FY24 results presentation

FleetPartners Group Limited (ASX:FPR)
18 November 2024

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Acknowledgement of Country

In the spirit of reconciliation, FleetPartners acknowledges the traditional owners of the lands and waters across the Australian continent and we pay our respects to the many thousands of generations who looked after the lands and waters where we currently live and work today.

Agenda

1. Performance highlights
2. Financial result
3. Operating segment performance
4. Outlook
5. Appendices

1. Performance highlights

Damien Berrell
Chief Executive Officer and Managing Director

FY24 performance highlights

FY24 highlighted record NBW and AUMOF[1], growing at 21%[2] and 11%, respectively

STRATEGIC PATHWAYS DRIVING STRONG GROWTH

21%[2]

Strategic Pathways delivering high **NBW growth**

1.9x[3]

Pipeline reduced during FY24 as vehicle supply normalised, supporting NBW

11%

Double-digit **AUMOF growth** – the key input to driving sustainable, annuity-like income

A RECURRING REVENUE MODEL

$159m

NOI pre EOL and Provisions – 2H24 growth aligned to average AUMOF growth

~95%

of NOI pre EOL & Provisions is **recurring, annuity-like income[4]**

3.9 years

Average lease term – leases written in a period contribute to forward earnings for years to come

ONGOING DELIVERY OF SHAREHOLDER RETURNS

$88m

NPATA result driven by strong AUMOF growth, disciplined cost management & EOL optimisation

128%

High organic **cash conversion**

$30m

Share buy-back announced for 1H25 representing 65% of 2H24 NPATA

1) Record Core NBW and AUMOF, excluding divested/discontinued non-core businesses.
2) Includes sale and lease-backs ($0.3m in FY23, $9.1m in FY24).
3) 1.9x the FY19 pipeline which represents the last full financial year prior to the emergence of COVID-19.
4) Defined as NOI pre EOL & Provisions excluding funding commissions and establishment fees.

13% increase in normalised cash EPS[1]

Creating shareholder value via three distinct, clearly defined and well-established drivers for earnings per share growth

Strategic Pathways

Driving growth in three underpenetrated, high returning, target markets

Technology-led strategy that is underpinned by customer service excellence and expertise

Leveraging a multichannel distribution model across Corporate, Small Fleets & Novated

Accelerate

Business transformation project to consolidate brands, systems & processes

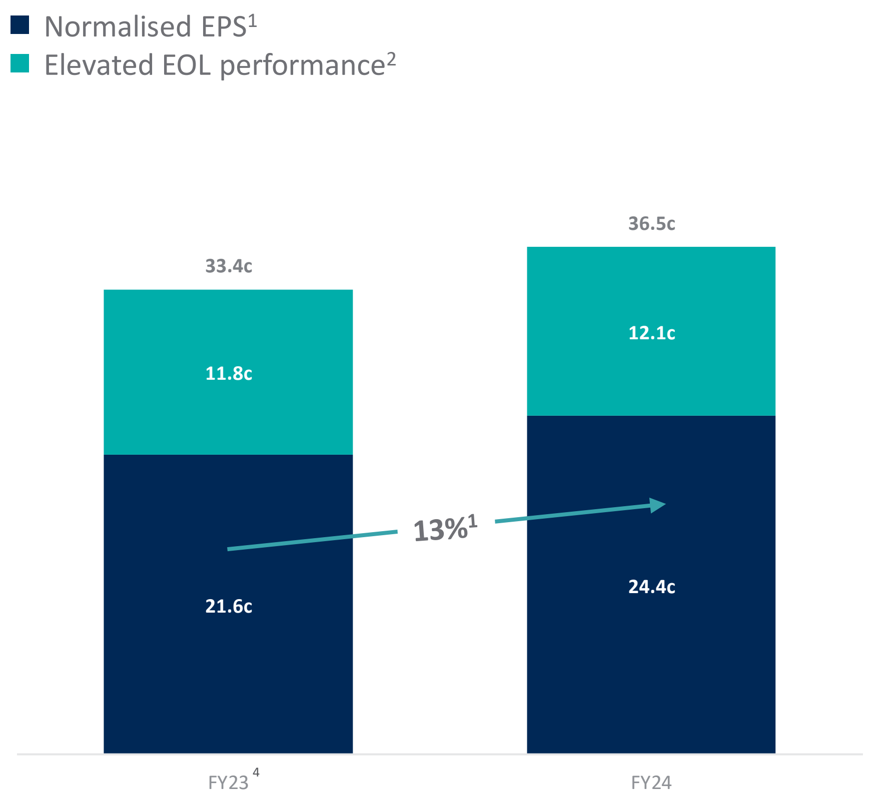
Clear & consistent go-to-market message, faster digital innovation, lower IT costs, more automation, more productivity, greater employee engagement & better customer experiences

Capital Management

Optimising allocation for maximum return on capital

Buy-back considered the optimal form of capital distribution in the absence of franking credits[3]

Cash EPS growth



1) Represents NPATA over average number of shares on issue in the relevant period. NPATA adjusted to replace elevated EOL performance with pre-COVID-19 EOL of $29.3m for purposes of Normalised EPS.
2) Represents elevated EOL (above pre-COVID-19 EOL of $29.3m).
3) Ongoing capital returns are subject to no alternative use of capital arising that would otherwise generate a superior return on capital.
4) FY23 has been restated for the change in treatment of hedge ineffectiveness in the calculation of NPATA (refer to page 17).

Strategic Pathways – FY24 highlights

Good momentum maintained across the three target markets of Strategic Pathways

Corporate AU & NZ

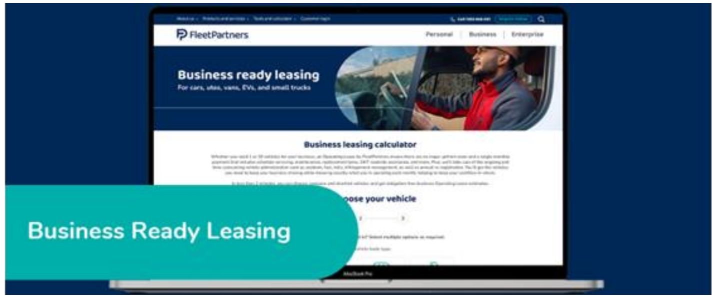
- $482m[1] NBW in FY24 – up 20% on pcp
- New customer wins across several sectors, including insurance, manufacturing and healthcare
- Continued to provide strategic advice on sustainable fleet transitions, including carbon reporting
- Continued high retention rates for key customers across AU & NZ
- Won the *2024 NZ Business Support Services* award[3]

Small Fleets[2]

- Record AU NBW in FY24 of $47m – up 41% on pcp
- Approximately 150 new Small Fleet customers originated in FY24
- Extended agreement with foundational white label OEM, validating demand for product and FPR capability
- Developed new self-service website calculator with straight-through credit approval enabling scaling of direct sales channel

Novated

- Record NBW in FY24 of $331m – up 36% on pcp
- Business is capitalising on strong EV demand – with EVs making up 53% of FY24 NBW
- Several new customer wins across technology and professional services sectors
- Enquiry-to-Order conversion rate continues to improve on back of upskilling of consultants
- Established white label pilot programs with multiple OEMs focusing on providing in-dealership and online novated leases



1) Excluding Small Fleets.
2) Relates to customers with fleets of less than 20 vehicles.
3) Industry Award for Business Support Services at the 2024 CRM Contact Centre Awards.

Accelerate

Business transformation program that aims to leverage the scale created by Strategic Pathways to maximise profitability

Simplified technology stack

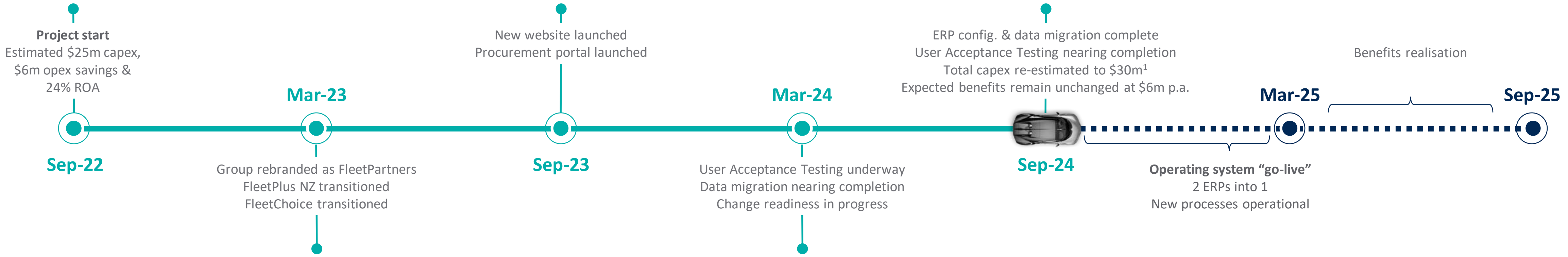
- ✓ Moving from 2 operational systems (ERPs) in Australia to 1
- ✓ Modern platform that allows faster to market digital innovation with less capex
- ✓ Simpler technology architecture – lower IT spend
- ✓ Better insights and data-driven decisioning

Standardised operational processes

- ✓ Greater economies of scale
- ✓ Superior customer service experience
- ✓ Increased focus on value additive tasks for FPR team members – enhancing engagement
- ✓ Reduced operational risk

One go-to-market brand

- ✓ Consolidating from 4 brands to 1
- ✓ Enhanced brand clarity, visibility and positioning
- ✓ Higher ROI from marketing spend
- ✓ Streamlines FPR's operational processes

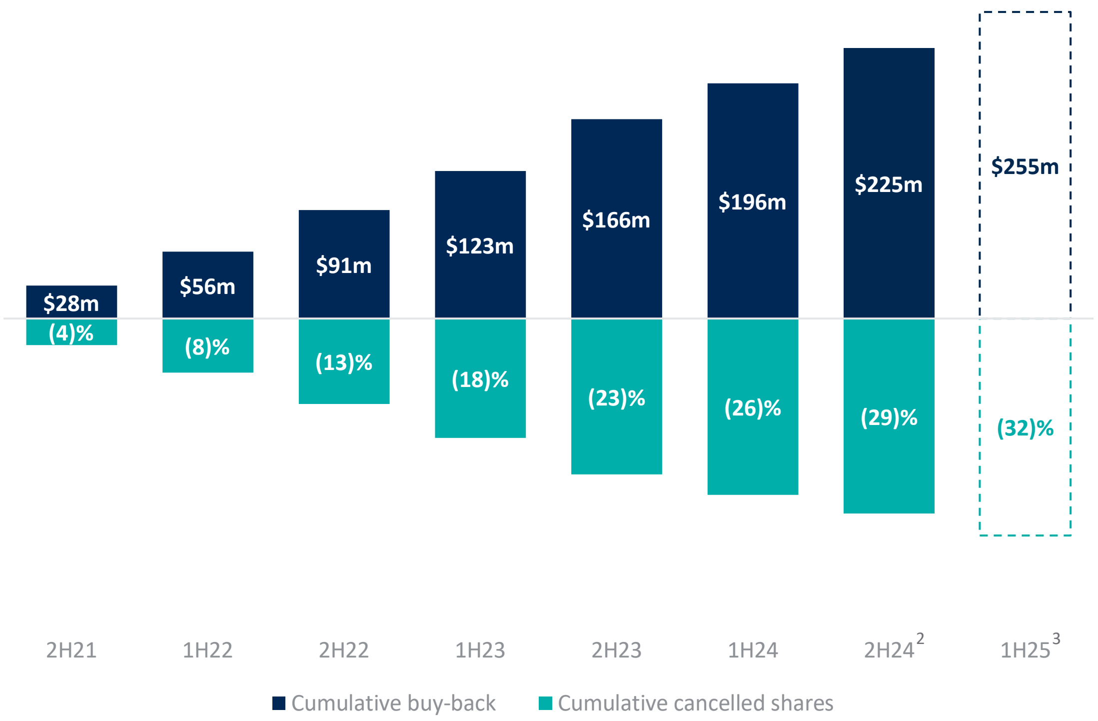


1) Latest Accelerate estimated spend of $30m versus $25m original estimate and go-live expected by Mar-25.

Capital management

1H25 buy-back of $30m announced representing 65% of 2H24 NPATA

Cumulative buy-back[1]



Comments

- Share buy-back of $29.4m completed in 2H24, reflecting the buy-back of $27.0m declared with the 1H24 results and an additional $2.4m bought back in September 2024
- 1H25 share buy-back of up to $30m has been declared representing 65% of 2H24 NPATA, being the top end of the Group's targeted capital payout range
- By the end of 1H25, c.32% of shares on issue will have been bought back and cancelled since May-21[2]
- Buy-back considered the optimal form of capital distribution in the absence of franking credits which are not expected to accrue until FY26 at the earliest (due to *Temporary Full Expensing* legislation)
- Ongoing capital returns are subject to no alternative use of capital arising that would otherwise generate a superior return on capital. For example, this could include organic growth beyond internal forecasts, capital projects and/or acquisition opportunities

1) Share buy-back remains subject to share liquidity/volume and compliance with all regulatory and market restrictions. Target range is subject to change, as determined by the Board.
2) Includes $2.4m (0.8m shares) bought back in Sep-24 in addition to the $27m 2H24 buy-back.
3) 1H25 assumes, for illustrative purposes, that 10m shares are purchased at $3.00 per share, reflecting the announced buy-back of up to $30m.

FY24 Environmental, Governance and Social highlights

Proudly supporting the communities in which we live and work

TOITŪ NET CARBON ZERO ISO 14064-1 ORGANISATION

Climate Active Carbon Neutral ORGANISATION

Achieved re-certification across all our operations

WGEA Employer of Choice for Gender Equality

Citation for the third consecutive year

WORK180 ENDORSED EMPLOYER FOR ALL WOMEN work180.com

1 of the top 5 Endorsed Employers for paid time off

6.1% annual reduction in overall gender pay gap

2. Financial result

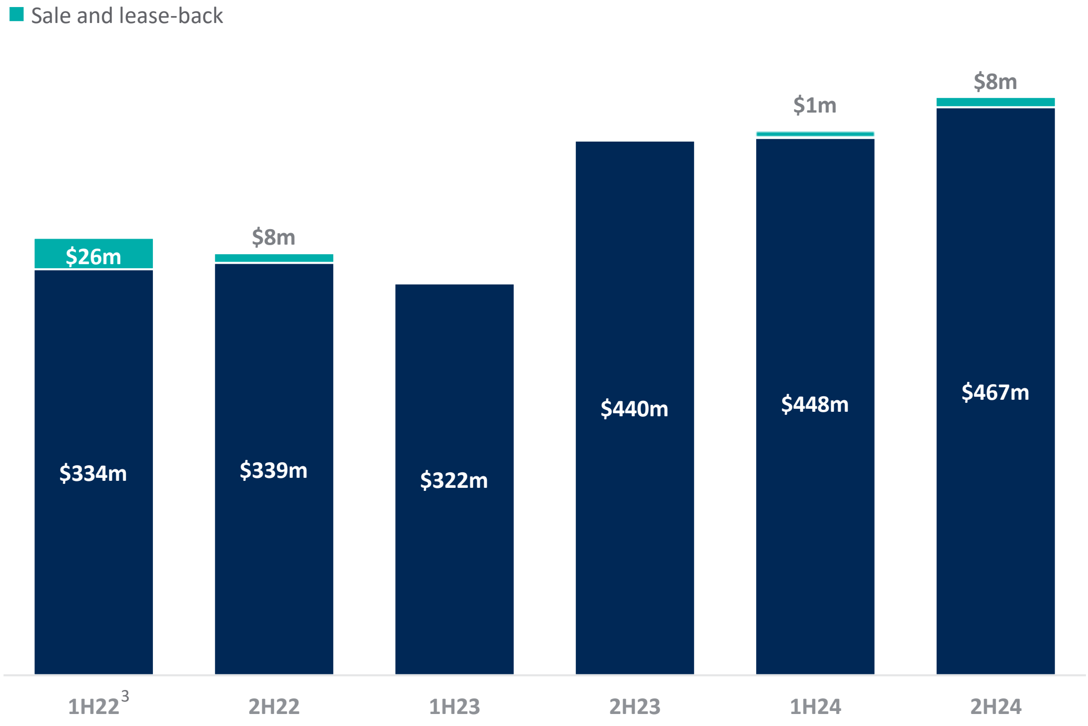
James Owens
Chief Financial Officer

FleetPartners

New business writings

NBW of $924m up 21%[1] as FleetPartners executes on Strategic Pathways, supported by improved supply

New Business Writings



Comments

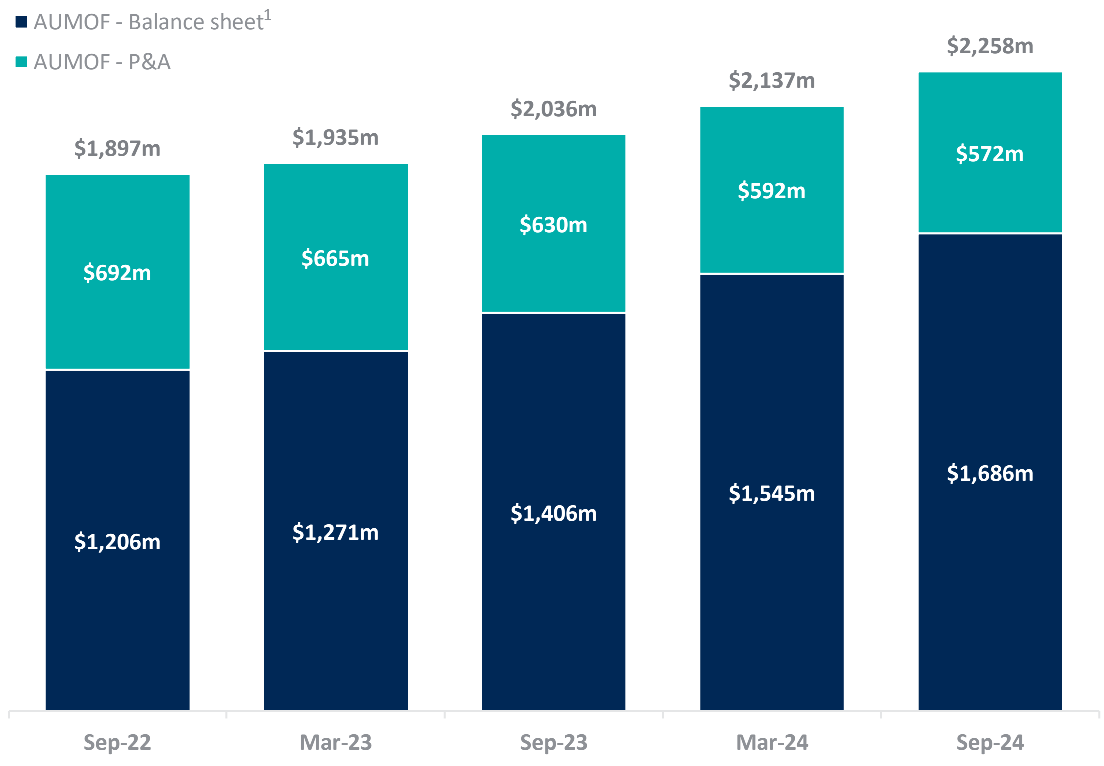
- Strategic Pathways has delivered NBW growth of 21%[1] in FY24, supported by continued improvement in new vehicle supply
- Novated achieved NBW growth of 36%, with strong growth in EVs due to the Electric Car Discount, which only benefited the second half of FY23
- Order pipeline for Novated reduced to 2.6x pre-COVID-19 levels[2] at Sep-24 (compared to 4.6x at Sep-23), reflecting the reduced lead time for vehicles
- Fleet NBW was up 14%[1] driven by growth of 28% in Fleet Australia (including 41% growth in Small Fleets), which benefited from increased availability of key vehicle variants and strong demand from customers replacing aged fleets
- Order pipeline for Fleet Australia represented 1.7x pre-COVID-19 levels[2] at Sep-24 (compared to 2.6x at Sep-23) as lead times have shortened and the order backlog has reduced
- Fleet New Zealand NBW reduced by 8% as underlying demand weakened due to the slowing economy, resulting in the pipeline reducing to 2.3x pre-COVID-19 levels[2] at Sep-24 (compared to 3.6x at Sep-23)

1) Includes sale and lease-backs ($25.7m in 1H22; $8.0m in 2H22, $0.2m in 1H23, $0.1m in 2H23, $0.6m in 1H24, $8.5m in 2H24).
2) Order pipeline indexed to FY19, as FY19 represents the last full financial year prior to the emergence of COVID-19. Fleet NZ comparison in AUD.
3) 1H22 excludes FCNT which was dissolved in Mar-22 in line with the Group's strategy to exit low returning products.

Asset growth funded on balance sheet

AUMOF up 11% as a result of strong NBW performance, with growth funded primarily via the balance sheet[1]

Assets under management or financed



Comments

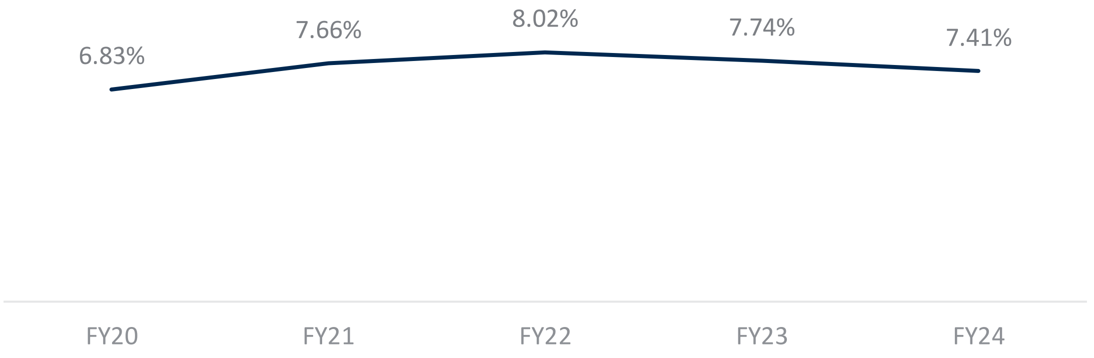
- AUMOF is the key driver of net operating income pre EOL and provisions, generating predictable, annuity-like revenue
- AUMOF was up 11% vs pcp, as strong NBW growth was supported by improved availability of key vehicle variants – particularly in Novated and Fleet Australia, though Fleet New Zealand also grew AUMOF, despite lower NBW
- Strategy to direct more NBW to warehouse funding continued, with balance sheet funded AUMOF up 20% vs pcp. Whilst this transition results in a reduction in upfront P&A funding commissions, it results in a higher overall return for a lease over its term than a P&A funded lease
- Higher proportion of NBW expected to be financed via warehouse (rather than P&A) going forward, enabled by the migration of FleetPlus customers to FleetPartners on completion of Accelerate

1) Balance sheet funded AUMOF relates to warehouse and ABS funded leases.

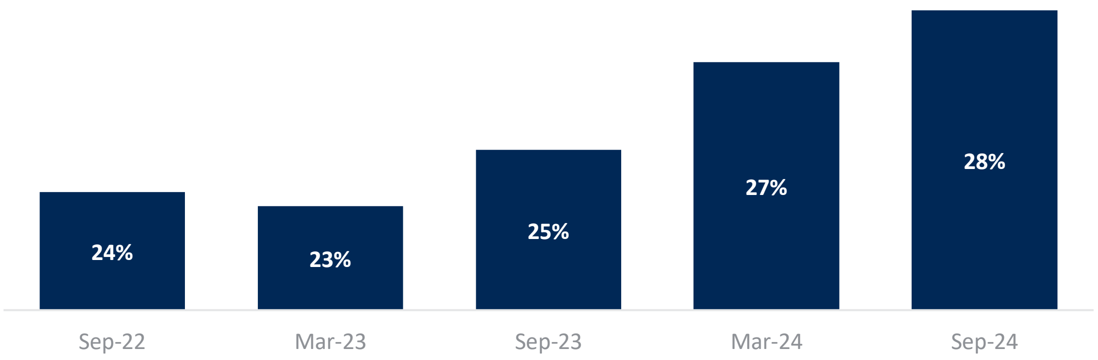
NOI pre EOL and provisions margin

Margins continue to normalise as expected, as COVID-19 tailwinds dissipate – with additional impacts from strong NBW growth

NOI pre EOL and provisions margin[1]



Novated proportion of AUMOF



Comments

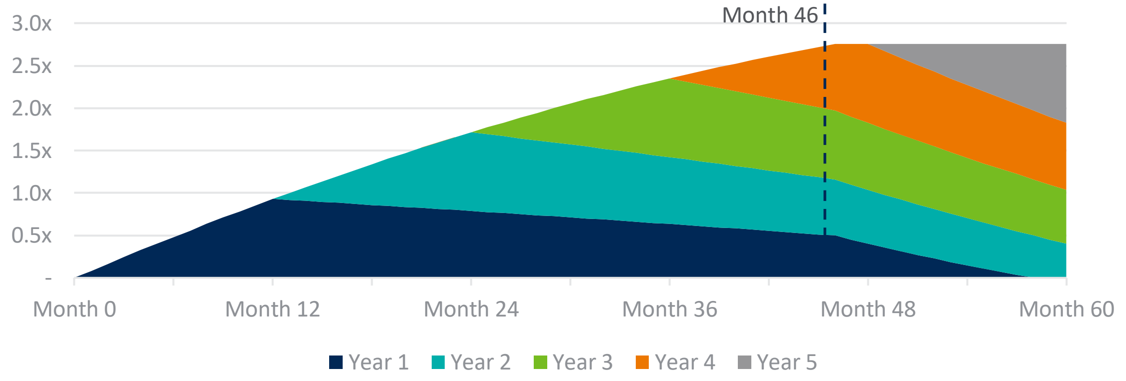
- Margins continue to normalise in line with expectations due to:
  - lower management fees on replacement operating leases compared to extended leases, particularly in Fleet Australia; and
  - the temporary impact of reduced upfront funding commissions as more NBW is balance sheet funded (which generates income over the lease term)
- Margins have also been impacted by accelerated growth in NBW, which has seen:
  - mix-shift to Novated (which is lower margin than Fleet); and
  - timing of profitability on new operating leases compared to the leases replaced
- Mix-shift towards Novated is expected to continue in the short- to medium-term due to strong demand, supported by the Electric Car Discount
- As shown in the bottom left chart, Novated has increased to represent 28% of AUMOF at Sep-24

1) NOI pre EOL and provisions includes interest income on cash at bank and excludes hedge ineffectiveness.

Pro forma NOI pre EOL and provisions

Recent growth in NBW will take time to fully compound in AUMOF, resulting in future upside to NOI pre EOL and provisions

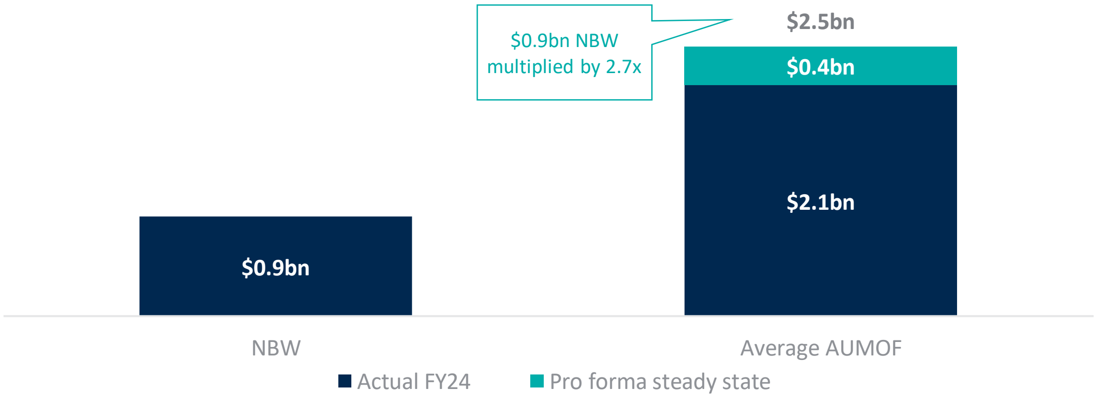
Illustrative AUMOF build as a multiple of NBW[1]



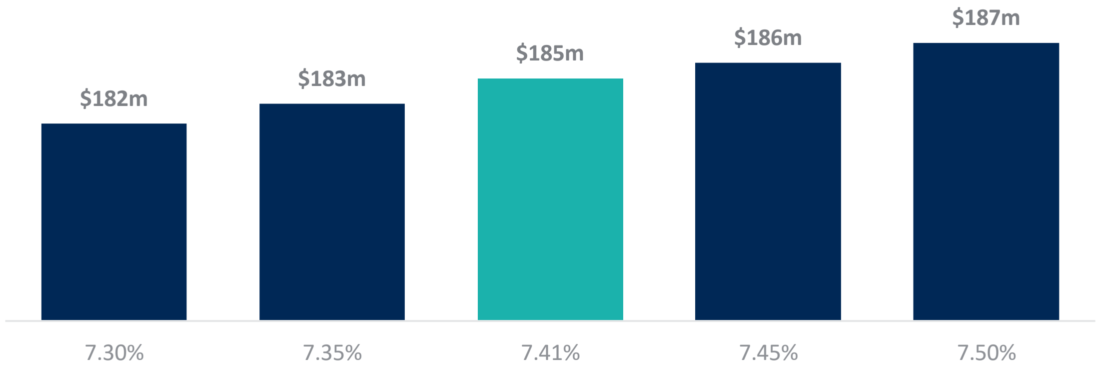
Comments

- Leases have an average term of c.46 months, meaning NBW in a year generates income for c.4 years, providing predictable, recurring revenue
- As NBW grows, it takes time for AUMOF to fully reflect that growth, as successive years of NBW layer until AUMOF reaches a steady-state of c.2.7x the level of NBW – as shown to the left
- NBW growth in FY24 is therefore not yet fully reflected in AUMOF growth
- Illustratively, if FY24 NBW levels are maintained, AUMOF will increase to c.$2.5bn – as shown in the bottom left chart
- At the FY24 margin of 7.41%, that equates to pro forma NOI pre EOL and provisions of $185m, without further growth in NBW – as shown below

Illustrative NBW and pro forma AUMOF



Illustrative pro forma NOI pre EOL and provisions



1) Assumes a consistent level of NBW each year, resulting in a steady state AUMOF after c.46 months (being the average term of new leases written in FY24) at approximately 2.7x the annual level of NBW.

Income statement

NOI pre EOL and provisions up 5% driven by AUMOF growth

$m	FY24	FY23[1]	PCP (%)
Net operating income pre EOL and provisions[1]	**158.7**	**150.8**	**5%**
End of lease income	70.6	73.7	(4)%
Fleet and credit provisions	(2.8)	(1.0)	(193)%
Net operating income	**226.5**	**223.5**	**1%**
Total operating expenses	(89.2)	(84.5)	(6)%
EBITDA	**137.3**	**139.0**	**(1)%**
Share-based payment expense	(3.3)	(3.4)	3%
Interest on corporate debt	(6.3)	(6.8)	6%
Depreciation and leases[2]	(3.3)	(3.5)	7%
Amortisation of intangibles[3]	(8.7)	(9.5)	9%
Hedge ineffectiveness[4]	(3.5)	(0.5)	nm
Non-recurring items	(1.8)	(0.3)	nm
PBT	**110.4**	**114.9**	**(4)%**
Tax expense	(32.6)	(33.9)	4%
NPAT	**77.9**	**81.0**	**(4)%**
NPATA	**87.7**	**88.3**	**(1)%**
Cash EPS	**36.5c**	**33.4c**	**9%**

Comments

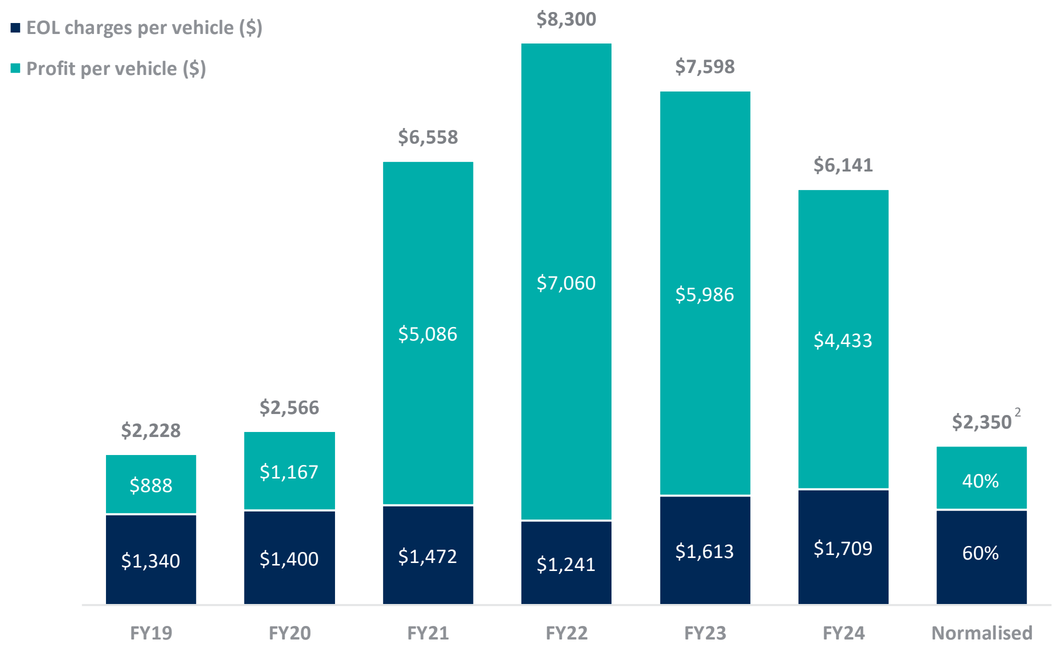
- NOI pre EOL & provisions increased by 5%, driven by growth in average AUMOF of 10%, partially offset by a reduction in margin (7.41% vs 7.74%), as outlined on page 15
- EOL was down 4%, driven by a 19% increase in units sold due to improved availability of replacement vehicles, offset by 19% lower EOL per unit due to the steady decline in elevated pricing seen in the used car market, particularly for light commercial vehicles
- Provisions have increased, driven by growth in balance sheet funded Novated leases
- Operating expenses were $89.2m, a 6% increase on pcp, reflecting significant growth in business activity and inflation, tempered by continued cost discipline

1) NOI pre EOL and provisions includes interest income on cash at bank and excludes hedge ineffectiveness. FY23 has been restated for the change in treatment of hedge ineffectiveness.
2) Depreciation and (interest and depreciation on) leases (AASB 16) are grouped.
3) Includes amortisation of software and acquired intangibles.
4) Relates to the portion of non-cash fair value movements in interest rate swaps that is deemed to be ineffective. FY23 has been restated for the change in treatment of hedge ineffectiveness.

End of lease income

End of lease income remains elevated, supported by increased disposal volumes, while profit per unit gradually trends down

Vehicles sold & end of lease income per vehicle[1]

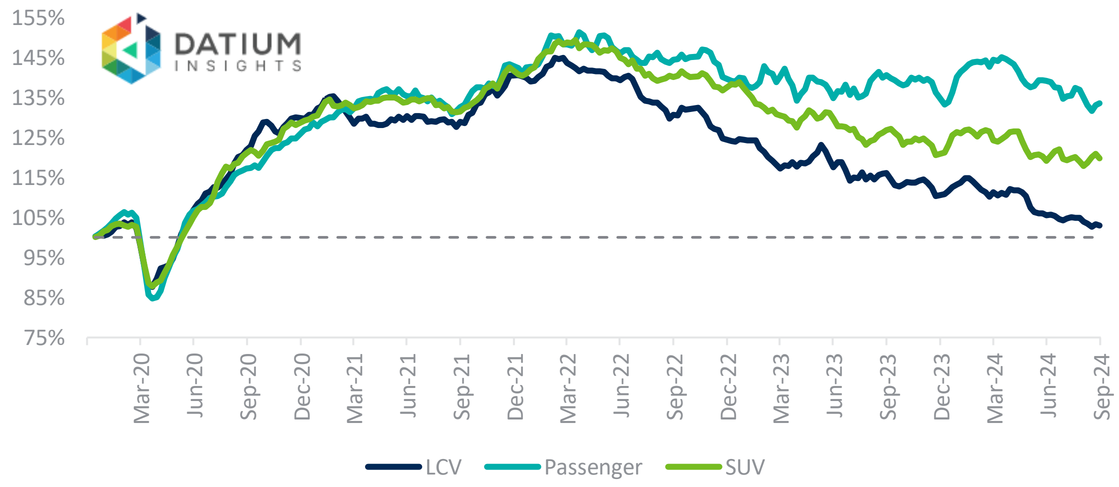


	FY19	FY20	FY21	FY22	FY23	FY24
Units sold	13,155	12,962	10,546	11,115	9,696	11,498
EOL	$29.3m	$33.3m	$69.2m	$92.3m	$73.7m	$70.6m

Comments

- Used vehicle prices remain elevated, but have reduced from the peak in Feb-22
- EOL per unit decreasing as used vehicle prices trend down, but offset by an increase in units disposed, as improved supply allows more vehicles to be replaced, and continual optimisation of end of lease outcomes (e.g. through channel allocation strategy)
- Used passenger vehicle pricing resilient, as cost of living pressures see buyers substituting purchases of new vehicles for used vehicles. Used LCV[3] pricing back to pre-COVID levels as large volumes of similar vehicles coming to market puts pressure on pricing
- Longer term, EOL expected to revert to pre-COVID-19 levels of c.$2,350 per unit[2]

4 and 5 year old vehicle prices indexed to Jan-20[4]

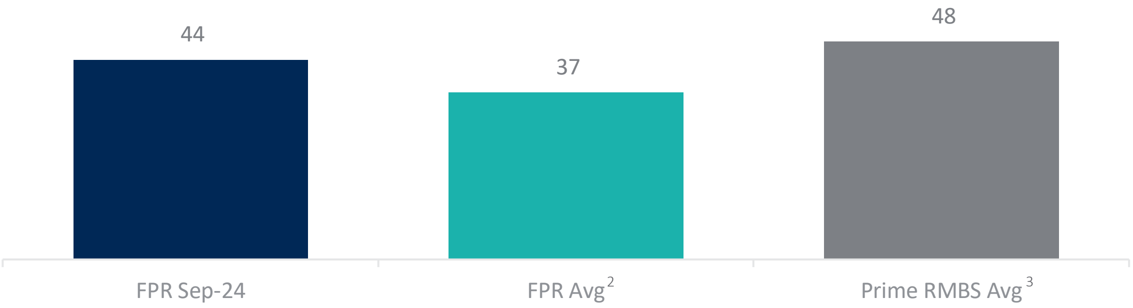


1) FY19 and FY20 exclude non-core businesses.
2) Midpoint of normalised range of $2,200 to $2,500.
3) LCV: Light Commercial Vehicles; SUV: Sports Utility Vehicles.
4) Datium insights data, report as of 30 Sep-24.

Portfolio credit quality remains high

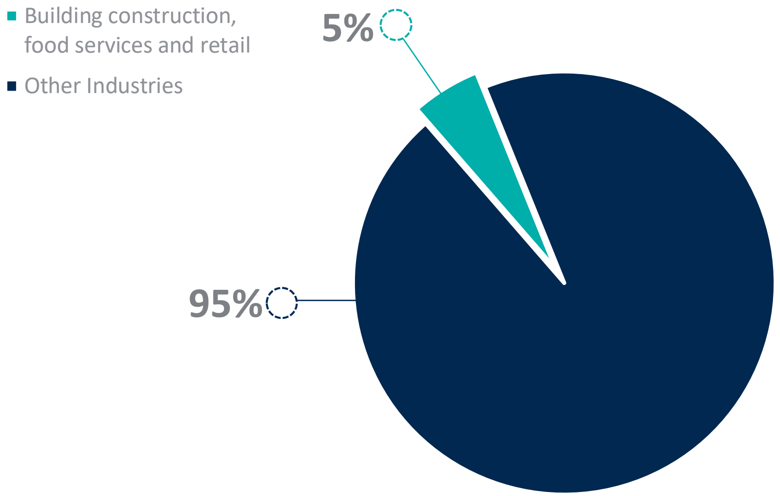
Portfolio continues to perform strongly despite economic landscape in New Zealand, with minimal exposure to higher risk sectors

90+ day arrears[1] (bps)



- Portfolio credit performance continues to be very strong with 90+ day arrears at 44bps at Sep-24, slightly above the long-term average[2]
- Arrears exposure is offset by the value of the underlying vehicle and all financing is secured by PPSR[4] on vehicles (no unsecured finance exposures)
- Business-critical assets have a strong track record through economic cycles

Portfolio exposure



- 81% of exposure to top 20 customers is investment grade (i.e. BBB- or higher)
- 5% of portfolio exposure relates to building construction, food services and retail
- Experienced collections team with strong control governance in place, including most Small Fleets customers on direct debit payment arrangements

1) Excludes equipment finance portfolios, which have been disposed of (AU) or are in run-off (NZ). Relates to finance payments only (excludes incidentals etc.).
2) FleetPartners average from Sep-16 to Sep-24.
3) S&P Australia prime residential mortgage-backed securities index (90+ days past due). Average from Sep-16 to Jun-24.
4) Personal Property Securities Register.

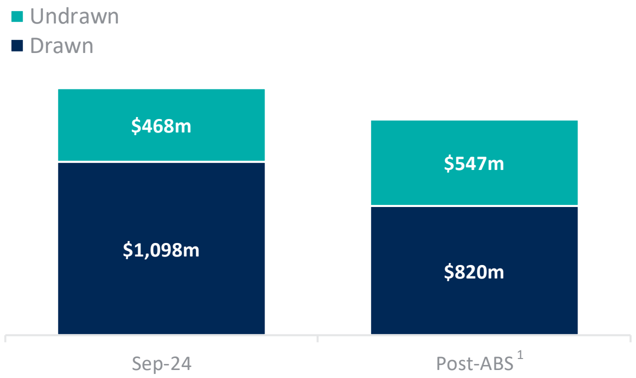
Funding and liquidity

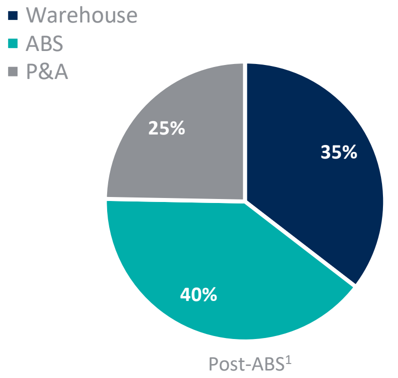
Successful issuance of Australian and New Zealand ABS and extension of warehouses provides capacity to support growth plans

Comments

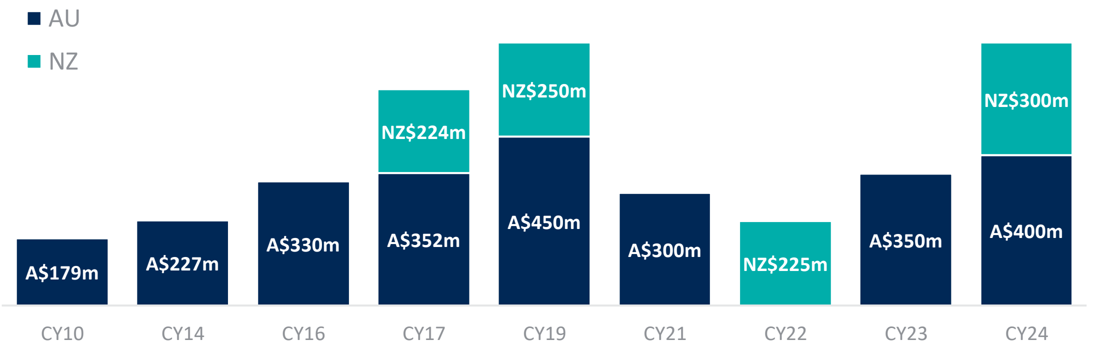
- Warehouse funding capability since 2007 and regular ABS issuer since 2010, with a proven ability to issue through periods of volatility
- A$400m Australian ABS deal successfully executed in May-24 and NZ$300m New Zealand ABS deal successfully executed in Nov-24, providing an improvement to our cost of funds compared to the warehouse pricing at that time
- The Australian ABS included FleetPartners' inaugural Green Bond, backed by a pool of BEVs, making FleetPartners the first FMO to issue an ABS of this kind in Australia[2]
- $468m of undrawn warehouse capacity at Sep-24, increasing to $547m[1] after adjusting for the recent NZ ABS
- Drawn corporate debt of $60.0m and unrestricted cash of $91.3m, resulting in net cash of $31.3m. Undrawn corporate debt of $89.0m providing standby liquidity for the Group
- $30.0m corporate debt maturity in Jul-25 expected to be refinanced from existing facilities
- Australia and New Zealand warehouses extended to Sep-25 with increased capacity to support growth, with a small improvement in cost of funds
- With funding margins set until Sep-25 and base rates hedged at lease inception, there is no significant interest rate exposure on the portfolio
- Other interest rate exposures are limited due to the natural hedge between cash holdings and variable rate corporate debt, with +/- 25bps movements equating to +/- c.$0.5m on annualised PBT

Warehouse capacity and funding mix at Sep-24[1]





Asset Backed Securitisation Issuance



1) Post-ABS figures reflect Sep-24 position adjusted for NZ$300m New Zealand ABS deal in Nov-24.
2) Based on publicly available information.

Cash generation

Strong organic cash generation supported by continuation of elevated EOL and cash tax shield in Australia

$m	FY24
Operating cash flow	
Customer receipts	906.6
Payment to suppliers & employees	(435.5)
Income tax paid	(6.9)
Net interest paid	(74.6)
Cash generated from operations before investment in lease portfolio	**371.6**
Purchase of operating & finance lease vehicles	(780.4)
Proceeds from sale of operating lease vehicles	240.9
Net operating cash flow	**(167.9)**
Investing cash flow	
Capex (PP&E & intangibles)	(18.5)
Net investing cash flow	**(18.5)**
Financing cash flow	
Net change in borrowings	281.5
Payment of lease liabilities	(2.3)
Movement in share capital (including buy-back)	(64.9)
Net financing cash flow	**214.2**
Net cash flow	**27.8**

$m	FY24
Net cash flow	
Add-back capex	18.5
Add-back change in corporate debt	5.0
Add-back movement in share capital (including buy-back)	64.9
Organic cash generation	**116.3**
NPATA adding back non-cash SBPE & depreciation (post-tax)	**91.0**
Cash conversion[1]	**128%**

- Business generated $116.3m of organic cash flow (as defined above)
- Cash generation elevated given continuing strong EOL performance
- Cash conversion[1] was 128% in FY24, enhanced by the tax timing difference associated with the Temporary Full Expensing tax legislation in Australia
- $59.4m of cash distributed to shareholders via buy-back during FY24

1) Organic cash generation / NPATA adding back non-cash SBPE and depreciation.

3. Operating segment performance

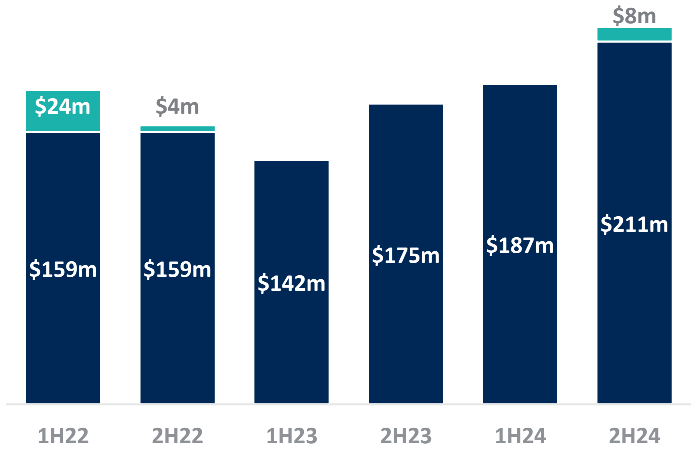
James Owens
Chief Financial Officer

FleetPartners

Fleet Australia

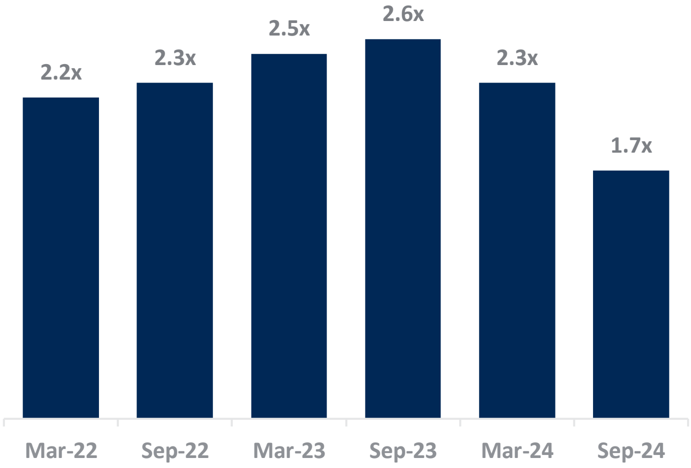
Strong NBW drives asset growth as vehicle supply returns and order pipeline unwinds

New business writings



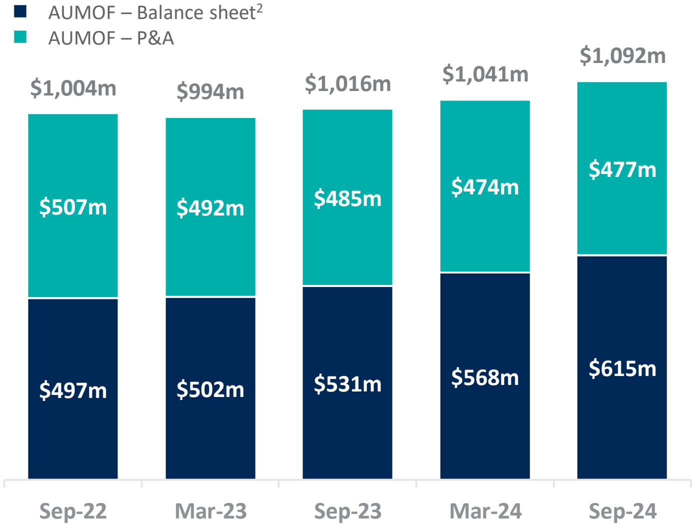
- NBW for FY24 was $407m – 28% higher than FY23 (including sale and leasebacks)
- Stable and potentially declining rate environment providing sale and leaseback opportunities, with $8m of sale and leasebacks completed in 2H24
- NBW growth supported by improvements in supply across all key vehicle segments during the period, allowing for replacement of ageing vehicles

Order pipeline[1]



- Order pipeline (backlog of orders) reduced in FY24, reaching 1.7x at Sep-24[1], as improved new vehicle supply enabled a significant portion of the backlog to be cleared
- With increases in new vehicle RRPs and customers ordering further in advance compared to FY19, the order pipeline is not expected to return to pre-COVID levels, and therefore may not decrease significantly from Sep-24 levels

AUMOF



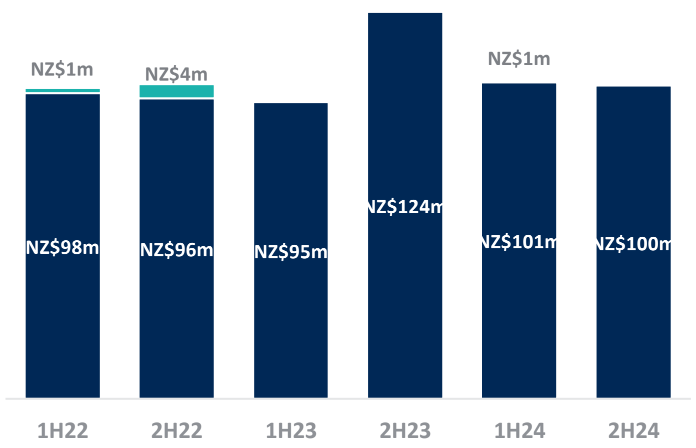
- AUMOF was 8% higher than Sep-23, driven by strong NBW performance
- Balance sheet funded AUMOF (warehouse/ABS) was 16% higher than Sep-23, as the majority of new customers are warehouse funded

1) Compared to Sep-19, the last full financial year prior to the emergence of the COVID-19 pandemic.
2) Balance sheet funded AUMOF relates to warehouse and ABS funded leases.

Fleet New Zealand

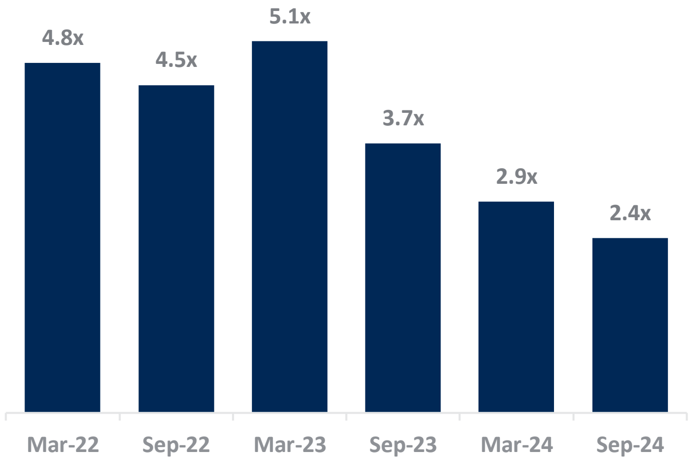
NBW remains robust, supported by order pipeline unwind as economy softened – asset base continues to grow

New business writings



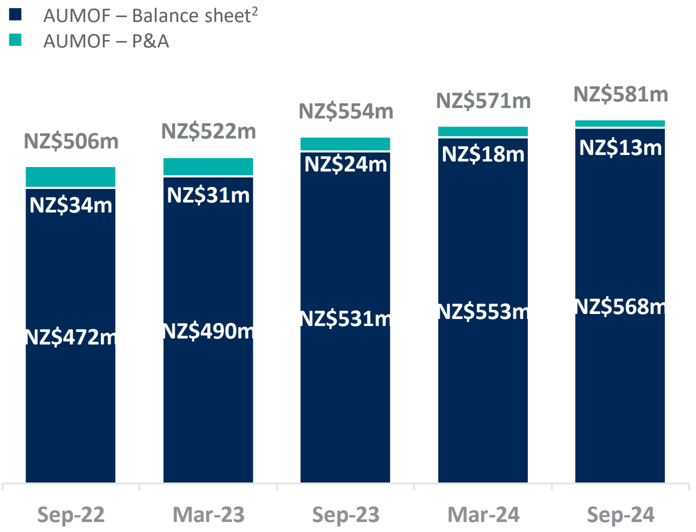
- NBW for FY24 was NZ$202m – 8% lower than FY23 (including NZ$1m of sale and leasebacks) following elevated NBW in 2H23 associated with strong demand ahead of changes to the Clean Car Discount (CCD) in Jul-23
- NBW result was in the context of a reduction in new vehicle registrations of 16% in New Zealand during the same period

Order pipeline[1]



- NBW was supported by a drawdown on the order pipeline, as order activity softened due to uncertainty regarding the NZ election, changes to the CCD and its ultimate repeal from 1 Jan-24, and the deterioration of the economic landscape
- As a result, the order pipeline reduced to 2.4x at Sep-24 compared to 3.7x at Sep-23
- However, there are early indications of activity levels picking up, with orders returning to growth in 4Q24

AUMOF



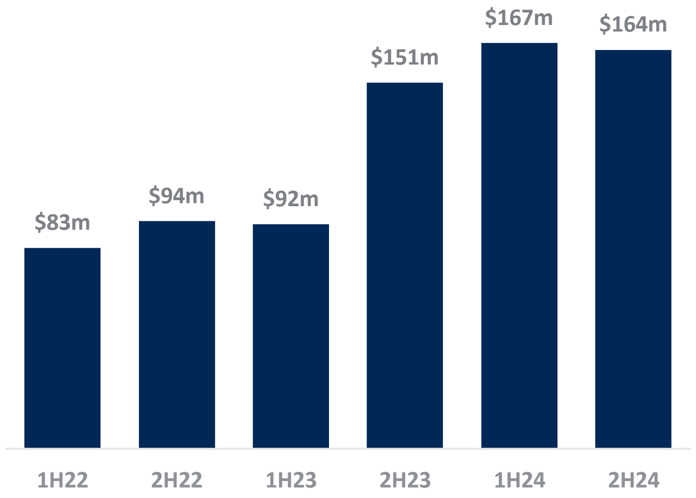
- AUMOF was 5% higher than Sep-23
- Balance sheet funded AUMOF was 7% higher than Sep-23, with minimal P&A funded AUMOF remaining

1) Compared to Sep-19, the last full financial year prior to the emergence of the COVID-19 pandemic. Calculated in NZD.
2) Balance sheet funded AUMOF relates to warehouse and ABS funded leases.

Novated

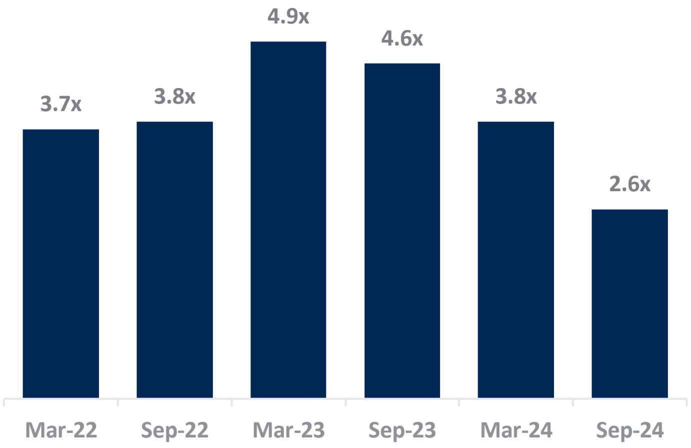
NBW continues to grow, supported by EVs and a drawdown of the pipeline – asset base continues strong growth

New business writings[1]



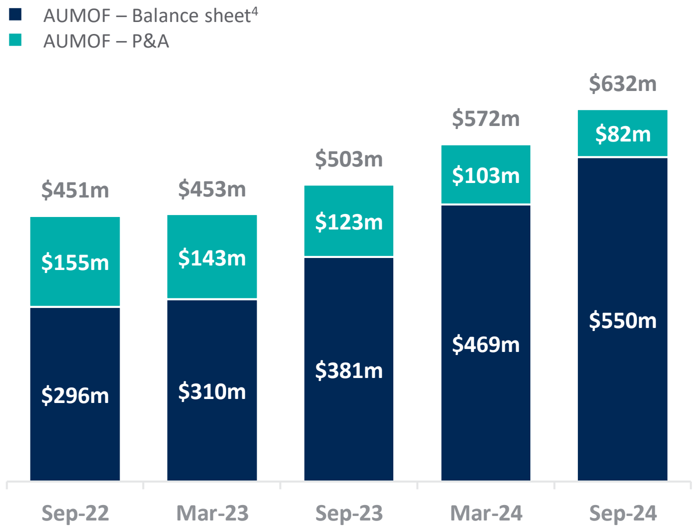
- NBW for FY24 was $331m – 36% higher than FY23
- NBW growth supported by improvements in supply and the continuing tailwind of the Electric Car Discount, with 53% of FY24 Novated NBW relating to EVs
- Following the rapid growth in NBW during 2H23, NBW has stabilised in 2H24 at a level similar to 1H24

Order pipeline[2]



- As a result of the significant increase in NBW and improved new vehicle supply, the order pipeline decreased from 4.6x at Sep-23 to 2.6x at Sep-24
- Tesla Model Y, Tesla Model 3 and BYD Atto 3 remain the most popular EV models, however their proportion is reducing as a greater variety of makes and models becomes available, including a wider range of PHEVs

AUMOF[3]



- AUMOF was 25% higher than Sep-23
- Balance sheet funded AUMOF was 44% higher than Sep-23
- The mix-shift away from P&A is expected to continue, with the majority of Novated NBW being balance sheet funded post Accelerate

1) 1H22 excludes FCNT which was dissolved in Mar-22 in line with the Group's strategy to exit low returning products.
2) Compared to Sep-19, the last full financial year prior to the emergence of the COVID-19 pandemic.
3) AUMOF excludes FCNT which was dissolved in Mar-22.
4) Balance sheet funded AUMOF relates to warehouse and ABS funded leases.

4. Outlook

Damien Berrell
Chief Executive Officer and Managing Director

FleetPartners

FY25 expectation analysis

NOI pre EOL and provisions margin normalisation and funding transition expected to partially offset growth in AUMOF

	FY24A	FY25 (expectation)	Comments
NOI pre EOL and provisions	$158.7m		• Growth in average AUMOF partially offset by reduction in management fees as extensions reduce to more typical levels and funding commissions reduce with more balance sheet funding of NBW post Accelerate
End of lease	$70.6m		• Prices in used vehicle market expected to continue to reduce • Units sold expected to remain strong as supply enables replacement of aged vehicles • Maximising EOL per unit through optimisation of sales channels
Provisions	$(2.8)m		• Provisioning expected to increase as the balance sheet funded portfolio grows
NOI	**$226.5m**		
Operating expenses	$(89.2)m	$(91.0 – 92.0)m	• Growth driven by activity levels and cost inflation expected to be partially offset by Accelerate cost benefits later in FY25
EBITDA	**$137.3m**		
Share-based payments	$(3.3)m	$(4.4 – 4.6)m	• Higher due to reversal of SBP expense recognised in FY24 (in relation to FY23 LTI Plan grants) not recurring in FY25
Interest on corporate debt	$(6.3)m	$(5.8 – 6.0)m	• Based on current 90-day BBSW and corporate borrowings, and allowing for refinancing of fixed rate debt via the revolver. +/- $0.1m impact for every future +/- 25 bps change to BBSW
Depreciation and leases	$(3.3)m	$(3.2 – 3.4)m	• Stable
Tax	29.5%	29 – 30% (tax rate)	• Based on statutory earnings from Australia and New Zealand • No Australian corporate tax expected to be paid in cash, given carried-forward tax losses associated with *Temporary Full Expensing* (which ceased 30 Jun-23)

Operating environment and strategic priorities

FleetPartners is continuing to execute on its clear strategy to pursue long-term value creation

Operating environment

- Customer demand continues to be strong across Fleet AU and Novated, with encouraging signs at Fleet NZ
- Transition to low/no emission fleets to remain a key industry focus for the foreseeable future – presenting a significant opportunity for FMOs
- EOL continues to be elevated but expected to revert to pre-COVID-19 levels in the coming years
- Vehicle supply back to normal

Strategic priorities

- Drive growth with Strategic Pathways
  - Corporate – Service excellence, expertise and a critical partner for fleet decarbonisation
  - Small Fleets – Digital origination platform – scalable across multiple distribution channels
  - Novated – Frictionless customer experience – unlocking opportunities driven by strong EV demand
- Accelerate – $6m annualised opex saving during 2H25 for a one-off revised $30m total project investment[1]
- Share buy-back program – 29% of shares cancelled to date and a further c.3% to be cancelled
- ESG and sustainability are central to the Group's strategy and values

FleetPartners today

- ✓ Clearly defined & well-established EPS growth strategy
- ✓ Predictable, recurring, annuity-like income
- ✓ Disciplined approach to cost management
- ✓ Highly cash-generative business model
- ✓ Strong balance sheet and no net debt
- ✓ Proven funding and liquidity standing
- ✓ High quality credit portfolio

1) Latest Accelerate estimated spend of $30m versus $25m original estimate.

Questions

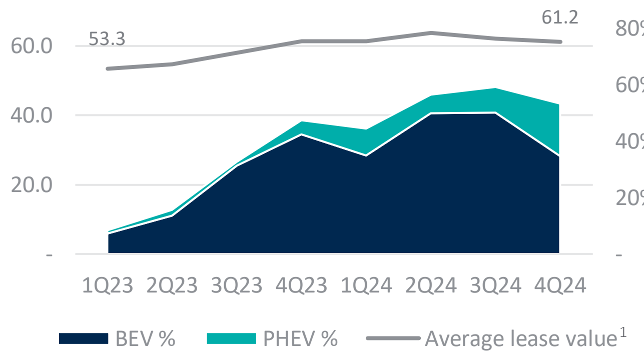
5. Appendices

FleetPartners

Electric Vehicles – uptake by segment

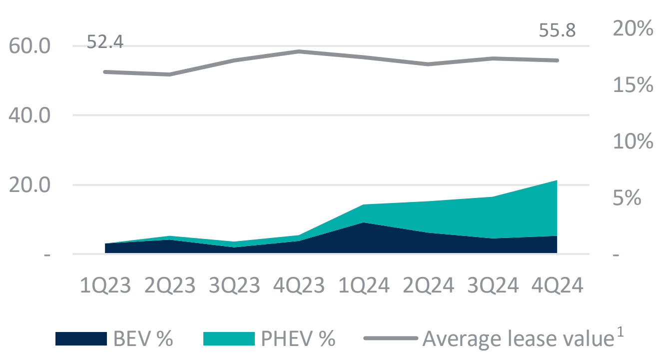
Acceptance and uptake continues to be strongest in Novated, with the Corporate transition still at early stages

Novated NBW



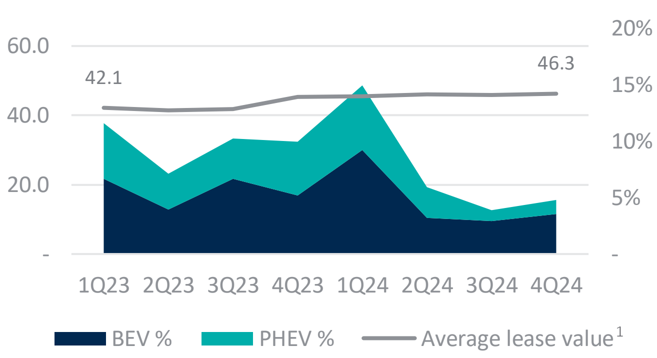
- FBT exemption for BEVs and PHEVs below the Luxury Car Tax threshold has driven strong uptake in EVs
- Commenced Jul-22, with PHEV exemption to be removed Apr-25 & BEV exemption to be reviewed by mid-2027
- In 4Q24, demand for PHEVs increased whilst BEV demand reduced
- Average lease value for all Novated leases has remained broadly stable during FY24 at over $60k

Fleet Australia NBW



- FBT exemption has been less effective at driving EV demand for Corporate fleets where adoption remains low, due to barriers to adoption set out on the next page
- However, there has been a notable increase in PHEVs over FY24, which grew to 5% of NBW in 4Q24, as these offer a solution for range anxiety
- New Vehicle Efficiency Standard starts Jan-25, with penalties for OEMs failing to meet CO_2 targets effective Jul-25, which may:
  - ✓ Increase ICE prices & therefore amount financed
  - ✓ Pull forward ICE lease demand into late 2024
  - ✓ Increase variety of EVs available, aiding transition

Fleet New Zealand NBW



- Following repeal of the Clean Car Discount in Dec-23, the proportion of NBW relating to EVs has reduced significantly, sitting at 4% during 2H24
- Trend consistent with NZ new vehicle registrations data
- Average lease value has remained broadly consistent throughout FY24, following an increase towards the end of FY23

1) Average lease value is for all vehicle types including ICE and Hybrid, and is shown in AUD'000.

Electric Vehicles – state of play

A broad range of factors influence customer adoption of EVs

Sustainability reporting

- Sustainability standard IFRS S2 came into effect from Jan-24[1]
- Requires disclosure of climate-related risks, opportunities & progress on meeting climate-related targets
- Places heightened pressure on corporates to reduce Scope 1 emissions (i.e. fleet) & transition to EVs
  - ✓ Greater FMO outsourcing anticipated to address RV concerns, reporting complexities & lack of internal EV expertise

Barriers to EV adoption

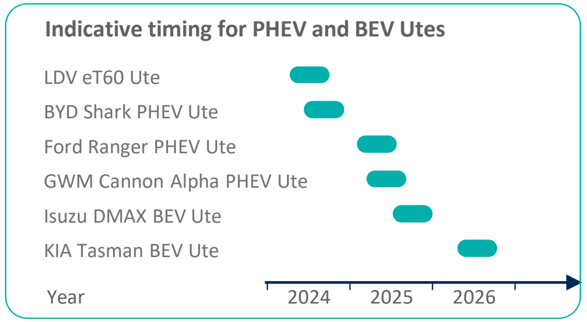
◔ **Fit-for-purpose options**
No viable ute/van currently available. PHEV utes expected from late 2024 & BEVs from late 2025

◑ **Employee acceptance**
Acceptance moving beyond "early adopter" stage, helped by Novated uptake. Range less of an issue

◑ **Charging strategy**
Multi-faceted solution required where home charging unavailable (e.g. older apartments)

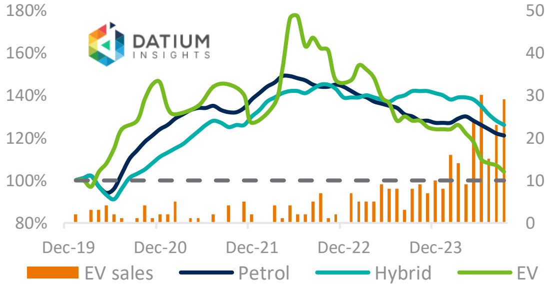
◕ **Whole-of-life costs**
Gap to ICE vehicles closing due to lower EV prices & govt help (i.e. Electric Car Discount), but EV utes expected to cost significantly more than ICE

Progress: ◔ Limited; ◑ Moderate; ◕ Substantial; ● Resolved



EV residual values

- Too early and too few data points to comfortably draw conclusions on RV behaviour of EVs
- Datium Insights data indicates EV used values reducing quicker than petrol used values in 2H24, with the volume of used EVs sold still low but increasing (avg. of 22 per month in 2H24 vs 11 per month in 1H24)
- Since 2019 FPR has sold 40 BEVs in NZ at an avg. EOL per vehicle of ~NZ$2.6k
- At Sep-24, 4.6% of Fleet AUMOF related to EVs, where FPR takes residual value risk



EV revenue model

- Too early to draw definitive conclusions on EV lease revenue impacts
- Positive impacts likely to be
  - ✓ Higher purchase price, generating greater net interest margin (NIM)
  - ✓ Higher tyre income
  - ✓ New income streams (e.g. from EV wall charger financing)
  - ✓ Transition of fleets to EVs being a catalyst for companies to outsource fleet management
- Negative impacts likely to be
  - ✗ Lower maintenance income
  - ✗ No fuel rebates
- No impact expected on remaining fees/products

1) Australian (ASRS S2) and New Zealand (Aotearoa New Zealand Climate Standards) effective for financial years beginning on or after 1 Jan-25 and 1 Jan-23, respectively. Note that FleetPartners is out of scope for the New Zealand standards.

Operating segment results

Fleet Australia ($m, unless stated)	FY24	FY23	Var %
NOI before EOL & Impairments	**91.7**	**93.0**	**(1)%**
End of lease	50.4	54.2	(7)%
Impairments	(2.8)	(0.4)	nm
NOI	**139.3**	**146.7**	**(5)%**
Operating expenses	(61.2)	(57.6)	6%
EBITDA	**78.1**	**89.1**	**(12)%**
AUMOF	1,092.4	1,016.1	8%
VUMOF ('000)	48.8	52.6	(7)%

Fleet New Zealand ($m, unless stated)	FY24	FY23	Var %
NOI before EOL & Impairments	**35.7**	**37.2**	**(4)%**
End of lease	18.5	18.3	1%
Impairments	0.1	(0.2)	nm
NOI	**54.4**	**55.3**	**(2)%**
Operating expenses	(15.3)	(14.8)	3%
EBITDA	**39.1**	**40.5**	**(4)%**
AUMOF	533.9	516.6	3%
VUMOF ('000)	21.4	23.1	(7)%

Novated ($m, unless stated)	FY24	FY23	Var %
NOI before EOL & Impairments	**31.3**	**20.6**	**52%**
End of lease	1.7	1.2	40%
Impairments	(0.1)	(0.3)	nm
NOI	**32.9**	**21.4**	**53%**
Operating expenses	(12.7)	(12.1)	5%
EBITDA	**20.2**	**9.3**	**116%**
AUMOF	631.7	503.4	25%
VUMOF ('000)	14.7	13.2	11%

Group ($m, unless stated)	FY24	FY23	Var %
NOI before EOL & Impairments	**158.7**	**150.8**	**5%**
End of lease	70.6	73.7	(4)%
Impairments	(2.8)	(1.0)	nm
NOI	**226.5**	**223.5**	**1%**
Operating expenses	(89.2)	(84.5)	6%
EBITDA	**137.3**	**139.0**	**(1)%**
AUMOF	2,258.0	2,036.2	11%
VUMOF ('000)	84.9	88.9	(4)%
Funded VUMOF ('000)	63.9	63.3	1%

Balance sheet

Balance sheet remains strong, with disciplined capital management

$m	30 Sep 2024	30 Sep 2023	%
Assets			
Cash and cash equivalents	91.3	87.6	4%
Restricted cash and cash equivalents	182.7	159.5	15%
Trade and other receivables	79.1	80.0	(1%)
Leases	1,675.9	1,388.7	21%
Inventory	15.6	18.0	(13)%
PP&E	3.5	1.9	84%
Intangibles	478.7	473.5	1%
Right-of-use assets	3.8	4.0	(4)%
Derivative financial instruments	-	34.0	(100)%
Total assets	**2,530.6**	**2,247.2**	13%
Liabilities			
Trade and other liabilities	138.1	144.0	(4)%
Borrowings – Warehouse and ABS	1,596.4	1,314.8	21%
Borrowings – Corporate debt	60.0	65.0	(8)%
Provisions	8.4	8.4	-
Lease liabilities	5.7	4.5	27%
Derivative financial instruments	5.7	-	-
Deferred tax liabilities	93.3	74.8	25%
Total liabilities	**1,907.7**	**1,611.5**	18%
Net assets	**622.9**	**635.7**	**(2%)**

Comments

- Cash driven by strong organic cash generation, offset by $59.4m share buy-back and a $5.0m reduction in corporate debt
- Leases up 21% and warehouse borrowings up 21%, driven by growth in balance sheet funded AUMOF of 20%
- Inventory down 13% due to an increase in the level of EOL units returned for disposal at the end of last year, which have since been sold
- Derivative financial instruments (related to interest rate hedges) moved from an asset of $34.0m at Sep-23 to a liability of $5.7m at Sep-24 due to movements in swap curves and the use of swaps during FY24
- Gross corporate debt reduced to $60.0m and net cash increased from $22.6m at Sep-23 to $31.3m at Sep-24 as a result of organic cash generation offset by the share buy-back and investment in the warehouse, as balance sheet funded AUMOF continues to grow

Thank you

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