

FY24 Full Year Results, Final Dividend & FY25 Guidance

Perth, Australia – Tuesday, 20 August 2024. Mader Group Limited (ASX: MAD), a leading global provider of specialist technical services across multiple industries, provides the following update on its performance for FY24.

	Unit	FY24	FY23	Variance	Variance (%)
Revenue					
Australia	[\$m]	585.7	468.5	117.2	25%
North America	[\$m]	177.8	132.2	45.6	34%
Rest of World	[\$m]	11.0	8.1	2.9	36%
Total Revenue	[\$m]	774.5	608.8	165.7	27%
EBITDA	[\$m]	99.2	75.1	24.1	32%
EBITDA Margin	[%]	12.8	12.3	0.5	
NPAT	[\$m]	50.4	38.5	11.9	31%
NPAT Margin	[%]	6.5	6.3	0.2	
Net Debt	[\$m]	31.2	42.7	-11.5	-27%

*For net debt the PCP is the period ended 30 June 2023.

FY24 HIGHLIGHTS:

- Mader Group reported record annual revenue of \$774.5m, exceeding guidance and an increase of 27% compared to the prior corresponding period (PCP). Growth across multiple industry verticals and geographies has underscored the Group's evolution, highlighting the compounding effect of diversified revenue streams.
- EBITDA of \$99.2m was delivered, an increase of 32% from \$75.1m in FY23. EBITDA margins improved from 12.3% to 12.8%.
- NPAT of \$50.4m was achieved, an increase of 31% from \$38.5m in FY23. NPAT margins continued to improve year on year from 6.3% to 6.5%.
- Net debt closed at \$31.2m, a strong result which reflects excellent progress towards the business' net cash position target in the medium term. This result was underpinned by cashflow conversion ratio of 88%.
- A final fully franked dividend of 4.0 cents per share declared, taking total FY24 dividends to 7.8 cents per share fully franked, an increase of 34% from FY23.

FY25 OUTLOOK:

- The outlook for FY25 is strong across all markets. Mader intends to leverage its diverse range of technical services and geographical presence to further strengthen revenue streams and continue to deliver positive returns for shareholders.
- Revenue guidance for FY25 is expected to be at least \$870m, delivering an NPAT of at least \$57m.

Mader Group Executive Director and Chief Executive Officer, Justin Nuich, said that FY24 was pivotal in solidifying the Group's position as a leader in specialist technical services.

"I'm proud to announce that we have exceeded our revenue and NPAT guidance targets of \$770m and \$50m respectively. With record results of \$774.5m in revenue and \$50.4m in NPAT, this achievement marks a significant milestone for our business as we enter the final two years of our current five-year strategic plan.

"Our performance this financial year highlights the business' transformation into a diversified, global technical services provider. We now operate in more locations and serve a broader range of customers, across more industries than ever before.

"In Australia we have once again delivered impressive results, surpassing expectations with a 25% year-on-year increase. Driven by strong customer demand for our core mechanical and ancillary services, our adaptability to meet operational needs has been remarkable.

"On the other side of the world, North America made strides in strengthening their market position. Despite some macro-related challenges, our performance remained strong. We are confident in the solid foundation we've established, and in the regions underlying fundamentals and favourable mid-to long-term outlook. Our business model has proven resilient in varying markets, and the growth potential in new regions is significant for both our core business, and other verticals.

"Taking a moment to reflect on our journey, I would like to extend my appreciation to our dedicated team. From our leaders, office staff and technicians in the field - you are the driving force behind our business and we deeply value all that you do. Looking ahead, we will continue our people-first approach that prioritises growth, both personally and professionally.

"I expect our unique, culture-led business model will deliver long-term, sustainable results into FY25 and beyond. Our strategic advantage lies in our diverse offerings, geographic footprint and exceptionally hard-working team. This combination will enable us to maximise revenue streams and continue to deliver value to our shareholders."

OPERATIONAL UPDATE

Zero Harm

Mader's ongoing commitment to the safety and wellbeing of their team is reflected in their results, with an improved Total Recordable Injury Frequency Rate of 3.49 recordable injuries per million hours worked, an 11% improvement year on year.

In FY24, Mader introduced 'Geared for Safety' an initiative which acknowledges the critical link between culture, strong leadership and safety performance. Consequently, enhancements were made to safety processes and digital systems. This initiative encompassed a major vehicle upgrade project, which outfitted the Australian fleet with advanced driver monitoring systems to mitigate driving-related risks. The Group plans to extend this upgrade to its global fleet of 1,400+ vehicles in the upcoming financial year.

Australia

The Australia segment outperformed expectations and delivered strong growth, generating revenue of \$585.7m, a 25% increase on the \$468.5m delivered in FY23. Core mechanical and ancillary services have been instrumental in driving this growth, demonstrating a resilient performance across multiple industries.

Customer demand in FY24 was high nationwide, underscoring the efficacy of the Group's service delivery model. To capitalise on momentum, Mader strategically diversified its service offerings to meet evolving operational demands, ensuring that they not only sustain but enhance their competitive edge in a dynamic market.

North America

In FY24, North America experienced a period of consolidation, delivering revenue of \$177.8m, an increase of 34% vs PCP (32% on a constant currency basis). Despite a challenging trading period, the fundamentals of the market remain strong in the mid to long term.

In the United States, services were delivered to customers in multiple commodities across 37 states. With a strong focus on business development and embedding its foundation, strategic efforts were concentrated on enhancing service capabilities to ensure growth and market resilience. During 2H FY24, softer commodity prices resulted in site closures and the demobilisation of Mader's workforce. Further, uncertainty in the political landscape has led customers to delay investment decisions.

The Canada business unit achieved steady growth over the financial year. Since Mader's entry into the region in Q2 FY22, the progress has been impressive, extending services to eight provinces and territories. Bolstered by the unparalleled Global Pathways Program, more than 65 skilled expatriate technicians were mobilised to provide dedicated customer support, with a strong pipeline primed for FY25.

Rest of World

The Rest of World segment generated \$11.0m, marking an increase of 36% on FY23. This growth was driven by an increase in the volume of specialist services, technical support and training provided to customers in four countries across Asia and Oceania. The segment remains steady and will continue to prioritise business development, with international opportunities a key pillar in attracting and retaining skilled personnel in the business.

COMMUNITY ENGAGEMENT

Over FY24, Mader's Tools for Life community engagement program delivered a number of volunteer, charity and sponsorship initiatives.

Highlights for the year included:

- Hosting youth engagement sessions at the Mader Maintenance Centre for local high school students interested in learning more about career pathways in the resources industry.
- Participating in Ronald McDonald House Charities 'Home for Dinner' program worldwide, with events held in Perth, Brisbane, Denver and Calgary.

- Raising over \$106,000 for the Harry Perkins Medical Institute by participating in the 2023 Cancer 200: Ride for Research.

Lastly, Mader successfully completed its hero project for the financial year; an ablution block for Kijilamatambo Primary School in Solwezi, Zambia. In collaboration with Kansanshi Mining PLC (now merged with First Quantum Minerals), this facility includes six toilets, sinks and a solar-powered water pumping system and bore. It represents a substantial improvement in hygiene, sanitation, and overall wellbeing for the school and the surrounding community.

FINANCIAL POSITION

The Group's net debt position closed at \$31.2m, a reduction from \$42.7m at 30 June 2023. This is a 27% decrease from FY23 and reflects the Group's continued cash flow conversion strength which is underpinned by robust working capital management.

The Group continues to target net cash over the medium term whilst maintaining ongoing growth and dividend payout ratio of approximately one third of NPAT.

FINAL DIVIDEND

On 20 August 2024, the Company declared a final FY24 fully franked dividend of 4.0 cents per share, taking total dividends declared in relation to FY24 to 7.8 cents per share fully franked. This represents an underlying NPAT payout ratio of 31% and an increase in dividend payments by 34% versus PCP.

The record date is 20 September 2024, with a payment date of 4 October 2024.

VESTING OF PERFORMANCE RIGHTS

Mader confirms the vesting of 2,000,000 Performance Rights issued under the Company's Equity Incentive Plan (Plan). The vesting condition, being achievement of NPAT of \$40 million has been satisfied prior to the expiry date. The Performance Rights, which were issued to key management personnel and other senior employees, may now be exercised in accordance with the terms of the Plan at any time prior to their expiry.

FY25 OUTLOOK & GUIDANCE

As the Group continues to further diversify and evolve, the outlook for FY25 remains strong across all markets. Mader plan to leverage their range of services and expansive geographical reach to strengthen revenue streams and deliver increased returns for shareholders.

Backed by a strong team and culture-led business model that has proven its transferability in a range of markets, the Group is well-positioned as it enters the final two years of its strategic plan. It is expected that FY25 revenue will be at least \$870m (FY24: \$774.5m, reflecting



MADER

forecast year on year growth of ~12%), delivering a forecast NPAT of at least \$57m (FY24: \$50.4m, reflecting forecast year on year growth of ~13%).

- end -

About Mader Group Limited

Mader Group Limited (ASX:MAD) is a global leader in the provision of specialist technical services across multiple industries. Today, the Company's well-established labour market platform allows it to connect a global network of over 430 customers to a skilled in-house workforce of approximately 3,200+ personnel on flexible, fit for purpose, and cost-effective terms. Mader Group has received numerous accolades, including Employer of the Year at the 2023 RISE Business Awards and Large Employer of the Year at the 2023 TAFE Queensland Awards. They were also recognised with Excellence in Mine Safety, OH&S at the 2023 Australian Mining Prospect Awards and as an Excellence Awardee at the 2024 Australian HR Awards.

Chief Executive Officer

Justin Nuich
justin.nuich@madergroup.com.au

Chief Financial Officer

Paul Hegarty
paul.hegarty@madergroup.com.au

Approved for release by the Board of Mader Group Limited.

