



AVADA Group Limited 2023 AGM

22 November 2023

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Authorised for release by the Board of Directors of AVADA Group Limited.

Virtual AGM Access

A live webcast of the AVADA Group Annual General Meeting is available via <https://meetings.linkgroup.com/AVD23>

The AGM will commence at 10.00am (Brisbane time) on Wednesday, 22 November 2023.

Board of Directors



Lance Hockridge

**NON-
EXECUTIVE
CHAIRMAN**

Lance has nearly 40 years' experience in the transportation and heavy industrial sectors in Australia and the United States with Aurizon (MD and CEO), BlueScope Steel (Nth. America President) and BHP Billiton.



Daniel Crowley

**MANAGING
DIRECTOR &
CEO**

Dual World Cup winning Wallaby, Dan Crowley is the CEO and a founder of Verifact Traffic, an Australian market leader and a founding business of AVADA Group.



Ann-Maree Robertson

DIRECTOR

Ann-Maree has been Director of Audit & Assurance at Nexia Australia since 2007 with a client base including ASX listed public companies.



Jo Willoughby

DIRECTOR

Jo has a proven ability to deliver profitable and sustainable growth through customer-led innovation and change.



Courtney Black

DIRECTOR

Courtney is a seasoned leader in commercial and operational roles across a number of industries, with specialist expertise in customer service, strategy, transformation and change management.



Neil Scales OBE

DIRECTOR

Neil has more than 40 years' transport industry experience in Australia and the United Kingdom, having recently completed more than 10 years as Director General of the Queensland Department of Transport and Main Roads.



Chairman's Address

Lance Hockridge



Managing Director and CEO's Address

Dan Crowley

FY23 Highlights

- Ongoing profitability initiatives implemented in first-half
- Strong second-half trading performance
- Strategic acquisitions expanding operating footprint

**Underlying FY23
EBITDA
\$16.1m**

**Underlying FY23
Revenue
\$183.2m**

**7% revenue growth
from existing
business**

**Gross margin
improvement
achieved in H2FY23**

**Centralisation of
business functions
creating operational
efficiencies through
shared service
model**

**Significant
investment in
leadership structure
and capability**

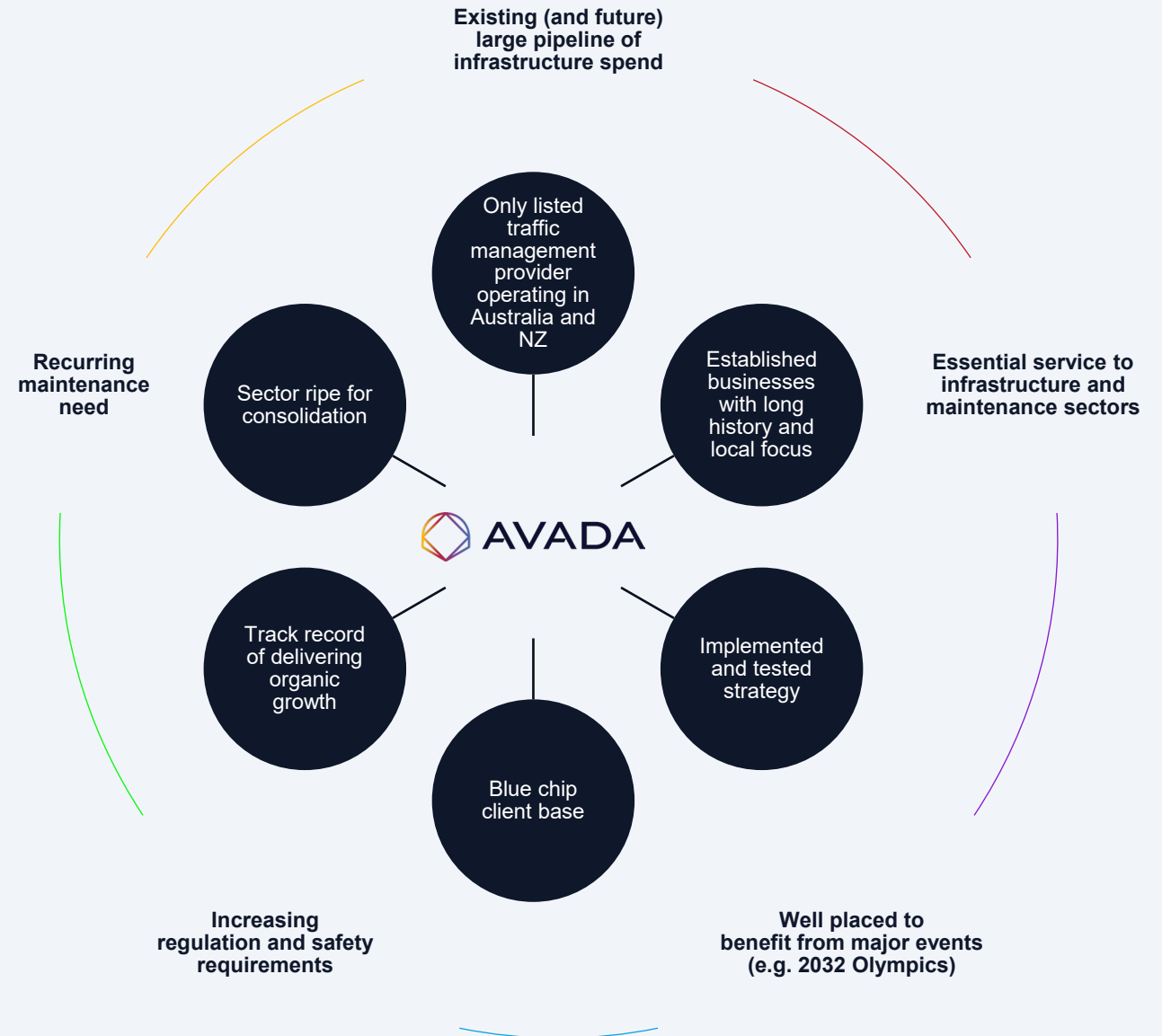
**Expansion into
Victoria with the
acquisition and
integration of
Construct Traffic**

**Expansion into New
Zealand with the
acquisition and
integration of
Wilsons Traffic**

**Entry into
indigenous services
joint venture –
Bilingarra**

Background

AVADA offers integrated traffic management services, including planning, permits, traffic control, equipment hire, event management and emergency services, for major public and private sector clients



Building momentum

Delivering operational efficiencies and strategic acquisitions across multiple geographies

19
DEPOTS



7
DEPOTS

2
DEPOTS



3
DEPOTS

Acquisition synergies

FY23 acquisitions added:

- 4 depots
- > 430 traffic controllers
- > 210 vehicles

Building scale in Victoria
with the acquisition of
STA Traffic Management

Entry into indigenous
services joint venture -
Bilingarra

Financial Performance

Underlying FY23 results reflect ongoing initiatives which were implemented in the first half to improve profitability, supported by trading conditions (including weather patterns) returning to the long-term average

| \$'000s | FY21 Underlying | FY22 Underlying | FY23 Underlying | H1 FY23 Underlying | H2 FY23 Underlying |
|-----------------------------------|--------------------|--------------------|--------------------|-----------------------|-----------------------|
| Revenue (incl. other income) | 116,959 | 139,154 | 183,271 | 90,514 | 92,757 |
| Gross profit | 24,747 | 31,766 | 38,436 | 17,847 | 20,589 |
| Gross margin | 21% | 23% | 21% | 20% | 22% |
| EBITDA | 11,540 | 12,550 | 16,128 | 7,101 | 9,027 |
| EBITDA % | 10% | 9% | 9% | 8% | 10% |
| Vehicles (period end) | 657 | 828 | 957 | 916 | 957 |
| Revenue per vehicle (\$000s) | \$178 | \$168 | \$192 | n/a | n/a |
| Traffic controllers at period end | 1,413 | 1,689 | 2,138 | 1,771 | 2,138 |

- Growth in revenue from existing operations of 7% from \$139.2m to \$148.8m (\$5.1m related to full year impact of acquisition in FY22)
- Gross margin of 22% achieved in H2 compared to 20% in H1 reflecting operational initiatives implemented
- Increase in revenue per vehicle reflecting improved utilisation and fleet management

FY21 underlying is as presented in the AVADA Group Limited Prospectus dated 9 November 2021, the Supplementary Prospectus dated 23 November 2021 and the Second Supplementary Prospectus dated 7 November 2021 (together the Prospectus)

FY22 Underlying is as presented in the AVADA Group Limited FY22 Results Presentation dated 31 August 2022

FY23 Underlying is as presented in the AVADA Group Limited FY22 Results Presentation dated 30 August 2023

Delivering on our strategy to acquire, integrate and grow

Focus on operational excellence to drive organic growth and accelerate synergies from acquisitions

FY21 TO FY22



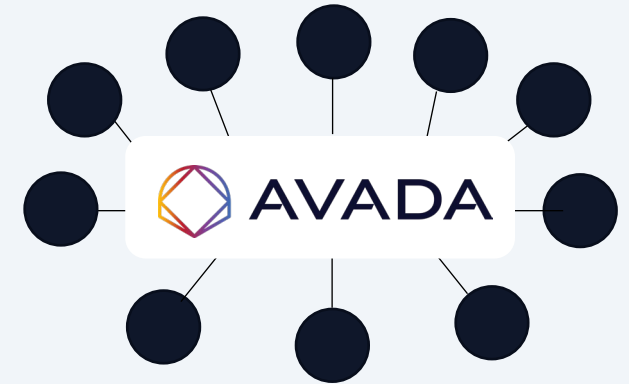
- Back-end systems of each business is maintained while:
 - synergies assessed
 - optimal operating model determined
 - earnout periods completed
- Decentralised back-office support

FY23



- New operating model tested, centralised shared services model implemented
- Continued recruiting of experienced management team
- Hardwired management accountability tools
- Developed turn-key integration model
- Pipeline of acquisition prospects scoped with two acquisitions completed

FY24 AND BEYOND

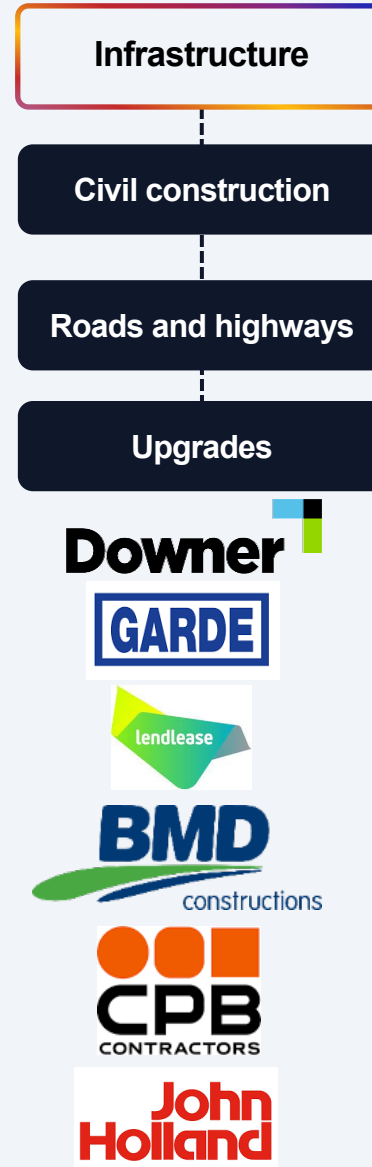


- Finalisation of corporate systems roll out
- Target acquisitions accelerated
- Turn-key integration methodology accelerating, delivering expected efficiencies

Our clients and sector

Aligned to new infrastructure pipeline with a focus on n recurring maintenance work

Well positioned to deliver to our corporate and government customer base



Trading update & business outlook

We will continue to pursue operational improvements whilst assessing further acquisition opportunities

Q1FY24 delivering strong organic growth

Investment in process improvement and systems to support increased volumes despite ongoing challenges in the labour market

Continuing to evaluate acquisition and expansion opportunities along with continued improvement initiatives in the existing business

Capital raise completed to support the acquisition of STA

STA integration on track and performing well

Strong demand for maintenance and infrastructure services persists, resulting in a substantial pipeline

FY24 guidance of underlying EBITDA of between \$20m - \$22m, excluding STA, is maintained (refer to ASX announcement dated 19 July 2023)





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