

**Rubicon Water**

Rubicon Water Limited  
ACN 651 852 470

**Melbourne**

1 Cato Street  
Hawthorn East Vic 3123, Australia  
**phone** +61 3 9832 3000  
**email** enquiry@rubiconwater.com

www.rubiconwater.com

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### Trading update

Australian water technology solutions company Rubicon Water Limited (ASX: RWL) ("**Rubicon**" or "**the Company**") provides an update with regards to its FY23 guidance.

As stated previously, the Company expected underlying EBITDA to exceed \$12m in FY23. Guidance for the full year has now been adjusted to an underlying EBITDA loss of between -\$1m to -\$3.5m, which results from a 2H FY23 underlying EBITDA profit of between \$0.7m to \$3.2m.

This update is a result of continued delays in contract signings across the Company's international businesses. While none of the larger contracts have been lost, the Company acknowledges with June 30 approaching, it has reached a point where several contracts are now unlikely to be contracted in time for revenue to be recognised to achieve previous guidance. Rubicon expects these contracts and related revenue will now fall into FY24.

Given the number of expected contracts yet to be signed, the range of potential outcomes for FY23 is significant. The nature of the business means that, within any given period, results can be impacted by the timing of (mostly Government) tenders, tender awards and subsequent contract negotiations.

Expected future revenue in the following categories remains significant:

- Tenders about to be launched;
- Launched tenders about to close;
- Closed tenders where the Company's tenders are assessed as preferred; and
- Awarded tenders where Rubicon is finalising contract negotiations either directly with the tendering authority or with the awarded prime contractor where the Company has tendered as a partner or sub-contractor.

The Company has been cashflow positive (+\$1.7m) since 31 December 2022 and as at 30 April 2023 had cash and facilities available of \$17.7m. The Company has net working capital of \$85m and is confident in strong collections of its near-term receivables. As at 30 April 2023, net debt was \$22.9m.

Rubicon's pipeline across all segments remains very strong. The Company has continued to invest in people, expansion of its in-market capabilities and the modernisation of its software, which positions it strongly to capture substantial future revenues.

**Rubicon Chief Executive Officer Bruce Rodgers said:** "The timing of tenders is hard to predict and the process of converting tender success to contracts can often take longer than we would expect. As the business grows in scale and diversity the impact of these timing factors will be less pronounced.

"While disappointed with the update to guidance for FY23, we remain confident the contracts that influenced the revised guidance will be signed in the near future and the associated revenue will contribute to a fruitful FY24. We are well positioned in an industry that has significant structural tailwinds which we expect to benefit from in the future."

This announcement has been authorised for release to the ASX by:

**The Rubicon Disclosure Committee**

For more information contact:

**Bruce Rodgerson**

Chief Executive Officer

[Bruce.rodgerson@rubiconwater.com](mailto:Bruce.rodgerson@rubiconwater.com)

03 9832 3000

**Simon Hinsley**

Investor Relations

[simon@nwrcommunications.com.au](mailto:simon@nwrcommunications.com.au)

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