



FY24 Results

Investor Presentation

27 August 2024

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The FY15 to FY18 Operating EBITDA, Operating NPAT and Cash Flow Conversion numbers disclosed in this investor presentation are presented on a pro forma basis (consistent with the Prospectus and FY18 reporting), unless otherwise stated. FY22 is disclosed on a pro forma basis (consistent with FY22 reporting). FY24 is disclosed on a statutory and pro forma basis, as specified.

Capitalised words and phrases in this presentation will have the meaning given in the Prospectus and the definition slide set out in the Appendix.

All references in this presentation to '\$' are to Australian currency, unless otherwise stated.

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation.

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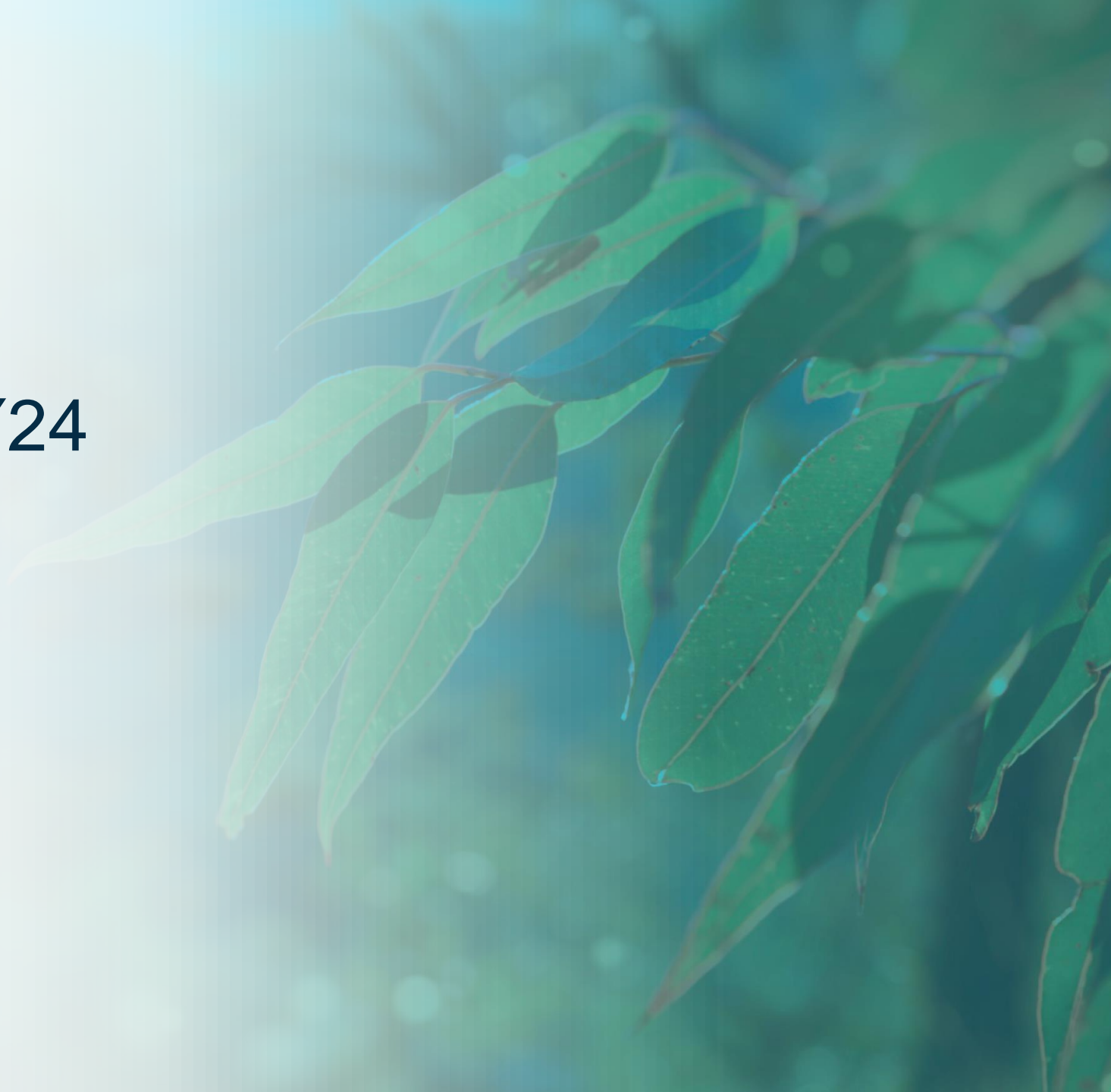


Agenda

1. Key highlights of FY24
2. Company overview
3. FY24 financial results detail
4. Industry trends and acquisitions
5. Summary and outlook
6. Q&A

Appendices

1. Key Highlights of FY24



Key Highlights of FY24

1 TRADING¹

Revenue
\$209.2m
▲ ~24%

Funeral Volumes
21,655
▲ ~20%

Average Revenue Per Funeral
\$6,635
▲ ~4%

2 EARNINGS¹

Operating EBITDA
\$55.4m
▲ ~21%

Operating NPAT (Pro Forma²)
\$23.4m
▲ ~12%

Cash Flow Conversion
~99%
▲ ~360bps

3 CAPITAL MANAGEMENT³

Dividend
14.4cps
FY23: 14.0cps

Gearing Ratio
23%
NLR⁴: 1.6x

Funding Capacity⁴
~\$153m

4 GROWTH³

Locations
196
▲ 37

Acquisitions⁵
\$295m
Committed since IPO

Expansion
NSW, QLD and NZ

5 OUTLOOK

Expecting to benefit from:

- favourable demographics in Australia and NZ
- available funding capacity
- acquisitions completed and announced to date and other potential future acquisitions in a highly fragmented industry

1. Movements shown above relate to movements between FY24 and FY23 unless otherwise stated.

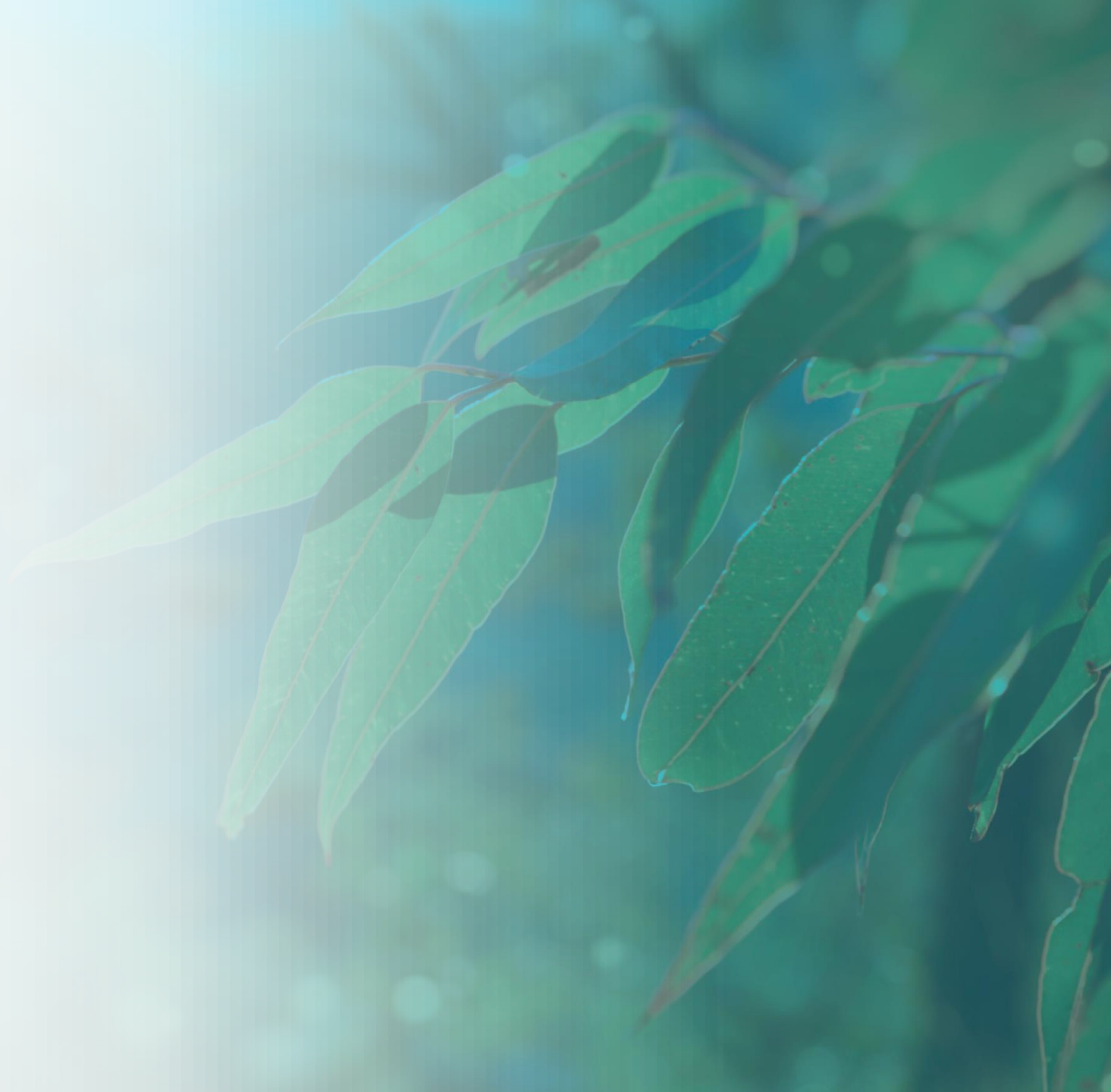
2. Statutory results adjusted for the impacts of the Capital Raising, including lower interest expense (net of tax) relating to the changes in the capital structure as if it had occurred on 1 July 2023.

3. As at 30 June 2024 for Gearing, Net Leverage Ratio, Locations (movement from 30 June 2023) and Expansion.

4. Refer to slide 19.

5. Refer to slide 23.

2. Company Overview



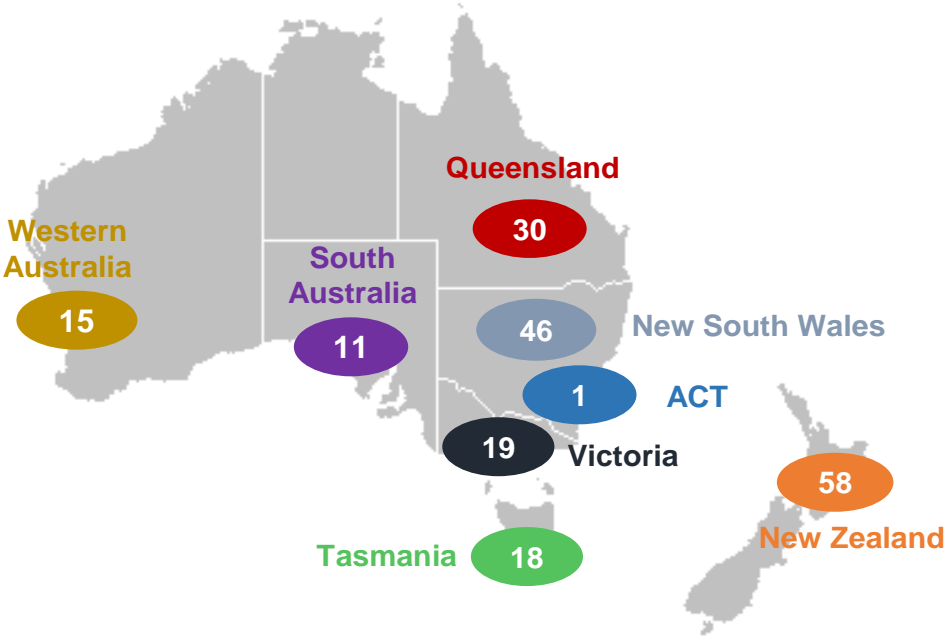
Geographic Presence

198 operating locations¹ (118 owned / 80 leased), including 38 cremation facilities and 9 cemeteries

1 August 2013



2 August 2024



Geographic footprint is difficult to replicate, with funeral homes dating back to the late 1800s and early 1900s

1. 196 operating locations as at 30 June 2024 plus 2 operating locations added during FY25 YTD.

Brand Portfolio

Diversified single and multi-site brands with strong local community awareness

Australia

The Australia section displays a wide variety of funeral service brands. A dashed-line box at the bottom of the grid highlights several brands: Berry, Alfred James, Mason Park Funerals, Cremation for Pets, Community Funerals, Penhall Funeral Services, Brunswick Valley Funerals, and Gladstone Valley Funerals.

NZ

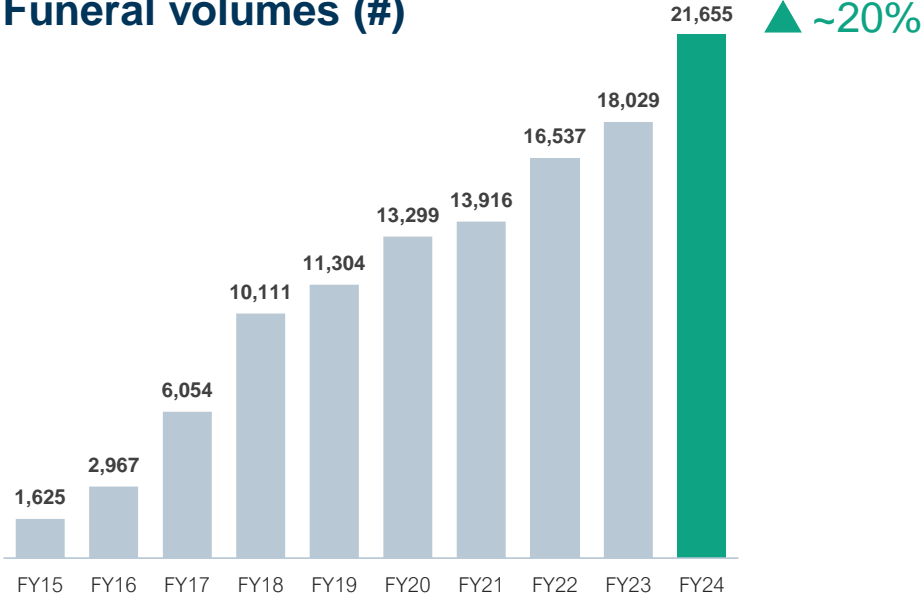
The New Zealand section features a diverse range of funeral service brands. A dashed-line box at the bottom of the grid highlights several brands: Guardian Funeral Home, Harbour City, The Wilson, Terry Longley & Son, J Fraser & Sons, Tong & Peryer, Howard & Gannon, Southern Funeral Home, Osborne's, I.C. Mark Ltd, and Decraart Ltd.

 Acquisitions completed since 1 July 2023.

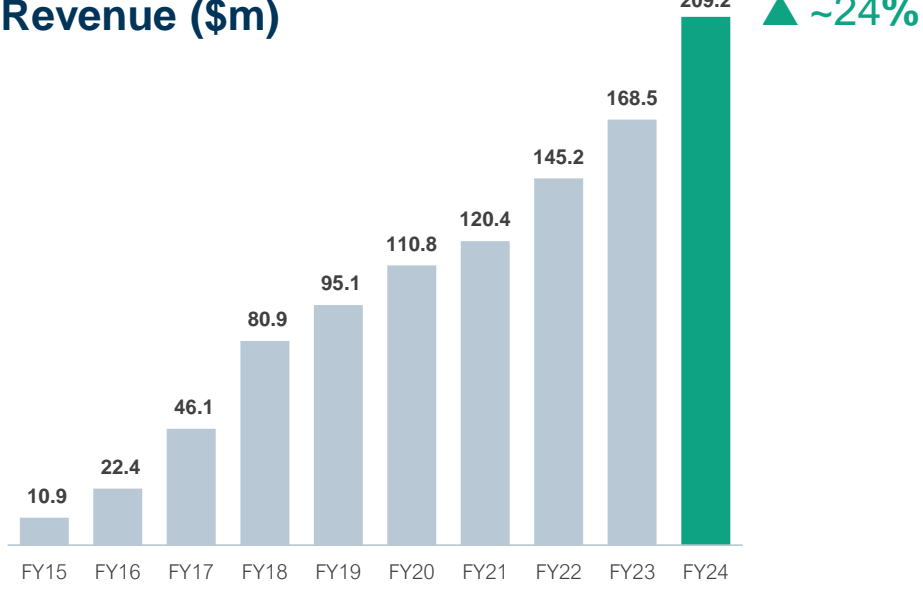
Track Record

Propel has maintained a strong growth trajectory

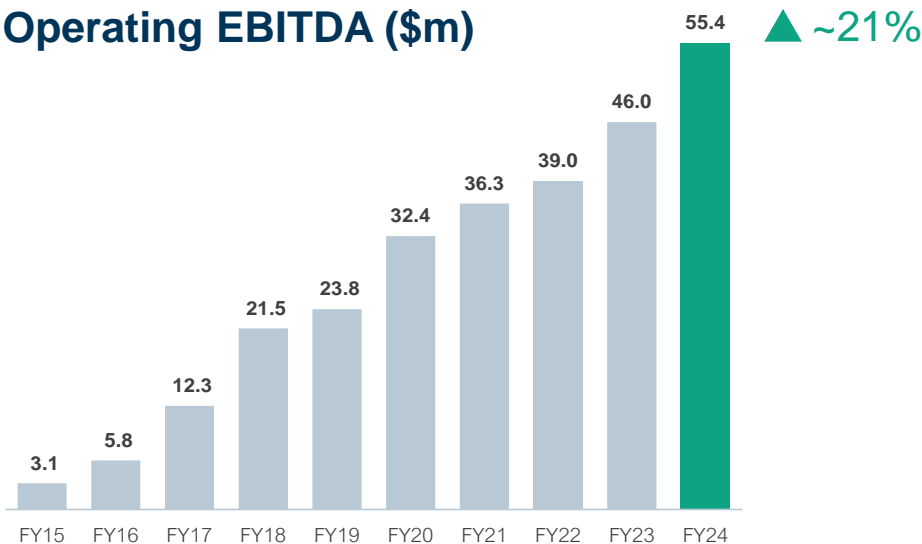
Funeral volumes (#) ▲ ~20%



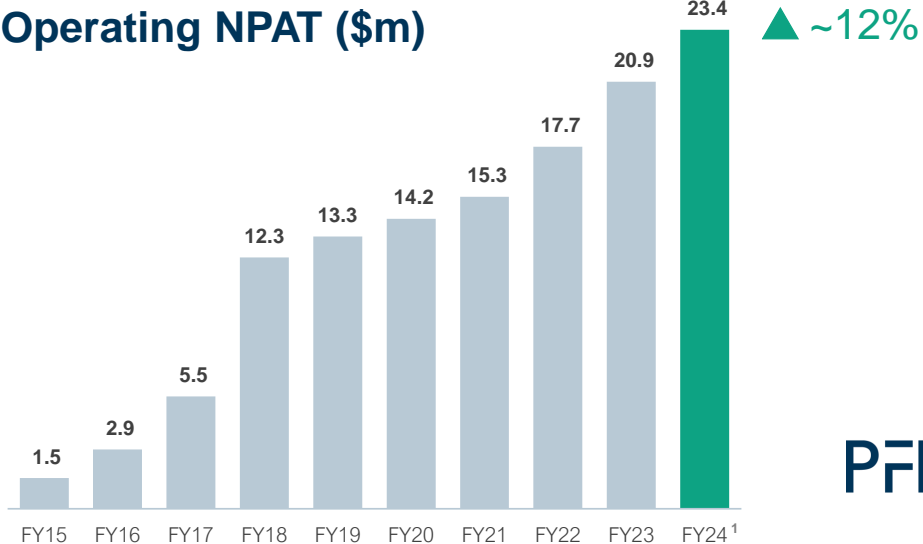
Revenue (\$m) ▲ ~24%



Operating EBITDA (\$m) ▲ ~21%

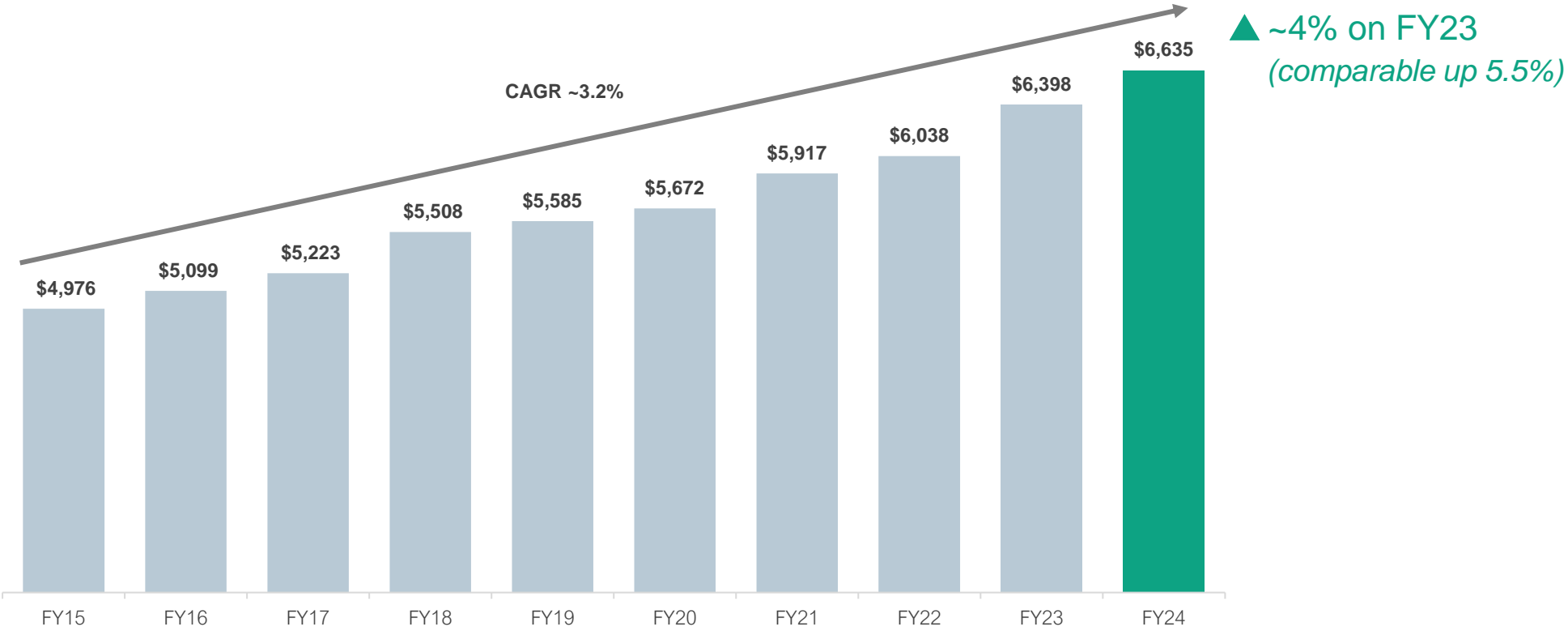


Operating NPAT (\$m) ▲ ~12%



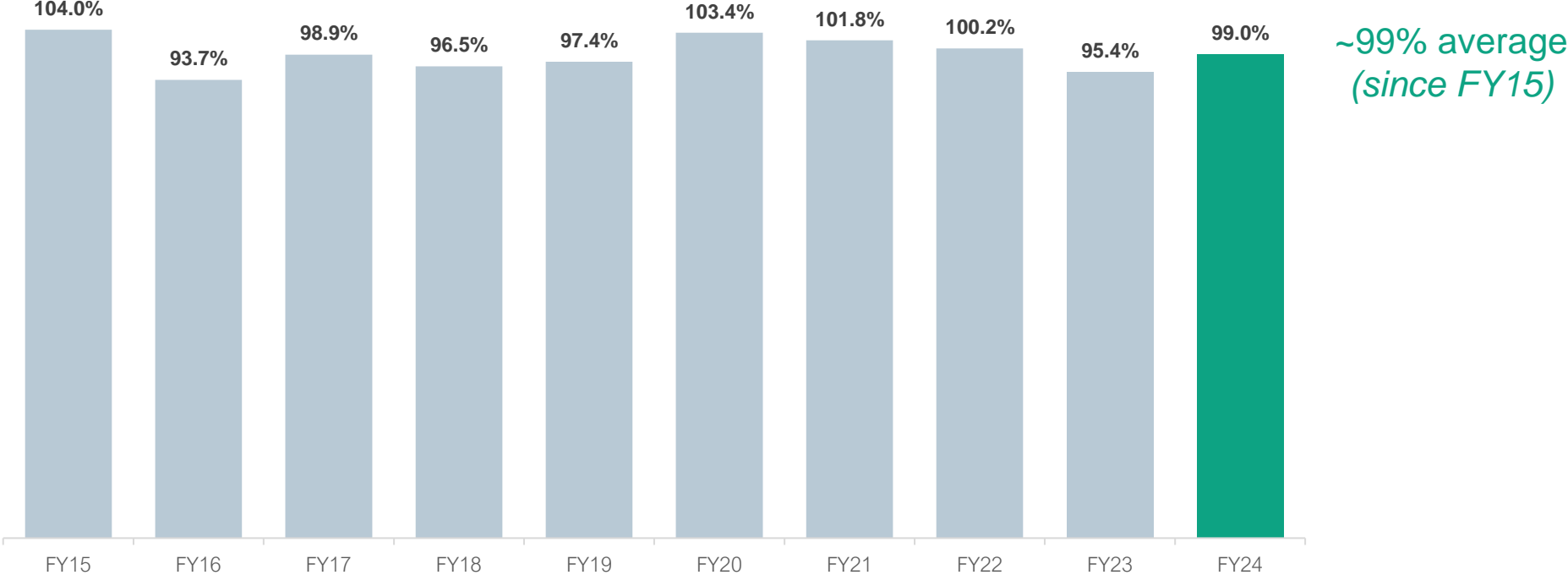
Average Revenue Per Funeral Growth

Compound annual growth rate (CAGR) of ~3.2% since FY15



Cash Flow Conversion

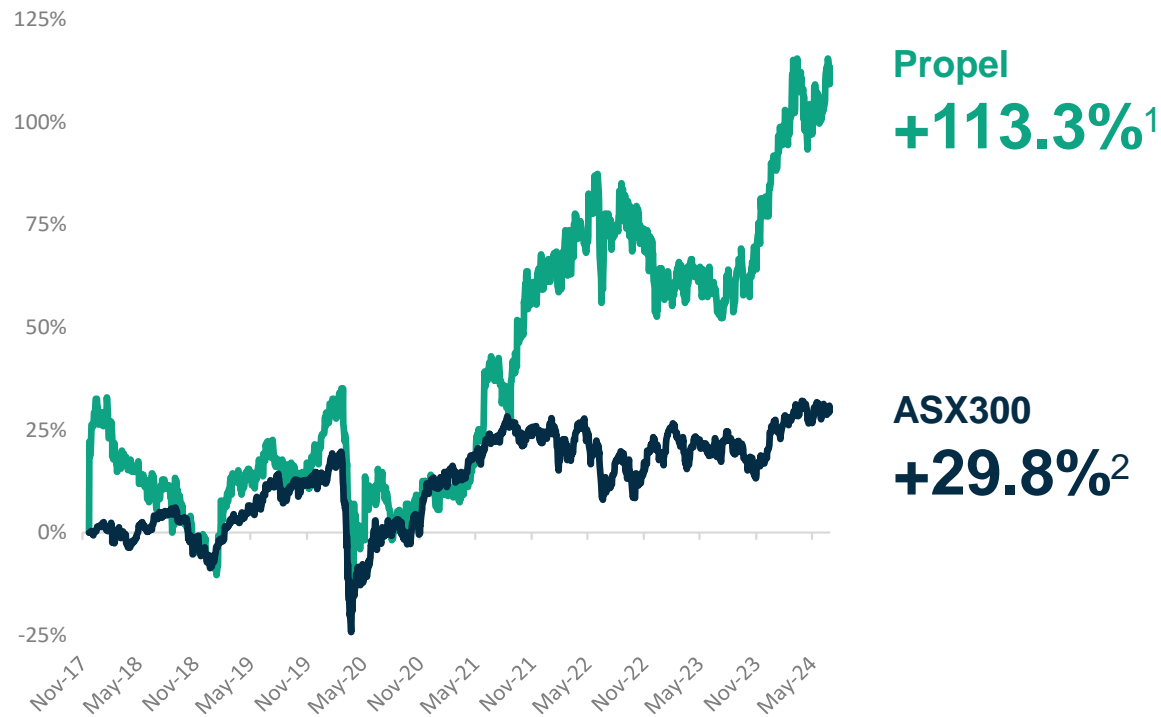
Consistently strong



Performance Summary Since IPO

Propel's share price has outperformed the ASX300 since the IPO in November 2017

Relative share price and index performance (23 November 2017 to 30 June 2024)



Total shareholder return³

~104.7%

Total shareholder value accretion⁴

~\$465m

In March 2024 admitted into the:

ASX300 Index

Material growth in key financial and operating metrics

1. Propel's IPO issue price on 23 November 2017 was \$2.70 and its closing share price on 28 June 2024 was \$5.76.

2. The ASX300 Index closed at 5,940.5 on 22 November 2017 and at 7,708.2 on 28 June 2024.

3. Total shareholder value accretion (including total dividends paid (grossed up)) divided by the total value (at cost) of shares issued at and since the IPO, as at 28 June 2024.

4. Propel's closing market capitalisation plus total dividends paid (grossed up) since the IPO, less the total value (at cost) of shares issued at and since the IPO, as at 28 June 2024.

3. FY24 Financial Results Detail

Financial Summary

Pro forma Income Statement¹

\$ million	FY24	FY23
Total revenue	209.2	168.5
Gross profit	146.0	118.1
...margin	69.8%	70.1%
Total operating costs	(90.6)	(72.1)
Operating EBITDA	55.4	46.0
...margin	26.5%	27.3%
Depreciation	(14.3)	(11.4)
Operating EBIT	41.1	34.6
...margin	19.6%	20.5%
Net interest expense	(7.8)	(5.0)
Operating NPBT	33.3	29.6
Income tax expense	(9.9)	(8.7)
Operating NPAT	23.4	20.9
Operating EPS (cps)	17.0	17.7
Non-operating items:		
Acquisition and transaction costs	(3.3)	(1.6)
Net financing charge on pre-paid contracts	(0.5)	(0.8)
Net other income and expenses	(0.2)	0.3
Tax effect of adjustments	0.7	0.2
Net profit after tax	20.1	19.0

1. FY24 is presented on a Pro forma basis. Refer to slide 31 for the Statutory Financial Summary.
2. Noting the 49.99% interest in an entity operating the business trading as Osbornes Funeral Directors is equity accounted.

Comments

Revenue

- Increased 24.2% on FY23 to \$209.2m, primarily due to:
 - comparable Average Revenue Per Funeral growth of 5.5%
 - contributions from 16² acquisitions completed during FY23 and FY24
 partially offset by a contraction in industry death volumes

Gross profit margin

- Impacted by lower gross margins of acquisitions completed during FY24 and FY23
- Comparable gross profit margin exceeded ~71%

Operating EBITDA

- Increased 20.5% on FY23 to \$55.4m, primarily due to:
 - contributions from 16² acquisitions completed during FY23 and FY24
 - good cost control, notwithstanding the inflationary environment
 partially offset by a contraction in industry death volumes

Other operating items:

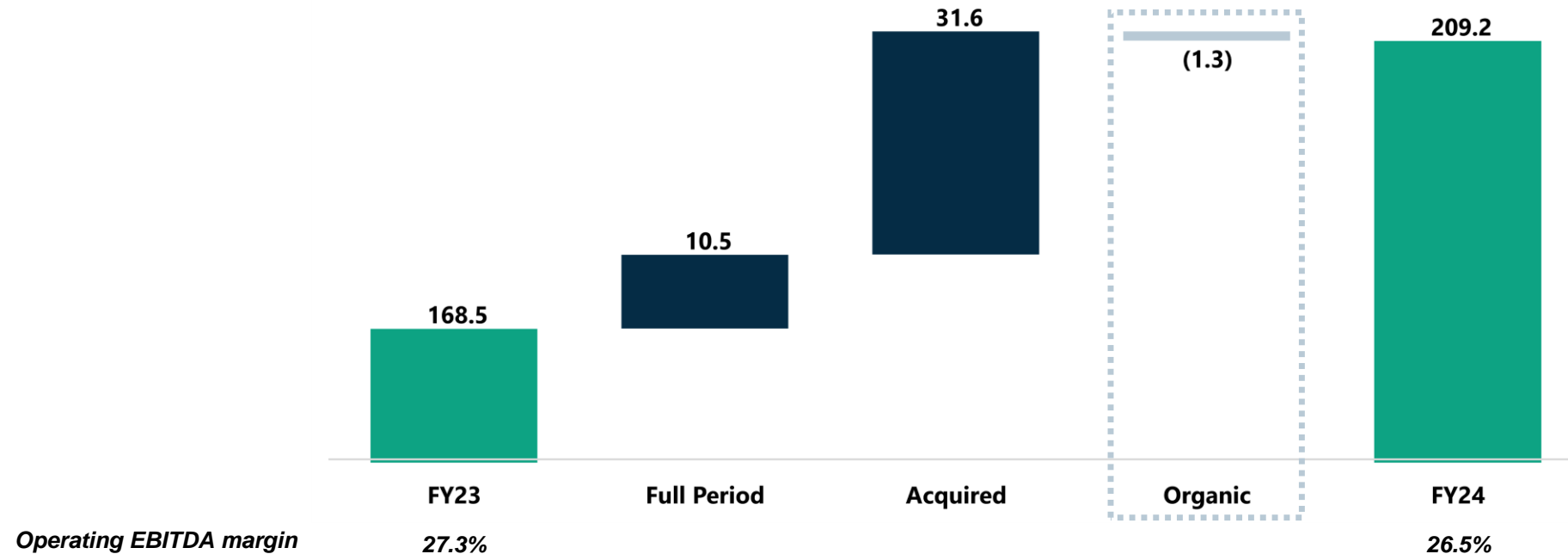
- Includes \$5.5m relating to AASB 16 (Accounting for Leases) (FY23: \$4.8m)
- Depreciation increased primarily due to acquisitions
- Average Effective Interest Rate on drawn debt of 6.6% (FY23: 5.1%)
- Adjusted Effective Tax Rate of 29.7% (FY23: 29.6%)
- Operating NPAT increased 12.2%
- Operating EPS of 17.0cps, impacted by a 16.8% increase in shares on issue

Non-operating items:

- Largely related to acquisition and transaction costs and the net financing charge

Revenue Bridge and Operating EBITDA margin

Resilient Operating EBITDA margin despite a contraction in industry death volumes (expected to be temporary)



Comments

Total:

Funeral Volumes

▲ ~20% on FY23 including contributions from acquisitions

Average Revenue Per Funeral

▲ ~4% influenced by recent acquisitions, funeral mix and pricing

Organic:

Funeral Volumes

▼ ~6% down on FY23 (growth of ~9% in FY22 and ~1% in FY23)

Average Revenue Per Funeral

▲ 5.5% (comparable) on FY23

Operating EBITDA margin:

Resilient margin of 26.5% (FY23: 27.3%), impacted by:

- a contraction in industry death volumes (expected to be temporary)
- margin profile of acquisitions
- Average Revenue Per Funeral growth
- good cost control, despite the inflationary environment

Cash Flow

Statutory actuals

\$ million	FY24	FY23
Receipts from customers (inc GST)	228.1	183.6
Payments to suppliers and employees (inc GST)	(174.1)	(138.8)
	54.0	44.9
Income taxes paid	(8.6)	(8.0)
Interest paid	(11.3)	(4.8)
Interest received	0.6	0.3
Transaction costs paid (inc GST)	(0.3)	-
Net cash provided by operating activities	34.4	32.3
Payment for purchase of business, net of cash acquired	(96.7)	(46.3)
Payment for investments	(0.5)	-
Net payments for property, plant and equipment	(24.4)	(18.3)
Other investing cash flows	(0.2)	0.0
Net cash used by investing activities	(121.7)	(64.6)
Proceeds from issue of shares, net of transaction costs	97.6	-
Net (repayment)/proceeds from borrowings	(27.5)	92.4
Dividends paid	(18.1)	(15.7)
Other financing cash flows	(4.2)	(5.3)
Net cash provided by financing activities	47.9	71.3
Net (decrease)/increase in cash during the year	(39.5)	39.0
Cash at the beginning of the year	46.9	7.9
Exchange rate effects	(0.1)	0.1
Cash at the end of the year	7.3	46.9
Cash flow conversion %	99.0%	95.4%

Comments

Operating activities

- Operating Cash Flow increased 20.5% on FY23
- Cash Flow Conversion remained strong at 99.0%

Investing activities

- Includes acquisitions (\$91.5m), acquisition costs (\$3.0m) and earn out payments (\$2.2m)
- Acquired a 49.99% interest in a funeral business
- Acquired four freehold properties, two previously tenanted for \$8.8m, excluding stamp duty, net of a property disposal
- Maintenance capital expenditure amounted to 6.0% of FY24 revenue (FY23: 4.1%)

Financing activities

- Proceeds (net of transaction costs) from the Capital Raising of \$97.6m
- Repayment of borrowings from the Capital Raising proceeds, net of debt drawn in connection with acquisitions and property purchases
- Reflects the dividends paid during the year

Balance Sheet

Statutory actuals

\$ million	FY24	FY23
Cash and cash equivalents	7.3	46.9
Contract assets	77.2	64.5
Other current assets	18.9	17.8
Total Current Assets	103.3	129.2
Property, plant & equipment	289.0	216.2
Right-of-use assets	29.3	31.1
Goodwill	194.5	155.4
Other non-current assets	8.5	8.0
Total Non-Current Assets	521.3	410.6
Total Assets	624.6	539.8
Trade and other payables	12.5	11.9
Borrowings	24.8	19.8
Contract liabilities	84.0	71.3
Lease liabilities	4.1	3.5
Other current liabilities	13.4	10.5
Total Current Liabilities	138.9	117.1
Borrowings	87.4	119.7
Lease liabilities	28.4	30.5
Other non-current liabilities	18.1	19.2
Total Non-Current Liabilities	134.0	169.4
Total Liabilities	272.8	286.5
Net Assets	351.7	253.3
Total Equity	351.7	253.3

1. Senior debt less cash and cash equivalents.

Comments

Cash and net debt position

- \$7.3m of cash (30 June 2023: \$46.9m)
- \$113.2m of drawn senior debt (30 June 2023: \$140.6m)
- \$105.9m of net debt¹ (30 June 2023: \$93.7m)

Pre-paid contracts

- Largely held with third party friendly societies
- Asset increases by investment returns
- Liability increases by non cash financing charge
- Asset and liability derecognised when the contract turns at need
- Pre-paid contracts that turned at need in Australia accounted for less than 10% of the Group's Australian funeral volumes in FY24, consistent with FY23

Property, plant and equipment

- Includes land and buildings at cost (less depreciation) of \$233m as at 30 June 2024

Goodwill

- Represents purchase price of acquisitions less fair value of net tangible assets acquired
- No impairment

Capital Management

Available funding capacity of ~\$153 million, significant debt covenant headroom and higher dividends

Funding Capacity

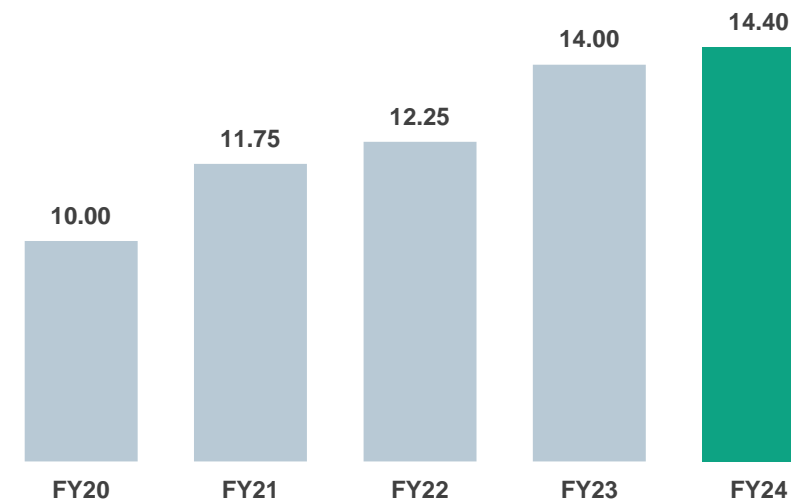
	\$ million
Senior debt facility limit	275.0
Net Debt as at 30 June 2024¹	(105.9)
Acquisition cash commitments ²	(15.7)
Funding capacity³	153.4

Debt covenant summary⁴

Net Leverage Ratio (must be < 5.0x)	1.6x	✓
Fixed charge cover ratio (must be > 1.75x)	3.6x	✓

Dividend summary (cps)⁵

	FY24	FY23
Fully franked dividend (cps)	14.4	14.0
Dividend payout ratio (rounded)	85%	79%



1. Senior debt less cash and cash equivalents.

2. Cash paid on completion of Decra and the purchase of four unrelated freehold properties. Excluding transaction costs and subject to completion adjustments and exchange rate movements, where applicable.

3. Undrawn debt and cash at bank, as at 30 June 2024, less the cash required to fund the Decra acquisition and four unrelated freehold properties. Excluding transaction costs and subject to completion adjustments and exchange rate movements, where applicable.

4. The Net Leverage Ratio for covenant purposes includes adjustments – for example: (1) the Group's \$25m working capital facility is excluded from net debt; and (2) Operating EBITDA includes the annualised impact of acquisitions and is calculated on a pre AASB16 basis.

5. Refer to slide 34.

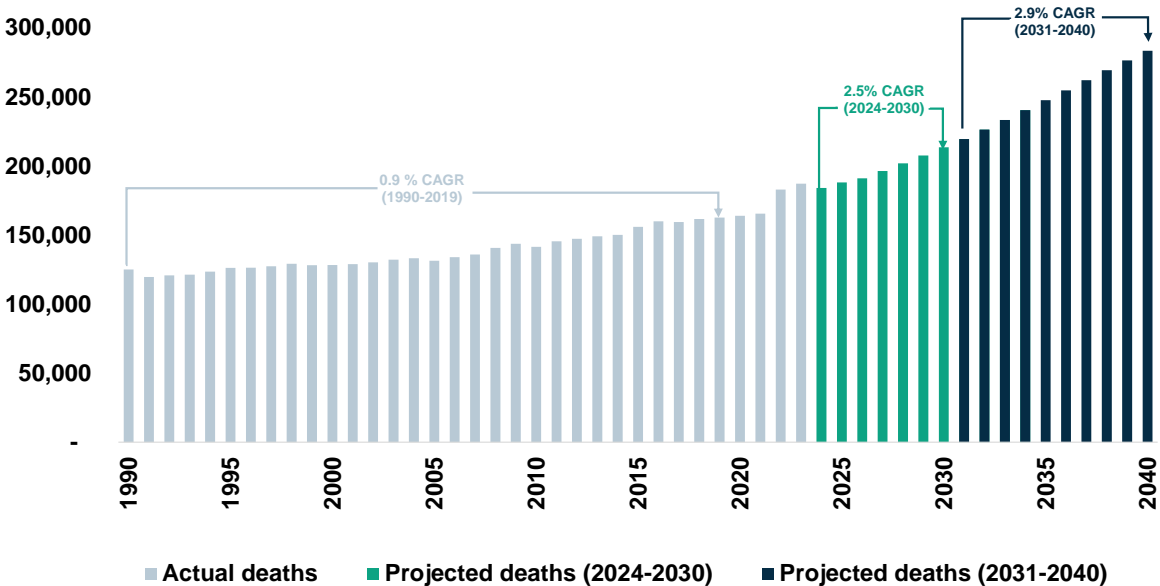
4. Industry Trends and Acquisitions



Increasing Number of Deaths

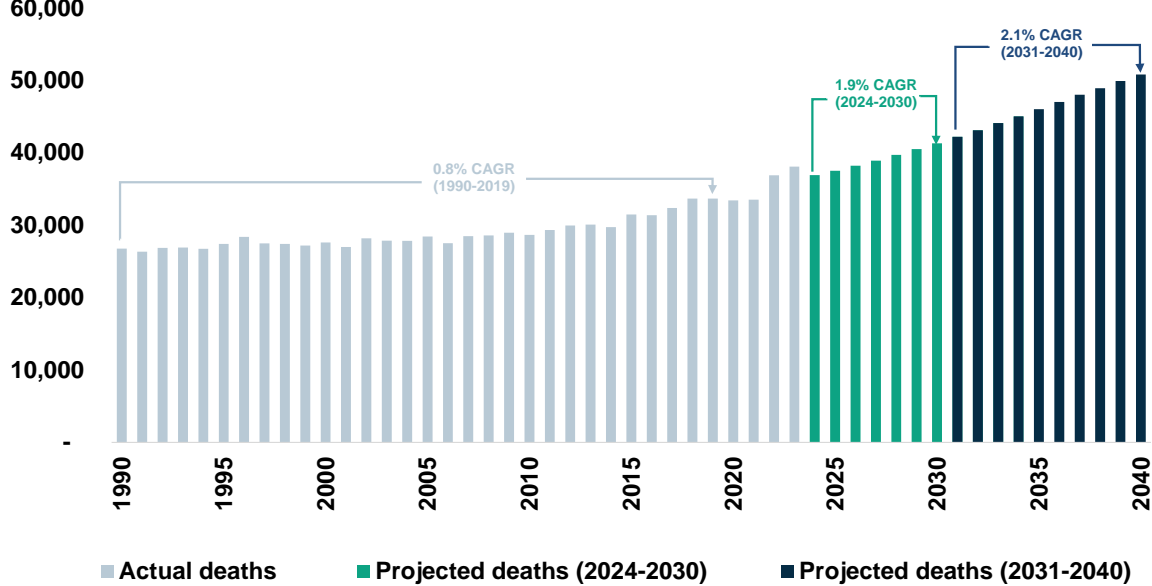
Number of deaths is the most significant driver of revenue in the death care industry

1 Australia



- Death volumes in Australia grew by 0.9% pa between 1990 and 2019¹
- Death volumes are expected to increase by 2.5% pa from 2024 to 2030¹ and 2.9% from 2030 to 2040¹

2 New Zealand



- Death volumes in New Zealand grew by 0.8% pa between 1990 and 2019²
- Death volumes are expected to increase by 1.9% pa from 2024 to 2030² and 2.1% from 2030 to 2040²

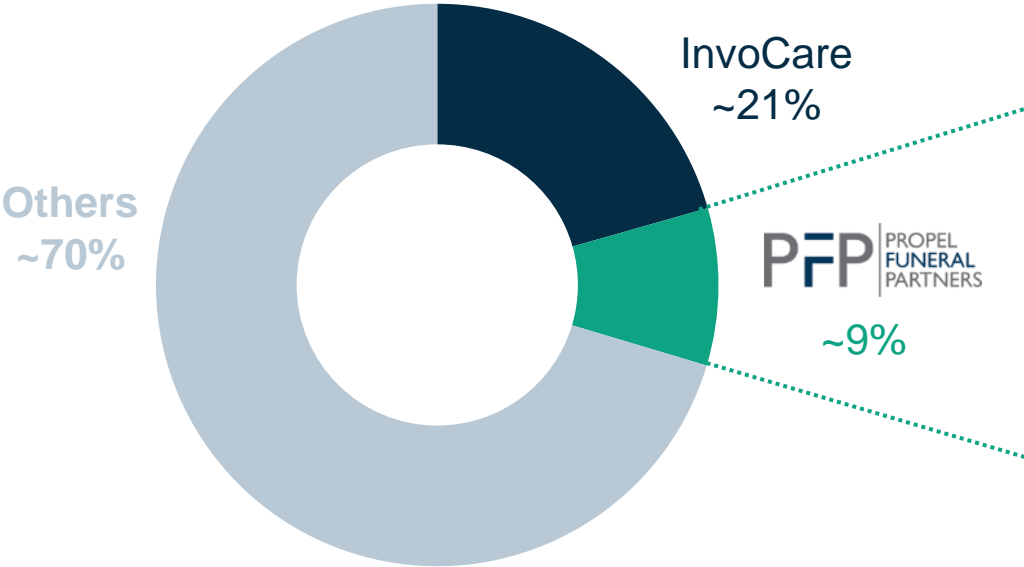
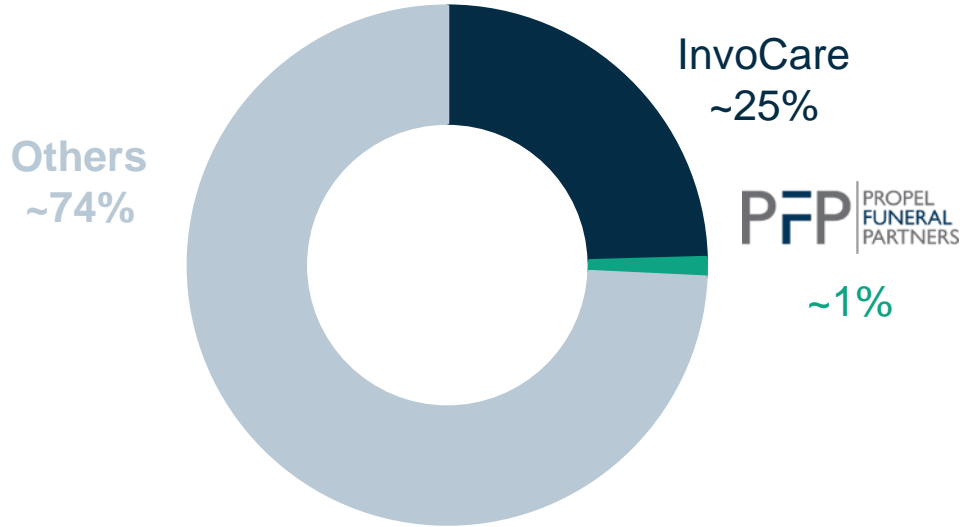
1. Source: 1990 - 2022: ABS, Dataset: Deaths and Infant deaths, Year and month of occurrence, Sex, States, Territories and Australia for actual deaths by financial year. 2023: ABS, Provisional Mortality Statistics for 2023 (released in March 2024). Forecasts: 3222.0 Population Projections, Australia, 2022 (base) – 2077, Table 1 Projected population, Australia, Medium, for projected deaths by financial year (released in November 2023). 2020-2023 has been excluded from the historical CAGR due to COVID impacts on death volumes.
 2. Source: 1990 – 2023: Stats NZ's data which are licensed by Stats NZ for re-use under the Creative Commons Attribution 4.0 International licence. Population, Deaths - VSD, Table: Month and year of death (Monthly) for actual deaths by financial year . Forecasts: National population projections, characteristics, 2022(base)-2073) for projected deaths by financial year (released in July 2022). 2019-2023 has been excluded from the historical CAGR due to COVID impacts on death volumes.

Market Share Estimate (Funeral Volumes)

Propel has increased its market share in the highly fragmented Australian funeral industry

1 CY15¹

2 CY23²



1. Note: 159,052 actual deaths (ABS data) for market size, 1,920 funerals performed by Propel and 39,050 funerals performed by InvoCare (Appendix D of InvoCare's Results Presentation dated 23 February 2017) in Australia in CY15.
 2. Note: 181,865 actual deaths (ABS provisional mortality statistics) for market size, ~16,425 funerals performed by Propel (including annualised funerals relating to acquisitions completed in CY23) and 37,450 funerals performed by InvoCare in Australia in CY23 (page 7 of InvoCare's 1HY23 investor presentation to shareholders dated 28 August 2023, annualised and rounded up to the nearest thousand).

Acquisitions

Propel completed or announced ~\$104 million¹ on 12 acquisitions in FY24 (~\$295 million¹ since its IPO)

1	1. Olsens Funerals	Jul-23	Sydney, NSW
	2. J Fraser & Sons	Jul-23	Southland, NZ
	3. Harbour City Funeral Home	Aug-23	Wellington, NZ
	4. Terry Longley and Tong & Peryer	Sep-23	Hastings & Havelock North, NZ
	5. IC Mark	Jan-24	Levin, NZ
	6. Penhall Funerals	Feb-24	Orange, NSW
	7. Howard & Gannon	Feb-24	Taradale, NZ
	8. Southern Funeral Home	Mar-24	Otago & Gore, NZ
	9. Brunswick Valley Funerals	Apr-24	Mullumbimby, NSW
	10. Gladstone Valley Funerals	May-24	Gladstone, QLD
	11. Osbornes Funeral Directors ²	May-24	Rotorua, NZ
	12. Decra	Jul-24	Christchurch, NZ

Consideration: ~\$104 million
Revenue³: ~\$43 million
Locations: 38 (27 freehold)
Cremation facilities: 4

2 Propel continues to explore other potential acquisitions in what is a highly fragmented industry, however, the timing associated with any future acquisitions is uncertain

1. Upfront cash and equity consideration paid. Excludes properties purchased subsequent to completion of a relevant business acquisition and other property purchases, totalling \$35.9 million (excluding stamp duty). Excluding transaction costs and subject to completion adjustments and exchange rate movements, where applicable.
 2. Acquired a 49.99% interest in an entity operating the business trading as Osbornes Funeral Directors as well as 100% of the property from which it operates.
 3. Annual revenue prior to acquisition. Excludes Osbornes Funeral Directors which is equity accounted.

5. Summary and Outlook

Summary

Growth track record, stable management, defensive market position and sector thematic are attractive characteristics

1 Long term growth profile

- Strong growth track record (>18 fold increase in Revenue and Operating EBITDA since FY15)
- Consistent growth in key operating metrics (funeral volumes, Average Revenue Per Funeral and network size)

2 Founder led management with significant ownership and industry experience

- Proven management team (>18 years funeral industry experience) and NEDs who own ~16% of the Company's issued capital
- Built the business from the ground up (from 1 funeral home in 2013 to a network of 198 locations over the last 11 years)

3 Attractive industry dynamics

- Growing and ageing populations in Australia and New Zealand (provide favourable demographic 'tail winds' over the long term)
- Stable industry with high fragmentation (leading to acquisition opportunities)

4 Consistently high cash conversion and stable operating margin

- Strong Cash Conversion (averaging ~99% since FY15)
- Stable Operating EBITDA margin (above 25% since FY15)

5 Defensive footprint, strong asset backing and funding position support growth strategy

- Diversified network of 198 locations (118 owned properties valued at depreciated cost of ~\$233 million) is difficult to replicate
- ~\$153 million available funding capacity for growth through acquisitions and other initiatives

6 Value creation

- Total shareholder value creation of ~\$465 million and total shareholder return of ~104.7% since IPO

Outlook

Demand for essential funeral services is underpinned by favourable demographics

1 Expected growth drivers for the remainder of FY25:

- favourable demographics in Australia and New Zealand
- a strong funding position
- acquisitions completed to date and other potential acquisitions in what is a highly fragmented industry (although timing is uncertain)

2 Historical experience suggests the contraction in industry death volumes in FY24 should be temporary, given:

- prior period declines have rebounded quickly
- the growing and ageing populations in Australia and New Zealand

3 Propel has started FY25 positively - in the month of July 2024¹ revenue growth over the PCP exceeded 20%, reflecting:

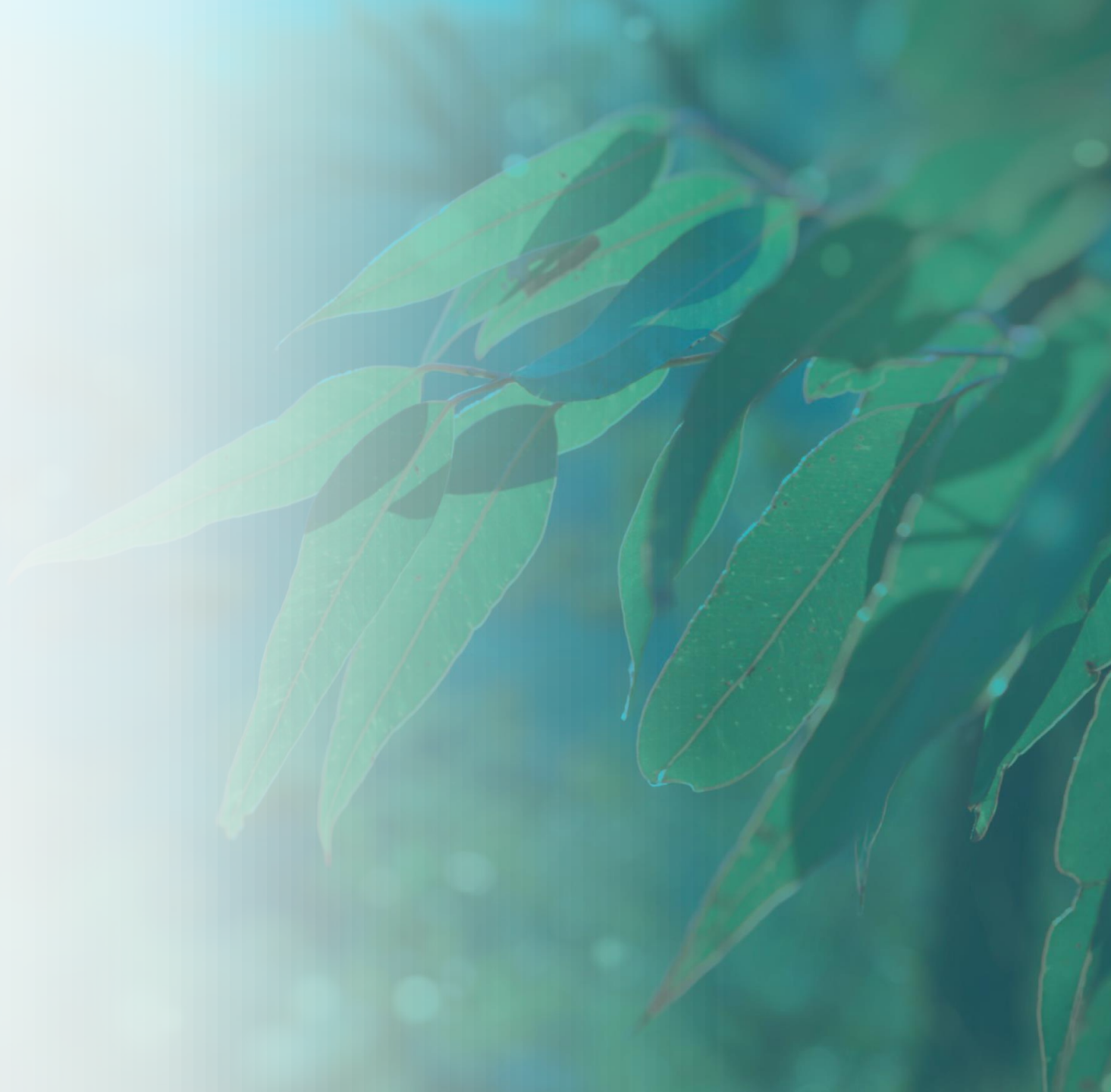
- strong growth in total funeral volumes, including contributions from acquisitions and material growth in comparable funeral volumes
- higher comparable Average Revenue Per Funeral

It should be noted that:

- death volumes fluctuate over short time horizons
- inflation is expected to impact funeral related pricing and costs

1. Based on the Company's unaudited management accounts.

6. Q&A



Appendices



Definitions

Adjusted Effective Tax Rate means income tax expense divided net profit before tax, adjusted for non deductible and non assessable items.

ANZ means Australia and New Zealand.

Average Effective Interest Rate means the average interest rate on senior debt, including the interest rate swap (where relevant) and establishment fees but excluding the commitment fee on undrawn debt.

ARPF means Average Revenue Per Funeral.

Average Revenue Per Funeral means revenue from funeral operations, excluding direct disbursements (such as third party cemetery fees and third party cremation fees) and delivered pre-paid impacts, divided by the number of funerals in the relevant period.

Bps means basis points.

Capital Raising means the placement of new shares and follow on SPP, announced on 31 January 2024, which raised net proceeds of \$97.6 million.

Cash Flow Conversion % means the percentage of Operating EBITDA converted to ungeared, pre-tax operating cash flow, adjusted for cash flow timing differences relating to Executive bonuses.

Cps means cents per share.

CY means calendar year.

Distributable Earnings means NPAT adjusted for the non-cash net financing charge on pre-paid contracts and acquisition costs.

FY means financial year.

Gearing Ratio means net debt divided by net debt plus total equity.

Group means Propel and its wholly owned subsidiaries.

IPO means initial public offering.

NEDs means non-executive directors.

Net Leverage Ratio for covenant purposes includes adjustments – for example: (1) the Group's \$25m working capital facility is excluded from net debt; and (2) Operating EBITDA includes the annualised impact of acquisitions and is calculated on a pre AASB16 basis.

NPAT means net profit/(loss) after tax.

NZ means New Zealand.

Operating Cash Flow means ungeared, pre-tax operating cash flow.

Operating EBIT means Operating EBITDA less depreciation.

Operating EBITDA means earnings before interest, tax, depreciation, amortisation and certain non-operating items, such as acquisition and transaction costs.

Operating EPS means Operating NPAT divided by the weighted average number of ordinary shares on issue.

Operating NPAT means NPAT adjusted for certain non-operating items, such as acquisition costs and the non cash net financing charge on pre-paid contracts.

PCP means prior corresponding period.

Pro forma means statutory results adjusted for the impacts of the Capital Raising, including lower interest expense (net of tax) relating to the changes in the Company's capital structure as if it had occurred on 1 July 2023.

Prospectus means the prospectus prepared by Propel in connection with the IPO.

SPP means share purchase plan completed on 31 March 2024.

WGEA means Workplace Gender Equality Agency.

WHS means Workplace, Health and Safety.

Propel's ESG Journey

Propel acknowledges the importance of ESG considerations in today's corporate and social landscape

Environmental

Sustainability

Working towards a more sustainable future:

- installing solar panels at 19 properties (during FY24)
- participating in metals recycling (post-cremation)
- replacing or upgrading equipment/machinery with more energy-efficient technologies, including crematoria
- developing a green electricity roll out program with a preferred energy supplier

Governance

Culture

- Board of Directors comprises six members:
 - majority of Independent NEDs
 - 50% of Independent NEDs are female
- published:
 - Corporate Governance Charter
 - Code of Conduct
 - Whistleblower Protection Policy
- members of industry associations
- management internalisation completed in 2021

Social

Community participation

- multi-brand portfolio = meaningful identity within local communities
- some brands have served an integral role in their communities for over a century, supporting local charities and community groups

Workplace health and safety

- continued roll out of a new WHS program
- "Staying Well Together" program launched for employees centred around positive communication on mental health
- employee assistance program
- leadership, development and coaching program

Diversity and Inclusion

- relevant Employer for the purposes of WGEA Reporting Scheme. Report lodged in June 2024:
 - workforce: 51% female and 49% male
 - gender pay gap: 4.4% versus 19% for all employers¹
- published Diversity Policy

Price Transparency

- prior to services being performed, client families receive an itemised estimate for their approval
- compliance with State price transparency requirements on websites and at physical locations, where applicable

Modern Slavery

- more than 95% of the products are purchased from market leading specialist suppliers based in Australia and NZ
- implemented a Supplier Code of Conduct
- complies with the reporting requirements under the Modern Slavery Act 2018 (Cth)

Affordable Funerals

Propel respects client wishes, including those who seek a simple, no service, no attendance funeral as a more affordable option.

Statutory Financial Summary

Income Statement

\$ million	FY24	FY23
	Statutory	Statutory
Total revenue	209.2	168.5
Gross profit	146.0	118.1
...margin	69.8%	70.1%
Total operating costs	(90.6)	(72.1)
Operating EBITDA	55.4	46.0
...margin	26.5%	27.3%
Depreciation	(14.3)	(11.4)
Operating EBIT	41.1	34.6
...margin	19.6%	20.5%
Net interest expense	(11.1)	(5.0)
Operating NPBT	30.1	29.6
Income tax expense	(8.9)	(8.7)
Operating NPAT	21.1	20.9
Operating EPS (cps)	16.8	17.7
Non-operating items:		
Acquisition and transaction costs	(3.3)	(1.6)
Net other income and expenses	(0.2)	0.3
Net financing charge on pre-paid contracts	(0.5)	(0.8)
Tax effect of adjustments	0.7	0.2
Net profit after tax	17.8	19.0

Income Statement Analysis

\$ million	FY24	FY23
Funeral operations	186.6	148.1
Cemetery, crematoria and memorial gardens	20.3	18.5
Other trading revenue	2.4	2.0
Total revenue	209.2	168.5
Cost of sales	(63.3)	(50.4)
Gross profit	146.0	118.1
Employment costs	(66.6)	(54.2)
Occupancy and facility costs	(10.9)	(8.1)
Advertising costs	(4.5)	(3.4)
Motor vehicle costs	(3.0)	(2.5)
Other operating costs	(5.6)	(3.9)
Total operating costs	(90.6)	(72.1)
Operating EBITDA	55.4	46.0

Comments

Revenue segments:

- 89.2% generated from funeral operations (FY23: 87.9%)
- 9.7% generated from cemetery and memorial gardens (FY23: 11.0%)
- 1.2% from other sources (including coroners contracts) (FY23: 1.2%)

Employment costs:

- 31.8% of revenue (FY23: 32.1%)

Occupancy and facility costs:

- 5.2% of revenue (FY23: 4.8%)

NPAT to Operating NPAT Reconciliation

\$ million	FY24	FY23
	Pro forma	Statutory
Statutory net profit after tax	17.8	19.0
Add: Interest expense (tax effected)	2.3	
Pro forma net profit after tax	20.1	
Add: Acquisition and transaction costs	3.3	1.6
Add: Net other income and expenses	0.3	0.2
Add: Net financing charge on pre-paid contracts	0.5	0.8
Add: Net foreign exchange loss/(gain)	0.1	(0.1)
Less: Net gain on disposal of assets	(0.2)	(0.4)
Less: Tax effect of certain Operating NPAT adjustments	(0.7)	(0.2)
Operating NPAT	23.4	20.9

Distributable Earnings and Dividend

Reconciliation

\$ million	FY24	FY23
	Pro forma	Statutory
Net profit/(loss) after tax	20.1	19.0
Distributable Earnings calculation		
Acquisition and transaction costs	2.8	1.3
Net financing charge on prepaid contracts	0.5	0.8
Distributable Earnings	23.4	21.1
Dividend payout ratio (rounded)	85%	79%
Actual number of shares on issue ¹	137,958,349	118,240,522
Dividend per share	14.4	14.0

¹ As at 27 August 2024 and 24 August 2023 respectively

