acquisition of Pine Design will not only provide Big River a market position in prefabricated products in South Australia, but also adds considerably to the building products distribution network in the region, with the business having generated sales revenue of \$15m per annum. As with our existing business in Adelaide, Pine Design is focused on the residential markets for the supply of building products, but with the added capability of prefabricated timber wall frames, roof trusses and floor systems. The business also provides a second site in Adelaide for Big River to further expand its position in the commercial and multi-residential segments.

Pine Design has a long trading history in the Adelaide market, having been established over 30 years ago. Jim Bindon, Big River CEO said: "This acquisition continues the expansion of the Big River's prefabrication capability, and the site is very well equipped to supply the broader range of products marketed by Big River into all construction segments of the Adelaide market, which is a key component of the Big River strategy. The acquisition will cement Big River as one of the leading distributors of building products in South Australia, with a full product range to supply the civil, commercial and residential construction segments".

Consideration for the transaction includes a payment of \$3.3m in cash at completion funded from Big River's unused debt facility, and a maximum of \$0.4m in additional earnout payments over a two-year period, subject to certain profitability targets being met. The acquisition is expected to be earnings per share accretive from year one.

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

For more information, please contact:

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