Acrow Formwork & Construction Services Limited

Capital Raising Presentation

22 July 2021

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For further information please contact:

Steven Boland
Managing Director
Ph: (02) 9780 6500

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

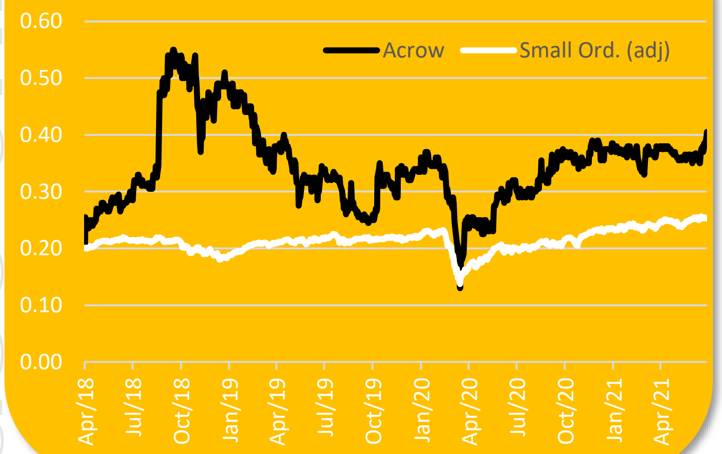
BACKGROUND & STRATEGY

Wiggins Island Coal Export Terminal (WICET), Golding Point (Port of Gladstone)

ACROW SNAPSHOT

A Leading Provider of Engineered Formwork Solutions and Scaffold Hire in Australia

ACF share price vs Small Ords (adj.)



National Footprint
- 6 states
- 10 depots

Customers
1,300

Employees
245 FTE

Enterprise Value[1.]
$108m

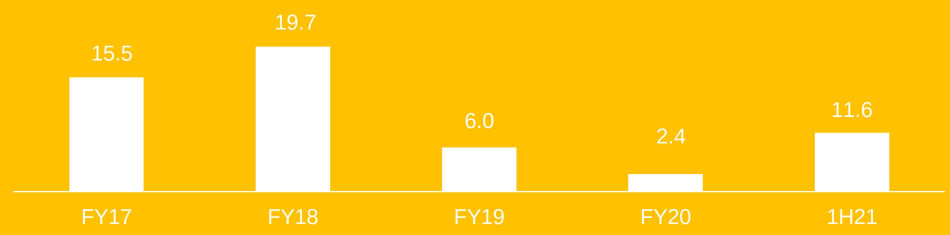
Revenue[2.]
$106m

Replacement Value
>$130m

Incorporated
1950

Listed
Apr 2018

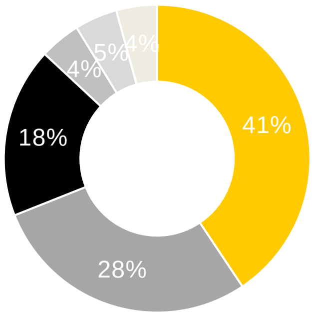
Lost Time Injury Freq. Rate

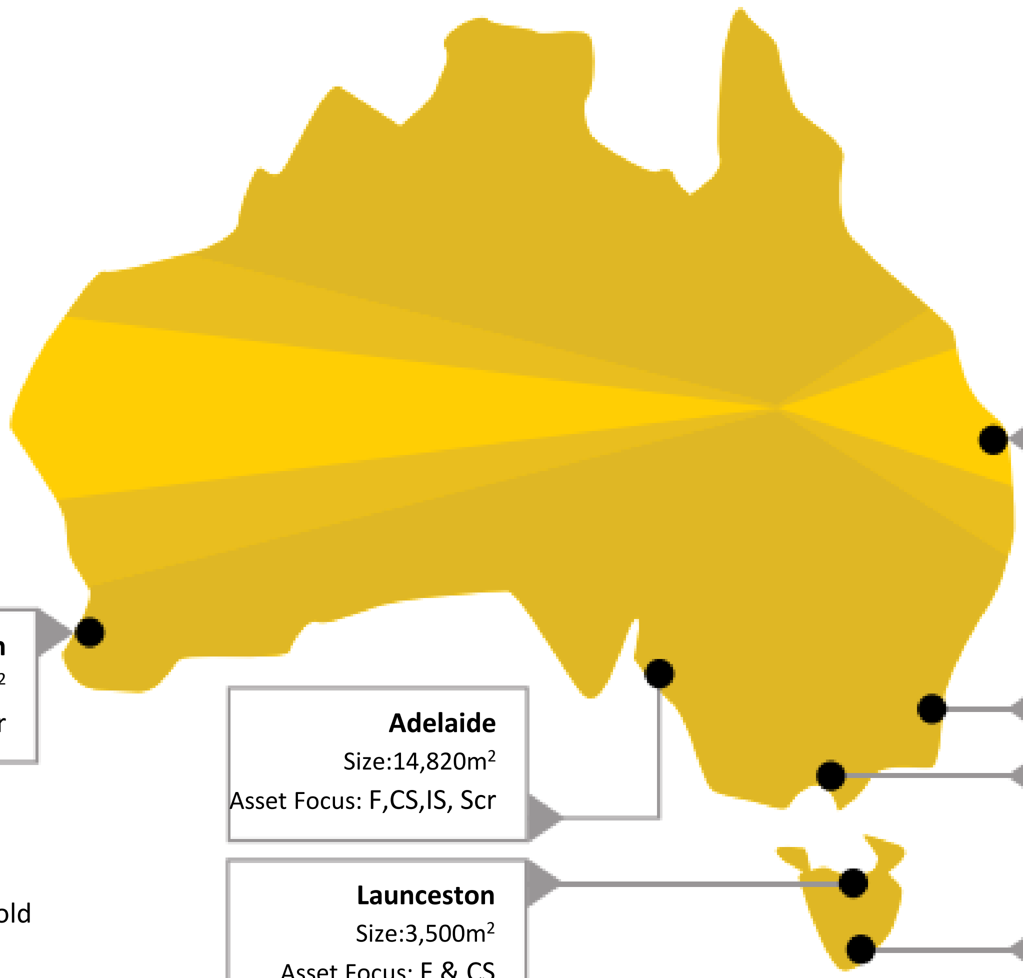


1. EV= net debt + market capitalisation 2. FY21 revenue guidance

Acrow is uniquely positioned nationally to offer a full suite of formwork, scaffold, screening products and services across all segments of the construction and industrial maintenance markets

Total Revenue by Geography (1H21)





Brisbane
Size:40,063m²
Asset Focus: F,CS, IS, Scr

Perth
Size:17,600m²
Asset Focus: F & Scr

Sydney
Size:35,563m²
Asset Focus: F,CS, IS, Scr

Adelaide
Size:14,820m²
Asset Focus: F,CS,IS, Scr

Melbourne
Size:9,100m²
Asset Focus: F,CS,Scr

Launceston
Size:3,500m²
Asset Focus: F & CS

Hobart
Size:3,500m²
Asset Focus: F, CS, IS

F: Formwork
CS: Commercial Scaffold
IS: Industrial Services
Scr: Screens

Continue to Execute on Strategy of Creating Long-term Shareholder Value

The leading Engineered **Formwork Sales & Hire Equipment Solutions** provider in Australia

Become the leading **Engineered Scaffold Solutions** provider to the Australian Industrial Services market

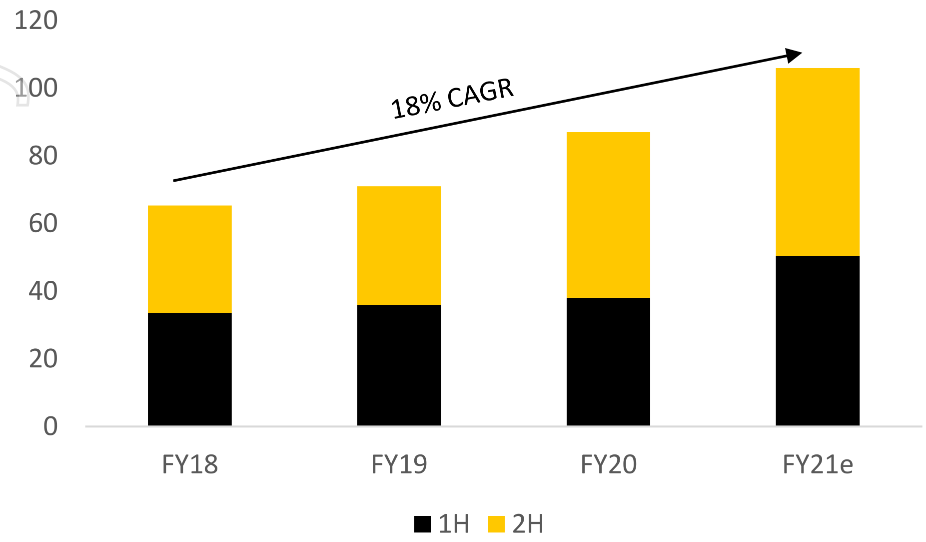
Recruit train and retain the best management and engineering **Talent** to drive the business

Target High ROI **Organic Growth** opportunities across States, cross-sell and new products

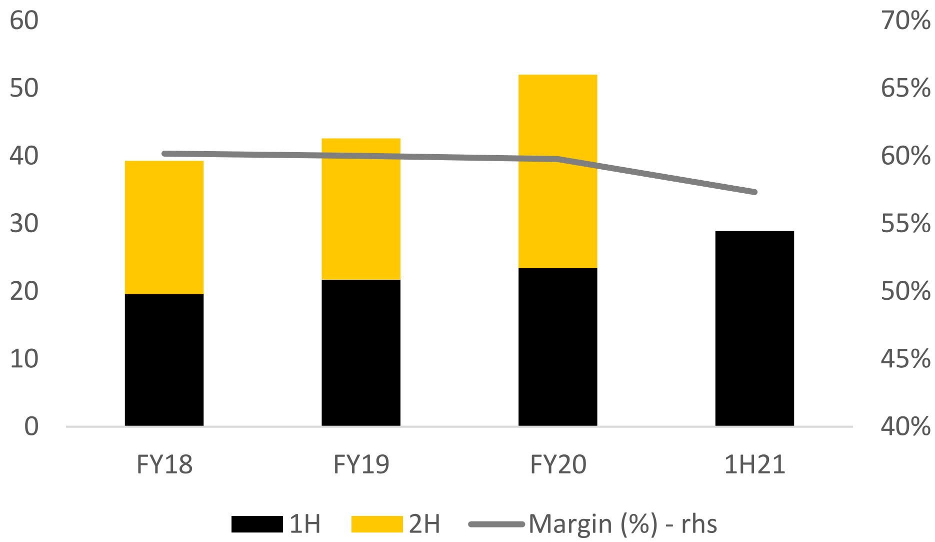
Earnings accretive **Acquisitions** primarily across formwork solutions but may include strategically positioned scaffold businesses (especially in industrial space)

FINANCIAL PERFORMANCE

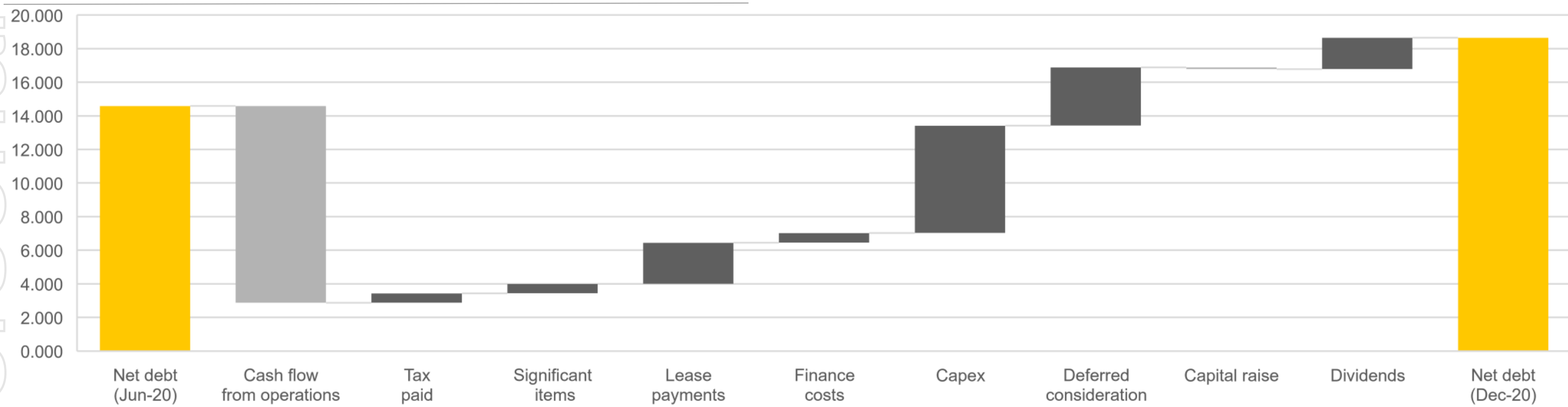
Group Revenue ($m)



Group Sales Contribution ($m) & Margin (%)

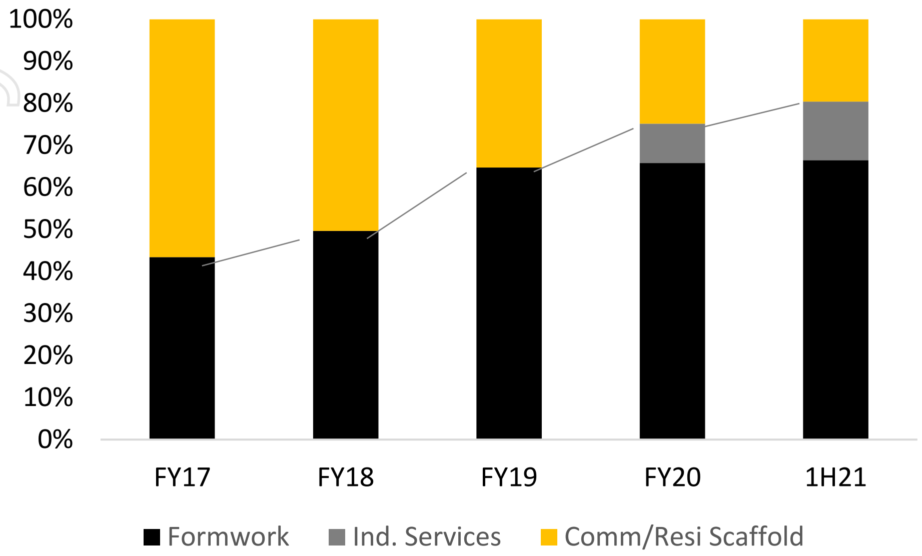


Net Debt Waterfall (‘$000)(1H21)

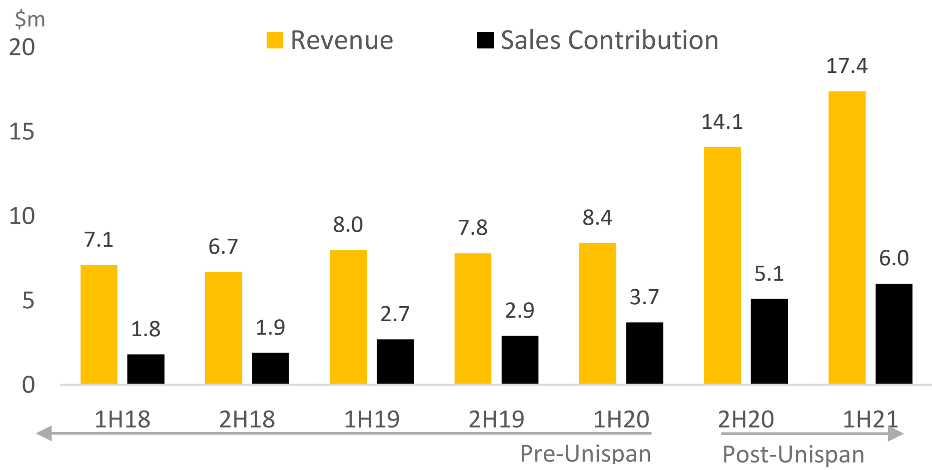


STRATEGIC PIVOT WELL ADVANCED

Group Sales Contribution



Group Product Sales



- Strategic pivot towards highly engineered product markets
- Formwork/Industrial Scaffold comprises 80% of Sales Contribution, up from 43% in FY17
- Significant exposure to publicly funded civil infrastructure projects
- Natform (Aug 18) and Uni-span (Oct 19) acquisitions align with strategy
- Increasing focus on Product Sales provides substantial revenue and profit growth opportunity at minimal cost and resourcing

STRATEGIC ACQUISITIONS

Natform

- Natform acquired August 2018
- Expanded Acrow product range with protective screening offering
- Very attractive cross-sell opportunities evolving
- Talented and entrepreneurial management team
- 1H21 sales revenue up 33%

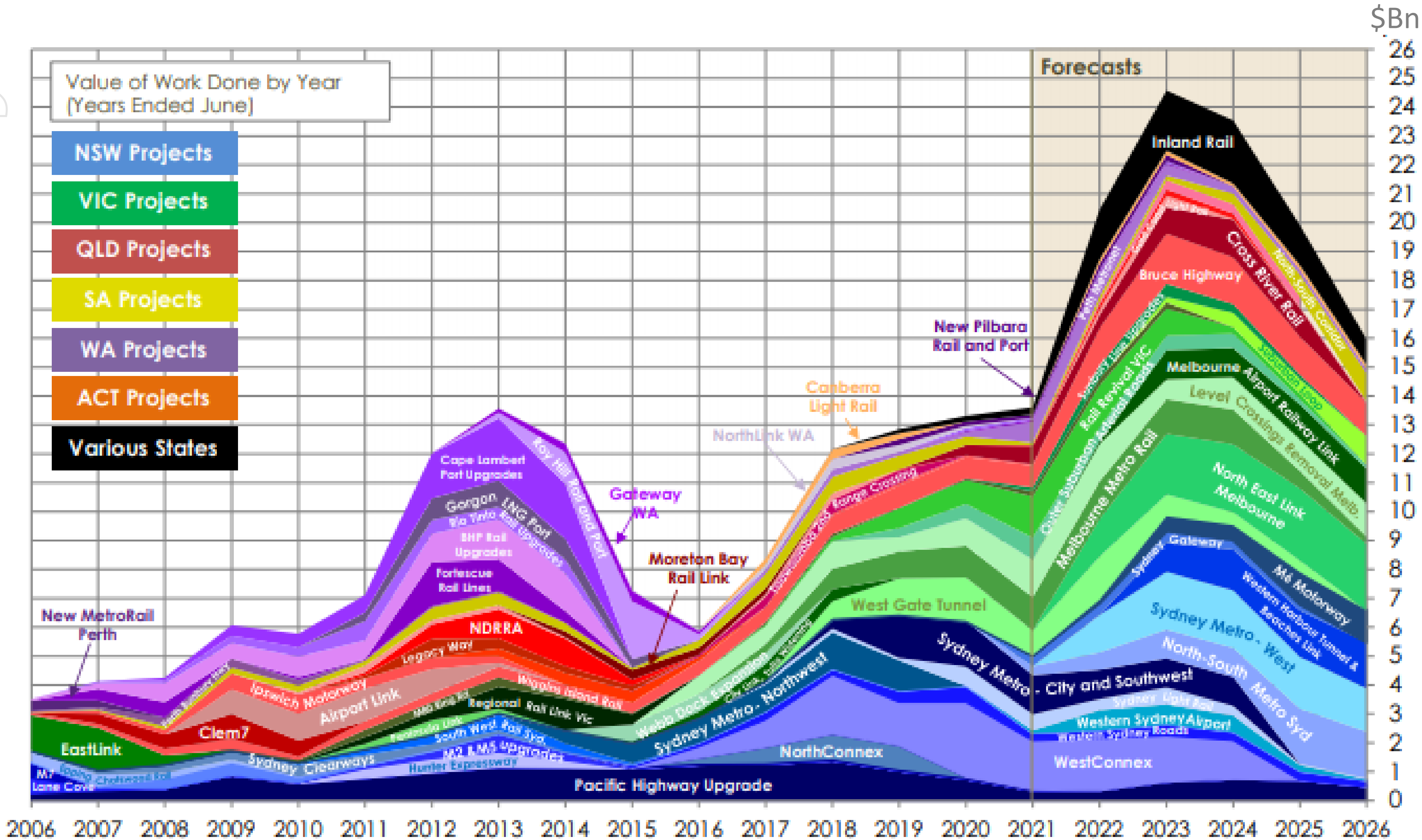
Uni-span

- Uni-span acquired October 2019
- Highly complementary formwork equipment offering and introduction to exciting new business segment – Industrial Services
- Provided access to leading international formwork equipment supplier – ULMA
- Integration benefits of $2.2m exceeded initial estimates

MARKET & BUSINESS OVERVIEW

Manhattan, Canberra

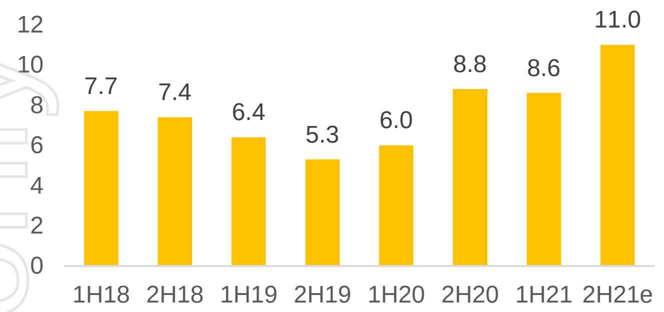
MAJOR TRANSPORT INFRASTRUCTURE PROJECTS - AUST



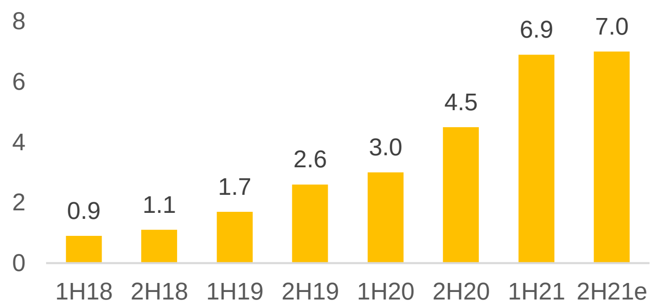
Source: Macromonitor January 2021

FORMWORK REVENUE – BY STATE + NATIONAL[1.]

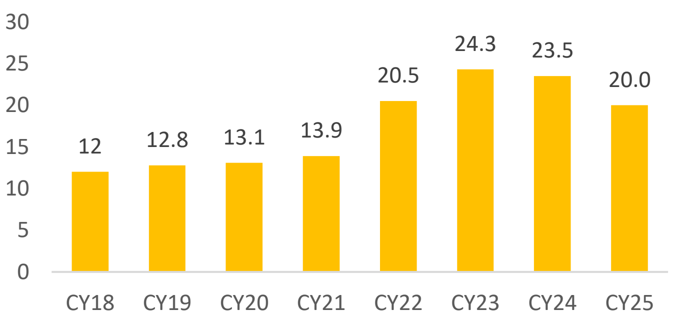
Queensland formwork revenue – Half yearly ($m)



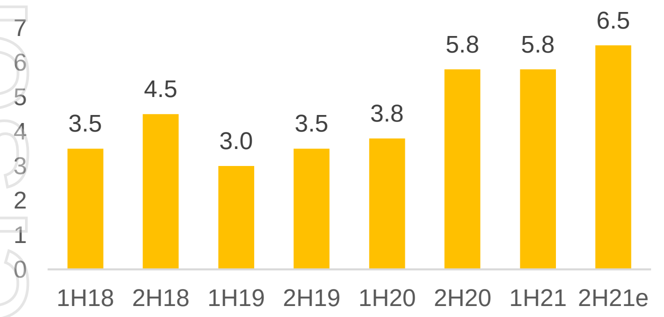
Victoria formwork revenue – Half yearly ($m)



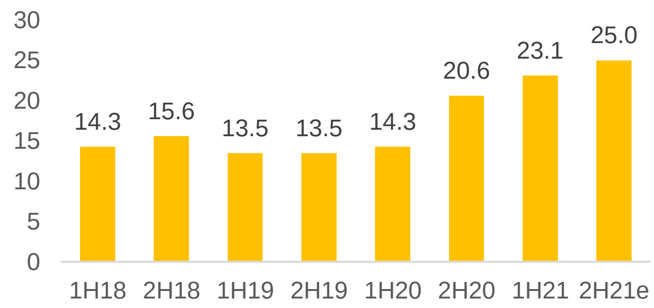
Major Transport Infrastructure Project Spend ($bn)



NSW formwork revenue – Half yearly ($m)



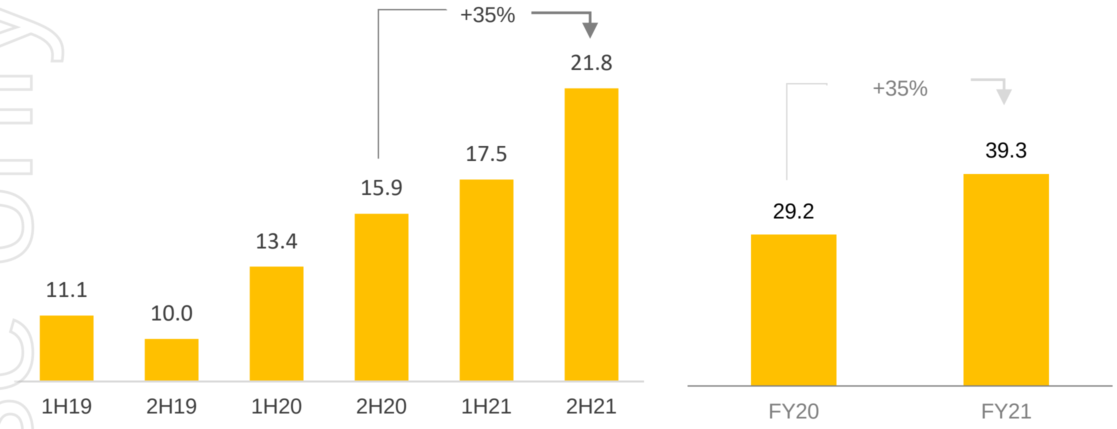
National formwork revenue – Half yearly ($m)



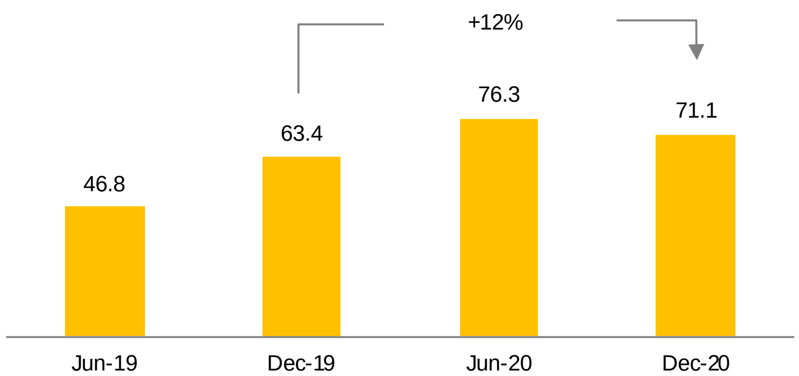
1. Excludes Natform revenue

ACROW EQUIPMENT HIRE WINS AND PIPELINE

Hire Contracts Won ($m)



Current Pipeline – Potential Hire Revenue ($m)[1.]



- Secured hire contracts up 35% in 2H21 and FY21 on PCP, boosted by contributions from Formwork (Qld), Formwork (VIC), Natform (NSW), and Industrial Services (Qld)
- Pipeline decline from Jun-20 to Dec-20 relates to exclusion of unsuccessful $15m tender for Cross River Rail, Brisbane project
- Integrated sales teams executing on cross-sell opportunities
- Current pipeline of equipment hire up 12% on PCP, assisted by:
  - Uni-span contribution across all states
  - New channels of revenue by promotion of Uni-span/ULMA across all states
  - Uplift in Natform screen opportunities across all states

1. *Comprises tenders and quotes provided*

KEY DRIVERS FOR FORMWORK SUCCESS

- ✓ Provide Complex Engineering Solutions
- ✓ Product Quality & Versatility
- ✓ OH&S Compliance/ISO9001 Accreditation

Void Forms

CYP Melbourne Metro

Design and supply 7m diameter circular void formers to seven locations on the project. Extremely complex build and stripping methodology to safely install and remove with limited cranage and access.

Travelling Platform

Sun-Metals Zinc Refinery

Re-usable travelling platform - 260m long and 36m wide. Eliminated 80% of the gear and labour by making a small section of falsework 20m long and 20m high, travelling on electric drive motors to each concrete pour.

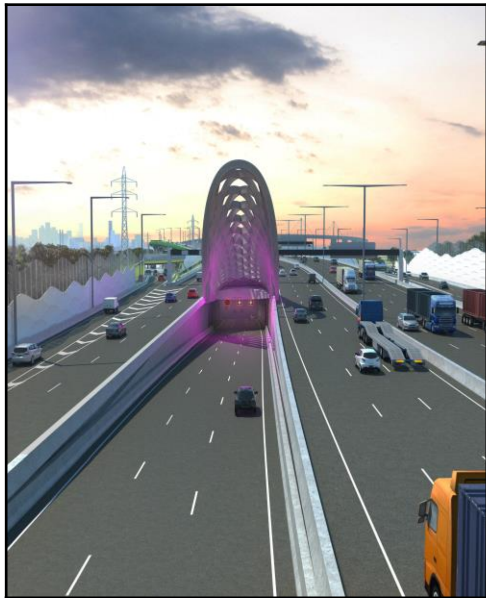
Wall Formwork on Wheels

CYP Melbourne Metro CBD South

Used for top-down shaft lining walls where there is no crane and extremely large formwork pressures. Formwork was designed as 3m modules and placed on castor wheels which allowed them to move the formwork by hand between concrete pours.

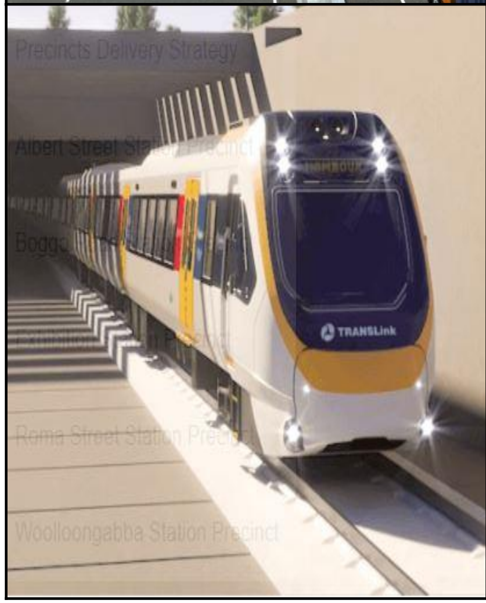
MARQUEE CIVIL PROJECT INVOLVEMENT

Sydney Metro Rail



Melbourne Western Distributor

Melbourne Metro Rail



Brisbane Cross River Rail

OPPORTUNITIES & OUTLOOK

Melbourne Airport, Melbourne

SHORT-MEDIUM TERM GROWTH OPPORTUNITIES

Industrial Services

Expand into new markets and territories across the East Coast of Australia

Formwork - Sydney

Grow market share - new General Manager appointed

Formwork - Queensland

Substantial infrastructure development programs across Rail, Road, Defence, Utilities

Natform

Grow market share - New South Wales & Victoria

Expanded Offering & Footprint

Fully integrated product offering across Acrow/Uni-span/ULMA/Natform & across all states

Product Sales

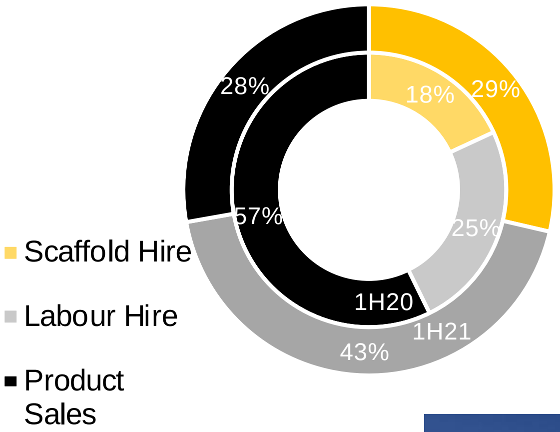
Generates new revenue stream and strengthens client retention

INDUSTRIAL SERVICES – SIZEABLE OPPORTUNITY

Profit & Loss ($m)

$m	FY20	FY21 Guidance	FY22 Target
Revenue	10.1	20.5	31.0
Sales Contribution	4.8	9.0	15.0

Revenue by Business Unit




Kogan Creek Shutdown, Chinchilla

- Industrial Services acquired through Uni-span acquisition (Oct 2019)
- Highly specialised labour hire business
- Highly regarded professional team
- Business primarily QLD based. Significant opportunity to expand presence nationally
- Similar commercial dynamics to Formwork business.
  - solutions-based approach
  - mainly large operators
  - complex and sizeable projects
- Recent success with Bluechip operators including Origin Energy, UGL, Downer EDI, Monadelphous, Visy, and Nystar
- Successfully expanding into new territories:
  - **NSW** - Bayswater & Liddell Power Station. Visy Tumut Kraft Paper mill
  - **SA** - Olympic Dam
  - **Tas.**- Nystar Zinc Refinery
- Further recent new contract success in NSW to generate $4.2m in revenue in 1H22:
  - Bayswater
  - Mt Piper
  - Eraring

KEY FINANCIALS & GUIDANCE

1H21 Actual	Revenue $50.4m *+32%*	EBITDA $11.1m *+41%*	Underlying NPAT $3.7m *+72%*
FY21 Guidance	Revenue $106m *+22%*	EBITDA $23.5-24.5m *+21-26%*	Underlying NPAT $8.7-9.5m *+10-20%*

FY22 Outlook

Strength in hire contract wins points to strong start to new financial year – Target of 20% EBITDA growth

1. Percentage change is based on previous corresponding period

CAPITAL RAISING

Arden Street Station, Melbourne

CAPITAL RAISING – OFFER SUMMARY

Offer Structure and Size	• Placement to raise approximately $10.5 million (which represents approximately 27.6 million shares) to institutional and sophisticated investors (the **Offer**) • The Offer represents approximately 12.5% of issued capital • Placement issued under the Company's available capacity pursuant to ASX Listing Rules 7.1 and 7.1a

Offer Price	• Offer Price of $0.38 per share represents a:
	  • 11.6% discount to the last close of $0.430 on 19 July 2021;
	  • 13.3% discount to the 5-day VWAP of $0.438; and
	  • 11.4% discount to the 10-day VWAP of $0.429

Use of Funds	• Enable further organic growth for Acrow, including the rapidly growing Industrial Services sector • Fund recently identified capital requirements in the Industrial Services sector • Strengthen the balance sheet to provide flexibility for opportunities that will present later in the year
Joint Lead Managers	• Morgans Corporate Limited and CCZ Statton Equities are Joint Lead Managers to the Offer
Ranking and Distribution	• New shares issued under the Offer will rank pari-passu with existing fully paid ordinary shares on issue • Australia and New Zealand sophisticated and institutional investors

CAPITAL RAISING – TIMETABLE[1.]

Event	Date
Trading Halt and Offer announced	Tuesday, 20 July 2021
Announce results of the Offer and resume normal trading	Thursday, 22 July 2021 (before market)
Settlement of shares issued under the Offer	Tuesday, 27 July 2021
Allotment, quotation and trading of shares issued under the Offer	Wednesday, 28 July 2021

1. The timetable is indicative and may be subject to change

Thank You

For further information please contact:

Steven Boland
Managing Director
Ph: (02) 9780 6500

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