

1 October 2024

ACROW ANNOUNCES EXPANDED DEBT FUNDING PACKAGE AND RECORD QUARTERLY NEW HIRE CONTRACTS PERFORMANCE

Key Highlights

- Debt facility with Westpac Banking Corporation expanded by \$56 million
- Proforma headroom of approximately \$75 million, based on 30 June 2024 debt position
- Provides balance sheet and cashflow flexibility enabling the Company to pursue non-dilutionary, small to medium sized acquisitions in line with our acquisition growth strategy
- Secured new hire contracts for Q1 FY25 reported a quarterly record of \$24.8m, up 51% on the previous corresponding period.

Expanded Debt Facility

Acrow Limited (ASX: ACF) ("Acrow" or "the Company") is pleased to announce the successful expansion of its existing debt facility with Westpac Banking Corporation ("Westpac").

This enhanced facility significantly strengthens Acrow's financial position and supports its strategic growth objectives, including the ability to pursue non-dilutionary, small to medium acquisitions.

The expanded debt facility increases by \$56 million to approximately \$150 million, providing additional headroom of approximately \$75 million on a proforma 30 June 2024 basis. A summary of the key attributes of the enhanced facility include:

- **Expanded Business Loan Facility:** Acrow has refinanced its existing facility and secured an additional dedicated acquisition facility, expanding the total business loan facility by \$41 million to \$84 million. The facility is provided on an interest only basis, maturing in September 2027.
- **Increased Equipment Finance Facility:** The equipment finance facility has been increased from \$27 million to \$37 million, providing an additional \$10 million to fund the purchase of new equipment.
- **Flexible Option Facility:** covering bank guarantees, trade finance and overdraft facilities, has been increased by \$5 million to \$25 million.
- **Reduced Funding Costs:** The total debt facility has been provided at competitive commercial rates, delivering a reduced average interest rate on the previous financial year.
- **Covenants:** Fewer and less onerous covenants.

Q1 FY25 Secured Hire Contracts

Acrow is also pleased to report secured hire contract wins for Q1 FY25 of \$24.8m, up 51% on the previous corresponding period, and a record quarter for the Company. This follows on from the strong June 2024 finish, in which Acrow recorded its single biggest month of wins, totalling \$12.3m. As the leading forward looking indicator for future performance, these results point to a very strong medium term outlook for the business.



Commenting on the announcement, CEO, Steven Boland said: "We are excited about the expanded Westpac facility. We have been very clear on our strategy to grow our Industrial Access business nationally, both organically and via targeted acquisitions. This new debt structure strengthens our balance sheet and provides cashflow flexibility, enabling the Company to aggressively pursue non-dilutionary, small to medium sized accretive acquisitions that meet our stringent acquisition metrics and fit within our general acquisition growth strategy.

Furthermore, I am extremely pleased with the performance of our sales and engineering teams in converting opportunities from our extensive sales pipeline into secured hire contracts. Our conversion rate has never been stronger. I am also particularly delighted with the success in both our Jumpform and Screens businesses, that are helping to create the foundations for a very strong second half of FY25."

This release was approved by the Acrow Board of Directors.

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About Acrow

Acrow Limited (ASX: ACF) is a leading provider of smart integrated construction systems across formwork, industrial services and commercial scaffolding in Australia. Enhancing our portfolio are falsework and shoring, screen solutions, Jacking Systems (also known as Jumpform), and internal engineering capabilities.

With over 80 years of experience, Acrow has grown from a small local business to a national leader in the construction industry. Our journey is marked by continuous innovation, expansion, and a vision to set the national standard in engineered industrial and construction services. We're committed to removing barriers to success for construction and industrial professionals through our smart solutions, can do attitude, and strong partnerships.

Operating in 15 locations with over 60,000 tonnes of equipment, Acrow aims to expand its presence in Australia's civil infrastructure market. Our national network with local expertise ensures efficient project delivery while adhering to best practices. To learn more, please visit: www.acrow.com.au

For further information, please contact:

Steven Boland
Managing Director
Ph: +61 (02) 9780 6500

Andrew Crowther
Chief Financial Officer
Ph: +61 (02) 9780 6500