

23 February 2024

WA Expansion – Update on Purchase Consideration

LaserBond can now provide the complete details of the consideration payable for the agreement with Gateway Parts & Equipment Pty Ltd (Gateway) and the shareholders of Gateway, which was executed last night. These agreements are subject to immaterial conditions precedent needing to be satisfied that are largely on commercial terms.

The consideration payable is a 4.5 times multiple of Gateway's FY23 EBITDA of \$5.6 million. This equates to a purchase price for the 40% share of Gateway of \$10.0 million. This will be paid as a combination of cash and LBL shares.

One condition of the agreements was the calculation of the number of shares to be issued, which was subject to the average of the daily volume weighted average price of LBL shares on the 30 days ending yesterday (22 February 2024). With this calculation complete and approved, LaserBond now advises that the consideration payable will be:

- a) \$4,894,433 in cash; and
- b) 5,974,729 LBL shares based on the VWAP calculation of \$0.85444 per share.

At settlement (expected in two weeks, subject to the final immaterial conditions precedent), LaserBond will own 40% of Gateway. The shareholders of Gateway have agreed that at any time from three years following settlement, LaserBond has a right to acquire shares in Gateway to obtain 51%. Further shares up to 100% will be at the discretion of Gateway shareholders. Before exercising this right, LaserBond will obtain any necessary shareholder approval under ASX Listing Rule 7.1, if required. The consideration price for these additional shares will remain based on 4.5 times multiple up to a maximum of three years average EBITDA. The method of payment for any additional shares may be cash or scrip and will be determined at the time of purchase.

Dagmar Parsons, a current non-executive Director of LaserBond, will be appointed to the Board of Gateway after settlement.

Approved for release by the Board of LaserBond Limited.



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