

ASX Release

12 July 2021

Acrow Industrial Services Division Secures Further \$4.2m in New Contracts

Key Highlights:

- Further success expanding into the New South Wales Industrial Services market
- Maintenance shutdown contracts secured across Bayswater, Eraring, and Mt Piper power stations
- Contract wins totalling \$4.2m, to be realised in 1H22
- FY22 target revenue and sales contribution for this division upgraded by 7%, respectively

As alluded to in our recent ASX release, dated 24 June 2021, Acrow Formwork and Construction Limited (ASX:ACF) is pleased to announce that the Industrial Services division has secured a further \$4.2m in maintenance shutdown contracts. The new contracts are all New South Wales based and build on the recently announced success achieved in that state.

In total, three contracts have been secured for the provision of industrial scaffold hire and labour services for maintenance shutdown programs across the Bayswater, Eraring, and Mt Piper coal-fired power stations. These programs are scheduled to commence from August 2021 and complete by December 2021.

To reflect the additional packages not previously assumed in our budget, Acrow has upgraded its FY22 target revenue and sales contribution margin for the Industrial Services division by 7%, respectively. The new FY22 targets are presented in the table below.

Industrial Services	FY20	FY21 Guidance	FY22 Target
Revenue (\$m)	10.1	20.5	31.0
Sales contribution margin (\$m)	4.8	9.0	15.0

Commenting on the recent contract wins, Acrow CEO, Steven Boland said: "Over the last 12 months we have assembled a very talented and focussed national Industrial Services team that is successfully securing and executing on the opportunities presenting across the east coast of Australia. I am very proud of the achievements of the team, having now secured maintenance shutdown contracts with four of the five largest power stations in New South Wales over the last six months. We are clearly building a solid reputation in this sector for safety, quality, and efficiency".

"It is also extremely gratifying to see that the potential we envisaged from this division continues to be realised, particularly outside of our incumbent Queensland market. As such, we will continue to resource this division, subject to meeting Acrow's strict investment criteria, to capitalise on future opportunities. Contract success of this nature gives me a high degree of confidence that our targeted FY22 EBITDA improvement of circa 20% growth above our FY21 result will be achieved and likely exceeded."

This release was approved by the Acrow Board of Directors.

-ENDS-

About Acrow

Acrow is a leading hirer of formwork and scaffolding systems to large construction and civil infrastructure providers across Australia, operating a network of formwork and scaffolding branches in six states and employing approximately 245 people. The business services a diversified customer base of approximately 1,300 customers.

Acrow has a high quality and versatile portfolio of assets and has identified a number of near term growth opportunities, most particularly through the investment in capital equipment to take advantage of a range of opportunities in the growing East Coast civil infrastructure market, particularly in New South Wales and Victoria where the business is still underrepresented.

ASX:ACF

Acrow Formwork and Construction Services Limited

C/- Level 5, 126 Phillip Street

Sydney NSW 2000



For further information, please contact:

Steven Boland
Managing Director
Ph: +61 (02) 9780 6500

Andrew Crowther
Chief Financial Officer
Ph: +61 (02) 9780 6500