



30 October 2024

Market Announcement

For immediate release

AoFrio achieves 32% revenue growth in Q3, tightens FY24 guidance

AoFrio Limited (AOF), is providing an update on trading performance for the period ended 30 September 2024. The results show a continuation of the strong first half performance built on AoFrio's new USA IoT strategy and new business wins in both North America and South America.

- Revenue for the three months ended 30 September 2024 was \$21.1m, a 32% increase compared to \$15.9m for Q3-2023.
- For the nine months ended 30 September 2024 (YTD 2024), revenue was \$59.4m, a 29.1% increase compared to the same period in 2023.
- IoT revenue YTD 2024 was \$32.3m (54% of total revenue) with a 40.0% gross margin. Motor revenue was \$27.1m at a 16.8% gross margin.
- AOF received a \$452k Research and Development Tax Incentive payment in September 2024 for R&D activities undertaken in 2023.
- Operating costs YTD 2024 were \$15.8m compared to \$15.4m in 2023.
- YTD 2024 EBITDA was a surplus \$2.1m, (loss of \$0.3m in 2023).
- Cash at 30 September 2024 was \$2.3m (\$3.7m last year at 30 September).
- Borrowing at 30 September 2024 under AOF's bank trade finance facility reduced to \$3.2m from \$7.7m last year at 30 September.

On 28 August 2024, AOF launched AoFrio® INSIDE™, a first-to-market complete refrigeration solution designed to accelerate the industry's journey towards Net-Zero. AoFrio INSIDE offers customers the ability to sharply reduce their fleet's energy consumption and includes data-driven tools to remotely analyse and optimise fleets for additional efficiency gains.

In Q4-2024, AOF will launch a new 26W ECR@2 motor which can drive 250mm (10") fans making it suitable for evaporators and condensers for food service customers.

Two proof-of-concept trials have been completed for AOF's first Food Retail solution, the results of which have been very encouraging. Commercial discussions are underway to secure initial orders.

John Scott, Chairman of AOF said "The team is doing a tremendous job maintaining the revenue growth of the previous four quarters. There are three major contributors as I see it. We are benefitting from improving global market conditions, the environmental and energy story is resonating and the one I am most proud of is that our team is executing well across all aspects of the business. I cannot understate the value of a high-quality product, that arrives on time, supported by a team that is passionate and cares about its customers. What we are seeing in the results is a combination of these factors."

2024 Outlook

AoFrio is narrowing its revenue 2024 guidance.

Revenue in FY24 is now expected in the range \$75m to \$80m (previously \$70m to \$80m), a 16% increase



over FY23 at the midpoint of the range. AOF is maintaining its EBITDA guidance for FY24, targeting around \$2.5m. Macroeconomic conditions may impact this guidance. AOF continues to manage its investment in growth to align with trading conditions and expects to be able to continue expanding through internally generated cashflows.

**EBITDA (i.e., Earnings before interest, taxation, depreciation, amortisation, and impairment) is a non-GAAP earnings figure that equity analysts tend to focus on for comparable company performance analysis. AoFrio considers it a valuable financial indicator because it avoids the distortions caused by differences in amortisation and impairment policies. Contact*

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