

ASX:ACF

Acrow Formwork and Construction Services Limited

C/- Level 5, 126 Phillip Street

Sydney NSW 2000



## ASX Release

4 November 2021

### Acrow Announces Earnings Guidance Upgrade

#### Key Highlights:

- **FY22 Guidance upgrade across all key metrics**
- **Record October month for hire revenue, total revenue, and EBITDA**
- **Industrial Services business continues to build momentum across new markets**

Acrow Formwork and Construction Services Limited (ASX: ACF) ("Acrow" or "the Company"), is pleased to announce that the strong growth reported in Q1 FY22 has continued into October 2021, with the Company reporting a record month in hire revenue, total revenue and EBITDA.

As a result of the strong start to the year, and the strong level of hire contract wins to-date (up 54% on pcp), which provide a good leading indicator for activity levels over the remainder of the year, the Board has upgraded guidance for FY22, as follows:

Revenue:	\$130m - \$135m (up 23%-28% on pcp, previously >20% <sup>1</sup> )
EBITDA:	\$31.5m - \$32.5m (up 30%-34% on pcp, previously >25% <sup>2</sup> )
Underlying NPAT:	\$13.8m - \$14.5m (up 59%-67% on pcp, previously >50% <sup>2</sup> )
EPS:	5.8cps - 6.2cps (up 45%-55% on pcp, previously >40% <sup>2</sup> )

Notably, the Industrial Services business has continued to win new contracts and generate new products sales both within its traditional Queensland market, as well as in recently entered new markets, including New South Wales and South Australia. This has resulted in an increase in our target revenue for the division from \$31m<sup>1</sup> to a range of \$35m-\$40m for FY22. Recent key successes include:

- Phosphate Hill (Qld) - Incitec Pivot contract for circa. \$1.7m in hire and labour packages;
- Snowy Hydro (NSW) - new packages awarded for equipment hire, labour, and sales;
- Whyalla (SA) – SRG 3-year contract for hire of circa \$200k per annum; and
- PNG - sale of \$700K of industrial scaffold equipment to Monadelphous.

Commenting on the guidance upgrade, Managing Director, Steven Boland said: "Acrow is continuing to generate a momentum of its own. Our expanded product suite, sophisticated engineering solutions, reliability and focus on safety are helping us to stand out from the competition. Off the back of the civil infrastructure construction tailwinds, coupled with the tremendous organic growth we are generating as we take our product range and business model into new markets, especially in the Industrial Services sector, I believe Acrow will continue to grow from strength to strength over the next few years."

"I look forward to providing a more detailed update at the Annual General Meeting scheduled for 22 November 2021."

<sup>1</sup> See FY21 Results Presentation dated 25 August 2021

<sup>2</sup> See ASX Announcement dated 1 October 2021

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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.

#### **For further information, please contact:**

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