

23 January 2025

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AUSTRALIA | NEW ZEALAND

ASX Release

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FLEETPARTNERS GROUP 2025 ANNUAL GENERAL MEETING CHAIR'S ADDRESS

In accordance with the Listing Rules, please see attached the address to be delivered by the Chair of FleetPartners Group Limited (**ASX:FPR**), Gail Pemberton, at this morning's Annual General Meeting held in Sydney, Australia.

This announcement has been authorised by the Board of Directors.

ENDS

Authorised by: Damien Berrell Chief Executive Officer and MD	Investor enquiries James Owens Chief Financial Officer James.Owens@fleetpartners.com.au +61 416 407 826
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FLEETPARTNERS GROUP 2025 ANNUAL GENERAL MEETING CHAIR'S ADDRESS

Good morning, my name is Gail Pemberton, Chair of the Board of Directors of Fleetpartners Group Limited and Chair of this Meeting.

Ladies and gentlemen, it is now 9:00am, the appointed time for the holding of the Meeting. I am advised by the Company Secretary that the necessary quorum is present.

I therefore have the pleasure in declaring the Annual General Meeting of the shareholders of FleetPartners open and I thank you for attending, including those shareholders who have joined via teleconference.

I will commence the proceedings today by acknowledging the Gadigal people of the Eora Nation, the traditional owners of this land, and pay my respects to Elders past and present.

This morning, I will provide a brief overview of our business and achievements during the 2024 financial year.

Our Chief Executive, Damien Berrell, will then give an update on our business, including the expectations for FY25, post our first quarter performance.

There will then be time for questions from shareholders when we move on to the formal business of the meeting and the resolutions for your consideration.

I welcome our Independent Non-Executive Directors here today;

- Fiona Trafford-Walker also Chair of the Audit and Risk Committee;
- Russell Shields;
- Cathy Yuncken also Chair of the People, Culture, Remuneration and Nomination Committee;
- Rob McDonald; and
- Mark Blackburn.

We also welcome;

- Damien Berrell – Chief Executive Officer and Managing Director;
- James Owens – Chief Financial Officer;
- Lauren Osbich – Company Secretary;
- Peter Zabaks, from KPMG, FleetPartners' Auditor; and
- Simon Duivenvoorde, Returning Officer for today's Meeting from MUFG Pension & Market Services, FleetPartners' share registry.

I would also like to welcome those of our Executive Team who have joined us here today.



FY24 performance highlights

At last year's AGM, I described FY23 as a transitional year. In that year, we transitioned to the new Fleet Partners brand and associated set of values. We commenced the Accelerate business transformation program and we began the transition from a mix of P&A and balance sheet funding to a predominantly balance sheet funded business model. At the same time, the business continued to grapple with supply chain constraints and elevated used car prices.

In FY24, we finally saw the easing of the supply constraints that had impacted the business through the COVID years. This saw the record back order book begin to unwind and, coupled with outsized demand for BEVs and PHEVs, dominated by our Novated business, drove record New Business Writings, "NBW", of \$924 million. This represented 21% growth to pcp, and a record level of Assets Under Management or Financed, "AUMOF" of \$2.3 billion and growth of 11% to pcp. No better metric illustrates the level of demand this year than the fact the majority of vehicles leased throughout the year in Novated, at 53%, were electric vehicles.

NOI-pre EOL and provisions was up 5% driven by the strong growth in AUMOF partially offset by reduced management fees and commissions due to the higher volume of warehouse funding vs P&A in FY24. NPATA at \$88m was slightly down by 1% vs pcp as a result.

Damien will cover more about the Group's strategy, known as Strategic Pathways, when he speaks but I'd also like to call out the achievement in FY24 of an important strategic milestone. When we launched Strategic Pathways in FY21, our Group New Business Writings were \$633 million. As at the close of FY24, the Group achieved \$924 million, demonstrating CAGR of 10% over the past 4 years.

At the same time, the Group's operating expenses grew at a much lower CAGR of 3%, indicative of a disciplined approach to cost management despite high commercial activity, the Accelerate program and inflation.

In addition to the strong financial results of FY24, and encouraging momentum heading into FY25, the other performance highlight this year has been the defensive qualities of the Group's business model.

90+-day arrears finished the year at 44 bps are offset by the value of the underlying vehicle demonstrating the business-critical nature of the vehicles we lease to our corporate customers. To those customers, our vehicles are tools-of-trade, they are revenue-generating assets and the Group's portfolio credit performance is indicative of this fact.

Our business model is highly cash generative and the Group's cash conversion ratio in FY24 was 128%. As of 30 September 2024, the Group's balance sheet had a net cash position of \$31.3 million. This was driven by the Group's carried-forward tax losses meaning no cash tax was payable in Australia during the year, nor is any expected to be paid until late FY26 at the earliest.

Finally, the Group declared a capital return to shareholders of \$59.4 million for FY24 in the continuing form of our on-market share buy-back program. This is equivalent to a dividend pay-out ratio of approximately 68% of \$88 million NPATA.

The on-market share buy-back continues to be the best alternative mechanism for a return of capital to shareholders in the absence of distributable franking credits. It is expected that the Group will resume dividends as it accrues franking credits, and in the absence of no superior capital allocation alternative. From the inception of the buy-back program in the second half of FY21 up until the end of the first quarter of FY25, the Group has outlaid a total of \$233m representing 30% of shares on issue.



Moving on to ESG, which is a guiding principle of our Group's strategy which has seen great progress during FY24, as outlined on slide 8.

Environmental, Social and Governance

Our commitment to environmental, social and governance principles extends beyond environmental initiatives. We are actively engaged in fostering social responsibilities within our Group and the broader community.

By investing in our employees, supporting local communities, and championing diversity and inclusion, we are building a corporate culture with its foundations in empathy, respect and equality. Most importantly, the Board is proud of the energy and passion our team at FleetPartners dedicates to supporting their local communities each and every year.

In 2024, the Group's 'Reflect' Reconciliation Action Plan was endorsed by Reconciliation Australia. Throughout the year, the Group delivered on its commitments under this plan, demonstrating its commitment to strengthening relationships between Aboriginal and Torres Strait Islander peoples and non-indigenous peoples, for the benefit of all Australians.

In November 2024, the Group released its second Sustainability Report, aligning its ESG progress under the United Nations Sustainable Development Goals (UN SDG) framework, the Global Reporting Initiatives and the Task Force on Climate-Related Financial Disclosures.

During the 2024 financial year, the Group's maintained its Climate Active Carbon Neutral certification in Australia and Toitū Net CarbonZero certification in New Zealand. Combined, this makes the Group the first fleet management company with both sets of climate certification.

In 2024, the Group also launched a Green Bond Framework to issue certified Green Asset Backed Securities under global principles. This included a successful inaugural \$75 million Green Bond issuance in May 2024, which broadened our investor base and reinforced our commitment to addressing climate change through sustainable investment solutions.

These initiatives place the Group in a strong position to support our clients with their ESG and emissions targets, including transitioning fleets to lower emission vehicles.

The Group also continues to be a proud WGEA Employer of Choice for Gender Equality.

Finally, the Group continues to strive towards best practice in Corporate Governance. Fleet Partners has a capable board of directors who oversee the business, with a good balance of gender diversity, sector and governance skills and experience, retained corporate knowledge and built-in succession.

Concluding remarks

Before passing to Damien, let me conclude with some final remarks.

Our Group is well positioned to deliver further sustainable EPS growth and shareholder value through Strategic Pathways, our go-to-market strategy, the impending implementation of the Accelerate business transformation program in FY25, as well as continued, disciplined capital management. Damien will cover these EPS drivers in more detail.



In closing, I would like to express my sincere appreciation to all team members who have contributed to the strong performance of our Group. Their loyalty, resilience and dedication have delivered the record results achieved in FY24 while at the same time they have given tirelessly of their time and energy to drive the Accelerate Program to completion.

Finally, on behalf of the FleetPartners Group, I also express my sincere thanks and appreciation to our customers, our investors, and to our capital market partners for your continuing support.

I would now like to ask our Managing Director and Chief Executive Officer, Damien Berrell to address the meeting.