



23 April 2024

Market Announcement

For immediate release

Q1 Improved Trading Performance and FY2024 Guidance Maintained

AoFrio Limited (AOF), is providing an update on trading performance for the three months ended 31 March 2024 (Q1-2024).

- Revenue for Q1-2024 was \$16.6m, a 13% increase compared to \$14.7m for Q1-2023.
- IoT revenue was \$9.9m compared to \$9.4m in 2023.
- Revenue from the sale of motor products was \$6.7m, compared to \$5.3m in 2023.
- Gross Margin was 31.3% (32.3% in Q1-2023), reflecting an increase in sales of motor products.
- Operating Costs for Q1 were \$5.1m compared to \$5.4m in 2023.
- EBITDA improved by \$0.6m to a surplus \$0.2m (loss of \$0.4m in Q1-2023).
- Cash at 31 March 2024 was \$2.1m (\$2.9m last year at 31 March) and the Company had borrowed \$3.9m under its \$5m trade finance facility (\$4.1m last year at 31 March).

At the AoFrio Annual General Meeting held in May 2023, AOF outlined its key strategic initiatives. One of these was to secure large IoT customers in the USA Market. In Q1-2024 AOF received its first US\$1.0 million order for its solution into the Coca-Cola Network in the USA. The food services and food retail markets are progressing well and AOF expects to launch its first version of the solution in Q4 this year.

It has been an encouraging start to the 2024 year. Q2-2024 is expected to also show robust growth over Q2-2023.

2024 Outlook

AoFrio is maintaining its 2024 guidance.

Revenue in FY24 is expected in the range \$70m to \$80m, a 13% increase over FY23 at the midpoint of the range. AOF's EBITDA guidance for FY24 is targeting around \$2.5m. Macroeconomic conditions may impact this guidance. AOF continues to manage its investment in growth (mainly additional staff) to align with trading conditions and expects to be able to continue expanding through internally generated cashflows.

**EBITDA (i.e., Earnings before interest, taxation, depreciation, amortisation, and impairment) is a non-GAAP earnings figure that equity analysts tend to focus on for comparable company performance analysis. AoFrio considers it a valuable financial indicator because it avoids the distortions caused by differences in amortisation and impairment policies. Contact*

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