

FY21 Results, Final Dividend & FY22 Guidance

Perth, Australia – 24 August 2021: Mader Group Limited (ASX:MAD), a leading global provider of specialist heavy equipment maintenance services, is pleased to announce its operational and financial results for the full year ended 30 June 2021 (FY21).

	Unit	FY21	FY20	Variance (\$)	Variance (%)
			(PCP)		
Revenue					
Australia	\$m	273.3m	246.9m	+26.4m	+10.7%
North America	\$m	24.2m	13.8m	+10.3m	+75.0%
Rest of World*	\$m	6.8m	12.8m	-6.0m	-47.0%
Total Revenue	\$m	304.3m	273.5m	+30.7m	+11.2%
EBITDA	\$m	35.7m	33.0m	+2.7m	+8.2%
EBITDA Margin	%	11.7%	12.1%	-0.3%	-2.7%
NPAT	\$m	19.3m	17.5m	+1.8m	+10.5%
Net Debt	\$m	23.9m	18.5m	+5.5m	+29.7%

All amounts presented in the table above are in Australian Dollars. *Rest of World includes Asia, South America and Africa.

FY21 HIGHLIGHTS:

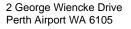
- Record revenue of \$304.3m delivered, up 11.2% from \$273.5m in FY20.
- **EBITDA of \$35.7m delivered**, up 8.2% from \$33.0m in FY20.
- NPAT of \$19.3m delivered, up 10.5% from \$17.5m in FY20.
- **3.4m hours of specialised equipment maintenance delivered** to over 240 customers across 370 sites, up from 2.7m hours in FY20.
- Net debt of \$23.9m, equating to net leverage of ~0.7x.
- A final full franked dividend of 1.5 cents per share, taking the total dividend relating to FY21 to 3.0 cents per share.

FY22 OUTLOOK:

- Continued growth in activity levels across the global mining industry underpin a positive outlook for the business in all markets and geographies in FY22.
- Expecting strong growth in FY22, with forecast revenue of between \$355m \$365m delivering a forecast NPAT of between \$23m \$25m.

Commenting on Mader Group's annual performance, Executive Director & Chief Executive Officer, Justin Nuich, highlighted that the business is underpinned by an exemplary workforce, set apart by its team culture, positivity and drive.

"It gives me great pleasure to report record annual revenue of \$304.3m generated across the Group and earnings of \$19.3m. This is backed by a solid balance sheet, strong cashflow, low capital intensity and significant global and local growth opportunities.



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"Over the financial year, Mader Group grew its workforce to more than 1,600 people, providing 3.4m hours of maintenance services to a diverse network of over 240 customers across more than 370 sites.

"High demand for our services and enhanced internal systems contributed to our performance, as we delivered flexible, fit for purpose and cost-effective maintenance solutions to our customers across seven countries.

"We placed a dedicated focus on expanding our ancillary and infrastructure maintenance divisions, delivering strong growth across both service lines. We also introduced several new services, including specialist drill and excavator services, power generation support, marine vessel support and professional support roles for maintenance planning and scheduling.

"Whilst the gears in our expansion plan are turning, the key drivers behind our success remain unchanged. We penetrate new markets with a proven business model and a dedicated focus on our people, safety and culture.

"I'd like to commend the Mader team for their continued hard work and outstanding achievements throughout the year. Looking forward, I am optimistic about Mader Group's future as we focus a number of new growth opportunities ahead."

OPERATIONAL UPDATE

Zero Harm

During the year, Mader Group invested in its internal safety systems. This included the roll out of a bespoke in-vehicle monitoring system for its service fleet; the expansion of its Mader Day Program to raise safety awareness and encourage positive behaviours for internal staff; increased meaningful leadership interactions and operational efficiency through our Field Leadership Program; and the further development of its bespoke, safety focused employee application.

Australia

Activity levels in Australia were strong with \$273.3m generated for the year ending 30 June 2021, up 11% as compared to \$246.9m in FY20. Growth was underpinned by the continued geographical expansion of the Company's service areas and the continued scaling of a range of complementary and value add services to Mader Group's core offering of mechanical maintenance.

The Group's Australian operations introduced several new services including climate control maintenance for heavy mobile equipment; high-level white collar support roles for maintenance planning and scheduling; EMV (Equipped Manual Vehicle) installations to upgrade Autonomous Hauling Systems; power generation station support; and equipment maintenance for marine vessels and port infrastructure. The Company increased revenue generated from its existing ancillary services by 21% and infrastructure maintenance by 24%.

Mader Group's Trade Upgrade Program (an integrated training platform which upskills Light Vehicle and Road Transport Mechanics into qualified Heavy Duty Diesel Mechanics) inducted 65 new candidates into its program during the financial year, bringing the program's intake to 92 tradespeople since inception in late 2019. In response to a tightening labour market and increased customer demand, Mader Group made the decision to expand the program nationally, delivering training in Western Australia and Queensland.

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During the financial year, the East Coast management team closed its regional offices in Mackay (QLD) and Hunter Valley (NSW), relocating each team to a central hub in Brisbane (QLD). The new facility provides added flexibility and mobility for the Group's Eastern State operations and a unified leadership structure whilst remaining geographically close to customers and workforce in both regions.

North America

Revenue generated in the United States increased to A\$24.2m in FY21, up 75% as compared to A\$13.8m in FY20 (95% increase excluding AUD/USD foreign exchange movements). Mader Group strengthened its position by broadening its customer base and regional service areas to deliver heavy mobile equipment maintenance across 16 states including a number of the country's top mineral producing centres.

During the financial year, Mader Group committed additional human resources to local office operations to assist with recruitment and customer acquisition, attributing its continued expansion to the strong recruitment of local, high quality labour which represents 90%+ of the total US workforce.

Mader Group also executed a fleet expansion plan to facilitate projected growth. Its service fleet has increased to 80+ specialised mine specification crane trucks. The fleet will also support the Company's initial entry into Canada as service delivery to this region becomes operational in the near term.

Rest of World

During the onset of COVID-19, Mader Group made the decision to withdraw its expatriate workforce from Africa and Asia in April 2020. Subsequently, the Group commenced FY21 with no operational activity or revenue in this reporting segment.

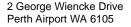
Plans to re-enter international markets were implemented in Q1 FY21 with the division selectively re-engaging customers in former areas of operation. Whilst demand for Mader's services internationally remained high, new opportunities were assessed on a case-by-case basis to protect the health and wellbeing of employees and customers.

During the financial year, the Company provided limited services in Africa and Asia with small teams mobilised to provide breakdown support, preventative maintenance and training of maintenance teams. By the close of FY21, Mader Group ramped up its international services to deliver recurring scopes of work in five countries including Papua New Guinea, Mongolia, Laos, Zambia and Mauritania.

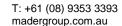
Mader Group generated A\$6.8m in revenue for the year ending 30 June 2021, down 47% as compared to A\$12.8m in FY20. Although the segment saw a fall in revenue vs PCP; activity levels regained momentum quarter on quarter.

FINANCIAL POSITION

Mader Group delivered a solid financial result in FY21 with its operational performance largely driven by the Company's ongoing growth strategy. Mader Group maintained its strong liquidity position with net cash inflows from operations for the year of \$16.2m. The Group closed the financial year with net debt of \$23.9m, resulting in net leverage of 0.7x.



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FINAL DIVIDEND

On 23 August 2021, the Company declared a final fully franked dividend of 1.5 cents per share, equating to a final dividend payment of \$3.0m. The record date is 7 September 2021 with a payment date of 28 September 2021.

The fully franked dividends declared in relation to FY21 total 3.0 cents per share, representing an NPAT payout ratio of 31%.

FY22 OUTLOOK & GUIDANCE

Mader's proven disruptive business model continues to be deployed into large addressable markets that have an appetite for significant additional maintenance solutions. All of our core business divisions continue to grow and our strategy of building new divisions that address new geographic locations or that provide additional trades and services is expected to drive further growth.

We continue to see structural improvements in the Australian market as large owner-miners continue to develop multibillion-dollar resource projects, ultimately increasing the size of the maintainable mining fleet.

With global conditions further stabilising, markets re-opening and our operations well adapted to operate within the limits of the COVID-19 landscape, Mader Group is pleased to provide guidance for the outlook of FY22.

The Group's revenue forecast is expected to be in the range of \$355m to \$365m (FY21: \$304.3m) delivering a forecast NPAT of between \$23m to \$25m (FY21: \$19.3m).

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About Mader Group Limited

Mader Group Limited (ASX:MAD) is a global leader in the provision of heavy equipment and infrastructure maintenance labour. The Company's well-established labour market platform allows it to connect a global network of over 240 mining and civil customers with a skilled in-house workforce of approximately 1,600 trade-persons on flexible, fit for purpose, and cost-effective terms. Mader Group was named 2021 Most Trusted Mining and Civil Contractor by the Australian Enterprise Awards.

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Approved for release by the Board of Mader Group Limited



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