

ASX Announcement

17 December 2021

AVADA Group Limited commences trading on the ASX

Highlights

- AVADA Group Limited (“AVADA” or the “Company”) lists on the Australian Securities Exchange (“ASX”) today under the code AVD after completing a \$32.5 million Initial Public Offering (“IPO” or “Offer”) at \$1.00 per share.
- AVADA is the only listed provider of traffic management control services in Australia.
- Acquisitions of five independent traffic management companies were completed on 14 December 2021, giving AVADA scale, broad market and service capability and geographic reach.
- AVADA, headquartered in Brisbane, offers integrated traffic management services which are essential to all civil infrastructure and maintenance service providers.

AVADA Group Limited commences trading on the ASX today following the completion of a well supported IPO. The Offer of \$32.5 million has provided funding which allowed AVADA to complete the acquisitions of:

- Verifact Traffic Pty Ltd, and its subsidiaries Customised Traffic Management No.2 Pty Ltd, Linemark Traffic Control Pty Ltd and Traffic Management People No. 2 Pty Ltd;
- D&D Services (Australia) Pty Limited and its subsidiary D&D Traffic Management Pty Ltd;
- Platinum Traffic Services Pty Ltd;
- The Traffic Marshal Pty Ltd; and
- A20 Pty Limited and its subsidiary Arid to Oasis Traffic Solutions Pty Ltd

(Collectively with AVADA “the Group”).

The IPO received strong support from institutional and retail investors, achieving a market capitalisation of \$73.3 million at the time of listing based on the offer price of \$1.00 per share.

The Group has a large and established footprint in Queensland and New South Wales, delivering integrated traffic management services (including planning and permits, traffic control, equipment hire, event management and incident response) to major public and private sector clients. Traffic management is a legislative requirement and essential to civil infrastructure and maintenance works. With an extensive network of 26 Depots* the Group is well positioned to service its clients needs for new project investment and recurring maintenance requirements.

As set out in the Prospectus for the listing, in FY22 AVADA is forecasting pro forma EBITDA of \$15.5 million and pro forma revenue of \$146.6m, reflecting a compound annual growth rate of 11.8% from FY19. AVADA has low leverage with \$5.8m debt drawn on listing, allowing operating cash flow to support growth and returns to investors.

Chief Executive Officer (CEO) & Managing Director Dan Crowley, who founded Verifact Traffic Pty Ltd said:

AVADA has built a strong foundation through the consolidation of best in class traffic management businesses throughout Queensland and New South Wales. We look forward to taking our new shareholders on an exciting journey of growth and continuing to provide superior service to our clients throughout the traffic management and civil services areas.

AVADA's Board also includes globally experienced manufacturing, logistics and transportation executive Lance Hockridge, who brings ASX50 experience, combined with broad technical, management and industry expertise from Ann-Maree Robertson, Jo Willoughby, Dan Crowley (CEO) and Rob Cazzolli (GM – D&D).

Shaw & Partners were Lead Managers and Underwriters to the IPO. Kern Group acted as Financial Adviser to AVADA.

This announcement is authorised for release by the Board of Directors of AVADA Group Limited.

About AVADA Group Limited

AVADA is Australia's largest listed integrated traffic management provider, with established operations throughout Queensland and NSW, servicing major public and private sector clients.

With an extensive network of 26 Depots*, more than 600 vehicles* and 1200 dedicated employees* the Group is well positioned in the integrated traffic management and associated civil sectors.

Visit us at avadagroup.com.au

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