

## 1H FY25 Financial Results & Interim Dividend

**Perth, Australia – Tuesday, 25 February 2025.** Mader Group Limited (ASX:MAD), a leading global provider of specialist technical services across multiple industries, provides the following update on its performance for 1H FY25 ('1H').

	Unit	1H FY25	1H FY24	Variance (\$)	Variance (%)
			(PCP)		
Revenue					
Australia	[\$m]	323.9	275.1	48.8	18%
North America	[\$m]	79.8	94.2	(14.4)	(15%)
Rest of World	[\$m]	7.8	5.1	2.7	53%
Total Revenue	[\$m]	411.5	374.4	37.1	10%
EBITDA	[\$m]	51.5	48.5	3.0	6%
EBITDA Margin	[%]	13%	13%	-	-
NPAT	[\$m]	26.0	24.2	1.8	7%
NPAT Margin	[%]	6.3%	6.5%	-	-
Net Debt*	[\$m]	23.2	31.2	-	-

\*The PCP related to Net Debt presented above is the period ending 30 June 2024.

### EXECUTIVE SUMMARY:

- Mader Group delivered record half-year revenue of \$411.5m, a 10% increase vs the prior corresponding period ('PCP').
- This record revenue was delivered with largely consistent profit margins, with EBITDA of \$51.5m at a margin of 13% (6% increase vs PCP). NPAT was \$26.0m at a margin of 6.3%, (7% increase vs PCP). NPAT delivered equates to 46% of FY25 NPAT guidance, reflecting consistent 1H/2H ratios as per previous financial years.
- 1H margins impacted by strategic labour holding costs which position the Group well for 2H FY25 as customer demand returns. Group margins are expected to improve in 2H FY25.
- Operations across nine countries were supported by a global team that grew to 3,500+. Continued positive net headcount growth (~300 in 1H FY25) highlights ongoing expansion across markets and industry verticals.
- The Australian segment successfully navigated unstable market conditions during the half as site closures impacted the stability of the region's labour market. Largely, this market has now stabilised and the outlook for 2H FY25 is increasingly positive.
- The North American segment returned to headcount growth during 1H FY25, delivering average net headcount growth of ~15 per month. The fundamentals of the region remain strong with a solid foundation established. The transition to the new administration coupled with strengthening commodity prices provides a positive outlook for the region.
- Net debt closed at \$23.2m, a decrease of 26% from 30 June 2024. The business is now targeting a net cash position within ~12 months, all whilst maintaining a growth focus.
- An interim fully franked dividend of 4.0 cents per share has been confirmed for the period ended 31 December 2024, an increase of 5% vs PCP.
- The Group remains committed and on track to achieve the growth targets outlined in its five-year strategic plan, reaffirming FY25 guidance of revenue of at least \$870m and NPAT of at least \$57m.
- Operational challenges have been successfully navigated over the last 12 months. Headcount growth and supportive macroeconomic conditions position the Group well to achieve its five-year strategic plan revenue target of at least \$1B in FY26.



Mader Group Executive Director and Chief Executive Officer, Justin Nuich, commented on the Group's performance for 1H FY25.

"With the first half of FY25 completed and a record half-year revenue of \$411.5 million delivered, we are well positioned and remain committed to achieving FY25 revenue guidance of at least \$870 million and NPAT of at least \$57 million.

"Operationally Australia continues to perform incredibly well, with steady growth driven by customer demand for our core mechanical and other industry vertical services. Despite labour market instability early in the half, conditions have since stabilised with a more positive outlook ahead. Our continued growth reinforces our position as a trusted maintenance partner across multiple sectors.

"In North America our operations returned to headcount growth in the half delivering average net headcount growth of ~15 per month. This was despite some residual challenges and uncertainty during the US election year. Canada continues to exceed our expectations with the Global Pathways Program mobilising a further ~45 technicians into this region. This is an outstanding result and one which highlights the appeal of our program and the effectiveness of our strategic focus on the region.

"We've had a rewarding half in our Rest of World segment with the re-establishment of our operations in Africa a major milestone for the period. Having secured an initial 12-month contract we will continue to expand our global presence and diversify the opportunities available for our adventure-seeking people.

"Our dedication to safety excellence continues to be central to all operations. Recognising that it's an ongoing journey we are determined to further refine our practices and achieve better outcomes. We believe that education, innovation and investment in our 'Geared for Safety' culture is crucial to ongoing improvement.

"I am filled with nothing but confidence as we head into 2H FY25. Whilst the 2024 calendar year delivered several challenges for the business, we've shown resilience and successfully navigated them whilst continuing to grow. The outlook for 2H FY25 and beyond is increasingly positive and I am excited for what is ahead as we continue to build a global diversified services business."

## OPERATIONAL UPDATE

### Zero Harm

In 1H FY25, Mader continued to be geared for safety, with a Total Recordable Injury Frequency Rate of 4.08 recordable injuries per million hours worked.

Further enhancements were made to safety policies, procedures and technology, including ongoing progress of the Group's vehicle upgrade project. This global initiative, which saw the Australian fleet outfitted with advanced driver monitoring systems in FY24, is now progressing in North America where the installation of systems is well-underway.

### Australia

Revenue in Australia increased by 18% vs PCP to \$323.9m in 1H FY25. Following several site closures during the half year, the Australian labour market underwent a period of consolidation.

Despite this short-term labour market instability, the segment delivered positive growth throughout 1H FY25, averaging ~35 net headcount growth per month. With the labour market largely stabilised and customer sentiment improving, the outlook for 2H FY25 is noticeably more favourable. The Group is



well positioned for the remainder of the financial year, with increased demand derived from the development of new sites, and continued growth in new vertical service offerings.

Throughout 1H FY25 the Group strategically managed customer demand and labour retention which impacted labour margins. This was a necessary cost to ensure the Group was well positioned as customer demand returns and positions 2H FY25 margins to be in line with historic performance.

The infrastructure maintenance business unit continued to grow, delivering comprehensive rostered and shutdown maintenance solutions across Australia, further expanding its revenue base to support diverse customer needs. Additionally, the Group's electrical specialists completed a diverse range of projects, including high-voltage substation installations and autonomous vehicle system upgrades, driving innovation alongside key customers.

In Perth, the Mader Maintenance Centre completed a series of offsite repairs and rebuilds for trucks and ancillary equipment. The forward order book for 2H FY25 remains strong, and the pipeline for scheduled works in FY26 is beginning to fill.

The Group's Trade Upgrade Program saw over 70 apprentices graduate with their Heavy Equipment Technician Certificates, following completion of 18-months of tailored training. These newly dual-trade technicians will now integrate into Mader's existing service lines.

### North America

Delivering revenue of \$79.8m for 1H FY25, a decrease of 15% vs PCP (14% on a constant currency basis), the North America segment stabilised its operational base and expanded its headcount towards the end of 1H, adding an average monthly net increase of ~15. Importantly, this marks a record-high headcount for the region with the total North American workforce reaching ~530 at the close of 1H FY25. This return to headcount growth compared to 2H FY24 positions this segment well for the remainder of the financial year.

In the United States strong fundamentals and business development efforts supported a positive growth trajectory throughout 1H FY25. The business unit is focused on securing new customers as it continues to penetrate the major mining regions of the United States under a pro-business and resources administration backed by strong commodity prices.

In Canada, new customer acquisition remained a critical focus area of the business. This focus and coupled with increased engagement by existing customers, resulted in a 30% increase in shifts delivered in 1H FY25 versus PCP. This growth was supported by Mader's Global Pathways Program, which mobilised 45 expatriate technicians during the period, with further deployments pipelined for 2H FY25.

### Rest of World

The Group's Rest of World operations delivered revenue of \$7.8m, an increase of 53% vs PCP. An increase in engagement and the successful acquisition of new contracts led to over 80 technicians supporting customers across six countries in Asia, Oceania and Africa.

Most notably, the Group secured a 12-month contract in Africa, with technicians deployed in late 1H FY25. With this new contract secured, the 1H FY25 exit rate for the Rest of World segment is nearing pre-COVID levels, which peaked at an annual revenue of ~\$27m in FY19.

International opportunities continue to be at the cornerstone of the Group's adventure-driven culture, providing employees with the chance to embrace diverse experiences and test their skills in new environments, whilst sharing knowledge and developing skills with local workforces.

## COMMUNITY ENGAGEMENT

During the half a significant contribution was made to the Perth Children's Hospital Foundation through Telethon. Additionally, the Group continued their long-standing support of Ronald McDonald House Charities participating in the 'Home for Dinner' program across multiple locations worldwide.

With a strong focus on youth engagement Mader also sponsored various sporting clubs, local programs and more. The Group will continue to support community-based sponsorships and charity initiatives as aligned to their values.

## FINANCIAL POSITION

The Group's net debt position closed at \$23.2m, a reduction from \$31.2m at 30 June 2024. This is a 26% decrease from FY24, accommodated by stronger free cash flow generation as the business' capital intensity reduces as non-vehicle-based services are expanded.

The Group remains well on track to achieve a net cash position within the next ~12 months, whilst continuing to support business growth initiatives and maintaining a consistent dividend payout ratio.

## INTERIM DIVIDEND

The Group declared an interim fully franked dividend of 4.0 cents per share on 25 February 2025. This represents a net profit payout ratio of 31%. The total value of the dividend payment is \$8.1m, with a record date of 26 March 2025, and a payment date of 4 April 2025.

## OUTLOOK

The outlook for all segments for 2H FY25 and FY26 is increasingly positive. The labour market within Australia has now largely stabilised, and customer demand has increased in early 2H FY25. In North America, net headcount continues to grow, and new customers are being acquired. Finally, the Rest of World segment is positioned well for 2H FY25, having recently secured a major contract in Africa.

Given the Group's visibility on 2H FY25 headcount growth and customer demand, the Group reaffirms its FY25 market guidance of delivering revenue of at least \$870m and NPAT of at least \$57m.

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### About Mader Group Limited

Mader Group Limited (ASX:MAD) is a global leader in the provision of specialist technical services across multiple industries. Today, the Company's well-established labour market platform allows it to connect a global network of over 400 customers to a skilled in-house workforce of approximately 3,500+ personnel on flexible, fit for purpose, and cost-effective terms. Mader Group has been named finalist in multiple prestigious awards, reflecting our commitment to excellence across various areas. These include Large Business of the Year at the 2024 WA Business Awards, Employer of Choice at the 2024 HR Awards, and Large Employer of the Year at the 2024 WA Training Awards and the 2024 TAFE Queensland Awards. Additionally, our dedication to safety was recognised, as finalists in the Safety category at the 2024 Bowen Basin Queensland Mining Awards.

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Approved for release by the Board of Mader Group Limited.

