

Transformational Acquisition of "Karratha Machinery Hire" (KMH) now completed

Highlights

- ▶ SSH Group has completed the transformational acquisition of leading Pilbara-based mining and civil project machinery hire company, Karratha Machinery Hire (**KMH**).
- ▶ The acquisition is fully funded by a new equipment financing facility and existing cash reserves.
- ▶ KMH is expected to deliver an impressive EPS accretion of ~139% on a FY21 pro-forma (FY21PF) basis, not including the expected strong synergies.
- ▶ The acquisition marks the start of a significant growth period for SSH Group's emerging equipment division.

SSH Group Ltd ("**SSH**" or "**the Group**" or the "**Company**") is pleased to advise that the acquisition of WA-based mining and civil project machinery hire company, Karratha Machinery Hire ("**KMH**"), announced on 20 April 2022, was completed, and settled with effect on 10 May 2022.

KMH is a Pilbara based machinery hire company, specialising since 1989 in long- and short-term dry hire of quality mobile plant, earthmoving equipment, trailers, and mine-site compliant vehicles in support of mining and civil projects in Western Australia.

SSH acquired 100% of the assets used to conduct the KMH business and goodwill for a total consideration of \$15,000,000. Funding for the equipment was sourced through an equipment financing facility provided by National Australia Bank. Balance of the assets and goodwill is to be funded via a combination of cash and a share issue to the vendor at Completion and then a second payment 6 months after Completion (all shares issued are subject to an Escrow arrangement). Full details of the transaction can be found in the ASX announcement dated 20 April 2022. An Appendix 2A with respect to the settlement accompanies this ASX release.

The acquisition is expected to deliver an impressive EPS accretion of ~139% on a FY21 pro-forma (FY21PF) basis, not including the expected strong synergies. This marks the beginning of a significant growth period for SSH to rapidly expand its fledgling equipment division.

SSH Group Ltd Managing Director, Daniel Cowley-Cooper commented:

"I am delighted to complete the acquisition of Karratha Machinery Hire, which positions the Group well for growth within our newly formed Equipment Division.

"We expect to see immediate improvement to revenues and profits of the Group, and we also expect to generate significant synergies in our services offering to our existing clients and those of KMH."

Stefan Finney, Executive Director & COO of SSH, commented:

"I am excited about the acquisition, KMH is a quality company with a reputable name in the Pilbara region, and I am looking forward to working with the management team as we grow this business together."

Authorisation

This announcement has been authorised for release by the Board.

Daniel Cowley-Cooper

Managing Director

SSH Group Ltd

About SSH Group

SSH Group Ltd operates businesses that provide a comprehensive range of services to Australian industries, projects, and communities, investing in the success and development of Australia, for Australian people.

About Karratha Machinery Hire (KMH)

www.karrathamachineryhire.com.au

KMH is the Pilbara's largest home-grown plant hire company.

Established in 1989, the company has over 140+ units in its dry hire fleet and specializes in servicing Tier 1 clients in the construction, civil and mining markets of the Pilbara.

KMH offers 24/7 support, regional expertise, local repairers, quality late model equipment, with On-Time mobilization to site.

KMH has an extensive range of mine spec equipment, vehicles, and trailers available for short- and long-term hire.

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