

ASX Announcement

13 June 2023

TRADING UPDATE FOR AVADA GROUP LIMITED

AVADA Group Limited (ASX:AVD) ('AVADA', 'the Company' or 'the Group'), the listed provider of traffic management services in Australia and New Zealand, is pleased to provide an update on trading performance for the second half of financial year 2023, and expected underlying earnings for the 2023 financial year.

Key Highlights

- Operating conditions, in particular weather patterns, returning to long term average
- Operating efficiencies and synergies supporting increased profitability through H2
- Expected underlying EBITDA for H2 FY23 of between \$7.5m and \$8.5m vs. Underlying EBITDA for H1 FY23 of \$7.1m
- Expected underlying EBITDA of between \$14.6m and \$15.6m for the 2023 financial year

Trading update

The Company's improved financial position has been driven by a series of strategic initiatives and continuing operational improvements, with operating conditions, particularly in respect of weather returning to long term average.

Through centralising and consolidating functions including operating models, finance, IT, and human resources, AVADA has realised cost savings and improved resource allocation. In line with growth objectives, the Group vetted potential targets and successfully completed two strategic acquisitions. These acquisitions have further broadened the Company's geographic diversification and customer reach.

AVADA Chief Executive Officer and Managing Director, Mr Daniel Crowley said, "Operating conditions have improved since the first half of the year, we continue to improve our processes, and are delivering a strong finish for the year.

"Continuing the focus on 'The AVADA Way' culture and implementing the operating model positions the Group for next financial year," Mr Crowley said.

Underlying EBITDA

Underlying EBITDA includes adjustments for pre-acquisition trading for Construct Traffic and adjustments for non-operating items, consistent with adjustments presented in the H1FY23 Results Presentation.

Trading for Wilsons Traffic Management is included from acquisition completion (5 May 2023).

This announcement is authorised for release by the Board of Directors of AVADA Group Limited.

About AVADA Group Limited

AVADA is Australia's largest listed integrated traffic management provider, with established operations throughout Queensland, NSW, Victoria and New Zealand servicing major public and private sector clients.

With an extensive network of 30 Depots, more than 970 vehicles and 2,000 dedicated employees the Group is well positioned in the integrated traffic management and associated civil sectors.

Visit us at avadagroup.com.au

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