ASX ANNOUNCEMENT
Update on COVID-19 and FY20 guidance

Perth, Australia – 1 April 2020: Mader Group Limited (Mader or the Company) (ASX:MAD) provides the following business update on its response to the developing Coronavirus (COVID-19) pandemic.

The Board and Executive Management Team's key priorities are for Mader to play its role in limiting the spread of COVID-19, protecting the health and safety of its workforce and other stakeholders, and implementing appropriate strategies to place Mader in the strongest financial and operational position in this rapidly changing environment. At this time, there are no confirmed cases of COVID-19 among our employees that we are aware of.

Operational update

The current and/or potential impact of COVID-19 in the regions that Mader operates varies depending on the rate of spread of the virus through the population and the actions taken by their individual governments.

In Australia, Mader has been deemed an essential service to support the mining industry and its ability to deliver a healthy workforce is paramount to ensuring an uninterrupted mining sector is maintained. Activity levels remain strong, in particular in the Pilbara and WA Goldfields regions. The impact of changing interstate travel restrictions and roster patterns are being worked through with our staff and clients however the majority of Mader's workforce reside intrastate to their point of operations.

The COVID-19 situation in North America is developing faster than anticipated. Whilst Mader has seen strong organic growth in its US operations and currently remains strongly utilised, a lower degree of client diversification leaves Mader's US operations more exposed than those in the established markets of the Australian regions.

Mader has made the decision to withdraw its expatriate workforce from our International operations. Returning workers will mostly remain utilised as we mobilise them across the major mining regions in Australia.

Earnings guidance for FY20

At this stage, the only material impact on FY20 earnings is the recent suspension of the International division (excluding USA) which represents approximately 5% of annual revenue. However, due to the fluid and uncertain nature of this situation, there is potential future impact on Mader's other operations during the balance of FY20. As a result of the above, the Company withdraws its FY20 guidance of $19.3 million of adjusted NPAT. Mader will provide replacement guidance once the impact to operations can be more clearly assessed.

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Authorised by the Board of Mader Group Limited

About Mader Group Limited

Mader Group Limited (ASX:MAD) is Australia's largest independent maintenance labour service provider for heavy mobile equipment. With experience operating in 16 countries across 4 continents, the Company has a demonstrated history of sustained revenue and earnings growth since inception in 2005. Mader's well established and leading position in the market allows it to service a broad global network of over 200 customers. Mader was named 2019 Mining Contractor of the Year by Mining Monthly.

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Forward Looking Statements

This announcement may include "forward looking statements". Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Mader and their respective officers, employees, agents or associates that may cause actual results to differ materially from those expressed or implied in such statement. Actual results, performance or achievements may vary materially from any projections and forward looking statements and the assumptions on which those statements are based. Mader assumes no obligation to update such information.