



Ord Minnett Presentation

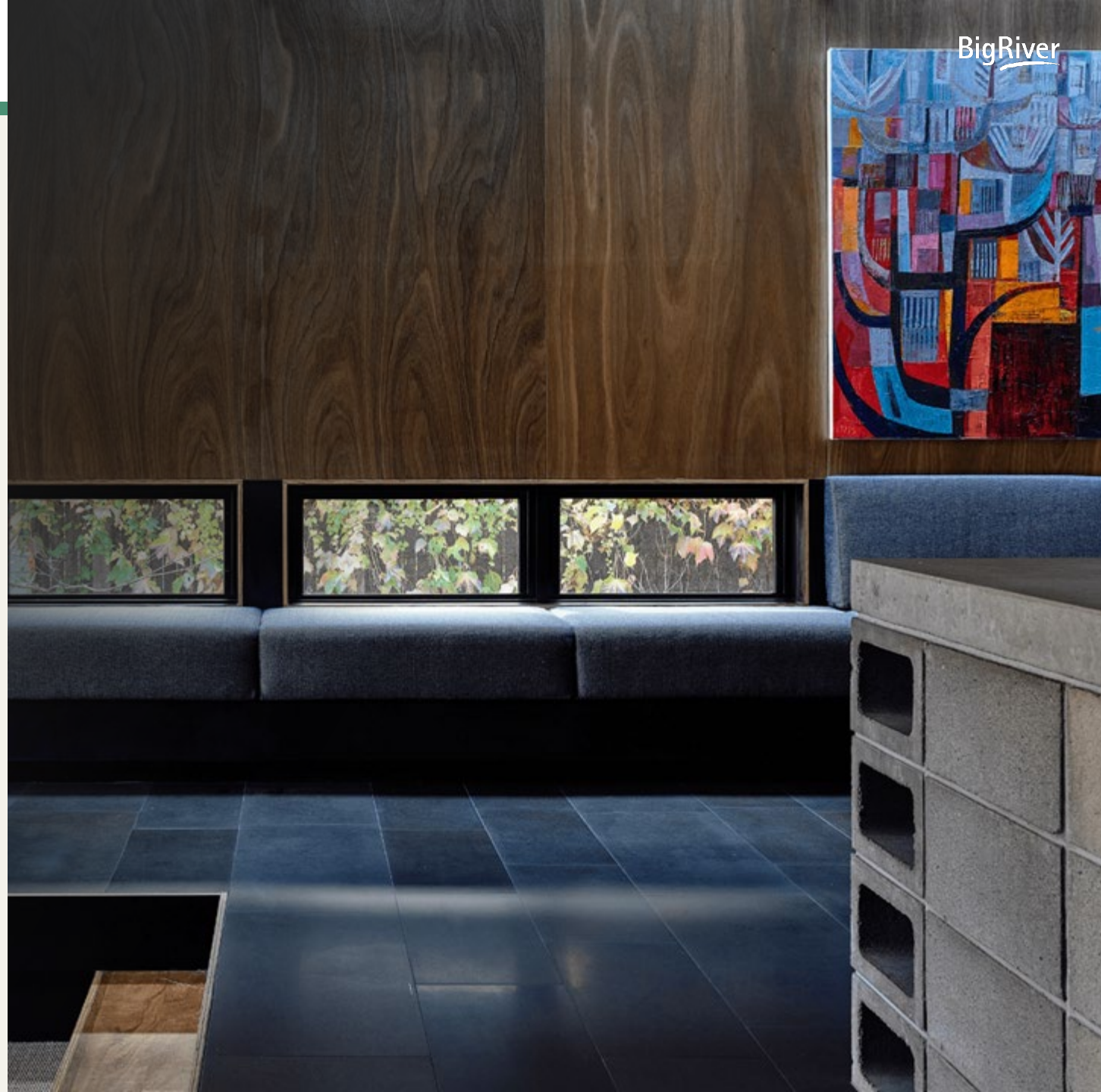
Big River Industries Ltd (ASX:BRI) October 10th, 2023

John Lorente
Chief Executive Officer & Managing Director



Contents

- 03 History**
- 04 Business Overview**
- 05 Panels Business Overview**
- 07 Construction Business Overview**
- 09 Performance**
- 10 Growth Momentum**
- 11 Strategic Growth Plans**
- 12 Outlook**
- 15 Important Notice and Disclaimer**



03 Building Australia for over 100 years

- A proud history dating back to the late 1800's
- Successfully listed for 6 years after > 100 years in the same family ownership
- A vertically integrated manufacturer and distributor of timber, panels and building materials
- A well diversified supply chain including strong Government contracted wood supply
- Sites across Australia and New Zealand
- A diverse product mix with an exposure to all construction segments
- Direct to market channel, with over 9,000 active Trade accounts
- History of successful acquisitions and a lead position consolidating the industry
- Strongly aligned and experienced management team
- Circa 640 staff Average L.O.S ~ 10 years



Supply chain diversity



20% of revenue

Manufactured by BRI

20% of revenue

Direct Import by BRI

60% of revenue

Sourced from local supply partners

Revenue by construction market



44% Detached housing

16% Multi-residential

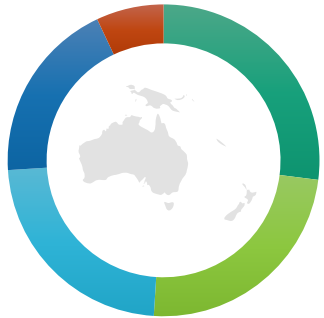
6% Alterations & Additions

21% Commercial

7% Civil

6% OEM (re-manufacturing)

Revenue by region



27% Queensland

26% Victoria

23% New South Wales/ACT

17% SA/WA

7% New Zealand

Asset mix

26

Sites across major population centres



7

Manufacturing Sites



4

Frame & Truss prefabrication plants



3

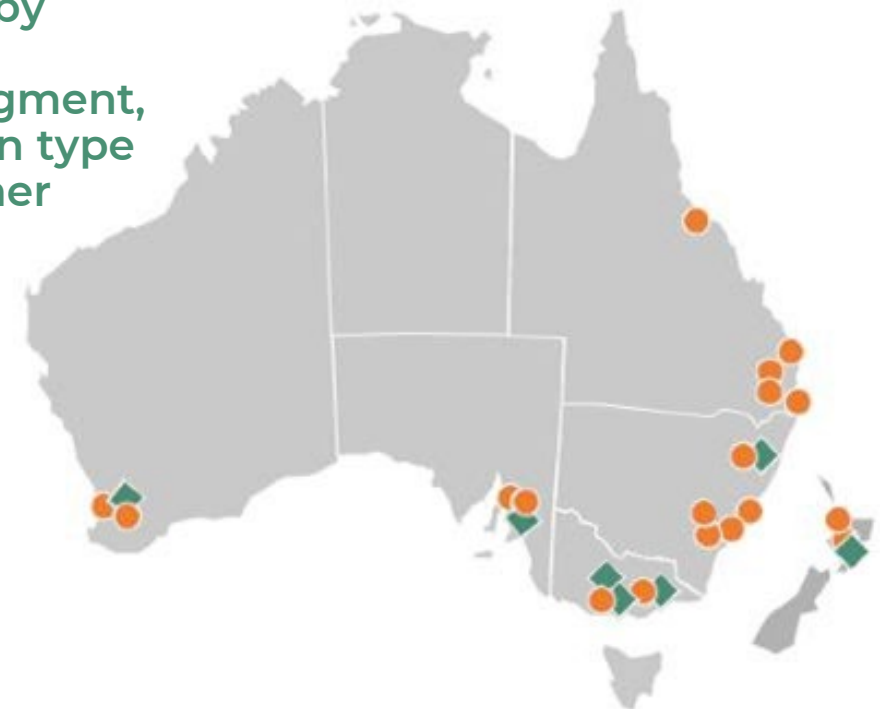
Plywood / panel manufacturing plants



Diversified by geography, industry segment, construction type and customer

◆ Big River manufacturing facilities

● Big River sales / distribution sites



Products	Decorative Structural Technical Commodity
Markets	Architectural Residential Housing Alterations & Additions Commercial Building Transport & RV Engineered/Industrial
Customers	Cabinet Makers & Joiners Fitout trades Resellers/Merchants Transport Authorities OEM's

Industry leaders in decorative timber panels for architectural and Fit Out applications

Where we are

- 9 Sites
- Revenue \$128.5M (FY23)
- >3000 Accounts, largest <2%

Moving Forward

- Continue to add quality business to the Group
- Maximise secondary channel sales through broad reach of BRI network
- Strengthen Architectural presence in Australia
- Leverage strengths of each acquired business across entire Panels group
- Targeted R&D on high value specialist manufactured products



06 Panels Business Projects



Construction

Division	Building Trade Centres	Formwork & Commercial
Focus	Building Products / Residential General building Renovations Fitout Frame & Truss Local trade supplier	Commercial and Formwork Concrete placement Site Works Heavy Construction Bulk Products Distribution Centres
Market Segments	Residential Housing Medium Density Alterations & Additions	Commercial Multi Residential Spec Building Civil / Infrastructure
Customers	Home builders Carpenters Renovators Fitout trades (Flooring, plasters etc)	Formworkers Civil companies Concreters Large structural Builders Site contractors
Current sites	13 Sites 4 Frame & Truss manufacturing	4 Sites 2 steel & ply manufacturing

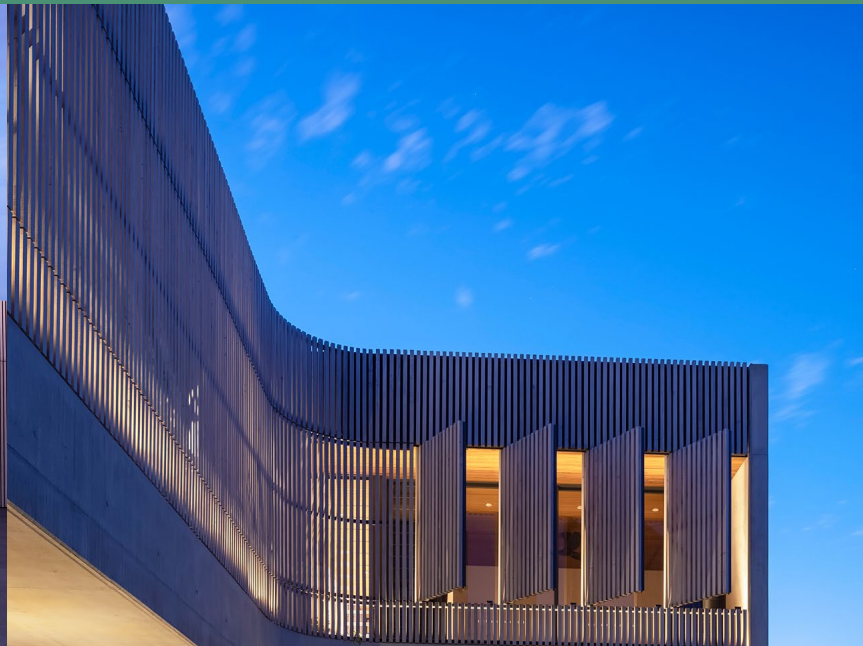
Australia's leading diversified Formwork & Building Products distribution to trade businesses.

- **17 Sites**
- **c350 staff**
- **Revenue \$321.2M (FY23)**
- **>6000 Accounts, Top 750 ~80%**

Moving Forward

- Opportunity to further consolidate fragmented industry & expand geographically.
- Strength in local knowledge, service & flexibility while leveraging scale.
- Leverage key supplier relationships, int supply chain and local manufacturing.
- Deeper with customers with expanded product and service offer and growing network.

08 Construction Business Projects



	Revenue			EBITDA			EBITDA margin	
AUD in millions	FY23	FY22	% Change	FY23	FY22	% Change	FY23	FY22
Construction products	321.2	292.2	9.9%	39.3	31.9	23.2%	12.2%	10.9%
Panels	128.5	117.1	9.7%	19.2	21.4	(10.3%)	14.9%	18.3%
Corporate costs	-	-	-	(7.0)	(5.3)	32.1%	-	-
Total	449.5	409.3	9.8%	51.5	48.0	7.3%	11.5%	11.7%

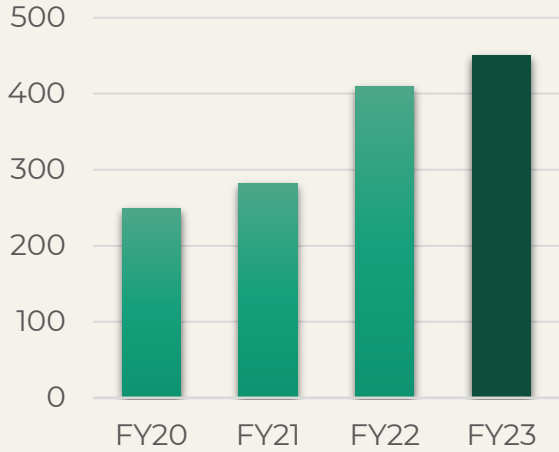
Construction products

- Continued strong growth in the Construction Division up 9.9% from FY22, with organic revenue growth of 3.1% and additional contributions from acquisitions.
- Strong profit growth in Construction, led by Building Trade Centres on the back of favourable product mix and pricing disciplines.
- Increase in corporate costs driven predominantly by operational improvement initiatives.

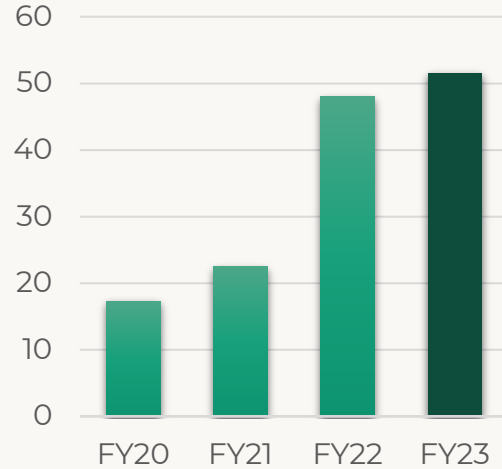
Panels

- Revenue was up 9.7% from FY22, with continued organic growth of 1.9% and additional contributions from new acquisitions.
- The Grafton Consolidation project is 90% complete and is expected to be fully operational this calendar year.
- Panels EBITDA margins impacted predominantly by softness in NZ.

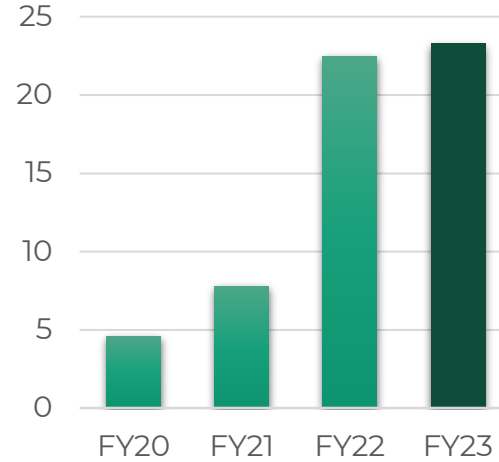
Revenue (\$m)



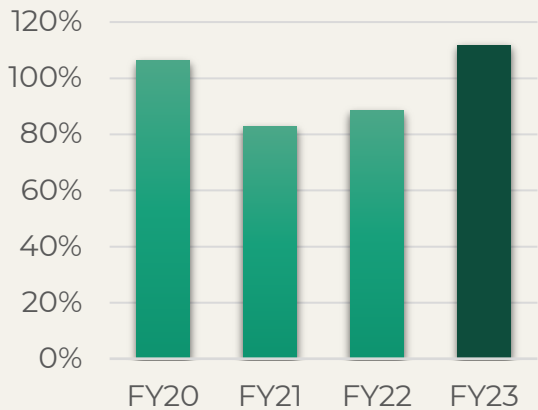
U-EBITDA (\$m)



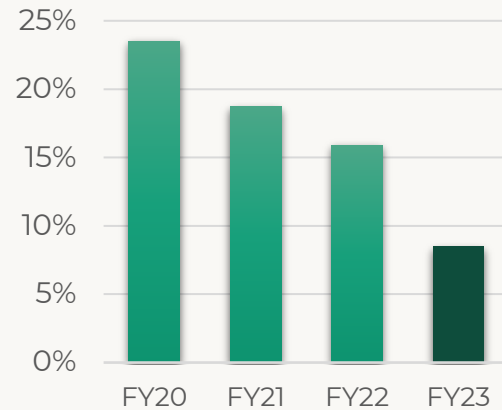
U-NPAT (\$m)



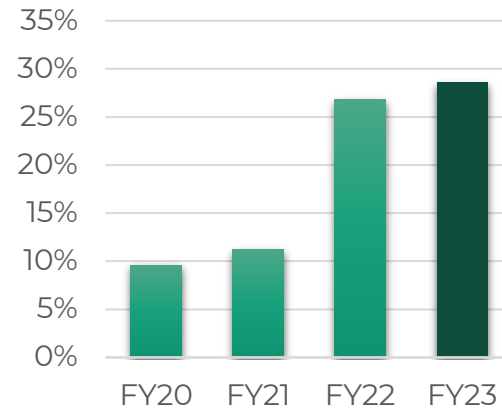
Cash Conversion



Gearing



ROFE



1. Gearing ratio = Net debt over Funds employed.
 2. ROFE = EBIT before significant items over Funds employed.



Financial metrics

- Continue to deliver revenue growth
- Sustain average 10% EBITDA margins through the cycle
- Continue to maximise ROFE for shareholders
- Continue fully franked dividends at 50-70% payout ratio

Competitive position in a large industry

- Total addressable market (Trade building supplies) > \$15b per annum.
- Consolidating sector with aging business owners and minimal succession options.
- Strong medium-term outlook across all sectors, given the undersupply of housing and growing population.

Network expansion

- Continue to deliver on acquisition strategy.
 - Successful implementation of acquisitions.
 - Roll up of businesses in a fragmented market remains core to our strategy.
 - Opportunities exist across both Panels and Construction divisions.
 - Maintain acquisition discipline - acquiring quality businesses at accretive multiples.



Big River's growth supported by underlying demand

- The Outlook for the Group remains positive given our market segment diversity.
 - Current Housing pipeline will extend into CY24, stretched out by construction delays.
 - Strong medium to long term prospects for housing given the housing shortage, immigration growth and government investment in housing construction.
- The pipeline of commercial projects is at record levels and should deliver growth over the next 12 months.
 - High rise developments will be led by a growing Build to Rent sector in the medium term and growing medium density work.
- Market growth expected to continue in Queensland and Western Australia.
 - Softer markets in Sydney and Melbourne but will benefit from immigration growth in the medium to long term.
 - NZ results expected to improve in FY24.

Strategy & Financial

- Our acquisitions strategy has delivered well over the past few years, with good opportunities for further value accretive acquisitions.
- Our Grafton Consolidation project which was delayed due to equipment and labour shortages, will be completed in 1HFY24.
- Margins expected to be under pressure in the coming year. Alignment with our key partners and our supply chain diversity has us well positioned to mitigate.
- We will continue to increase investment in the business over the coming year to deliver efficiencies, synergies and long-term growth.
- This will have a short-term impact but position the business for continued expansion.
- The daily sales run rate has been consistent over the past 6 months, this is expected to continue into 2HFY24.

BigRiver

Thank you



15 Important Notice and Disclaimer

- This presentation is dated 10th October 2023.
- Big River Industries Limited (the "Company") advises that the information contained in this presentation is intended to be general background information about the Company's activities as at the date of this presentation. It is information given in summary form and is therefore not necessarily complete.
- It is not intended that it be relied upon as advice to investors or potential investors, who should seek independent professional advice depending upon their specific investment objectives, financial situation or particular needs. The material contained in the presentation may include information derived from publicly available sources that has not been independently verified.
- The information in the presentation contains forward looking statements, which include statements regarding the Company's intent, belief or current expectations with respect to the business and operations, market conditions, results of operations and financial condition, which may be subject to uncertainties outside the Company's control and therefore no representation or warranty, express or implied, is made or given as to the accuracy, reliability or completeness of the information, opinions or conclusions expressed in this presentation. There can be no assurance that future developments will be in accordance with the Company's expectations or that the effect of future developments on the Company will be those anticipated. Actual results could differ materially from those which the Company expects, depending on the outcome of various factors.
- The Company is under no obligation to disseminate updates or revisions to any forward looking statements in this presentation to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any such statement is based.
- This presentation should not be relied upon as a recommendation or forecast by the Company.



BigRiver