

30<sup>th</sup> August 2021

## Aquirian delivers solid FY21 financials and a strong start to FY22

### Highlights

- Revenue from operations of \$12.46 million in FY21, up 19% on FY20
- Underlying<sup>1</sup> EBITDA<sup>2</sup> of \$2.26 million in FY21
- Strong operating cash flows of \$1.25 million in FY21
- Underground (UG) fleet growth of 333% to 13 units, majority acquired in last Qtr
- Integration of MagLok acquisition completed
- Intellectual Property (IP) portfolio strengthened over FY21
- Successful Australian Securities Exchange (ASX) listing in July 2021
- Equipment Financing Facility terms agreed for increase to \$5 million

Specialist mining services provider Aquirian Limited ('**Aquirian**' or the '**Company**') (**ASX:AQN**) is pleased to announce that it has continued to build on its strong track record of revenue growth, reporting results for the financial year ended 30 June 2021 (FY21) following its recent initial public offering (IPO) completed in July 2021.

Underlying<sup>1</sup> financial performance for the year was in line with the IPO Prospectus run rate. Operating revenues increased 19% to \$12,462,652 (FY20: \$10,460,781) notwithstanding the year being impacted by COVID-19-related issues across the globe. Border closures have impeded the People Services division and overseas product sales in the Mining Services division; however, this was offset with increased revenues through underground (UG) fleet rental, domestic product sales and the MagLok acquisition.

Aquirian's underlying<sup>1</sup> FY21 EBITDA<sup>2</sup> and EBIT<sup>3</sup> of \$2,258,029 and \$1,474,174 respectively are consistent with the results achieved in FY20 of \$2,228,961 and \$1,553,255. The underlying<sup>1</sup> results exclude direct and related costs of \$515,777 associated with the IPO incurred in FY21 (comprised of \$411,009 in direct costs and \$104,768 in related costs).

The Perth-based, multi-disciplined and cross-functional mining services business provides specialised People Services (training, labour, recruitment) under the **Modular Training** and **TBS Workforce** brands, and Mining Services (equipment leasing, drill, and blast products) under the **TBS Mining Solutions** and **MagLok** brands to the mining and resources, and civil and defence sectors in Australia and internationally.

<sup>1</sup> Underlying - adjusts the IFRS and Non IFRS financial measures by excluding the direct and related costs of \$515,777 associated with the IPO incurred in FY21 (comprised of \$411,009 in direct costs and \$104,768 in related costs).

<sup>2</sup> EBITDA refers to earnings before interest, taxation, depreciation, and amortisation as set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income of the Audited Accounts, based on inputs calculated in accordance with Australian Accounting Standards and reviewed by the Group's auditors.

<sup>3</sup> EBIT refers to earnings before interest and taxation as set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income of the Audited Accounts, based on inputs calculated in accordance with Australian Accounting Standards and reviewed by the Group's auditors.



## **FY21 Operational Highlights**

The Mining Services division delivered improved performance through increased UG fleet offering with all available equipment engaged with its growing client base, delivering a strong last quarter. The expansion of the customer base has reduced concentration risk for the business. The addition and integration of MagLok to the group has resulted in a strengthened business model and offerings.

Customer growth across both Mining Services and People Services divisions has continued to accelerate with over 20 customers now leveraging both divisions from the Company in FY21. This customer cross-pollination across business units is central to Aquirian's strategy of delivering client solutions via a single touchpoint.

The IP Portfolio with Collar Keeper® has continued to grow with notification of patent acceptance in the US and Chile, both of which are large mining jurisdictions. Aquirian also commenced development on its revolutionary Collar Keeper® system with Phase One prototyping completed, indicating promising results.

## **Cash Flow and Balance Sheet Cash**

The group delivered strong operating cashflows of \$1,247,163 (FY20: \$1,115,549). The closing cash position was \$1,673,655 (FY20: \$1,774,006).

Borrowing increased by \$1,797,495 to \$2,872,208 associated with the MagLok acquisition and growing the UG fleet.

## **Corporate**

In July 2021, Aquirian successfully listed on the ASX through an IPO which raised \$8 million (before costs). The IPO was significantly oversubscribed and closed well ahead of schedule.

The funds raised will enable the Company to fast-track its future growth strategy by accelerating its innovation pipeline, investing in its existing cross-pollinating business units to meet growing demand, and engage in selective M&A activity.

## **Outlook for 2022**

FY22 has started strongly with turnover for quarter to date exceeding Aquirian's expectations, underpinned by the performance of the Mining Services division. Additionally, the Equipment Finance Facility has been increased to \$5 million to support growth. Aquirian is actively driving forward three key focus areas, being:

- Acquiring additional UG fleet as per ASX Announcement dated 19<sup>th</sup> August 2021, being an additional UG Loader to support client demand. The Company continues to actively look for value accretive assets to complement its UG fleet and customer growth.

- Securing larger premises for MagLok in South Australia to increase its tooling and manufacturing capability prior to H2 2022. This expansion enables MagLok to improve safety, efficiency, costs, and broaden its suite of client offerings.
- The ongoing development and commercialisation of the Collar Keeper® System targeting realisation of commercial revenue in H2 2022. Recent investment in additional engineering capacity dedicated to the Technology and Innovation pathway is aligned and consistent with Aquirian's strategy.

### Commentary

Commenting on the FY21 full year result and outlook, Aquirian Managing Director, David Kelly said:

"This year has been a transformational year for Aquirian. With the impacts of COVID-19 felt across the market, we have built a resilient business model and a dedicated team who have delivered solid financial results in a difficult business climate.

Our successful IPO and ASX listing in July 2021 was a significant milestone for our business and the support from the market has been positive and encouraging. We are executing against the key focus areas outlined in the Prospectus and we remain steadfast on our business strategy.

FY22 has started strongly, and we remain focused on the continued safe and profitable delivery of our client offerings across our Mining Services and People Services divisions. Central to our growth is rapidly advancing our Collar Keeper® System technology which we remain confident is a genuine game changer to the drill and blast function and provides significant downstream value in the mining chain".

-ENDS-

This announcement has been approved for release by the Managing Director of the Company

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### About Aquirian

Aquirian is an emerging specialist mining services company providing people, equipment and innovative products that support mining clients across their operations. The Company has a strong national and international presence with reputable, in-house capabilities and, through its extensive, in-depth relationships built up over many years of working in mining services locally and globally, it has attracted and maintained a long-term, tier-one client base.