MADER

1H FY2021 Financial Results

MADER GROUP LIMITED | 23 FEBRUARY 2021

Who We Are

A leading global provider of specialist labour services for the maintenance of heavy equipment in the mining and civil industries

Global workforce
1,400+
Skilled tradespeople

Supporting
350+
Mine sites

Support vehicles
600+
Across the industry

MADER

Our Vision

To grow and build our reputation as a world class provider of heavy equipment maintenance to mining and civil companies.

- To build our reputation as a world class provider of heavy equipment maintenance to mining and civil companies.
- To grow a business model built on passion, knowledge and commitment to the industry.
- To exceed the expectations of our clients whilst providing a great workplace to our people and superior returns for our investors.

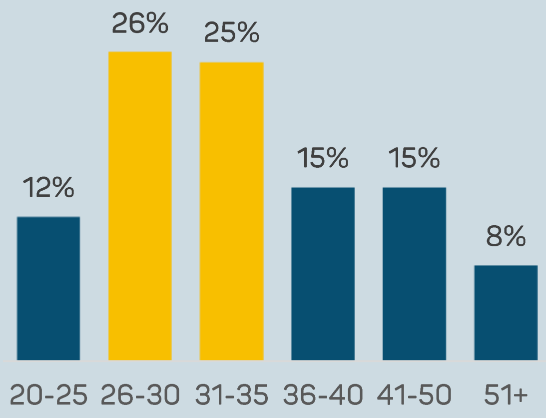
EXPERIENCE OPERATING IN 17 COUNTRIES ACROSS 4 CONTINENTS

200+ CUSTOMERS GLOBALLY

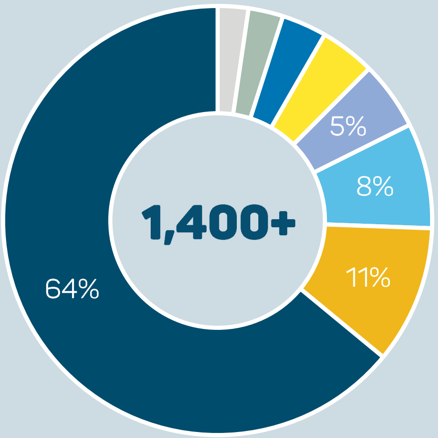
1H21 REV $141m

MINING & CIVIL INDUSTRIES

1,400+ Skilled People



Age of Workforce*



Breakdown of Trades*

- Heavy Duty Diesel Mechanics
- Auto Electricians
- Heavy Road Transport & Light Vehicle Mechanics
- Boilermakers
- Apprentices
- Servicepersons
- Fixed Plant Mechanics
- High Voltage Electricians

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Data represented is as at 31 December 2020.

AWARD RECOGNITION

MOST TRUSTED MINING & CIVIL CONTRACTOR
2021 AWARD WINNER
AUSTRALIAN ENTERPRISE AWARDS

EMPLOYER OF CHOICE
2020 EXCELLENCE AWARD
AUSTRALIAN HR AWARDS

CONTRACT MINER OF THE YEAR
2020 AWARD FINALIST
AUSTRALIAN MINING PROSPECT AWARDS

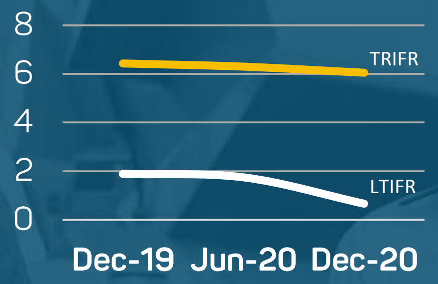
FLEET PRODUCT SAFETY
2020 HIGHLY COMMENDED
AUSTRALASIAN FLEET CHAMPION AWARDS

Our Safety Goal

"Our goal is zero harm. I intend to drive the business forward and help improve its leading market position. I will do this with a strong focus on safety."

– Justin Nuich, Executive Director and CEO

Injury frequency rates



Improvement
6% TRIFR
From 1H FY2020

Improvement
64% LTIFR
From 1H FY2020

A Bright Future

"We're proud to be investing in the future of mining, with 56 talented mechanics upskilled since introducing our Trade Upgrade Apprenticeship Program in 2018."

– Luke Mader, Founder and Executive Director

Our Strong Strategic Position

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Competitive Position

Mader differs from its competitors on its combination of value, flexibility, quality, capacity and method of engagement.

VALUE

Cheaper than OEMs (Original Equipment Manufacturers)

FLEXIBILITY

In-house employees
Fast response
Unrestricted by brand or region

QUALITY

Skilled leadership team
Maintenance specialists
Internal training
Dedicated OHS team

ENGAGEMENT

Combination of flexible service level agreements and contracts
Annual rate reviews
Scalable service offerings

CAPACITY

High capacity workforce
Large talent pool
Site support for different equipment brands

Diversification Strategy

Strong growth trends expected to continue as Mader executes strategy for further regional and service diversification in large remaining addressable markets.

GEOGRAPHICAL SPREAD

AUSTRALIA

- Strategy to expand into Northern QLD and Central West NSW with operations headed from a central office in Brisbane

NORTH AMERICA

- Plans to expand operations across the East and West Coast in the United States of America
- Advancing due diligence to launch operations organically in Canada

REST OF WORLD

- Plans to selectively re-enter Africa and Asia following initial COVID-19 impacts

SERVICE EXPANSION

- Continued scaling of ancillary services in Western Australia with a dedicated focus on mobile plant electrical maintenance and broadscale infrastructure maintenance.
- Planned roll out of ancillary service offerings to established addressable markets

ACQUISITIONS

- 25% equity interest acquired in Western Plant Hire (WPH), a long-term strategic investment expected to provide the Company with further options to diversify its suite of ancillary services

Operational Review

JUSTIN NUICH | EXECUTIVE DIRECTOR & CEO

1H FY2021 Highlights

REVENUE	CHANGE (FROM 1H FY2020)
$141.2 m	+ 6.4%
EBITDA*	
$16.3 m	+1.9%
EBIT*	
$12.7 m	-1.9%
NPAT*	
$8.7 m	+0.6%

DIVIDENDS DECLARED

1.5 cents per share	Paid 17 Sept 2020
1.5 cents per share	To be paid 17 Mar 2021

* 1H FY2020 included one-off adjustments to NPAT. Refer appendices for detail.

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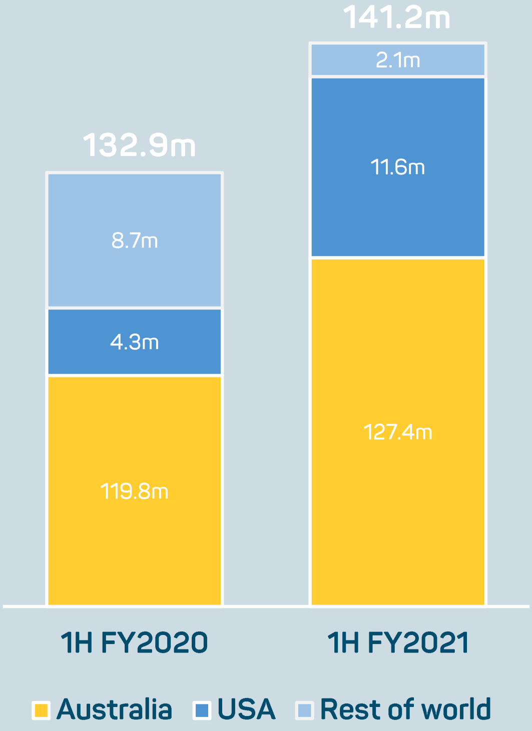
Revenue by Region ($m's)



OPERATIONAL UPDATE

SITES SERVICED
350+ sites globally

CUSTOMERS
200+ customers

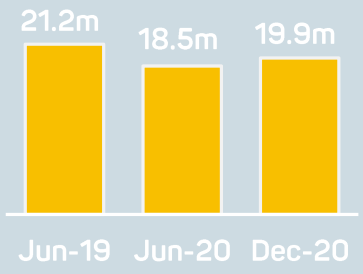
HOURS WORKED
1.5 million hours worked

COUNTRIES
Operating in 6 countries

EXEC APPOINTMENTS
New CEO and CFO commenced. Director Emerging Businesses role created to support business growth.

GROWTH TRAJECTORY driven by continued diversification and leading market position

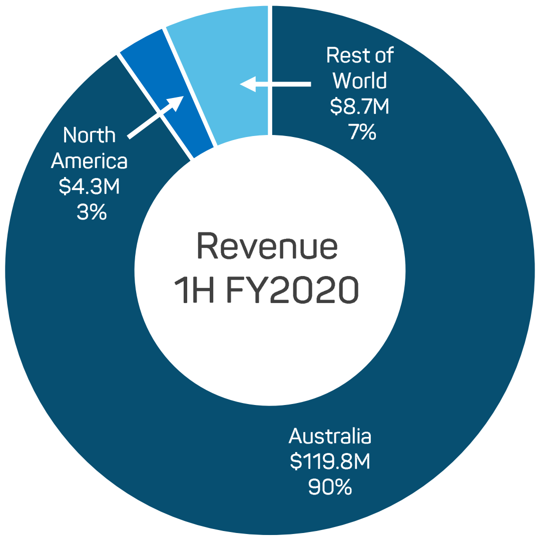
Stable Net Debt

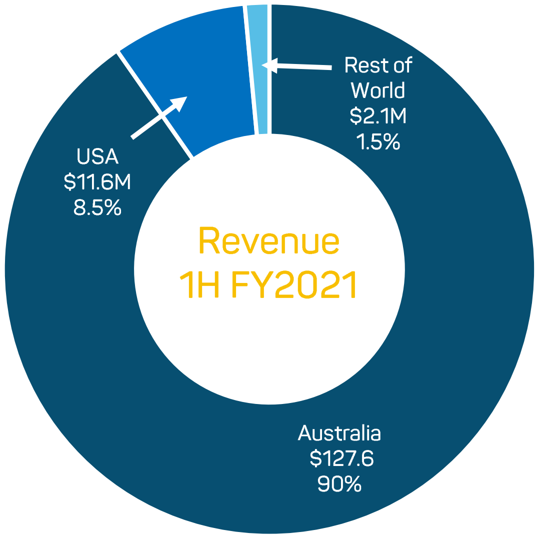


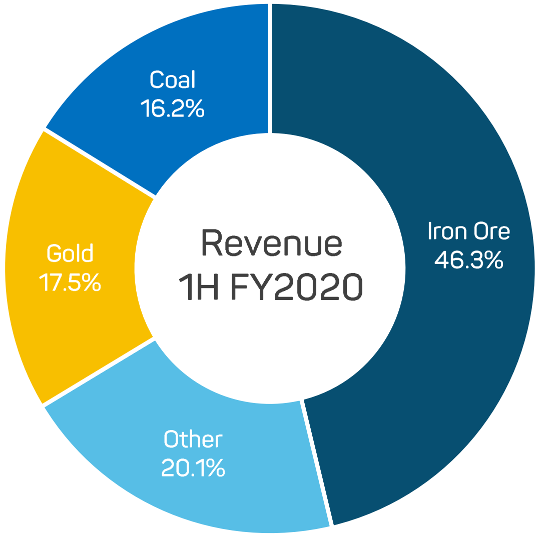
BASIC AND DILUTED EPS
1H FY2021 **4.4c**

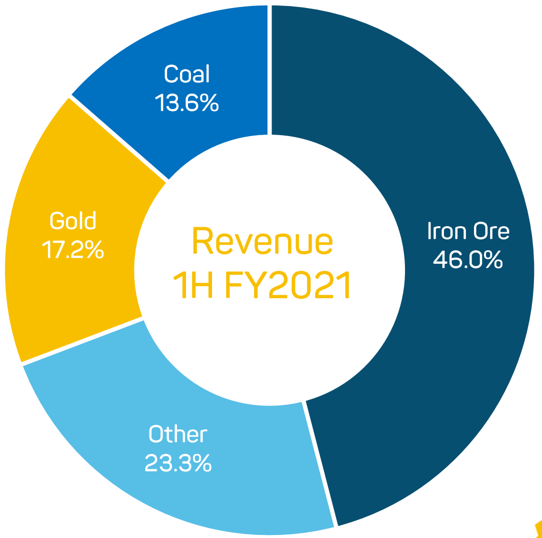
EMPLOYEES DEC 2020
1,400+

Overview of Operations









Australia

Revenue
6.4%
From 1H FY2020

EBITDA
13.5m For 1H FY2021
Margins continuing to improve during Q2 FY2021

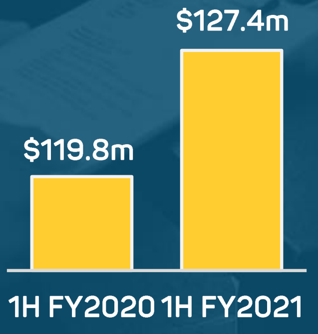
Ancillary
Services Revenue
23%
From 1H FY2020

Investment
25% Equity interest acquired
Western Plant Hire

Apprentices
56 In our Trade Upgrade Program

Infrastructure
Maintenance
27% Revenue growth from 1H FY2020

Revenue (A$)



North America

Revenue
166%
From 1H FY2020

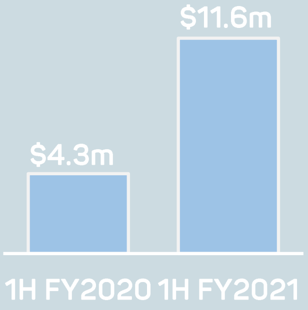
EBITDA
434%
From 1H FY2020

Canada
Advanced due diligence underway to enter by Q4 FY2021

New Regions
4 Entered in 1H FY2021

Investment
A$6.5M
Growth capital committed for 2H FY2021 throughout North America

Revenue (A$)



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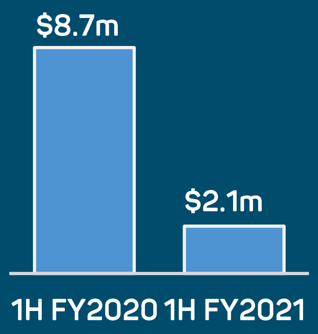
Rest of World

Revenue
157%
Q/Q growth in 1H FY2021

Countries
3 Entered in 1H FY2021

Work Scope
New work scope due to commence in Mauritania in early 2H FY2021

Revenue (A$)



Financial Review

PAUL HEGARTY | CFO

Financial Performance

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Group Revenue Growth (Consolidated)
12% Excl. ROW From 1H FY2020

Strong Revenue Growth (Nth. America)
166% From 1H FY2020

Nth. America Revenue Contribution
8% Of Total Group Revenue (PCP: 3.2%)

Q2 Group EBITDA Margin
12.6% Continued FY2021 Margin Improvement

Rest of World Revenue
150%+ Q1 to Q2 FY2021 Increase

Earnings Per Share
4.4¢ Improvement of 2.3% PCP

Dividend Per Share
1.5¢ Cents per share fully franked interim divided

Profit Payout Ratio
34% Consistent Returns To Shareholders

A$'000	1H20*	1H21
Revenue	132,719	141,174
EBITDA	16,010	16,318
EBITDA Margin	12.1%	11.6%
EBIT	12,984	12,742
EBIT Margin	9.8%	9.0%
NPAT	8,661	8,710
NPAT Margin	6.5%	6.2%
Earnings Per Share (cents)	4.4	4.4
Dividends Per Share (cents)	1.5	1.5

* 1H FY2020 included one-off adjustments to NPAT. Refer appendices for detail.

- Revenue growth continued, increasing by 6.4% on the PCP or 12% when excluding ROW.
- High growth regions continuing to deliver strong margins and a greater proportion of Group revenue.
- ROW revenue growth is accelerating with 150%+ quarter on quarter growth.
- Q1 FY2021 margins impacted by COVID-19, however the business continues to navigate these challenges and delivered Q2 FY 2021 EBITDA margins of 12.6%.

Financial Position

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Strong Balance Sheet
$54m Net Assets

Simple Balance Sheet
~630 Service vehicles located throughout the world

Receivables to Monthly Revenue
2.3x PCP: 2.4x

Net Debt Position
$19.9m $18.6m PCP

Net Leverage
0.6x Annualised 1H FY2021 EBITDA

Net Debt to Equity
0.37x Asset base available to support growth

Investment in Growth
$7.0m Invested in growth during 1H FY2021

Positioned for Growth
$38m Unutilised debt facilities

A$'000	Jun 20	Dec 20
Cash & cash equivalents	6,456	5,734
Trade & other receivables	55,059	53,086
Property, plant & equipment	32,542	32,472
Investments & other assets	6,690	16,096
Total Assets	100,747	107,388
Trade & other payables	18,898	17,245
Tax liabilities	3,227	3,189
Provisions	1,906	2,208
Borrowings	24,915	25,622
Other	3,684	5,156
Total Liabilities	52,630	53,420
Net Assets	48,117	53,968

- Receivables to monthly revenue was ~2.3x (PCP: ~2.4x).
- Property, plant and equipment is comprised primarily of ~630 field service units.
- Gross capital expenditure for 1H FY20 of $4.6m related to growth capex in Australia of $3.6m and $1.0m in the US.
- Borrowings of $25.6m is comprised of working capital facilities of $9.7m and equipment finance facilities of $15.9m.
- Net debt of $19.9m (Jun 20: $18.6m).

Cash Flow

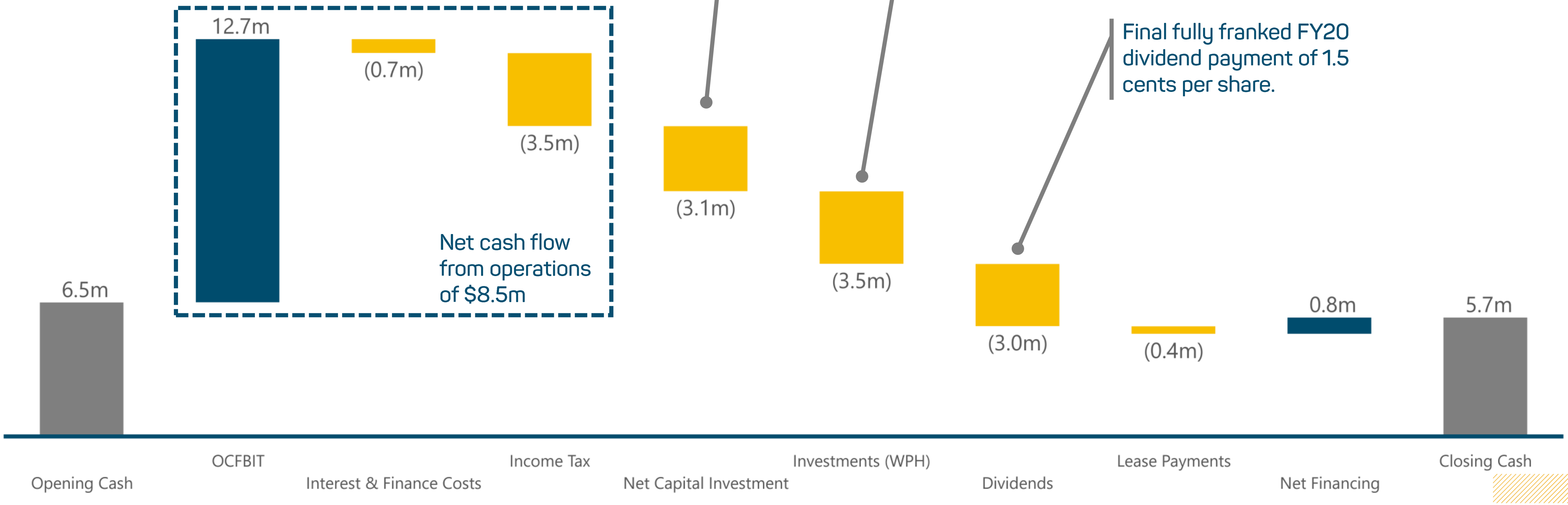
Strong net cash flow from operations of $8.5m, an increase of 127%.

OCFBIT of $12.7m improved by 51% on the PCP.

Net investment in growth capital of $3.1m comprised additional plant and equipment (predominantly service vehicles) of $3.5m less minor asset disposals of $0.4m.

Acquisition of 25% interest in Western Plant Hire to deliver long-term strategic advantages and ancillary offerings to Mader.

Final fully franked FY20 dividend payment of 1.5 cents per share.



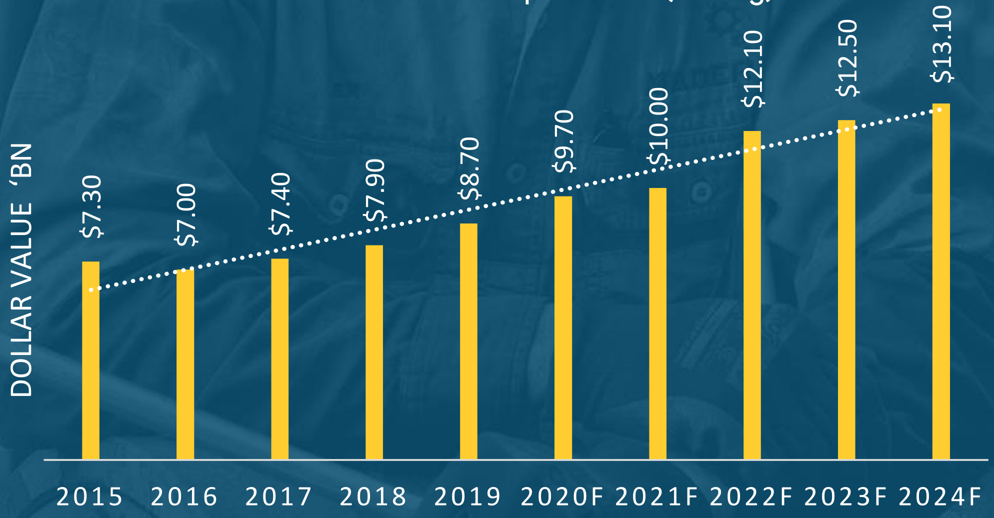
Outlook

JUSTIN NUICH | EXECUTIVE DIRECTOR & CEO

Industry Outlook

Growth in mining tonnes produced + aging fleets = increasing demand for maintenance labour

Total Maintenance Expenditure (Mining)



Source data: "BIS Oxford Economics" for Maintenance spend

Positive industry outlook for Mader:

- Increasing forecast mining maintenance expenditure
- Ongoing production growth in key commodities
- An industry trend for equipment to be used longer before replacement
- Significant capital investment in 2011 - 2012 has resulted in an aging mining equipment fleet for many mining companies

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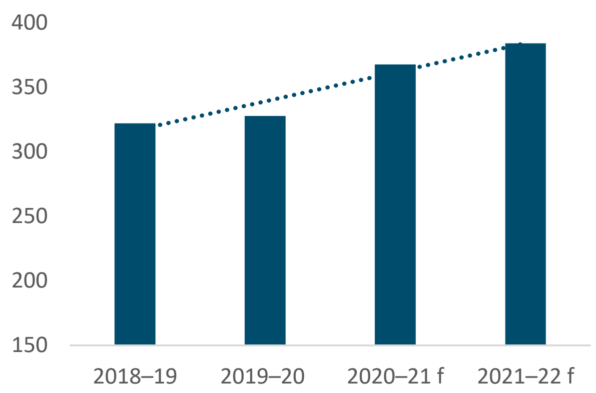
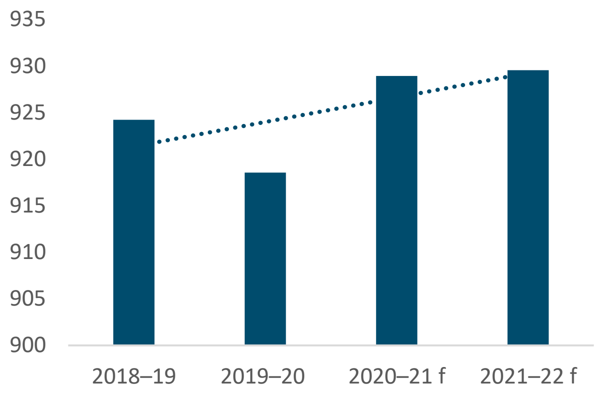
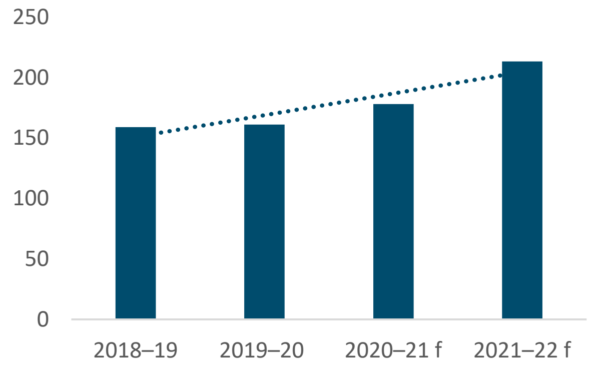
Gold Production (t)



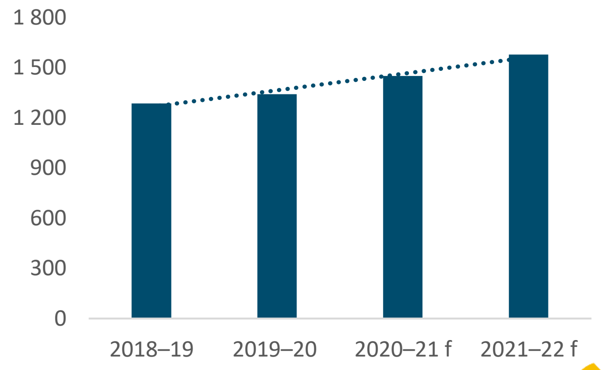
Iron Ore Production (Mt)



Nickel Production (Kt)



Zinc Production (Kt)



Source data: "Australian Government: Department of Industry, Innovation, Science, Energy and Resources" for Australian Production charts

Growth opportunities and addressable market

ROM: CY2020 Run of Mine Production in Metric Tonnes (source: GlobalData Intelligence Center)

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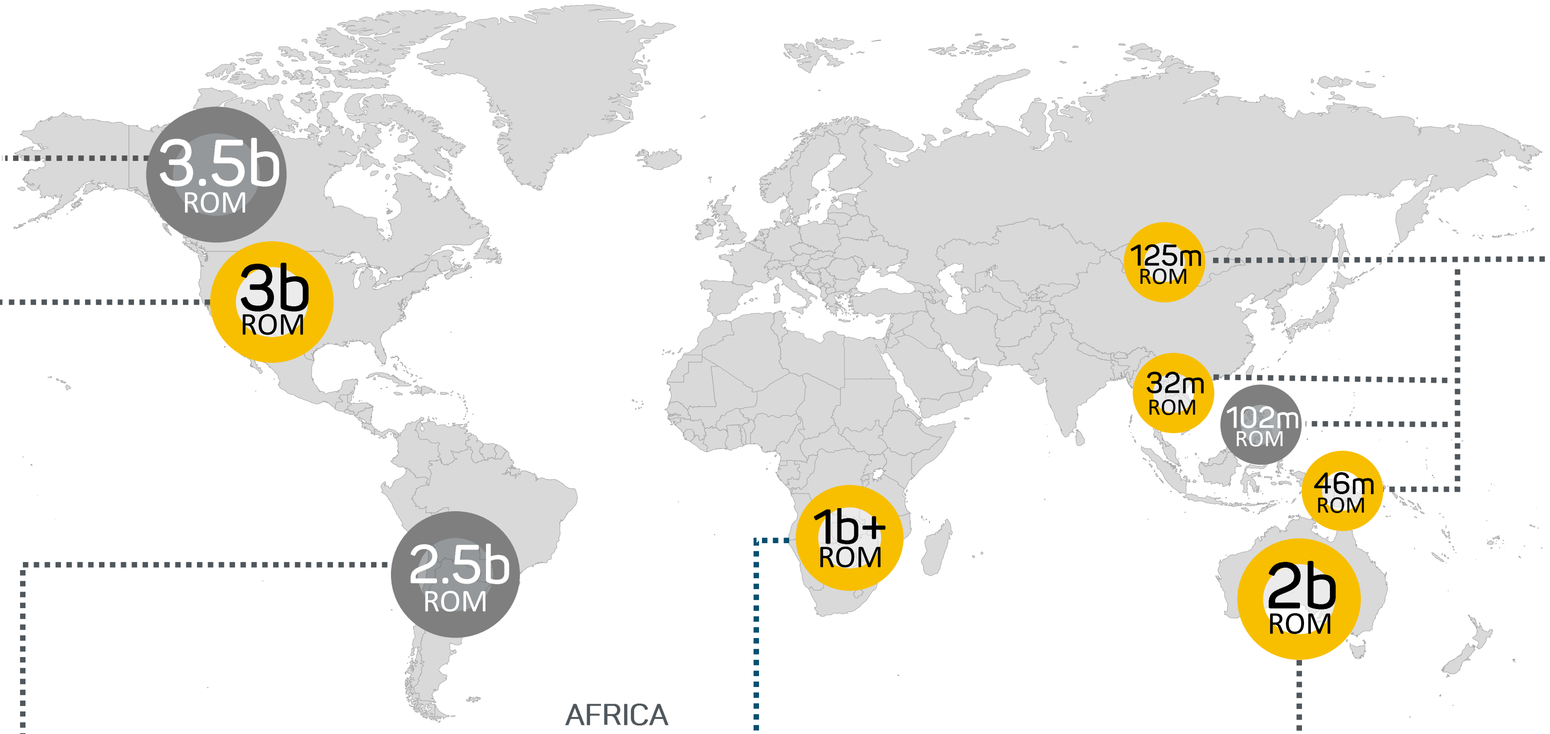
Current markets

Potential markets



CANADA

0 sites
0 customers
1H FY2021
Mader Revenue:
$0

UNITED STATES

25+ sites
20+ customers
1H FY2021
Mader Revenue:
$ 11.6 million

SOUTH AMERICA

0 sites
0 customers
1H FY2021
Mader Revenue:
$0

AFRICA

10+ sites
10+ customers
1H FY2021
Mader Revenue:
$354.0 thousand

ASIA

5+ sites
5+ customers
1H FY2021
Mader Revenue:
$1.8 million

AUSTRALIA

350+ sites
200+ customers
1H FY2021
Mader Revenue:
$127.6 million

Site and customer information relates to operations carried out in 1H FY2021

Group Outlook

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OVERALL	▪ Continued underlying growth in Australia and North America ▪ Pandemic effected business units primed to return to previous growth rates
AUSTRALIA	▪ Significant levels of unfilled customer demand ▪ Continued scaling of ancillary and infrastructure services
NORTH AMERICA	▪ Strong growth expected to continue ▪ Large addressable markets remain in the United States of America and Canada ▪ Entering Canadian market with capital committed
REST OF WORLD	▪ Strong levels of customer demand ▪ Targeting re-entry of these markets
STRATEGIC DIVERSIFICATION	▪ Aiming to grow business through targeted acquisition ▪ Dedicated Executive resource allocated to business growth and strategic diversification

Investment Case

Market Cap
$174m
At market close
22 February 2021

Shares
200m
on issue

Share Price
$0.87
At market close
22 February 2021

TRACK RECORD OF DELIVERY & SUCCESSFUL ROLL OUTS

PROVEN DISRUPTIVE BUSINESS MODEL

RELATIVELY LOW CAPITAL INTENSITY

ORGANIC & SUSTAINABLE GROWTH PROSPECTS

LARGE ADDRESSABLE MARKETS & SIGNIFICANT UPSIDE

POSITIVE INDUSTRY TRENDS

UNIQUE PEOPLE & CULTURE FOCUS

SIMPLE BALANCE SHEET & FINANCIAL FLEXIBILITY

Appendices

MADER GROUP LIMITED

Notes to financials

A$'000	1H FY2020	1H FY2021
Statutory net profit after tax	8,061	8,710
One-off offer costs[1]	856	-
Impact of income tax[2]	(256)	-
Adjusted net profit after tax	8,661	8,710
Adjusted net profit margin	6.5%	6.2%

Mader Group Limited results are reported under International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. The Company discloses certain non-IFRS measures that are not prepared in accordance with IFRS and therefore are considered non-IFRS financial measures. The non-IFRS measures should only be considered in addition to and not as a substitute for, other measures of financial performance prepared in accordance with IFRS.

1. One-off Offer costs incurred by Mader Group as part of its Initial Public Offering totalling $0.86 million ($0.60 million tax effected).
2. Income tax effect - An adjustment has been made to reflect the tax impact of the adjustments based on the Australian statutory corporate tax rate of 30%.

Corporate Social Responsibility

Mader Group aim to empower communities, improve social dynamics and lessen inequality by sponsoring initiatives that support socio-economic development in remote areas and disadvantaged communities. We help fund a growing number of initiatives across the globe, with programs extending throughout Australia and into Asia, Africa and the US. In addition to providing financial aid our people also volunteer time to support local charities.

'Home for Dinner' Volunteer Program
Ronald McDonald House Charities Perth, WA, Australia

Building Bikes for 'At Risk' Youth
Dismantle, Perth, WA, Australia

Salvation Army Food and Toy Christmas Drive
Initiative across USA and Australia

Board of Directors

Jim Walker
Non-Executive Chairman

Over 45 years' experience in the resources sector. Former MD of WesTrac, Director of Seven Group Holdings and National Hire Group. Former Non-Exec Chairman of Macmahon Holdings. Current Chairman of Austin Engineering, Australian Potash, MLG Oz Limited, State Training Board, Wesley College, WA Motor Museum and Deputy Chairman of RAC WA.

Luke Mader
Founder and Executive Director

Founder of Mader Group. Trade qualified with 20 years' experience in the mining services industry. Cultivated a 1,400+ workforce after realising an underserviced 'niche' whilst working in marketing for a Caterpillar dealer network.

Justin Nuich
Executive Director and Chief Executive Officer

Over 20 years' experience in the mining and oil and gas industries globally. Has held senior roles with Fortescue Metals Group, Mineral Resources Limited, BHP, AMCi Wireless, and most recently, as Director Operations at Salt Lake Potash. Mr Nuich has a MBA and a Graduate Diploma of Maintenance Management.

Patrick Conway
Executive Director and Director of Emerging Businesses

Former CEO and CFO of Mader Group. Member of CPA Australia and Associate Member of Chartered Governance Institute. Mr Conway has a Bachelor of Commerce, CPA and a Graduate Diploma in Applied Corporate Governance.

Craig Burton
Non-Executive Director

A venture capital investor in emerging companies, projects and businesses. A track record of providing financial backing and strategic advice to successful business teams and start-up entrepreneurs.

Glossary

TRIFR	Total recordable injury frequency rate per one million hours worked
LTIFR	Lost time injury frequency rate per one million hours worked
1H FY2021	The period 1 July 2020 to 31 December 2020
1H FY2020	The period 1 July 2019 to 31 December 2019
PCP	The Prior Corresponding Period, being 1H FY2020
EBITDA	Earnings before interest, tax, depreciation and amortisation
EBIT	Earnings before interest and tax
NPAT	Net profit after tax
Net Leverage	Net Debt / annualised EBITDA
OCFBIT	Operating Cash Flow before interest and tax

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