

28 February 2025

STRONG FIRST HALF LAYS SOLID FOUNDATION FOR CONTINUED GROWTH

Fleetwood Limited (**ASX: FWD**) (“Fleetwood” or “the Company”) is pleased to announce its first half financial results for the period ended 31 December 2024 (H1FY25).

HIGHLIGHTS

Fleetwood’s first half results highlights against the prior corresponding period (PCP) include:

- **Net Profit After Tax (NPAT):** \$4.7 million, up \$0.8m or 20% as compared to the PCP
- **Earnings Before Interest & Tax (EBIT):** \$10.4 million, up \$4.1m or 65% on the PCP
- **Underlying* Earnings Before Interest & Tax:** \$18.3 million, up \$12.0m or 192% on the PCP
- **Dividend:** Fully franked dividend of 11.5 cents per share, up from 2.5 cps on the PCP
- **Cash Conversion:** 98% cash conversion, up 118% on the PCP
- **Free Cash Flow:** \$21.6 million in free cash flow, up \$32.2m as compared to the PCP
- **RV Solutions:** Non-recurring costs of \$7.9 million excluded from underlying results

SEGMENT RESULTS

\$ Million	H1 FY25	H1 FY24	Variance
Community Solutions			
Revenue	33.5	17.2	16.3
EBIT	16.8	4.7	12.1
EBIT %	50.2%	27.5%	22.8%
Building Solutions			
Revenue	202.6	172.1	30.5
EBIT	7.1	3.2	3.9
EBIT %	3.5%	1.8%	1.6%
RV Solutions			
Revenue	36.0	40.0	-4.0
EBIT	-8.6	1.8	-10.4
EBIT %	-24.0%	4.5%	-28.4%
Underlying* EBIT	-0.7	1.8	-2.5
Underlying EBIT %	-2.0%	4.5%	-6.5%

*Excludes \$7.9M in non-recurring restructuring and impairment costs in RV Solutions

- Community Solutions’ results improved in the first half with the significant increase in contracted occupancy at Searipple Village reaching 71% in H1FY25, up from 34% in H1FY24.
- Building Solutions’ profitability continued to build momentum after exceeding short-term EBIT margin targets, with an improved order book and gross margins as the business targeted made-for-modular projects as well-disciplined project execution delivered a step change in performance compared to H1FY24. Reaching the 15% ROCE hurdle is now expected 12 months ahead of schedule.



- RV Solutions continued to face economic challenges as cost-of-living pressures negatively impacted consumer discretionary spend right across the industry, lowering demand with direct impact to margins and profitability. A strategic review resulted in a \$6m impairment to goodwill and one-off restructuring costs of \$1.9m to reduce the cost base of the business.

CAPITAL MANAGEMENT

- Strong balance sheet maintained with a net closing cash position of \$57.5m, up \$23.4m from December 2023.
- Free cash flow of \$21.6m, up \$32.2m from H1FY24.
- Project bonding at \$21.8m, up from \$18.4m reflecting several new major projects, and total bank guarantee and bonding facilities of \$81m.
- Capital expenditure was down slightly to \$3.2m in H1FY25 from \$3.4m in H1FY24.
- The ongoing share buy-back resulted in the acquisition of 531,414 shares to the end of December.
- The Board declared a fully franked interim dividend of 11.5 cents per share, reflecting the strong balance sheet and the positive outlook. The Company's dividend policy to pay 100% of net profit after tax remains in place.
- The Board will continue to review the Group's capital structure with a focus on maximising returns to shareholders while maintaining balance sheet strength and flexibility.

OUTLOOK

- The outlook for Community Solutions is extremely positive across multiple horizons, particularly for Searipple Village in Karratha, with strong prospects for further project upgrades and maintenance requirements across the oil and gas, fertiliser, and green energy sectors. Following last week's announcement, the contracted H2FY25 occupancy for Searipple is currently 89%, bringing the full year to 80%, with further opportunity to optimise revenue and benefit from growing demand in the region.
- The outlook for Building Solutions continues to improve with a current order book of \$137 million, up 37% from the \$100 million in H1FY24. In addition to the order book, Building Solutions derives ~50% of its revenue from repeatable long-term panel agreements, positioning it to generate 20-30% revenue growth in H2FY25 compared to H2FY24. The continued focus on the Build, Transform, Grow strategy will help to reach the medium term 15% ROCE 12 months ahead of schedule through a more simplified business model focussed on improving utilisation and productivity.
- The short to medium term outlook for RV Solutions continues to be soft with plans implemented to reduce operating costs and return to profitability in H2FY25 currently on track. Following a strategic review the Board has taken the decision to impair the RV Solutions business by \$6m and incur one-off \$1.9m restructuring costs to reduce the cost base. The remainder of FY25 will be focused on growing new product sales to offset the decline in the caravan OEM segment, while implementing targeted price increases to recover rising input costs.

MD & CEO COMMENT

Commenting on the results and outlook, Managing Director & CEO Bruce Nicholson said:

“The first half of the 2025 financial year has been exceptionally strong for Fleetwood and for our shareholders. Our improved NPAT and EBIT results, both on an underlying and statutory basis, highlight the progress we’ve made in executing our strategy. The significant uplift in the Building Solutions order book and contracted rooms at Searipple, coupled with the strategic realignment of the RV business cost base, provides a solid foundation for continued earnings growth in the second half of the current financial year, and beyond.”

MARKET BRIEFING

Investors are invited to join a market briefing hosted by Bruce Nicholson, Managing Director & Chief Executive Officer and Cate Chandler, Chief Financial Officer on Friday 28 February at 12pm (Sydney time).

Participants are encouraged to join in the briefing using the following options:

Participants wishing to participate in the briefing and ask a question are requested to preregister to the conference call by using the following:

<https://s1.cconf.com/diamondpass/10045036-asfdme.html>

Registered participants will receive a calendar invite and a unique access code to be quoted when dialing into the call upon registration.

Participants can also join the webcast by visiting <https://webcast.openbriefing.com/fwd-hyr-2025/> via a smartphone, tablet, or computer.

Fleetwood recommends that participants register for online attendance at least 15 minutes before the briefing is scheduled to commence. The accompanying H1FY25 results slide presentation is available in the “Investor Centre – ASX Announcements” section of our website:

www.fleetwood.com.au

This announcement was authorised by the Board of Directors of Fleetwood Limited.

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FORWARD LOOKING STATEMENTS

This announcement includes forward looking statements and references which, by their very nature, involve inherent risks and uncertainties. These risks and uncertainties may be matters beyond Fleetwood’s control and could cause actual results to vary (including materially) from those predicted. Forward looking statements are not guarantees of future performance.