

ASX:ACF

Acrow Formwork and Construction Services Limited

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Sydney NSW 2000



ASX Release

17 October 2018

Acrow Secures New \$15M Banking Facility With Westpac

Acrow Formwork and Construction Services Limited (ASX:ACF) ("Acrow" or the "Company") is pleased to advise that we have entered into a new \$15M banking facility with Westpac Banking Corporation (Westpac).

The facility agreement dated 16th October 2018, provides a flexible funding package of \$15M and provides a strong funding platform for future growth. The new Westpac facility replaces the existing facility with Asset Secure.

Key Terms of Westpac Facility

The \$15M Westpac banking facility is made up of the following key components:

- \$7M Term debt over 4 years
- \$3M Working Capital Facility/Overdraft Facility
- \$5M Revolving Facility for capital expenditure purposes

The cost of funding is consistent with prevailing market rates and provides far more financial headroom for the Business than previous banking facilities.

Acrow's Net debt (debt drawn from new facility plus cash at bank) is expected to be approximately \$3 million at completion of the refinance. The new Westpac facilities provides significant flexible funding capacity for future growth opportunities (including acquisitions and capital expenditure).

Comment from Acrow Managing Director Steve Boland

Acrow is pleased to be partnering with Westpac for the next stage of the company's growth. The new facility provides the necessary flexibility in our funding requirements as we continue to target expansion in the high growth east coast infrastructure market. A \$1.5 million order was placed in October for new formwork equipment, reflecting the continuing demand in this market.

We would like to thank Asset Secure for their very strong support for our business over the past few years, especially during our transition into becoming a Listed Company in April of this year.

Yours sincerely

Lee Tamplin

Company Secretary

Acrow Formwork and Construction Services Limited

-ENDS-

About Acrow

Acrow has been active in the Australian construction industry since 1950 and its heritage dates back to 1936 when it first launched in the United Kingdom.

Acrow is a leading hirer of formwork and scaffolding systems to large construction and civil infrastructure providers across Australia, operating a network of formwork and scaffolding branches in six states and employing approximately 150 people. The business services a diversified customer base of approximately 1,100 customers.

Acrow has a high quality and versatile portfolio of assets and has identified a number of near term growth opportunities, most particularly through the investment in capital equipment to take advantage of a range of opportunities in the growing East Coast civil infrastructure market, particularly in New South Wales and Victoria where the business is still underrepresented.