



Acrow Formwork &
Construction Services Limited



Capital Raising Presentation

22 July 2021

IMPORTANT NOTICE

This presentation is provided for information purposes only. The information in this presentation is in a summary form, does not purport to be complete and is not intended to be relied upon as advice to investors or other persons. The information contained in this presentation was prepared as of its date and remains subject to change without notice. This presentation has been provided to you solely for the purpose of giving you background information about Acrow Formwork and Construction Services Limited (“Acrow”).

No representation or warranty, express or implied, is made as to the accuracy, reliability, completeness or fairness of the information, opinions and conclusions contained in this presentation. Neither Acrow, its related bodies corporate, shareholders or affiliates, nor any of their respective officers, directors, employees, related bodies corporate, affiliates, agents or advisers makes any representations or warranties that this presentation is complete or that it contains all material information about Acrow or which a prospective investor or purchaser may require in evaluating a possible investment in Acrow or acquisition of shares. To the maximum extent permitted by law, none of those persons accept any liability, including, without limitation, any liability arising out of fault or negligence for any loss arising from the use of information contained in this presentation or in relation to the accuracy or completeness of the information, statements, opinions or matters, express or implied, contained in, arising out of or derived from, or for omissions from, this presentation. Acrow has not independently verified any of the contents of this presentation (including, without limitation, any of the information attributed to third parties). No person is under any obligation to update this presentation at any time after its release to you.

Certain statements in this presentation may constitute forward-looking statements or statements about future matters that are based upon information known and assumptions made as of the date of this presentation. Forward looking statements can generally be identified by the use of forward looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target” and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

Actual results may differ materially from any future results or performance expressed, predicted or implied by the statements contained in this presentation. As such, undue reliance should not be placed on any forward-looking statement. Past performance is not necessarily a guide to future performance. Nothing contained in this presentation nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future.

This presentation is not, and does not constitute, an offer to sell or the solicitation, invitation or recommendation to purchase any securities in Acrow and neither this presentation nor any of the information contained herein shall form the basis of any contract or commitment. In particular, this presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States.

This presentation may not be reproduced or redistributed to any other person.

In receiving this presentation, each recipient agrees to the foregoing terms and conditions.

This Presentation was approved by the Acrow Board of Directors

For further information please contact:

Steven Boland
Managing Director
Ph: (02) 9780 6500

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

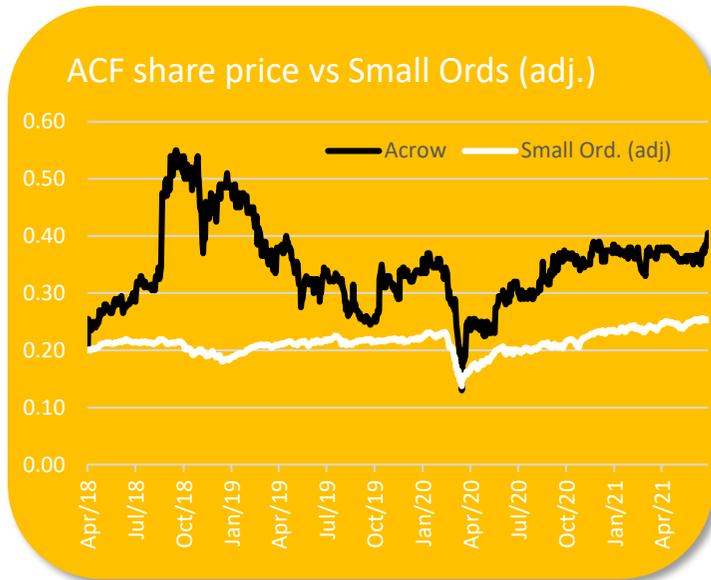


ACROW

SINCE
1936

BACKGROUND & STRATEGY

Wiggins Island Coal Export Terminal (WICET), Golding Point (Port of Gladstone)



National Footprint
- 6 states
- 10 depots

Customers
1,300

Employees
245 FTE

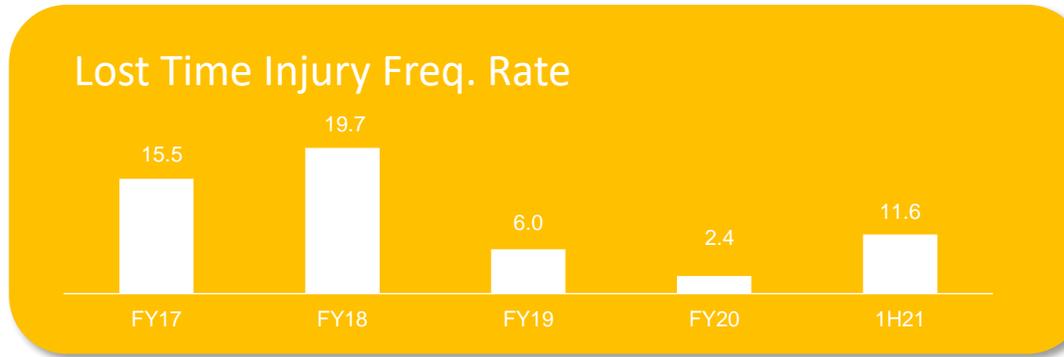
Enterprise Value¹
\$108m

Revenue²
\$106m

Replacement Value
>\$130m

Incorporated
1950

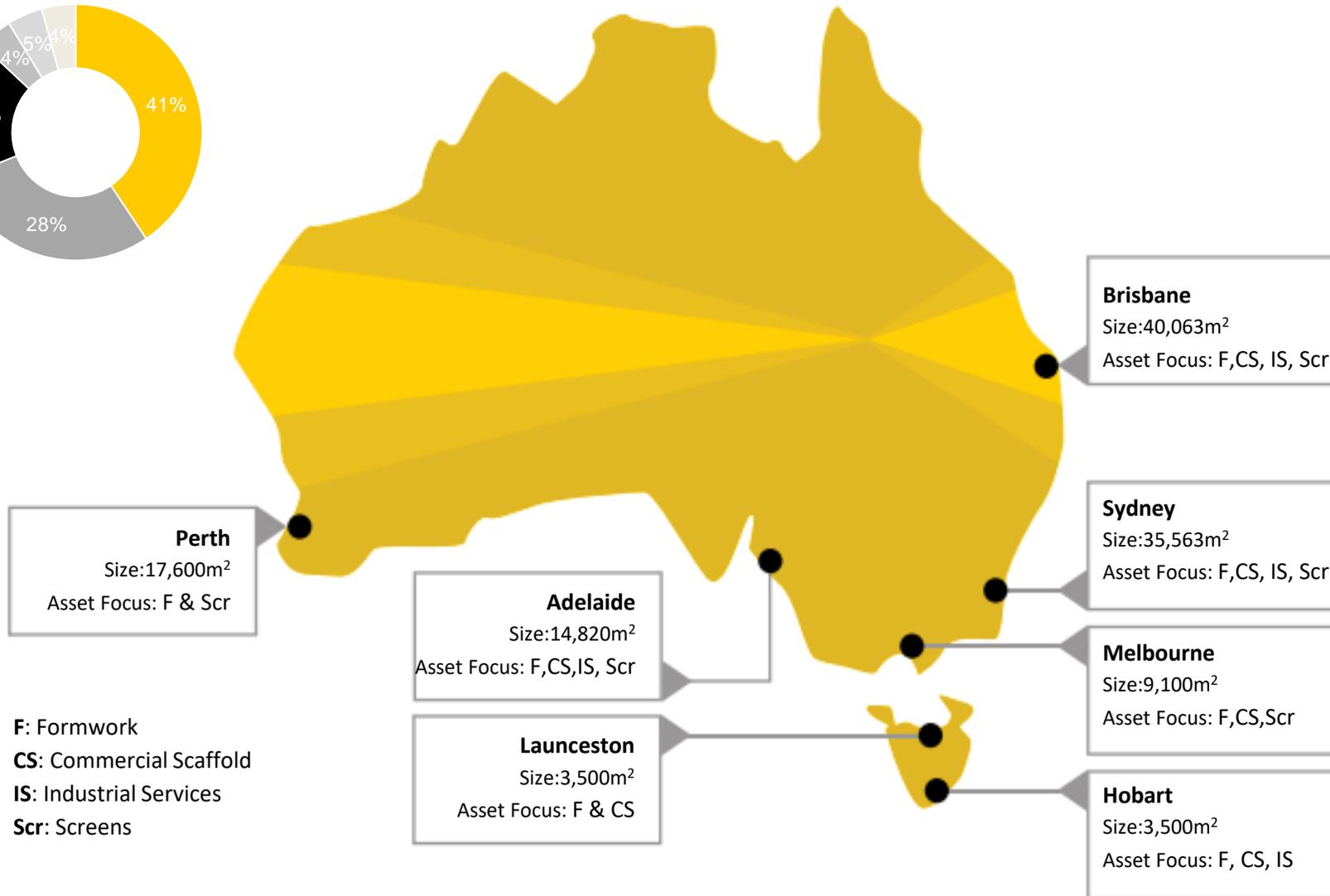
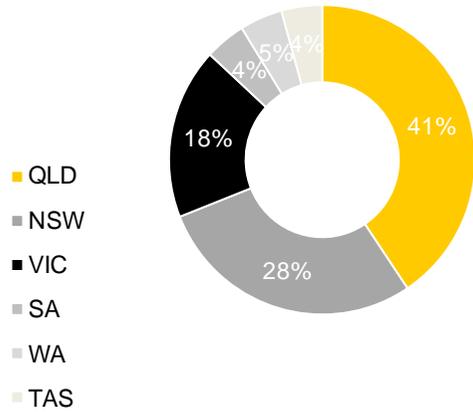
Listed
Apr 2018



1. EV= net debt + market capitalisation 2. FY21 revenue guidance

Acrow is uniquely positioned nationally to offer a full suite of formwork, scaffold, screening products and services across all segments of the construction and industrial maintenance markets

Total Revenue by Geography (1H21)





The leading Engineered **Formwork Sales & Hire Equipment Solutions** provider in Australia



Become the leading Engineered **Scaffold Solutions** provider to the Australian Industrial Services market



Recruit train and retain the best management and engineering **Talent** to drive the business



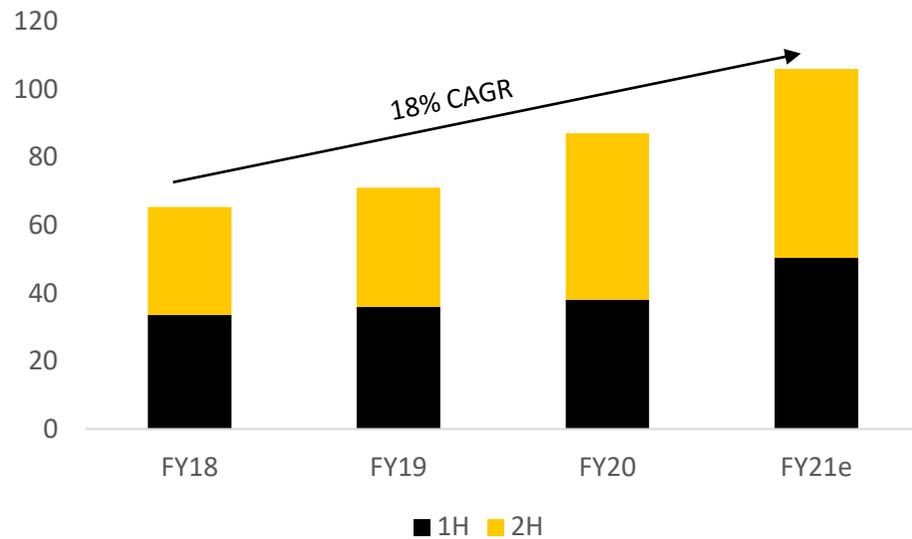
Target High ROI **Organic Growth** opportunities across States, cross-sell and new products



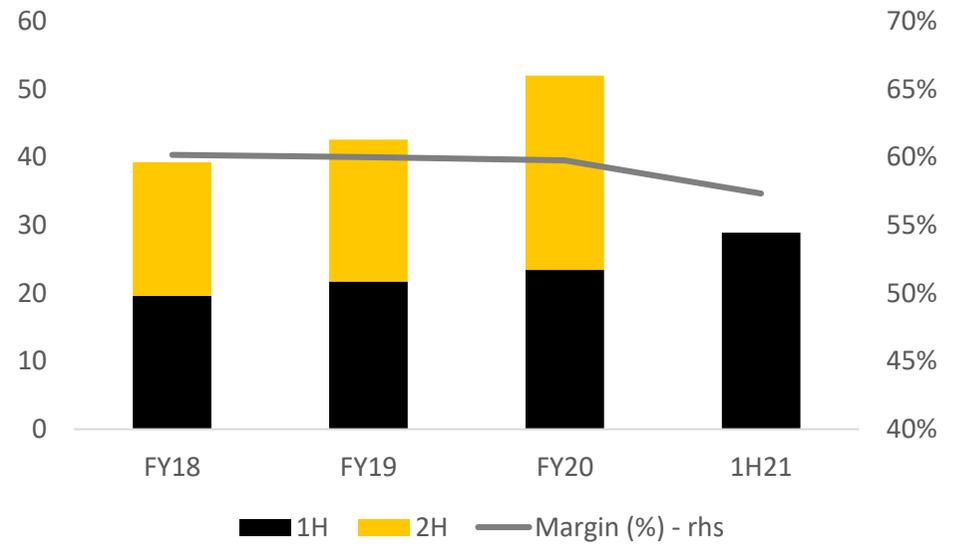
Earnings accretive **Acquisitions** primarily across formwork solutions but may include strategically positioned scaffold businesses (especially in industrial space)

FINANCIAL PERFORMANCE

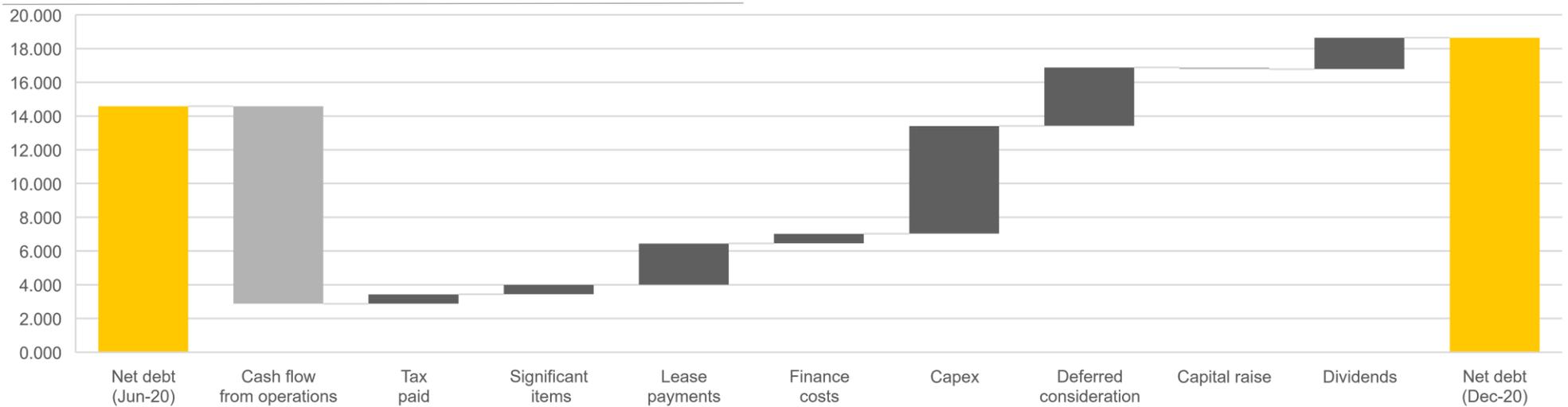
Group Revenue (\$m)



Group Sales Contribution (\$m) & Margin (%)

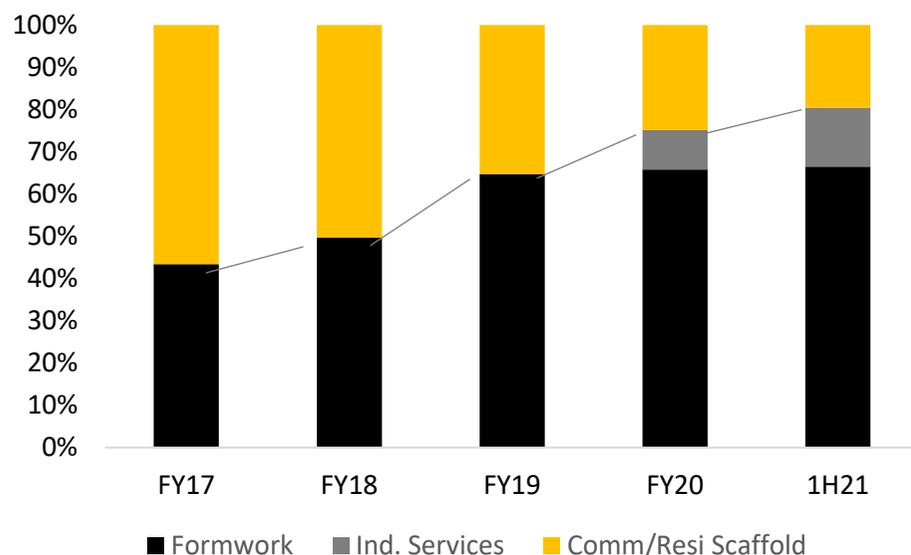


Net Debt Waterfall ('\$000)(1H21)



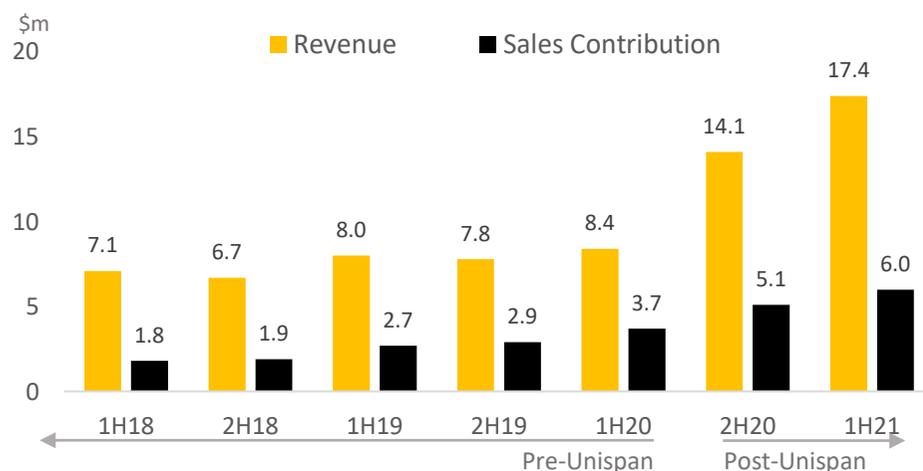
STRATEGIC PIVOT WELL ADVANCED

Group Sales Contribution



- Strategic pivot towards highly engineered product markets
- Formwork/Industrial Scaffold comprises 80% of Sales Contribution, up from 43% in FY17
- Significant exposure to publicly funded civil infrastructure projects
- Natform (Aug 18) and Uni-span (Oct 19) acquisitions align with strategy
- Increasing focus on Product Sales provides substantial revenue and profit growth opportunity at minimal cost and resourcing

Group Product Sales



STRATEGIC ACQUISITIONS

Natform



- ❑ Natform acquired August 2018
- ❑ Expanded Acrow product range with protective screening offering
- ❑ Very attractive cross-sell opportunities evolving
- ❑ Talented and entrepreneurial management team
- ❑ 1H21 sales revenue up 33%

Uni-span



- ❑ Uni-span acquired October 2019
- ❑ Highly complementary formwork equipment offering and introduction to exciting new business segment – Industrial Services
- ❑ Provided access to leading international formwork equipment supplier – ULMA
- ❑ Integration benefits of \$2.2m exceeded initial estimates

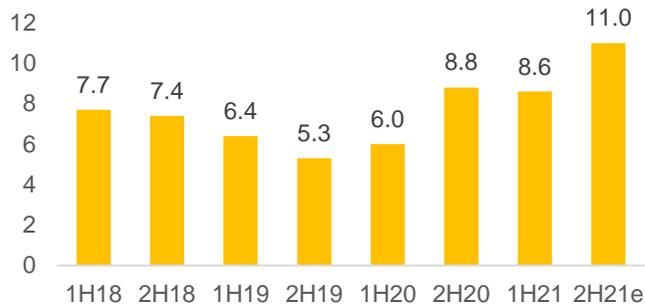


MARKET & BUSINESS OVERVIEW

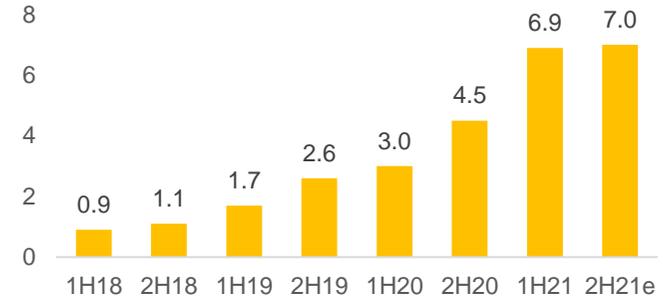
Manhattan, Canberra

FORMWORK REVENUE – BY STATE + NATIONAL¹

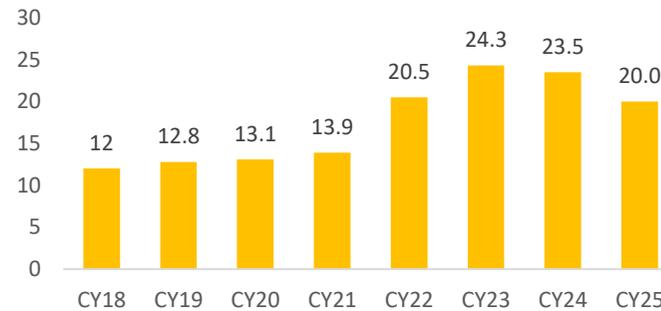
Queensland formwork revenue – Half yearly (\$m)



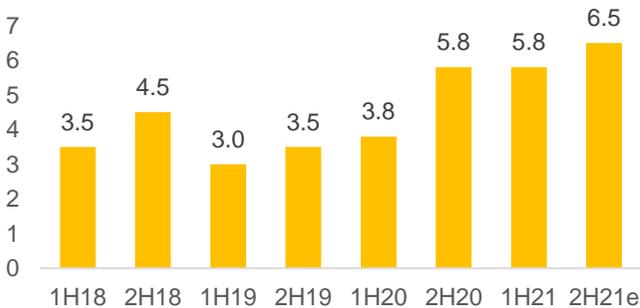
Victoria formwork revenue – Half yearly (\$m)



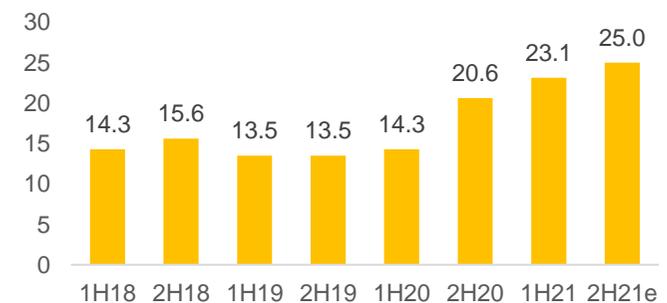
Major Transport Infrastructure Project Spend (\$bn)



NSW formwork revenue – Half yearly (\$m)



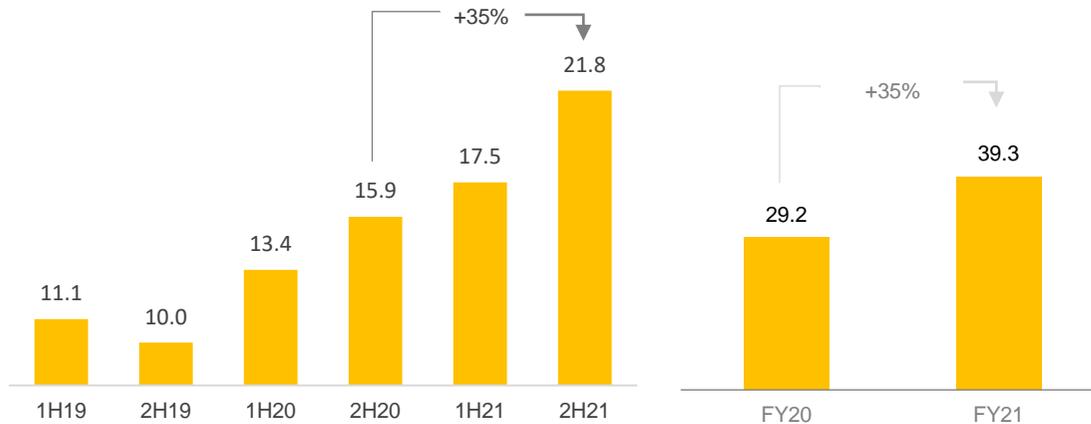
National formwork revenue – Half yearly (\$m)



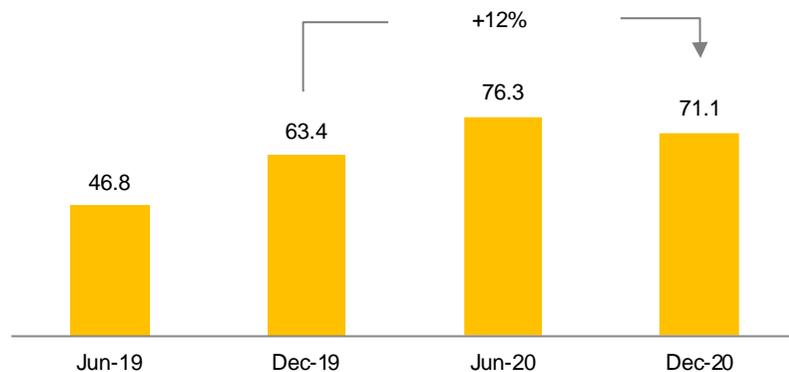
1. Excludes Natform revenue

ACROW EQUIPMENT HIRE WINS AND PIPELINE

Hire Contracts Won (\$m)



Current Pipeline – Potential Hire Revenue (\$m)¹



- ❑ Secured hire contracts up 35% in 2H21 and FY21 on PCP, boosted by contributions from Formwork (Qld), Formwork (VIC), Natform (NSW), and Industrial Services (Qld)
- ❑ Pipeline decline from Jun-20 to Dec-20 relates to exclusion of unsuccessful \$15m tender for Cross River Rail, Brisbane project
- ❑ Integrated sales teams executing on cross-sell opportunities
- ❑ Current pipeline of equipment hire up 12% on PCP, assisted by:
 - Uni-span contribution across all states
 - New channels of revenue by promotion of Uni-span/ULMA across all states
 - Uplift in Natform screen opportunities across all states

KEY DRIVERS FOR FORMWORK SUCCESS

- ✓ Provide Complex Engineering Solutions
- ✓ Product Quality & Versatility
- ✓ OH&S Compliance/ISO9001 Accreditation

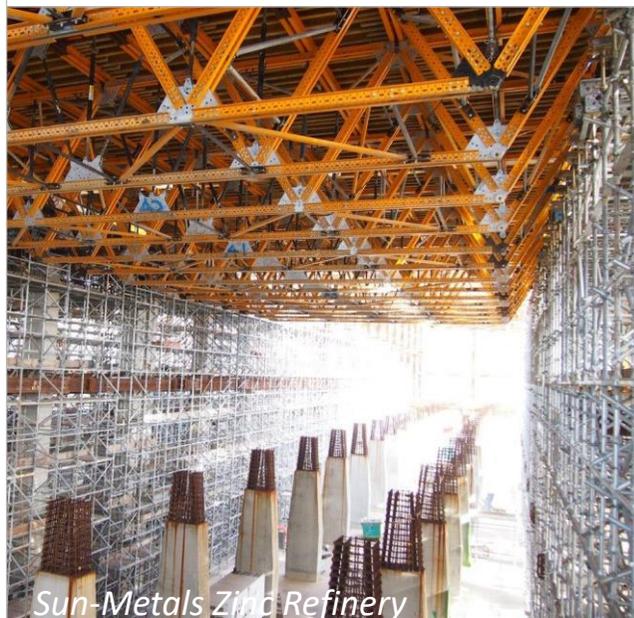
Void Forms



CYP Melbourne Metro

Design and supply 7m diameter circular void formers to seven locations on the project. Extremely complex build and stripping methodology to safely install and remove with limited crange and access.

Travelling Platform



Sun-Metals Zinc Refinery

Re-usable travelling platform - 260m long and 36m wide. Eliminated 80% of the gear and labour by making a small section of falsework 20m long and 20m high, travelling on electric drive motors to each concrete pour.

Wall Formwork on Wheels



CYP Melbourne Metro CBD South

Used for top-down shaft lining walls where there is no crane and extremely large formwork pressures. Formwork was designed as 3m modules and placed on castor wheels which allowed them to move the formwork by hand between concrete pours.

MARQUEE CIVIL PROJECT INVOLVEMENT



**Sydney
Metro
Rail**



**Melbourne
Western
Distributor**



**Melbourne
Metro
Rail**



**Brisbane
Cross River
Rail**

ACROW

SINCE
1936

OPPORTUNITIES & OUTLOOK

Melbourne Airport, Melbourne



SHORT-MEDIUM TERM GROWTH OPPORTUNITIES

Industrial Services

Expand into new markets and territories across the East Coast of Australia

Formwork - Sydney

Grow market share - new General Manager appointed

Formwork - Queensland

Substantial infrastructure development programs across Rail, Road, Defence, Utilities

Natform

Grow market share - New South Wales & Victoria

Expanded Offering & Footprint

Fully integrated product offering across Acrow/Uni-span/ULMA/Natform & across all states

Product Sales

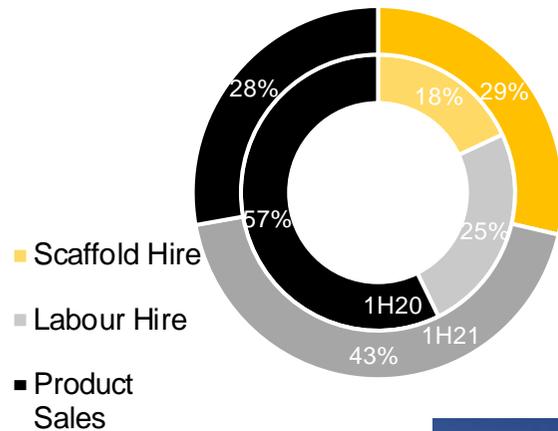
Generates new revenue stream and strengthens client retention

INDUSTRIAL SERVICES – SIZEABLE OPPORTUNITY

Profit & Loss (\$m)

\$m	FY20	FY21 Guidance	FY22 Target
Revenue	10.1	20.5	31.0
Sales Contribution	4.8	9.0	15.0

Revenue by Business Unit



- Industrial Services acquired through Uni-span acquisition (Oct 2019)
- Highly specialised labour hire business
- Highly regarded professional team
- Business primarily QLD based. Significant opportunity to expand presence nationally
- Similar commercial dynamics to Formwork business.
 - solutions-based approach
 - mainly large operators
 - complex and sizeable projects
- Recent success with Bluechip operators including Origin Energy, UGL, Downer EDI, Monadelphous, Visy, and Nystar
- Successfully expanding into new territories:
 - **NSW** - Bayswater & Liddell Power Station. Visy Tumut Kraft Paper mill
 - **SA** - Olympic Dam
 - **Tas.** - Nystar Zinc Refinery
- Further recent new contract success in NSW to generate \$4.2m in revenue in 1H22:
 - Bayswater
 - Mt Piper
 - Eraring

KEY FINANCIALS & GUIDANCE

1H21
Actual

Revenue
\$50.4m
+32%

EBITDA
\$11.1m
+41%

Underlying
NPAT
\$3.7m
+72%

FY21
Guidance

Revenue
\$106m
+22%

EBITDA
\$23.5-24.5m
+21-26%

Underlying
NPAT
\$8.7-9.5m
+10-20%

FY22
Outlook

Strength in hire contract wins points to strong start to new financial year – Target of 20% EBITDA growth



NATFORM



1. Percentage change is based on previous corresponding period

The ACROW logo is a white triangle pointing to the right, containing the word "ACROW" in bold, black, sans-serif capital letters.

SINCE
1936

CAPITAL RAISING

Arden Street Station, Melbourne

CAPITAL RAISING – OFFER SUMMARY

Offer Structure and Size	<ul style="list-style-type: none">• Placement to raise approximately \$10.5 million (which represents approximately 27.6 million shares) to institutional and sophisticated investors (the Offer)• The Offer represents approximately 12.5% of issued capital• Placement issued under the Company's available capacity pursuant to ASX Listing Rules 7.1 and 7.1a
Offer Price	<ul style="list-style-type: none">• Offer Price of \$0.38 per share represents a:<ul style="list-style-type: none">• 11.6% discount to the last close of \$0.430 on 19 July 2021;• 13.3% discount to the 5-day VWAP of \$0.438; and• 11.4% discount to the 10-day VWAP of \$0.429
Use of Funds	<ul style="list-style-type: none">• Enable further organic growth for Acrow, including the rapidly growing Industrial Services sector• Fund recently identified capital requirements in the Industrial Services sector• Strengthen the balance sheet to provide flexibility for opportunities that will present later in the year
Joint Lead Managers	<ul style="list-style-type: none">• Morgans Corporate Limited and CCZ Statton Equities are Joint Lead Managers to the Offer
Ranking and Distribution	<ul style="list-style-type: none">• New shares issued under the Offer will rank pari-passu with existing fully paid ordinary shares on issue• Australia and New Zealand sophisticated and institutional investors

CAPITAL RAISING – TIMETABLE¹

Event	Date
Trading Halt and Offer announced	Tuesday, 20 July 2021
Announce results of the Offer and resume normal trading	Thursday, 22 July 2021 (before market)
Settlement of shares issued under the Offer	Tuesday, 27 July 2021
Allotment, quotation and trading of shares issued under the Offer	Wednesday, 28 July 2021

1. The timetable is indicative and may be subject to change



Thank You

For further information please contact:

Steven Boland
Managing Director
Ph: (02) 9780 6500

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