



FLEETWOOD

The better way to build

H1FY25 Results Presentation

28 February 2025



Fleetwood Australia acknowledges
the Gadigal people of the Eora Nation,
the traditional custodians of this land
on which we meet today.

We pay our respects to
Elders past and present.

Today's Speakers



Bruce Nicholson

Chief Executive Officer &
Managing Director



Cate Chandler

Chief Financial Officer

Highlights

Bruce Nicholson

CEO & Managing Director



Vision and values



Operating Segments



Highlights

H1FY25



EBIT \$10.4M

Up \$4.1M on H1FY24 \$6.3M



Underlying EBIT* \$18.3M

*excludes restructuring costs \$1.9M
& impairment \$6M in RV Solutions

Up \$12.0M on H1FY24 \$6.3M



Free Cash Flow \$21.6M

Up \$32.2M on H1FY24



Dividend fully franked 11.5cps

H1FY24 2.5cps fully franked



Community Solutions EBIT \$16.8M

Up \$12.1M on H1FY24 EBIT \$4.7M

Searipple Occupancy 71%

Up from 34% in H1FY24



Building Solutions EBIT \$7.1M

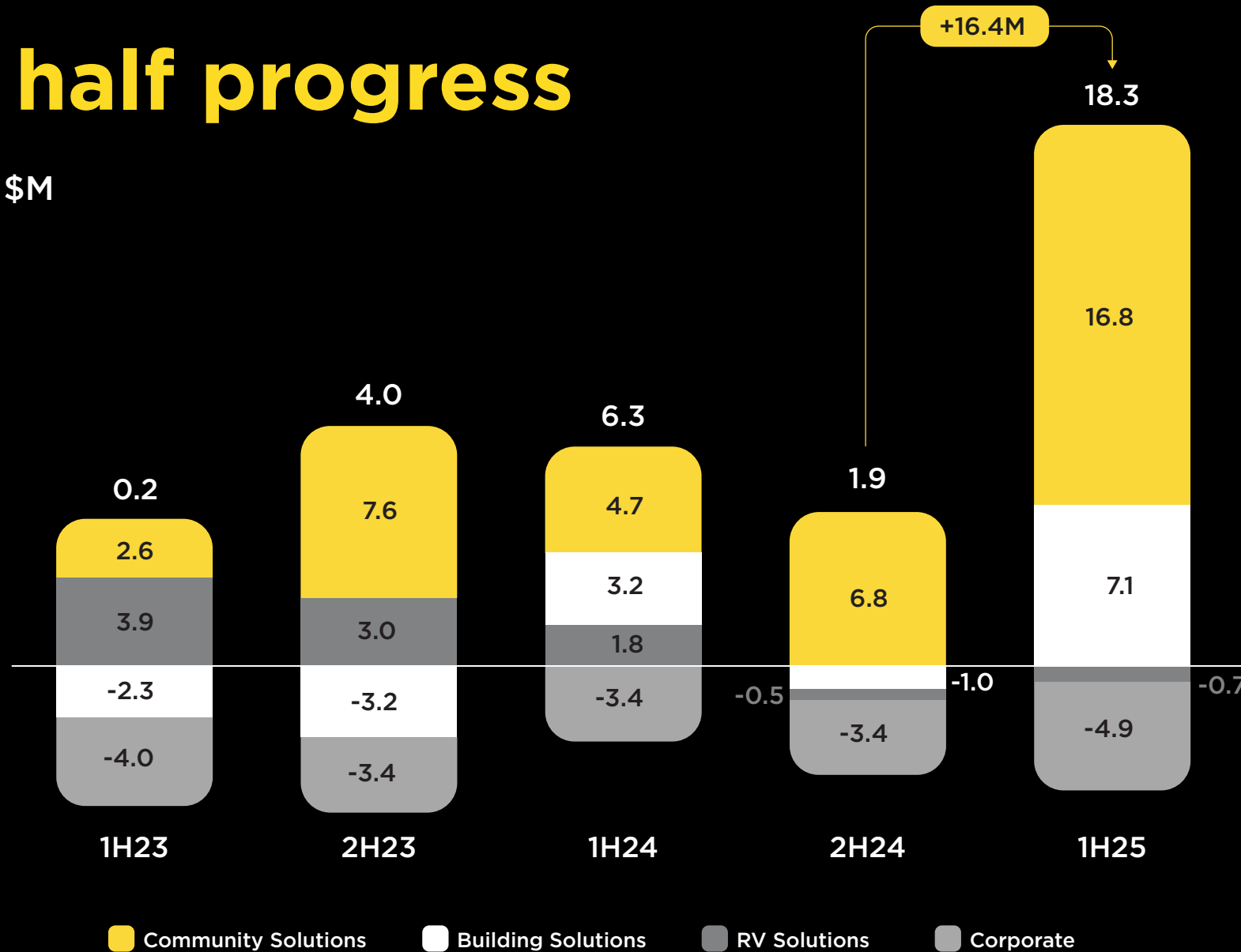
Up \$3.9M on H1FY24 EBIT \$3.2M

Order Book \$137M

Up \$37M on Dec-23 \$100M

Half on half progress

Underlying⁽¹⁾ EBIT \$M



(1) H1FY25 Underlying EBIT excludes restructuring costs \$1.9M and impairments \$6.0M in RV Solutions



Financial Results

Cate Chandler

Chief Financial Officer



Profit & Loss

- + Strong revenue growth of 19% supported by Building Solutions contract wins and Searipple Village occupancy of 71%
- + A step up in EBIT performance was delivered by both Building Solutions and Community Solutions increasing EBIT by \$16.0M compared to H1FY24
- + RV Solutions is operating in a challenged market, where rising costs have not always been offset by price increases resulting in an impairment of goodwill of \$6.0M
- + A strategic review of the RV Solutions business has resulted in \$1.9M in restructuring costs to 'right size' the fixed cost base

| \$ Million | H1FY25 | H1FY24 | Change |
|----------------|-------------|------------|------------|
| Revenue | 272.7 | 229.9 | 42.8 |
| EBITDA | 25.2 | 14.5 | 10.7 |
| Impairment | -6.0 | 0.0 | 6.0 |
| Depreciation | -8.8 | -8.2 | 0.6 |
| EBIT | 10.4 | 6.3 | 4.1 |
| EBIT % Revenue | 3.8% | 2.7% | 1.1% |
| Finance costs | -1.0 | -0.8 | 0.2 |
| Tax expense | -4.7 | -1.6 | 3.2 |
| NPAT | 4.7 | 3.9 | 0.7 |

| \$ Million | H1FY25 | H1FY24 | Change |
|-------------------------------|--------|--------|--------|
| RVS Impairment | 6.0 | - | 6.0 |
| RVS Restructuring | 1.9 | - | 1.9 |
| Excluded from Underlying EBIT | 7.9 | - | 7.9 |
| RVS Restructuring tax | -0.6 | - | -0.6 |
| Excluded from Underlying EBIT | 7.3 | - | 7.3 |

| \$ Million | H1FY25 | H1FY24 | Change |
|------------------------|-------------|------------|-------------|
| Community Solutions | 16.8 | 4.7 | 12.1 |
| Building Solutions | 7.1 | 3.2 | 3.9 |
| RV Solutions | -0.7 | 1.8 | -2.5 |
| Corporate | -4.9 | -3.4 | -1.5 |
| Underlying EBIT | 18.3 | 6.3 | 12.0 |
| Underlying NPAT | 12.0 | 3.9 | 8.1 |

Cash Flow

- + Solid underlying earnings and disciplined working capital management generated a \$32.2M improvement in free cash flow
- + Free cash flow of \$21.6M generated in the half
- + Capex spend of \$1.8M at Searipple Village to upgrade Wi-Fi and kitchen facilities; \$0.9M for RV Solutions to upgrade manufacturing equipment and software systems; and \$0.5M for Building Solutions' plant and equipment
- + Share buyback of \$1.1M reflects 531,414 shares acquired to 31 Dec 2024

| \$ Million | H1FY25 | H1FY24 | Change |
|------------------------------|-------------|--------------|-------------|
| EBITDA | 25.2 | 14.5 | 10.7 |
| Non-cash impairment | -6.0 | - | -6.0 |
| Working capital and other | 5.4 | -17.4 | 22.8 |
| Operating cash flow | 24.6 | -2.9 | 27.5 |
| Cash conversion | 98% | -20% | 118% |
| Net capex | -3.2 | -3.5 | 0.3 |
| Net interest paid | -0.3 | 0.0 | -0.3 |
| Net tax (payments) / refunds | 4.8 | 0.0 | 4.8 |
| Lease repayments | -4.3 | -4.1 | -0.2 |
| Free Cash Flow | 21.6 | -10.6 | 32.2 |
| Dividends paid | -2.4 | -2.0 | -0.4 |
| Share buyback | -1.1 | 0.0 | -1.1 |
| Financing cash flows | -3.4 | -1.9 | -1.5 |
| Movement in net cash | 18.2 | -12.5 | 30.7 |
| Net Opening Cash | 39.3 | 46.6 | -7.2 |
| Net Closing Cash | 57.5 | 34.1 | 23.5 |

Capital Management

- + Strong balance sheet and closing cash position of \$57.5M
- + Interim fully franked dividend 11.5cps, reflecting the strong balance sheet and earnings momentum
- + Total bank guarantee and bonding facilities of \$81M
- + Project bonding \$21.8M, up from \$18.4M reflecting several new major projects
- + Shares on issue at reporting date 93,606,165 excluding 394,592 acquired to 28 Feb 2025

| \$ Million | H1FY25 | FY24 | Change |
|-----------------------------|--------------|--------------|--------------|
| Net working capital / other | 34.7 | 42.6 | -7.9 |
| Property Plant & Equipment | 32.8 | 35.1 | -2.3 |
| Intangibles | 42.3 | 48.2 | -6.0 |
| Capital Employed | 109.7 | 125.9 | -16.2 |

| | | | |
|-------------------------|--------------|--------------|--------------|
| Net Debt / Cash | -57.5 | -39.3 | -18.2 |
| Shareholder funds | 167.2 | 165.2 | 2.0 |
| Capital Employed | 109.7 | 125.9 | -16.2 |

| \$ Million | H1FY25 | H1FY24 | Change |
|-----------------------------|-------------|------------|------------|
| Total dividend - cps | 11.5 | 2.5 | 9.0 |

Segment Results

Bruce Nicholson

CEO & Managing Director



Community Solutions Performance

- + Searipple Village occupancy averaged 71% in H1FY25
- + An uplift in EBIT of \$12.1M related to the increase in contracted rooms
- + The Karratha region experienced a CAT4 cyclone in December, there was no impact to the Searipple Village operations. All facilities and rooms remained online
- + Osprey Village in Port Hedland remains fully occupied with a waitlist of potential tenants

| \$ Million | H1FY25 | H1FY24 | Change |
|----------------|--------|--------|--------|
| Revenue | 33.5 | 17.2 | 16.3 |
| EBIT | 16.8 | 4.7 | 12.1 |
| EBIT % Revenue | 50.2% | 27.5% | 22.9% |

Revenue \$ Million



Underlying EBIT \$ Million



Building Solutions projects that underpinned the strong H1FY25 results

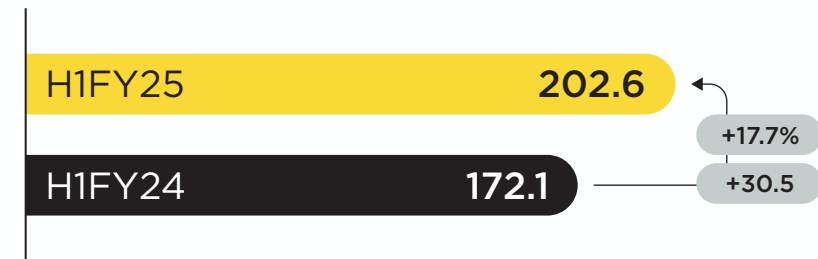


Building Solutions Performance

- + Revenue grew 17.7% underpinned by recurring education panels projects across VIC and QLD, private and public housing projects in WA and QLD and an increased level of activity in mining and resources across NSW and WA
- + Delivered a significantly improved EBIT result of \$7.1M and an EBIT margin of 3.5%, demonstrating the meaningful progress on the Build, Transform, Grow strategy
- + H1FY25 included the delivery of 60 homes as part of the Modern Methods of Construction (MMC) QBuild package for \$40.0M announced to the market on 12 July 2024. Manufacturing was completed on all homes in H1FY25, installations have been delayed by heavy rain in QLD
- + Sharpened focus on managing projects to deliver more consistent returns across the end-to-end project lifecycle

| \$ Million | H1FY25 | H1FY24 | Change |
|----------------|--------|--------|--------|
| Revenue | 202.6 | 172.1 | 30.5 |
| EBIT | 7.1 | 3.2 | 3.9 |
| EBIT % Revenue | 3.5% | 1.8% | 1.6% |

Revenue \$ Million



EBIT \$ Million



RV Solutions Performance

- + Difficult market and trading conditions continue to adversely impact sales to the Original Equipment Manufacture (OEM) caravan market for both Camec products and NRV plumbing services
- + Restructuring costs of \$1.9M included lease makegood costs to exit two sites \$0.6M, stock obsolescence of \$0.5M and redundancy costs of \$0.8M, all non-recurring
- + New product innovation sales continue to offset the decline in OEM performance and the retail stores continue to trade profitably
- + The inability to pass on price increases with OEM customers has been challenging, requiring an impairment of goodwill of \$6.0M
- + A return to profitability is expected in H2FY25 with a lower cost base and further price increases

| \$ Million | H1FY25 | H1FY24 | Change |
|--------------------------------|--------|--------|--------|
| Revenue | 36.0 | 40.0 | -4.0 |
| Underlying EBIT ⁽¹⁾ | -0.7 | 1.8 | -2.5 |
| Underlying EBIT % Revenue | -2.0% | 4.5% | -6.5% |

Revenue \$ Million



Underlying EBIT ⁽¹⁾ \$ Million



(1) Underlying excludes \$1.9M in restructuring and \$6.0M in impairment of goodwill

Strategy Update & Outlook

Bruce Nicholson

CEO & Managing Director



Community Solutions

Strategy

- + Optimise Searipple Village across the cycle by working with long term counterparties to secure base contracted business, layering in additional demand
- + Explore Build Own Operate/Transfer (BOOT) or Build to Rent (BTR) opportunities in the mining, residential and key worker sectors to balance earnings through the cycle
- + Continue to grow the Glyde technology platform, integrate and focus on business priorities and strategic growth initiatives with existing customers

Outlook

- + Searipple Village FY25 contracted occupancy 81% and FY26 contracted occupancy 73% with opportunities to build on the base contracted occupancy
- + The Karratha region has significant inbuilt infrastructure requiring ongoing maintenance and upgrades as well as new projects in the fertilizer and energy transition under development that will see demand for Searipple continue in FY26 and beyond
- + Osprey Village continues to have a strong waiting list for tenants, highlighting the demand for remote key worker accommodation and social/affordable housing in WA

Building Solutions

Strategy

- + A sharper focus on the Build, Transform, Grow strategic initiatives will improve the quality and consistency of earnings
- + Simplify systems and processes to underpin long term, sustainable growth, focusing on margin management and service delivery
- + Innovate and transform from builder to manufacturer
- + Maintain low capital intensity to remain flexible as the industry continues to evolve, while unlocking utilisation and capacity within existing footprint

Outlook

- + The order book at the end of December was \$137M, up from \$100M in Dec-23
- + The pipeline to replenish remains strong with over \$200M in tender submissions pending award
- + Education panel work in VIC and QLD is stronger in H1 when the buildings are manufactured, H2 is seasonally lower due to less manufacturing and more installation work
- + The 15% return on capital employed target is expected to be achieved 12 months earlier than originally planned

RV Solutions

Strategy

- + Continue to bring new accessories and products to the OEM and aftermarket segments to offset the OEM channel decline
- + Digital refresh of brand to grow online, retail and CRVS dealer network sales
- + Continue to develop structural solutions products, sandwich panels, doors and aluminum frames with increased capability and profitability
- + Continued focus on operating cost model, including product and branch profitability

Outlook

- + The caravan and recreational sector is expected to remain challenged in the near term
- + Continue to drive new products to offset OEM decline
- + Further targeted price increases to recover costs
- + RV Solutions will return to profitability in H2FY25 on a lower cost base

Summary

- + Underlying EBIT \$18.3M, a \$12.0M improvement on H1FY24
- + Strong earnings momentum and disciplined working capital management delivered a \$32.2M improvement in free cash flow
- + Reflective of the strong balance sheet and improvement in earnings, the Board declared a fully franked dividend of 11.5cps
- + Dividend policy to pay 100% of NPAT remains unchanged for FY25
- + In Community Solutions, Searipple Village FY25 contracted occupancy 81% and FY26 contracted occupancy 73%
- + In Building Solutions, a sharper focus on the Build, Transform, Grow strategic initiatives will improve the quality and consistency of earnings
- + Building Solutions order book \$137M at end of Dec-24, up from \$100M in Dec-23, a pipeline of over \$200M tenders pending award
- + Building Solutions is expected to deliver a 15% return on capital employed before the end of FY25
- + RV Solutions is executing a plan to return to profitability in H2FY25 through price increases and a lower cost base

A photograph of three construction workers on a site. A man in the center wears an orange polo shirt with a 'WEST COAST' logo and a white hard hat. He is looking at a clipboard held by a woman on the left. Another woman on the right, also in a white hard hat and safety vest, is pointing at the clipboard. The background shows a building under construction with blue and white walls and scaffolding.

Solid foundation with growing momentum to deliver sustainable earnings and shareholder returns

Q&A



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