

Kelsian Group Limited

FY23 Full Year Results

Investor Presentation

Clint Feuerherdt
Managing Director & Group CEO

Andrew Muir
Group CFO

30 August 2023

1. Introduction

2. FY23 Overview

3. FY23 Financial Results

4. FY23 Divisional Performance

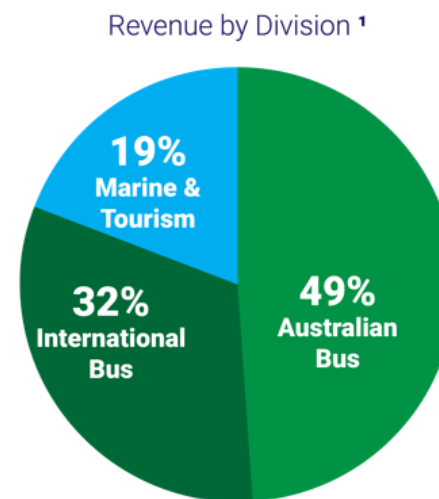
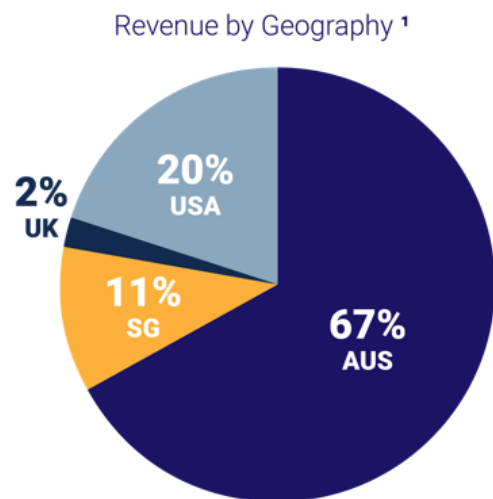
5. Growth Strategy & Outlook



Kelsian is a global transport provider

Purpose: To be a world leader in delivering essential journeys through safe, intelligent and sustainable transport solutions, while creating brilliant customer experiences

<p>\$1.6 billion ANNUALISED CONTRACTED * REVENUES</p> <hr/> <p>Predictable earnings base from long-term, low-risk, government backed service contracts</p>	<p>WELL HEDGED IN INFLATIONARY ENVIRONMENT</p> <hr/> <p>Indexation for fuel price, wages, CPI for majority of contracts, ability to pass on fare increases in Marine & Tourism</p>	<p>HIGHLY SCALABLE</p> <hr/> <p>Barriers to entry exist to establish infrastructure and build expertise</p>	<p>LEADERS IN DECARBONISATION</p> <hr/> <p>Australia's largest zero emissions bus fleet and the largest electrified bus depot</p>	<p>KELSIAN OPERATIONAL NUMBERS ^</p> <ul style="list-style-type: none">  274 million+ ANNUAL CUSTOMER JOURNEYS  >11,000 EMPLOYEES  4,800 BUSES  113 VESSELS  19 ISLAND CONNECTIONS
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¹ Proforma FY23 assuming full year of AAAHI ownership
 * Contracted or non-discretionary revenues
 ^ Operational Numbers as at 30 June 2023
 ‡ Includes Channel Islands

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Overview of business divisions

Diversified nature of business and geographic spread creates a resilient business model

 <p>AUSTRALIAN BUS</p> <hr/> <p>Contracted public transport services on behalf of Government</p>	 <p>INTERNATIONAL BUS</p> <hr/> <p>Contracted public transport services in Singapore, and UK, contract and charter passenger services in USA</p>	 <p>MARINE & TOURISM</p> <hr/> <p>Passenger and transport ferries, tourism experiences and accommodation</p>
<p>* Remaining Average Contact Term: 6.8 Years</p> <hr/> <p>CHARACTERISTICS: Essential transport services to major cities Government and blue-chip counterparties Long-term contracts Opportunity to increase yield and margin over term of the contract Annual price increases No farebox risk Mostly capital light Managing infrastructure on behalf of governments or enjoying government backed funding structure</p>	<p>* Remaining Average Contact Term: 3.5 Years</p> <hr/> <p>CHARACTERISTICS: Government transport services Government counterparties Long-term contracts Opportunity to increase yield and margin over term of the contract Annual price increases No farebox risk AAAHI Diverse and loyal customer base Focus on corporate, government, education, LNG and tourism sectors</p>	<p>* Remaining Average Contact Term: 13.3 Years</p> <hr/> <p>CHARACTERISTICS: Secure landing rights and freehold properties Preferred operator status to most destinations Serving 19 unique island destinations, hard to replicate Provides essential transport services to island residents, businesses and visitors Exposure to domestic and international tourism Includes a range of government contracted services</p>

* Revenue weighted average remaining contract term as at 30 June 2023; contract term includes contract extension options

^ FY23 Total Revenue per Segment Note for Australian and International Bus

FY23 financial results highlights*

Contract indexation mechanisms effectively hedge inflation for majority of bus businesses

Underlying results (12 months to 30 June 2023)

Group revenue \$1,417.8m ▲ 9.3% pcp	Increased multi-tranche debt and revolving credit facilities by \$226m	Operating cash flow \$129.0m ▲ 12.2% pcp
Underlying EBITDA \$161.9m ▲ 3.9% pcp	Successful capital raise \$278m	\$100.3m of capital deployed to underpin growth, refresh asset base
Underlying NPATA \$70.0m ▲ 4.3% pcp	Net financial proforma leverage 2.26x † † 2.07x excluding Government backed debt	Fully franked final dividend 9.5 cents <i>same as pcp</i> FY23 dividends 17.0 cents

*FY23 results are reported post the accounting change for the Singapore Bus Business announced on 15 February 2023

FY23 operational & strategic highlights

Successfully delivered on organic growth and strategic acquisitions



AUSTRALIAN BUS

- Retained Region 3 contract in NSW. Signed two seven+ year contracts in NSW. Regions 3 & 13 successfully commenced in August 2023. Regions 2 & 15 to commence in October 2023
- Total new contracted value of ~\$1.3 billion* over 7 years, Transit Systems to become Sydney's largest metropolitan public bus operator
- Largest zero emissions bus fleet and electrified bus depot in Australia
- Acquisitions of North Stradbroke Island Buses, Horizons West Bus & Coachlines, and Grand Touring NT



INTERNATIONAL BUS

- Entered the large and attractive USA market, through the acquisition of All Aboard America! Holdings, Inc.
- AAAHI is an established, highly regarded, customer centric operator with multi-state footprint, providing a base to pursue growth opportunities in adjacent geographies and end-markets, leveraging Kelsian's core competencies
- Completion occurred on 1 June 2023 with continued growth and a strong pipeline of new opportunities
- Acquisition of bus operations in Channel Islands in 1HFY23

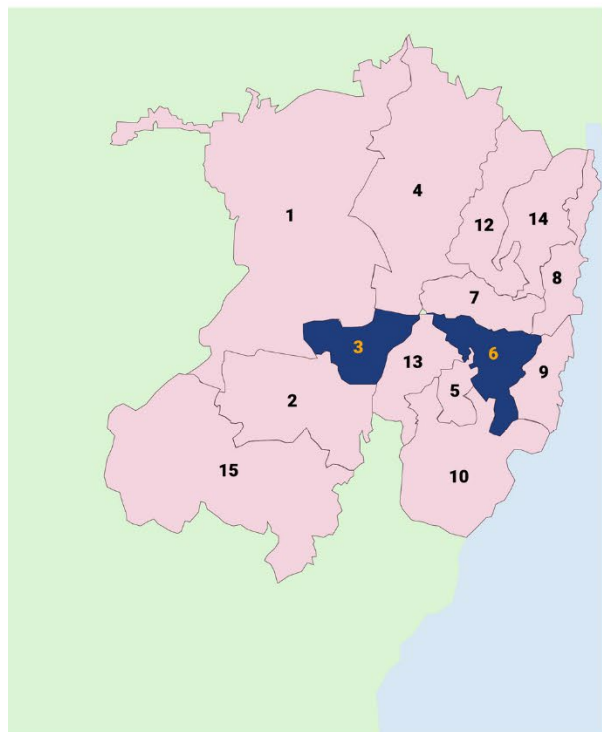


MARINE & TOURISM

- Strong rebound in domestic demand throughout FY23 underpinned solid growth in revenue
- Purchase of four new vessels – Starship, Starship Aqua, Sydney Crystal and Reef Quest
- Awarded two new 10-year contracts in Gladstone (Shell, Santos and ConocoPhillips)
- Continued rollout of dynamic pricing and yield management initiatives

FY23 Highlight: Expansion in Sydney Bus Regions

Success in new Sydney bus services contracts, demonstrates continued organic growth

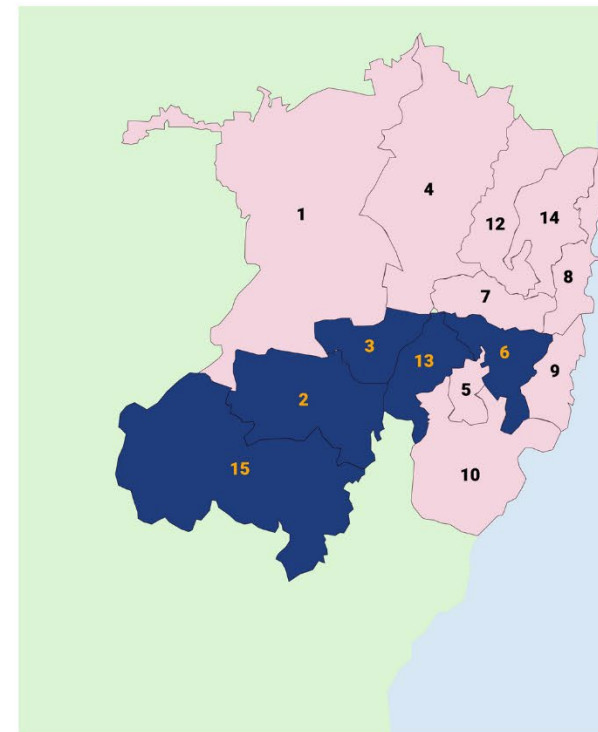


Existing Contract Area

REGION 3 + 6

	73.6 million+ 2019 CUSTOMER JOURNEYS (PRE-COVID)
	1,743 EMPLOYEES
	849 BUSES
	6 DEPOTS

Region 3: Operated by Transit Systems since 2013
Region 6: Operated by Transit Systems since 2018



New Contract Area (Oct '23)

REGION 3 +13, 6, 2 +15

	104.4 million+ 2019 CUSTOMER JOURNEYS (PRE-COVID)
	2,783 EMPLOYEES
	1,436 BUSES
	12 DEPOTS

Region 3 + 13: Combined as Region 3 Contract Area from August 2023
Region 2 + 15: Combined as Region 2 Contract Area from October 2023

- Region 3 & 13 successfully transitioned and commenced operations in August 2023.

FY23 Highlight: AAAHI Acquisition

Platform of six geographically diversified, highly regarded brands with strong cultural alignment operating in seven states

Multi-jurisdictional, diversified footprint across high population growth states in the south and south-west of the USA



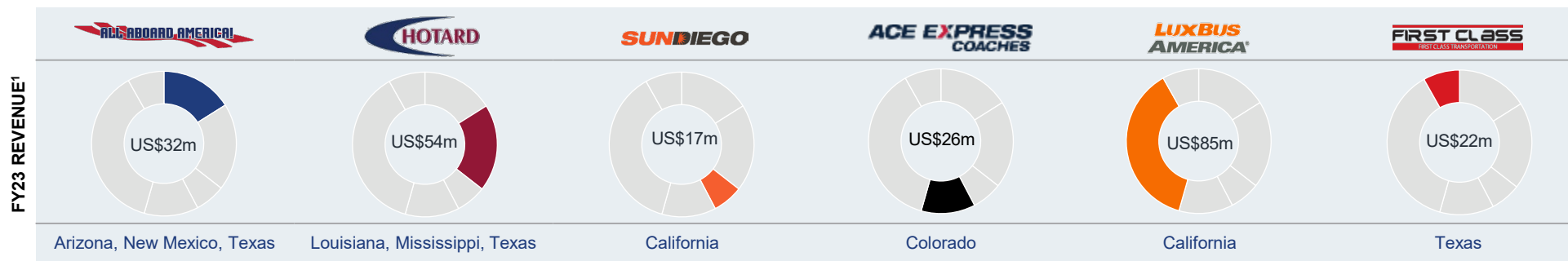
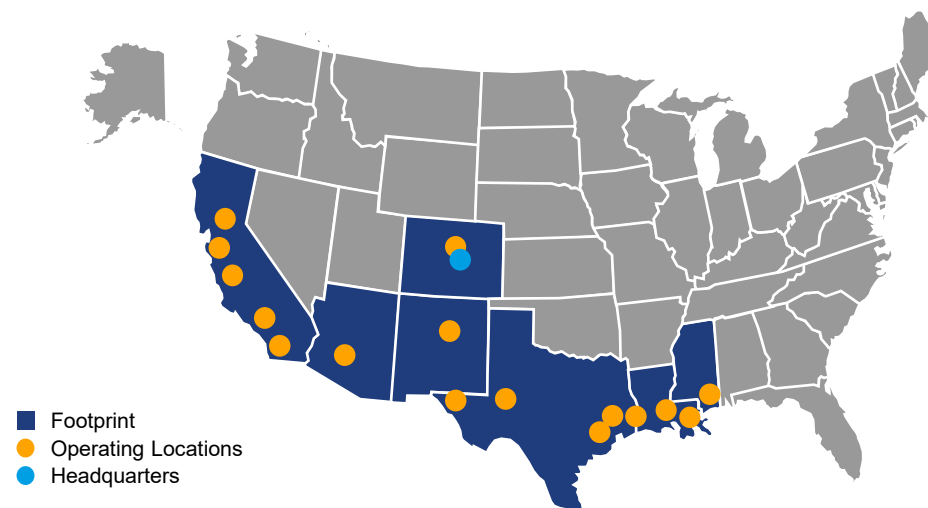
Diversified footprint across the south and south-west of the USA, with significant fleet scale and coverage



Decentralised model for tailored customer engagement in each region, which is important for winning local contracts



Strong cultural alignment maintained through consistent safety and operational performance targets



Notes: (1) AAAHI revenue split by business unit based on unaudited management financials for FY23 excluding approximately US\$3.1m of holding company eliminations.

FY23 Sustainability Highlights

Bus sector offers compelling solution to drive decarbonisation

- Current fleet: 73 Battery Electric Buses (BEBs), two Hydrogen Fuel Cell Buses (HFCBs), with plans to expand the fleet to ~375 BEBs & four HFCBs by end of 2025
- Ongoing upgrades to depots and charging infrastructure
- Total BEBs customer journeys: 2,269,114 (calculated as total pax/km * total BEB km). Total BEBs km travelled: 1.9 million km, equivalent to 4,251 barrels of oil
- ~ 2,000 tonnes of CO2 tailpipe emissions saved during FY23
- ~ 65% increase in solar power generation across sites
- Seabin installation in Sydney Harbour from April 2023: ~18,000 plastic items captured
- Ongoing investment into safety including driver assistance, fatigue monitoring and vehicle collision avoidance technology
- Continued roll out of collision avoidance systems and vehicle telematics fitted to buses
- Sustainability targets set (refer Appendix)



Seabin Installation

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SAN DIEGO
WHERE CALIFORNIA BEGAN
250
EST. 1769



Summary Profit & Loss Statement

92% of annualised revenue contracted or non-discretionary

- Revenue growth reflects rebound in domestic tourism (Marine & Tourism) throughout FY23 and flow through of contract indexation
- Contract indexation mechanisms effectively hedge inflation for majority of bus businesses (fuel price, wage inflation, CPI)
- Labour shortages led to higher labour costs and delayed opportunities
- Non-cash amortisation charge associated with customer contracts of \$20.4 million
- Higher interest costs reflect cost of borrowing and higher debt levels, in part offset by interest rate hedges in place
- Tax expense assisted by access to ongoing marine shipping incentives
- Underlying NPATA excludes one-off costs associated with acquisition of AAAHI, pursuit of the Go-Ahead Group and impairment of UK assets
- Fully franked final dividend of 9.5 cents per share, full year 17.0 cents per share. Record date of 15 September 2023 and payable 20 October 2023

Financial year ended 30 June \$m	2023	2022 [^]	Growth	Growth %
Revenue	1,417.8	1,297.4	120.4	9.3%
Operating expenses*	(1,256.0)	(1,141.6)	(114.3)	10.0%
Underlying EBITDA	161.9	155.8	6.1	3.9%
<i>Underlying EBITDA margin</i>	<i>11.4%</i>	<i>12.0%</i>	<i>(0.6%)</i>	<i>(4.9%)</i>
Depreciation	(57.0)	(57.1)	0.1	(0.2%)
Underlying EBITA	104.9	98.7	6.2	6.3%
Amortisation	(20.4)	(18.6)	(1.8)	9.7%
Underlying EBIT	84.5	80.1	4.4	5.5%
Net interest expense	(19.7)	(17.6)	(2.1)	11.9%
Underlying NPBT	64.8	62.5	2.3	3.7%
Income tax expense	(15.2)	(14.0)	(1.2)	8.6%
Underlying NPAT	49.6	48.5	1.1	2.3%
Underlying NPATA	70.0	67.1	2.9	4.3%
Earnings per share**	0.26	0.31		
Shares on Issue (million)	269.2	218.4		




[^]Comparative restated for change in accounting announced 15 February 2023

* Operating expenses before interest, depreciation, amortisation, acquisition and transaction expenses \$30.2m (2022: \$4.1m) and other significant items \$1.2m (2022: (\$6.1m)).

** Earnings per share calculated based on Underlying NPATA

Impact of labour shortages

Labour availability improving in FY24

	 AUSTRALIAN BUS	 INTERNATIONAL BUS	 MARINE & TOURISM
Labour shortages	Region 6 and Adelaide	Singapore	During 1H FY23
Structural wage increases	Protected via indexation	Protected via indexation	Recovered in part via fare increases
KPI penalties	~\$300k+ per month	Up to 3% performance fee foregone	None
Additional overtime	Significant in certain areas throughout FY23	In Singapore throughout FY23	Minimal
Staff retention / attraction costs	Throughout FY23	Additional retention costs in Singapore in 2H FY23	Minimal
Absenteeism	Throughout FY23	Record levels in Singapore due to legislation change	Minimal
Charter work	Reduced but improving	N/A	Cruise ship transfers recovering

Continued strong Cashflow generation

Earnings quality & strong cash generation support dividend payments

Operating cashflows - \$198.9m

- Net operating cash flow increased by \$13.9m or 12.0% to \$128.9m
- One off cash transaction costs for the Go-Ahead Group, AAAHI and other acquisitions totalled \$27.2m, an increase of \$23.1m

Investing cashflows \$650.2m

- Business combinations totalled \$563.5m

Financing cashflows - \$535.7m

- Net proceeds from capital raising \$274.0m
- Draw down facilities \$332.8m
- Repayment of deferred consideration and vendor loan
- Maintained a robust cash buffer with significant cash reserves of \$157.9m as at 30 June 2023

Financial year ended 30 June \$m	2023	2022	Change	Change %
Receipts from customers	1,433.0	1,335.1	97.9	7.3%
Payments to suppliers	(1,234.1)	(1,176.4)	(57.7)	4.9%
Gross operating cash flow	198.9	158.7	40.2	25.3%
Transaction costs	(27.2)	(4.1)	(23.1)	562.3%
Net interest	(19.3)	(15.6)	(3.7)	23.7%
Income tax (paid)/refunded	(23.4)	(24.0)	0.6	(2.5%)
Net operating cash flow	129.0	115.0	14.0	12.2%
Disposals	14.2	26.2	(12.0)	(45.8%)
Additions	(100.9)	(44.3)	(56.6)	127.8%
Business combinations	(563.5)	(68.0)	(495.5)	728.7%
Net investing cash flows	(650.2)	(86.1)	(564.1)	655.2%
Net proceeds from share issue	274.0	-	274.0	
Proceeds from borrowings	332.8	79.0	253.8	321.3%
Repayment of borrowings	(33.9)	(35.6)	1.7	(4.8%)
Dividends paid	(37.2)	(35.0)	(2.2)	6.3%
Net financing cashflows	535.7	8.4	527.3	6277.4%
Exchange rate on opening cash	2.3	0.2	2.1	1054.6%
Cash at the end of the year	157.9	141.1	16.8	

Balance Sheet

Reflects impact of AAAHI acquisition

- Balance Sheet strength supported several acquisitions in FY23
- Successfully upsized debt facilities and raised \$278m in equity from institutional and retail investors, to support AAAHI acquisition
- Intangible recognition of \$384.7m associated with AAAHI acquisition
 - Identifiable customer relationships intangible of \$133.7m
- Gearing ratio (net debt divided by (net debt + equity)) of 39.8% up from 31.2% in FY22
- Significant headroom in all bank covenants
- Undrawn bank facilities of \$97.8 million, hedging in place for ~50% borrowings
- Majority of debt facilities have over two-years' term remaining
- Non-recourse Special Purpose Vehicle (SPV) established to fund and house Government-backed contracted assets and fund Battery Electric Bus expansion in NSW

As at \$m	2023	2022 [^]	Change	Change %
Cash and cash equivalents	157.9	141.1	16.8	11.9%
Receivables	166.9	118.6	48.3	40.7%
Property, plant & equipment	656.4	404.8	251.6	62.2%
Other tangible assets	49.4	47.9	1.6	3.3%
Total tangible assets	1,030.8	712.4	318.4	44.7%
Right of use assets	135.6	105.9	29.7	28.1%
Other assets	1,011.7	605.3	406.4	67.1%
Total assets	2,178.1	1,423.6	754.5	53.0%
Senior debt	677.8	345.0	332.8	96.5%
Other interest bearing liabilities	16.5	49.7	(33.2)	(66.9%)
Total debt	694.2	394.7	299.5	75.9%
Right of use liability	128.6	94.7	33.9	35.8%
Other liabilities	431.6	294.2	137.5	46.7%
Total liabilities	1,254.5	783.6	470.9	60.1%
Net assets	923.6	640.0	283.6	44.3%

[^]Prior year restated

- Government backed contracted assets with a vehicle termination payment obligation total \$66.4 million as at 30 June 2023
- Leverage reduces to 2.1x excluding this contractual commitment

Capex overview

Deployment of capital to underpin growth and refresh tangible asset base

MAJOR ADDITIONS & INVESTMENTS

- **Marine & Tourism:** Vessel for Whitsunday Islands, Sydney dining vessels, Queensland ambulance, Southern Moreton Bay Islands
- **Australian Bus:** Electric buses and depot charging infrastructure, motor vehicles, IT infrastructure and scheduling software, North Stradbroke Island Buses
- **International Bus:** Electric buses and depot charging infrastructure, AAAHI motorcoaches
- **Corporate:** Land and buildings in WA and QLD

\$130* million
FY24 CAPEX FORECAST

- **Marine & Tourism:** \$63m: Four vessels, marine infrastructure, Kangaroo Island vessels
- **Australian Bus:** \$35m: Electric buses, coaches for Go West, Horizons West, charging infrastructure, motor vehicles and workshop equipment
- **International Bus:** \$32m: Solar, vehicle telematics and safety equipment (Singapore), USA motorcoaches

* Excludes \$62m for Government-backed contracted assets to be acquired in R2 and R3 via SPV

Financial year ended 30 June \$m	2023	2022
Domestic bus	23.1	9.1
International bus	14.0	4.7
Marine and Tourism	34.4	20.2
Corporate	28.8	9.1
Total Capex	100.3	43.1



One of two Kangaroo Island Ferries under construction

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Overview of FY23 performance | Australian Bus

Result reflects continued widespread impacts from labour shortages

- Contract retention (R3) and new regions (R2, R13 and R15)
- Highly defensive nature of contracts, providing natural hedge in inflationary environment
- Industry wide shortage of drivers and mechanics (limited to Region 6, NSW and Adelaide)
- 2H recovery of charter opportunities, e.g. rail replacement
- NSW Government supporting acceleration of battery electric bus roll out in Sydney. 55 BEBs currently in operation
- Adjacent market expansion (education) with acquisitions of Horizons West Bus & Coachlines, Grand Touring NT, both performing well and exploring expansion opportunities interstate
- Go West Tours pursuing additional growth in resources sector

Financial year ended 30 June \$m	2023	2022	Growth	Growth %
Revenue	845.0	803.9	41.1	5.1%
Direct expenses	(685.8)	(650.4)	(35.4)	5.4%
Indirect expenses	(55.1)	(44.5)	(10.6)	23.7%
Operating expenses	(740.9)	(694.9)	(46.0)	6.6%
Underlying EBITDA	104.1	109.0	(4.9)	(4.5%)
<i>Underlying EBITDA margin</i>	12.3%	13.6%	(1.2%)	(9.1%)
Depreciation	(28.7)	(26.6)	(2.1)	7.8%
Underlying EBITA	75.4	82.4	(7.0)	(8.5%)
Amortisation	(17.1)	(18.0)	0.9	(5.2%)
Underlying EBIT	58.3	64.4	(6.1)	(9.4%)

Operational Statistics	2023	2022
 Customer Journeys	136 million	96 million
 Kilometres Operated	227 million	152 million
 Buses	3,265	3,175
 Employees	5,740	5,511
 Contracts	66	42
 Revenue weighted avg remaining contract term*	6.8	4.9

Overview of FY23 performance | International Bus

Result reflects cycling of exit of London operations, in part offset by new business

All Aboard America! Holdings, Inc. (AAAH)

- One month contribution – performing in line with expectations
- Integration progressing well and well placed to capitalise on strong pipeline of opportunities

Singapore

- Labour shortages largely resolved
- Service degradation and route cutbacks imposed by Singapore Land Transport Authority resolved
- Good pipeline of tender opportunities

United Kingdom / Channel Islands

- Acquisition of bus operations in Channel Islands (October 2022)
- Channel Islands contract extension (Guernsey & Jersey)
- Continuing to participate in Manchester franchising opportunities
- Withdrew from The Go-Ahead Group plc process (July 2022)

Financial year ended 30 June \$m	2023	2022	Growth	Growth %
Revenue	243.4	240.9	2.5	1.0%
Direct expenses	(168.5)	(170.0)	1.5	(0.9%)
Indirect expenses	(60.9)	(56.8)	(4.1)	7.1%
Operating expenses	(229.4)	(226.8)	(2.6)	1.1%
Underlying EBITDA	14.0	14.1	(0.1)	(0.9%)
<i>Underlying EBITDA margin</i>	5.8%	5.9%	(0.1%)	(1.9%)
Depreciation	(8.2)	(11.4)	3.2	(27.9%)
Underlying EBITA	5.8	2.7	3.1	111.0%
Amortisation	(2.9)	-	(2.9)	-
Underlying EBIT	2.9	2.7	0.2	5.5%

Operational Statistics *	2023	2022
 Customer Journeys	129 million	137 million
 Kilometres Operated	75 million	46 million
 Buses	1,507	897
 Employees	3,397	1,597
 Contracts	27	2
 Revenue weighted avg remaining contract term	3.5	6.1

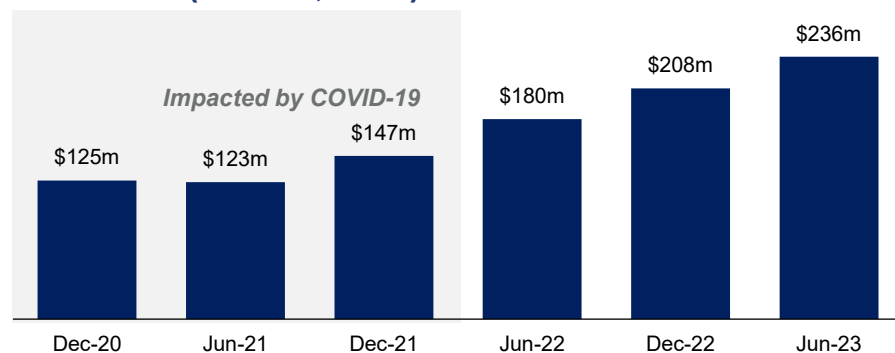
*Excludes contracts associated with the London JV

** Operational Statistics LTM as at 30 June 2023

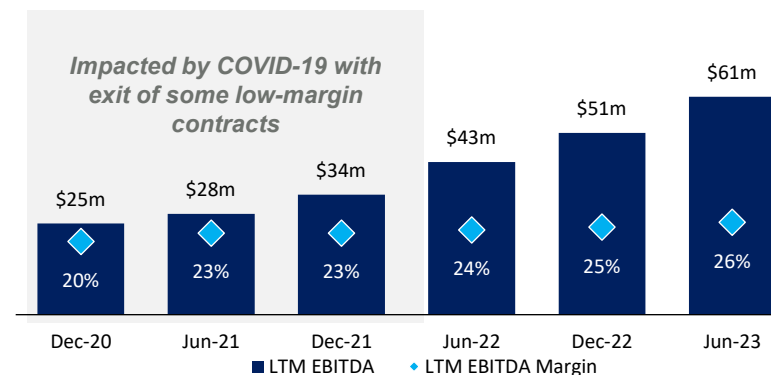
AAAHI acquisition completed in June 2023

AAAHI has a diversified revenue mix and a strong track record of earnings growth¹

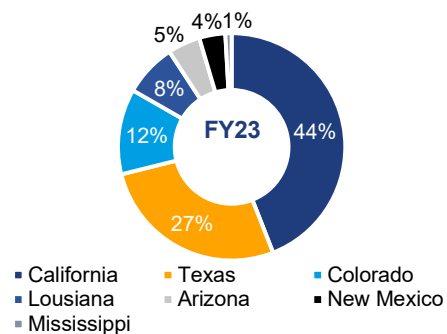
Revenue (US \$m, LTM)



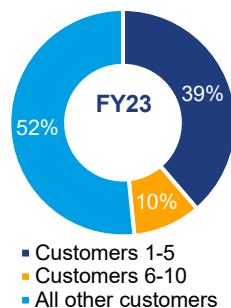
EBITDA (US \$m, LTM) and margin profile (%)



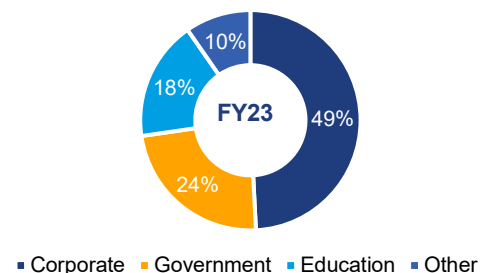
Revenue by state



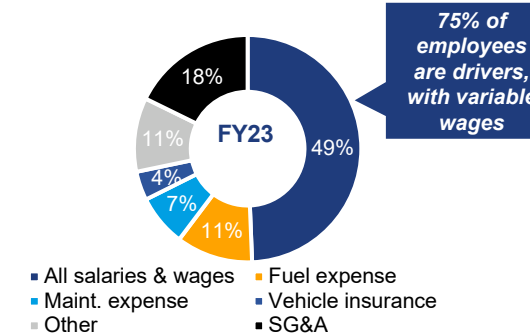
Revenue by customer



Revenue by end-market



Cost breakdown









Notes: (1) AAAHI financials based on audited and unaudited management financials, adjusted for certain adjustments and normalisations identified during Kelsian's due diligence and the indicative impact of conversion from US GAAP to IFRS accounting principles

Overview of FY23 performance | Marine & Tourism

Solid trading result maintaining momentum of 1HFY23, despite consumer headwinds

- Capitalised on domestic tourism momentum throughout FY23, gradual recovery of international tourism
- Fare increases largely offset cost inflation with minimal impact on demand
- Rollout of yield management initiatives progressing well
- Gladstone / Curtis Island 10-year contracts were a highlight
- Lane Cove – 15-year contract
- Murray River flooding impacted Murray Princess
- Major fleet Repairs & Maintenance and slipping "catch up" post COVID-19
- Six new vessels, three for Sydney Harbour, two for SEQ and a passenger ferry for Whitsundays
- Five vessels under construction, investment in renewal of assets
- Ongoing investment in establishing Brilliant Travels – national marketing and cross selling – www.brillianttravels.com.au
- Strong result in K'gari (formerly Fraser Island)
- Now anticipate full recovery in international tourism during FY25

Financial year ended 30 June \$m	2023	2022	Growth	Growth %
Revenue	329.4	252.6	76.8	30.4%
Direct expenses	(207.6)	(155.5)	(52.1)	33.5%
Indirect expenses	(48.9)	(41.6)	(7.3)	17.5%
Operating expenses	(256.5)	(197.1)	(59.4)	30.1%
Underlying EBITDA	72.9	55.5	17.4	31.3%
<i>Underlying EBITDA margin</i>	22.1%	21.9%	0.2%	1.0%
Depreciation	(19.2)	(18.1)	(1.1)	6.2%
Underlying EBITA	53.7	37.3	16.4	44.1%
Amortisation	(0.4)	(0.6)	0.2	(34.4%)
Underlying EBIT	53.3	36.7	16.6	45.4%

Operational Statistics		2023	2022
 Customer Journeys		8 million	8 million
 Vessels		113	115
 Buses		60	62
 Employees		1856	1523
 Contracts		17	17
 Revenue weighted avg remaining contract term*		13.3	11.2

*Contract term includes contract extension options

** Operational Statistics LTM as at 30 June 2023

Corporate costs reflect investment in larger more complex business and global growth

Investment to build capability and systems to support growth

Information technology & cyber security

- Head of IT appointment
- IT systems & software
- Cyber prevention solutions

People

- Invest in people and culture to ensure 'Employer of Choice' status to attract and retain staff
- Sustainability, compliance and procurement appointments
- Legal resources
- Business development

Customer experience

- Marine & Tourism technology and customer relationship platform to enhance digital experience and improve direct sales opportunities

Overhead costs

- Insurance, Travel, Wages

Financial year ended 30 June \$m	2023	2022	Growth	Growth %
Revenue	-	-	-	-
Direct expenses	-	-	-	-
Indirect expenses	(29.2)	(22.5)	(6.7)	29.6%
Operating expenses	(29.2)	(22.5)	(6.6)	29.4%
Underlying EBITDA	(29.2)	(22.5)	(6.6)	29.4%
Underlying EBITDA margin	-	-	-	-
Depreciation	(1.0)	(1.1)	0.0	(4.1%)
Underlying EBITA	(30.2)	(23.6)	(6.6)	27.9%
Amortisation	-	-	-	-
Underlying EBIT	(30.2)	(23.6)	(6.6)	27.9%



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Sydney, NSW

Kelsian and AAAHI combined

Focus is on capitalising on the unique growth opportunity

Opportunities for Kelsian to leverage core competency

- Maintained the 100%* contract retention record
- Natural overlap between markets served in Australia and USA ensuring knowledge sharing
- Scheduling and optimisation: benefits from Kelsian's sophisticated software to improve asset utilisation
- Tendering – Kelsian brings additional expertise, particularly in public transport
- Highly scalable platform in a fragmented market
- Strong pipeline of RFP activity for further organic growth
- Focus on global procurement opportunities
- Graeme Legh (previously KLS Chief Development Officer) appointed AAAHI CEO

* 100% contracts retained for all continuing businesses



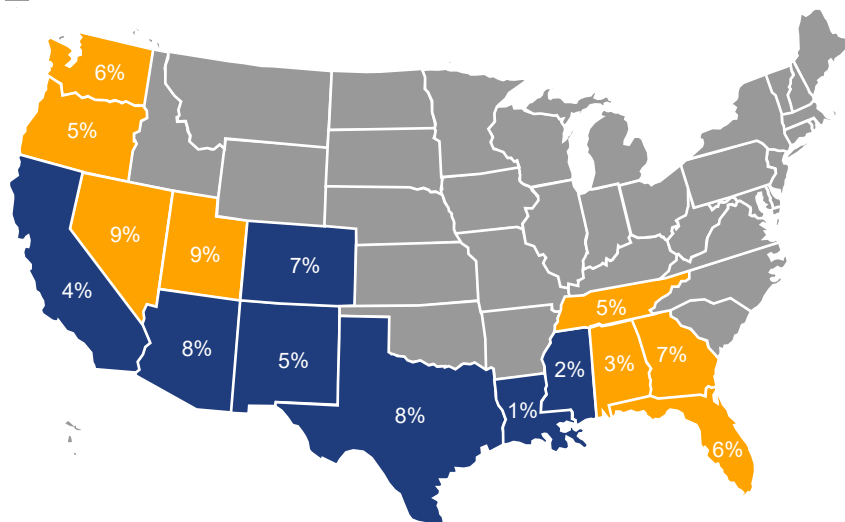
FY23 Highlight: Entry into large and attractive USA market

AAAHI provides an established platform in the USA to pursue growth in existing high population growth states and expand into the US\$30 billion+ broader bus transportation market

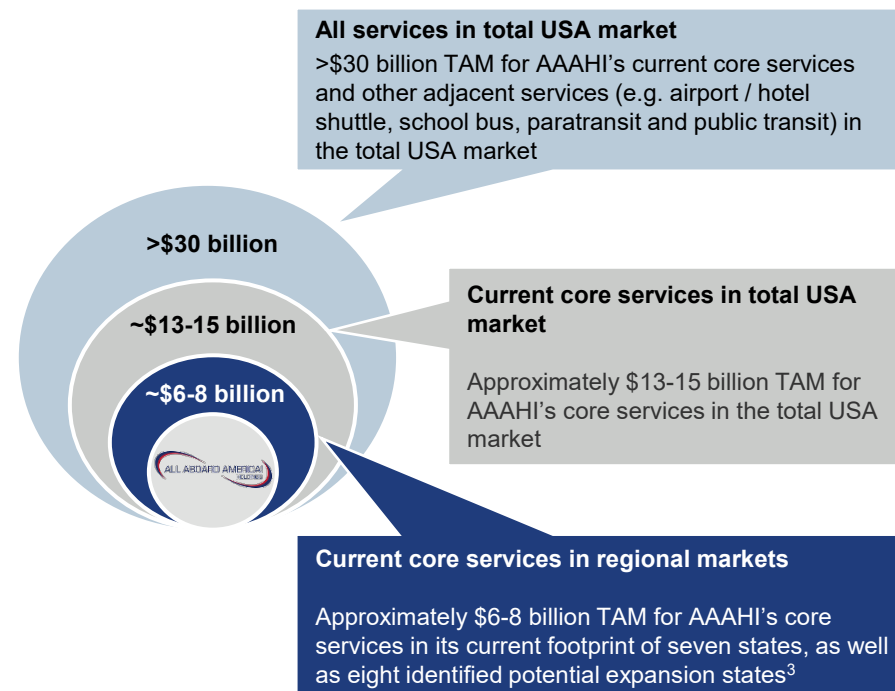
Operations in high population growth states underpin growth fundamentals

Forecasted USA state population growth (2022-2028)¹

- Average of states currently serviced by AAAHI: 5.1%
- Average of states currently identified as near-term expansion opportunities: 6.3%
- Total USA: 3.1%



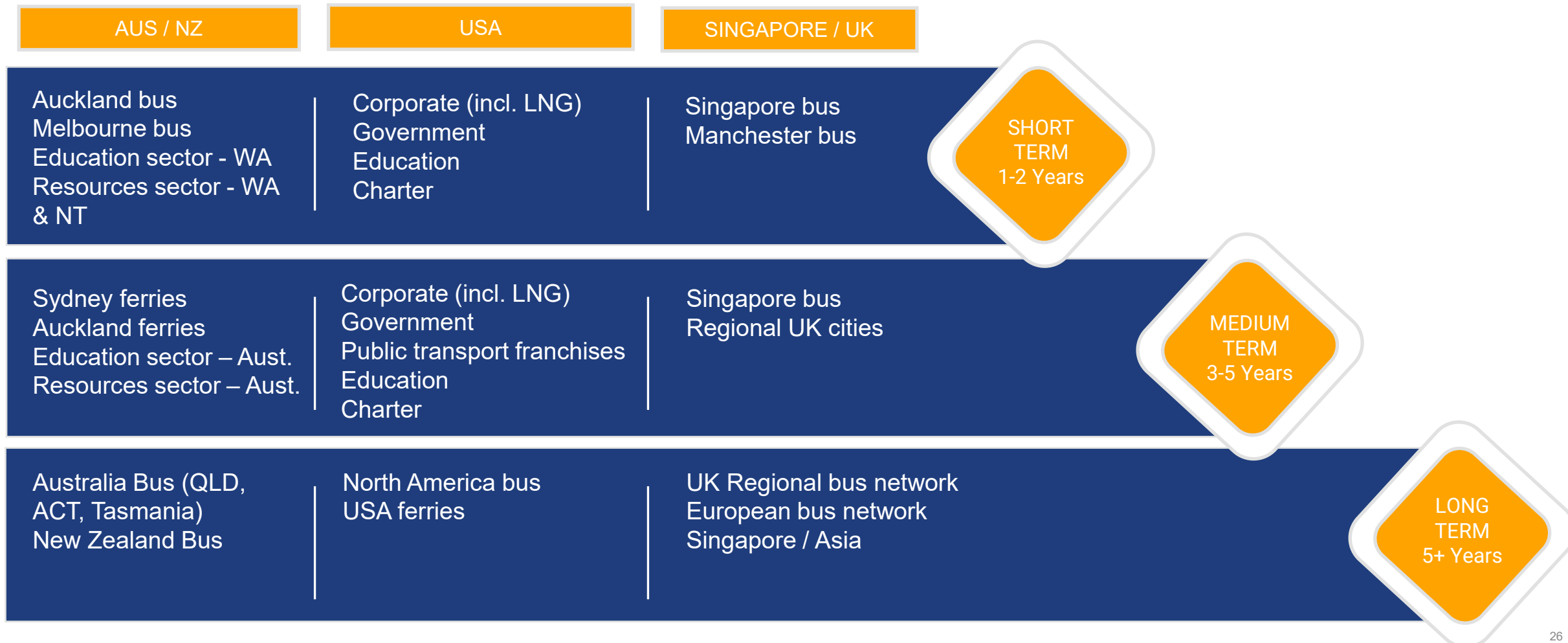
Substantial total addressable market (TAM, US\$ billion) presents opportunity for attractive growth²



Notes: (1) Fitch (2) IGS research and analysis (9 September 2022). (3) Identified by AAAHI management.

Strong pipeline of growth opportunities (organic & acquisitions)

Leaders in transitioning contracts, operational excellence and efficiency



1H FY24 Focus Areas

Focus on margin expansion and tender pipeline

- Consolidate FY23 acquisitions
- Continue to progress AAHI integration
- Leverage scale advantages to drive revenue & margin growth
- Prioritising pipeline of organic growth opportunities
- Focusing on resolving labour shortages in Sydney and Adelaide
- Rolling out yield management initiatives
- Capitalise on well-defined contract tender pipeline in both domestic and international markets
- Progress internal debt structure to maximise advantages of Government backed debt & self-insurance
- Capex step up with investment and renewal of marine asset base
- Mobilisation of new Sydney and Kangaroo Island contracts



Executive Summary

FY23 achievements have established strong foundations for future growth

- Resilient, defensive business model with consistent, predictable earnings base
- Long-term, low-risk, government-backed service contracts provide natural hedge against inflation
- Strong balance sheet, resilient cash flows, disciplined capital management
- AAAH1 opportunity to leverage core competencies in large high growth US market
- New Sydney contracts to deliver operational synergies and scale advantages
- Several strategic acquisition opportunities in domestic and international M&A, disciplined capital management
- Labour situation to normalise
- Leadership in sustainable transport ensures Kelsian is well placed to benefit from Government's focus on decarbonisation and traffic reduction



KELSIAN

CONNECTING PEOPLE & PLACES

Australian Public Transport



Marine & Tourism



South Australia
 Sydney Harbour
 North Queensland
 Whitsundays
 Gladstone
 K'gari
 South East Queensland
 Western Australia
 Tasmania
 Northern Territory

International



Company Purpose: 'To be a world leader in delivering essential journeys through safe, intelligent and sustainable transport solutions, while creating brilliant customer experiences.'

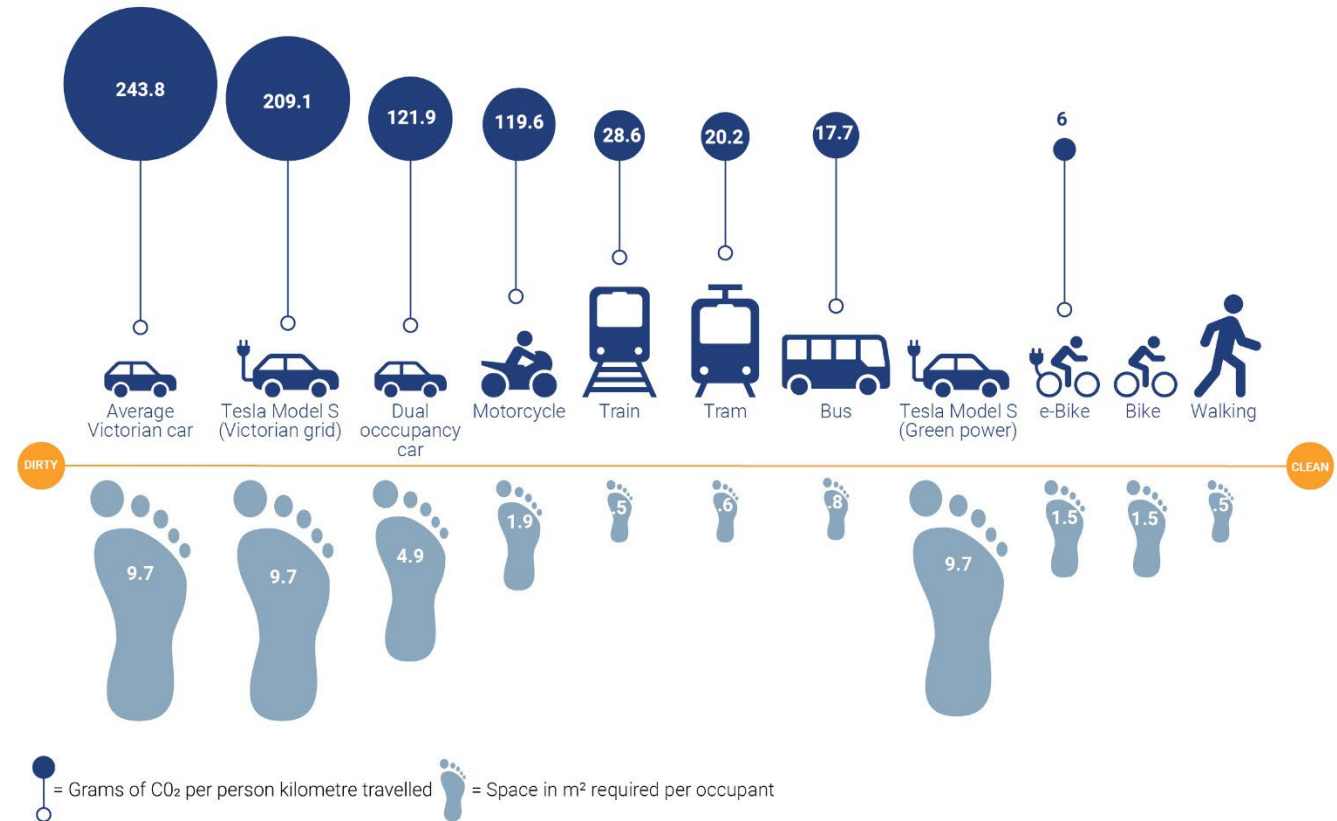
Appendix 1



Bus sector offers compelling solution to drive decarbonisation, reduce congestion

Transport is Australia's third largest source of greenhouse gas emissions with highest rate of growth

<p>TRANSPORT SECTOR EMISSIONS</p> <p>Transport is one of largest sources of greenhouse gas emissions. Bus industry is well advanced in switching to zero emission vehicles.</p>	<p>SUPPORTIVE GOVERNMENT FUNDING</p> <p>Increased funding and supportive policies for bus sector globally to drive decarbonisation.</p>
<p>TECHNOLOGICAL ADVANCEMENTS</p> <p>Technology advancements and scale are driving efficiencies.</p>	<p>SUSTAINABLE TRANSPORT LEADER</p> <p>Kelsian operates Australia's largest zero emissions bus fleet and the largest electrified bus depot.</p>
<p>PRIVATISATION</p> <p>Privatisation of public transportation improves transportation efficiency. Kelsian has strong balance sheet and deep sector expertise and capability.</p>	<p>BUSINESS & LEISURE RECOVERY</p> <p>Increased business and leisure trips are underpinning need for bus transportation to reduce emissions and congestion.</p>



Public commuter transport is a cost-effective method of transport for consumers in a rising cost and inflationary environment, driving demand for more services

Infographic Source: Institute for Sensible Transport (www.sensibletransport.org.au)

Sustainability targets from July 2023



Providing low/zero emissions and smart transport solutions

- Aspiration to achieve net zero group-wide emissions (vehicles, vessels, buildings and operations) by 2050
- Reduce Scope 1 carbon intensity of Kelsian's Australian bus fleet by at least 50% by 2035 from an FY22 base year



Promoting a diverse and inclusive culture

- At least 30% of senior management employees to be female by 2030
- Achieve Board gender diversity of not less than 30% of its Directors being of each gender

Reducing our environmental footprint

- Improve waste tracking and continue to reduce waste generation through prevention, reduction, recycling and reuse
- Maintain a target of zero significant spills and strive to achieve year-on-year reduction in minor spills and leaks to the environment

Ensuring the health, safety, and well-being of our employees

- Improve our year-on-year injury frequency rates (LTIFR and TRIFR) by 10%



Driving positive change in the communities where we operate

- Aligning community investments with the focus areas described in the community investment framework – Education, Environment and Health & Wellbeing
- Improve indigenous and First Nations participation through employment, business partnerships and capability development

Important notice

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Authorisation: Approved and authorised for release via the Australian Securities Exchange on 30 August 2023 by Clinton Feuerherdt, Managing Director and Group Chief Executive Officer, Kelsian Group.

Address: Level 3, 26 Flinders Street, Adelaide, South Australia 5000.

For more information please contact: Davina Gunn, Investor Relations Manager, Kelsian Group, +61(0) 400 896 809 or davina.gunn@kelsian.com