

ASX:ACF

Acrow Formwork and Construction Services Limited

C/- Level 5, 126 Phillip Street

Sydney NSW 2000



## ASX Release

22 July 2021

### Acrow raises \$10.5m via a placement to institutional and sophisticated investors

#### Highlights

- Acrow successfully completes \$10,500,000 capital raise (“**Placement**”) (before costs)
- Proceeds will be used to fund growth in both the Industrial Services & Civil Formwork businesses
- Placement well supported by existing and new institutional and sophisticated investors.

Acrow Formwork and Construction Services Limited (ASX:ACF) is pleased to advise that it has received binding commitments from institutional and sophisticated investors, including existing shareholders, to successfully raise \$10,500,000 (before costs). The Company received bids significantly above the Placement requirements.

The capital raised will primarily be used in the immediate future to fund the capital investment requirements of the fast-growing Industrial Services division and to capitalise on the numerous civil infrastructure opportunities on the horizon. The balance of the funds will add strength to the Company’s balance sheet and provide flexibility to act quickly as compelling further growth opportunities present themselves.

Commenting on the Placement, Acrow CEO, Steven Boland said: “It is very pleasing to have received strong support from our existing shareholders and new shareholders which share Acrow’s vision of being the leading engineered formwork and industrial services scaffold solutions provider in Australia.”

“As highlighted in recent ASX announcements, the Industrial Services division has been successfully expanding its operations both within its incumbent Queensland market as well as into new east coast markets, especially NSW. The funds raised ensures that this division, as well as the Formwork division, remain well resourced to capitalise on opportunities as we continue to expand. Acrow has a strict 40% ROI hurdle rate on growth capital and I am very confident that investments that are the beneficiary of this raise will return far better than this benchmark.”

The Placement will result in the issue of 27.6m new ordinary shares at an issue price of 38 cents per share. The issue price for the Placement represents an 11.6% discount to the last traded price, and an 11.4% discount to the 10-day VWAP.

New shares issued under the Placement will rank equally with Acrow’s existing fully paid ordinary shares.

The Placement will be made under Acrow’s existing placement capacity under ASX listing rules 7.1 and 7.1a and does not require shareholder approval.

Settlement of the Placement is scheduled to occur on Tuesday, 27<sup>th</sup> July 2021, with the issue and trading of Placement shares scheduled to commence on Wednesday 28<sup>th</sup> July 2021.

Morgans Corporate Limited and CCZ Statton Equities acted as Joint Lead Managers to the Placement.

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.



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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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