

SHAPE

FY24 Half Year Results Presentation

22 February 2024

SHAPE AUSTRALIA CORPORATION LIMITED
ABN 14 654 729 352



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Before making or varying any decision in relation to holding, purchasing or selling shares, securities or other instruments in SHAPE Australia Corporation Limited, investors should consider the appropriateness of that investment in light of their individual investment objectives and financial situation and should seek their own independent professional advice.

A Market-leading National Fitout And Construction Services Specialist With A Track Record For Quality And Exceptional Customer Service

Specialist Capabilities

- Fitout and Refurbishment
- Facade Remediation
- Aftercare and Facilities Maintenance
- Defence
- Modular
- New Build

Operating Entities



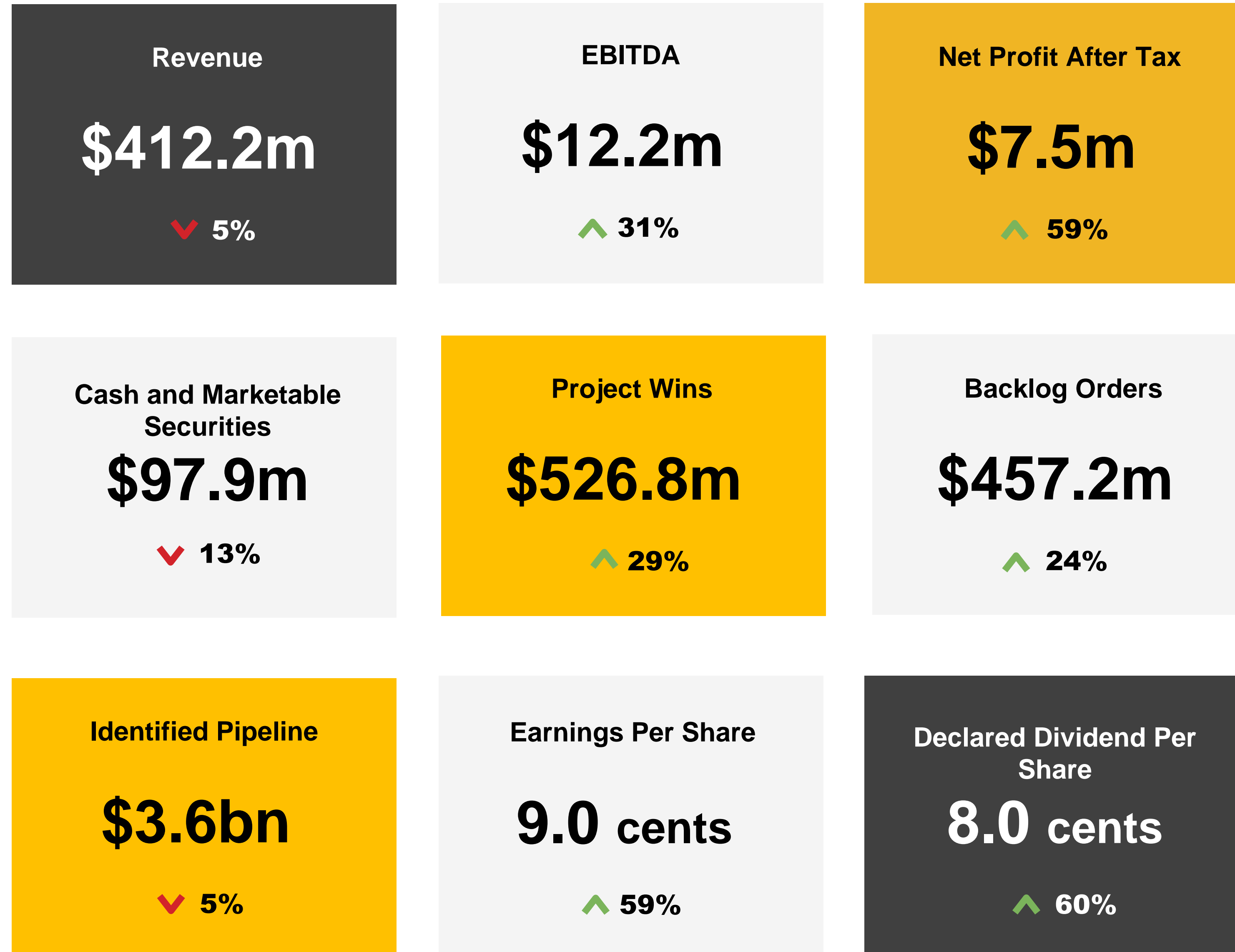
Operations

- Adelaide
- Brisbane
- Canberra
- Darwin
- Gold Coast
- Hobart
- Kinglake West
- Melbourne
- Newcastle
- Perth
- Sydney

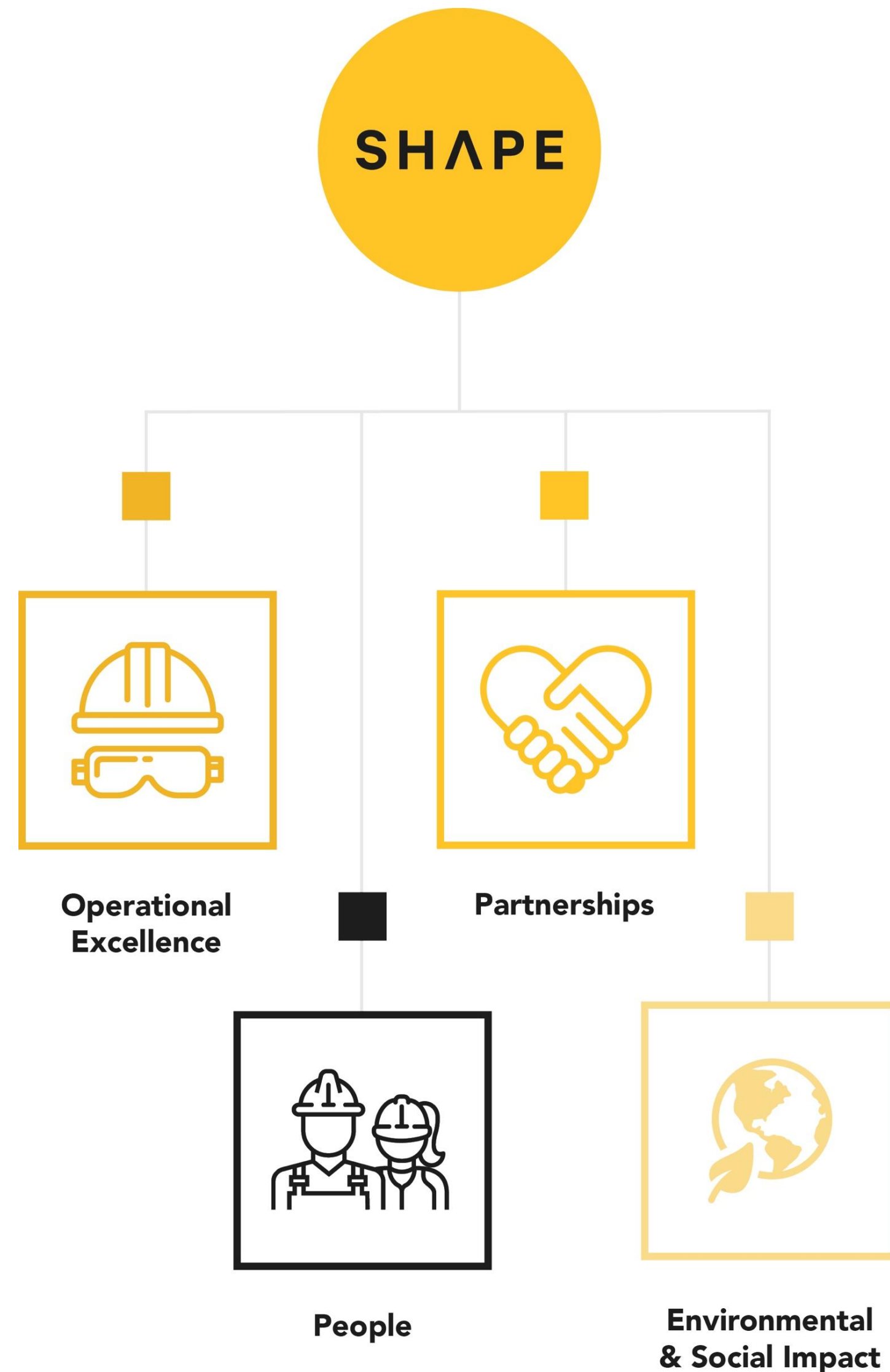
Modular Manufacturing Facilities

- Adelaide
- Kinglake West

H1FY24 Financial Highlights



Operational Highlights



Our safety commitment and culture is led by our 'Path to Perfect Safety' programme:

Operational Excellence

- › A reduction of 6.5% of total incidents reported
- › *TRIFR is at 5.5 - an increase of 17% compared to the pcp.
- › *LTIFR is at 1.6 - an increase of 29% compared to the pcp.
- › 26,560 proactive Safety, Quality, and Environmental observations logged.

We aim to recruit, train, and retain the best people in the industry:

People & Culture

- › SHAPE maintained exceptional levels of employee engagement scores, reflecting our commitment to creating a constructive workplace.
- › 6% increase in our total workforce (600+ employees).
- › 7% of employees were promoted.
- › 6,315 training hours.
- › Unplanned churn below 10%.

Partnerships

- › Maintained strong performance with secured orders of \$526.8m.
- › Client Net Promoter Score +87.
- › *89% of projects delivered achieved Perfect Delivery™ (projects completed on-time with zero defects and O&M Manuals delivered within a week of handover).

Environmental & Social Impact

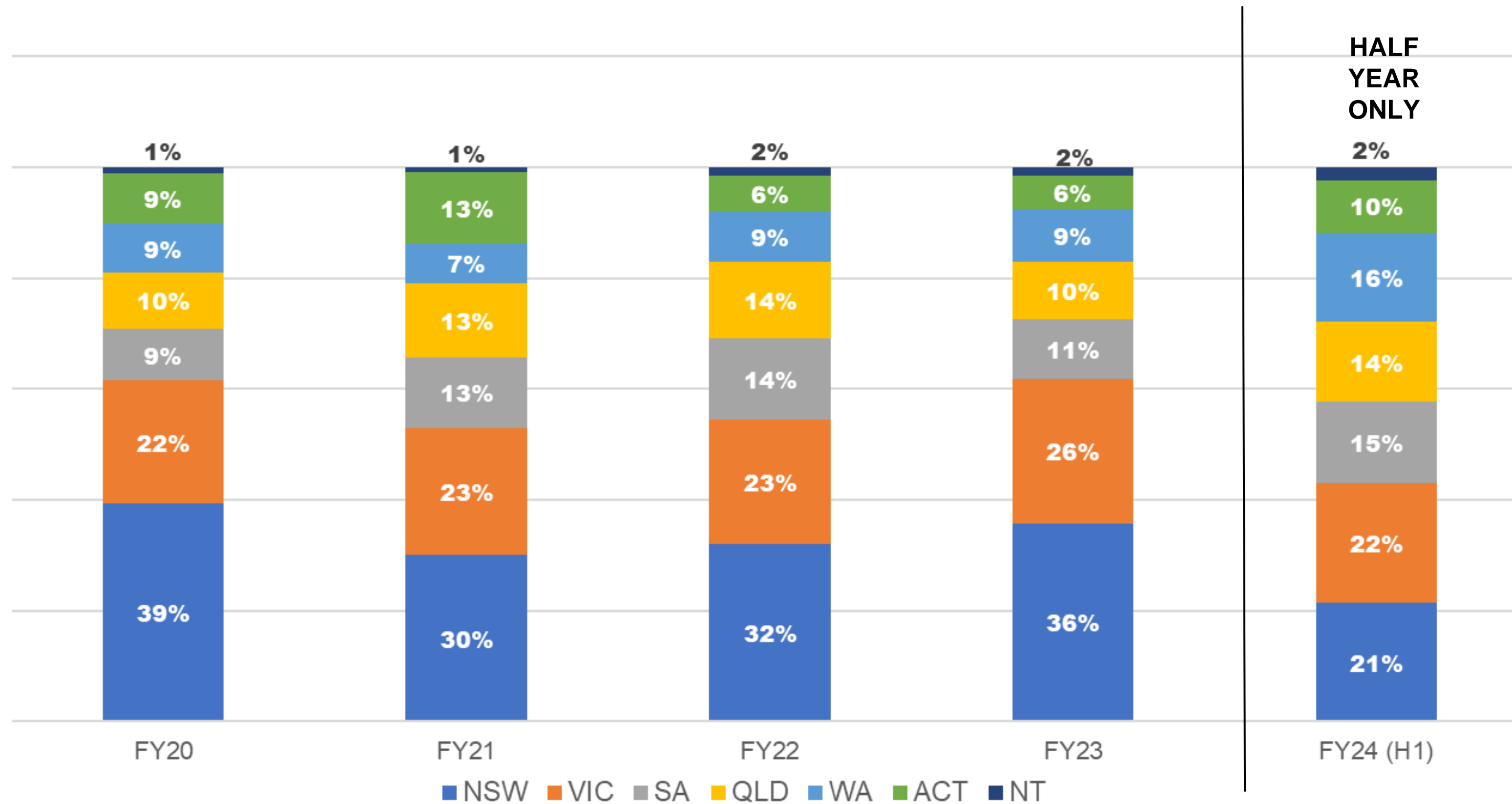
- › SHAPE corporate operations maintained Climate Active certification.
- › 85% of eligible projects implemented environmental sustainability initiatives.
- › SHAPE Brisbane office achieved 6 Star Green Star certification.
- › Delivered three Green Star projects with a combined value of \$24.2m.
- › Currently delivering 10 Green Star projects with a combined value of \$106m.
- › More than \$595,000 in value of goods, services, and donations to support charities through our Community+ programme.

* These statistics are derived from a rolling 12-month average and reflect the outcome as of December 31, 2023

Demonstrated Capability In Winning And Executing Work

Note: these results include SHAPE and its associates.

Revenue by Region



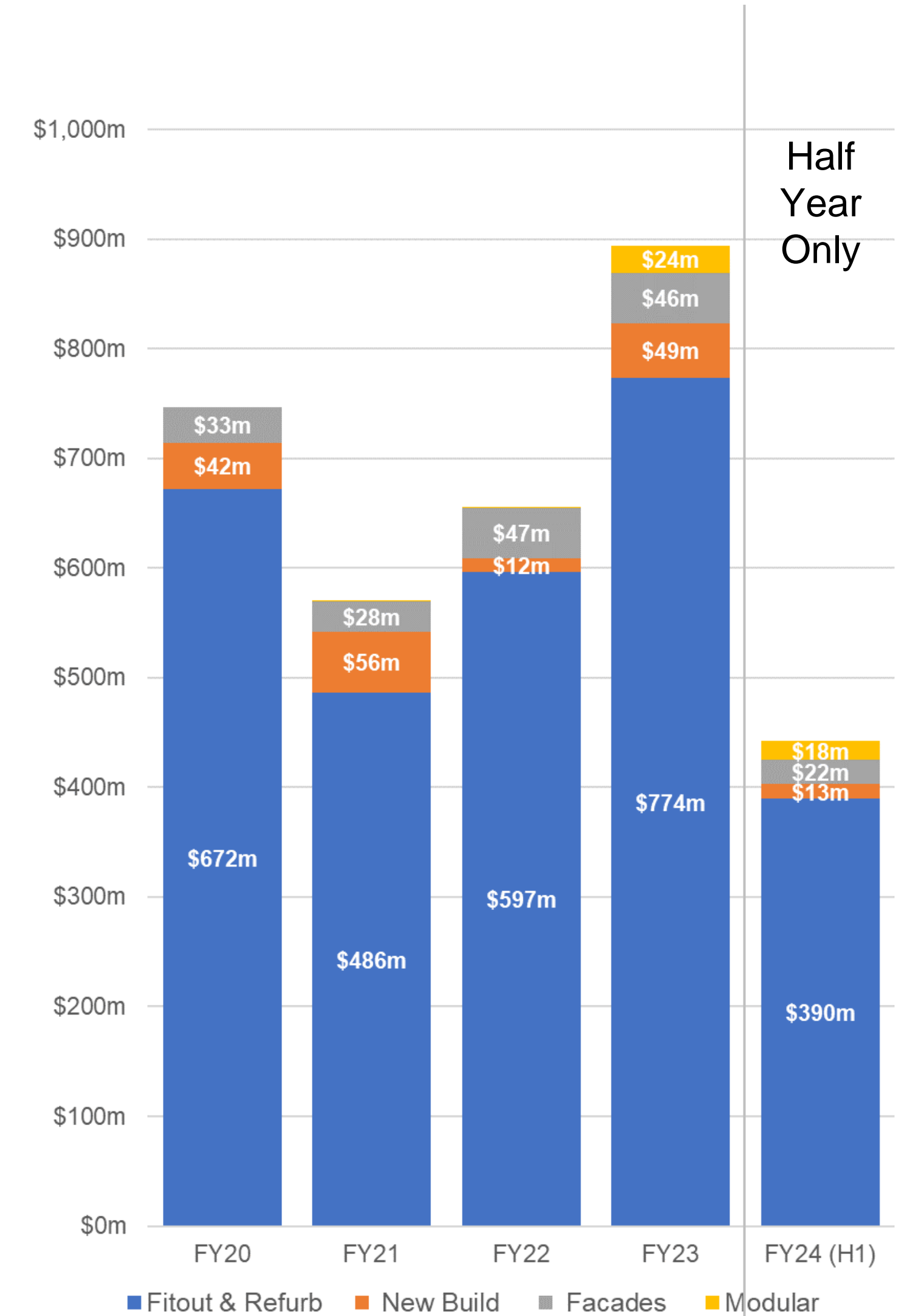
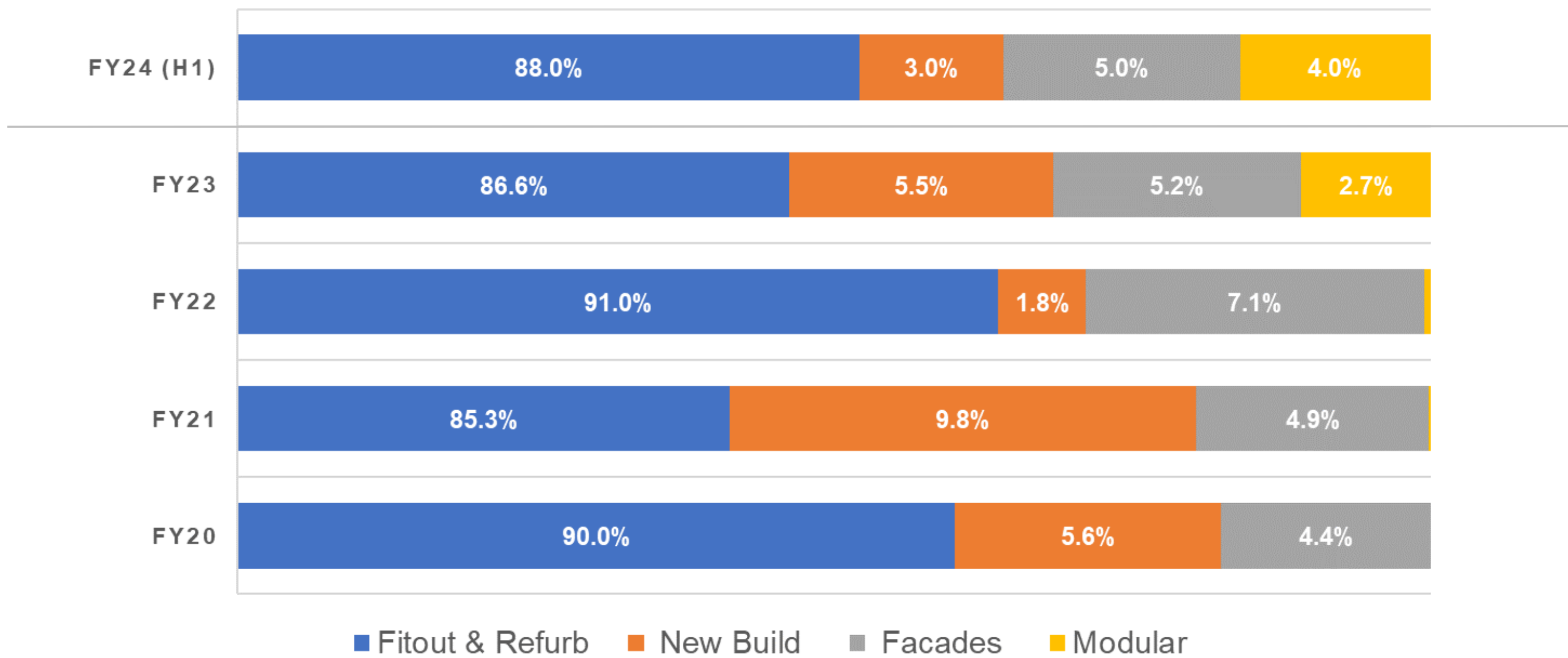
Maintained a strong tender conversion rate **52%** (By number)

Commentary

- **Origination** – Bespoke CRM with sophisticated algorithms supporting average win rates of 50%. Transparent lease expiry register provides accurate forward forecast.
- **Execution** – Long history of strong investment in systems and processes focused on mitigating risk. Robust financial management, project delivery, EHSQ and HRIS.
- **Aftercare/maintenance** – Dedicated team focused on maintaining client relationships throughout all stages of the lifecycle (80% repeat work).

Diversification of Revenue Streams

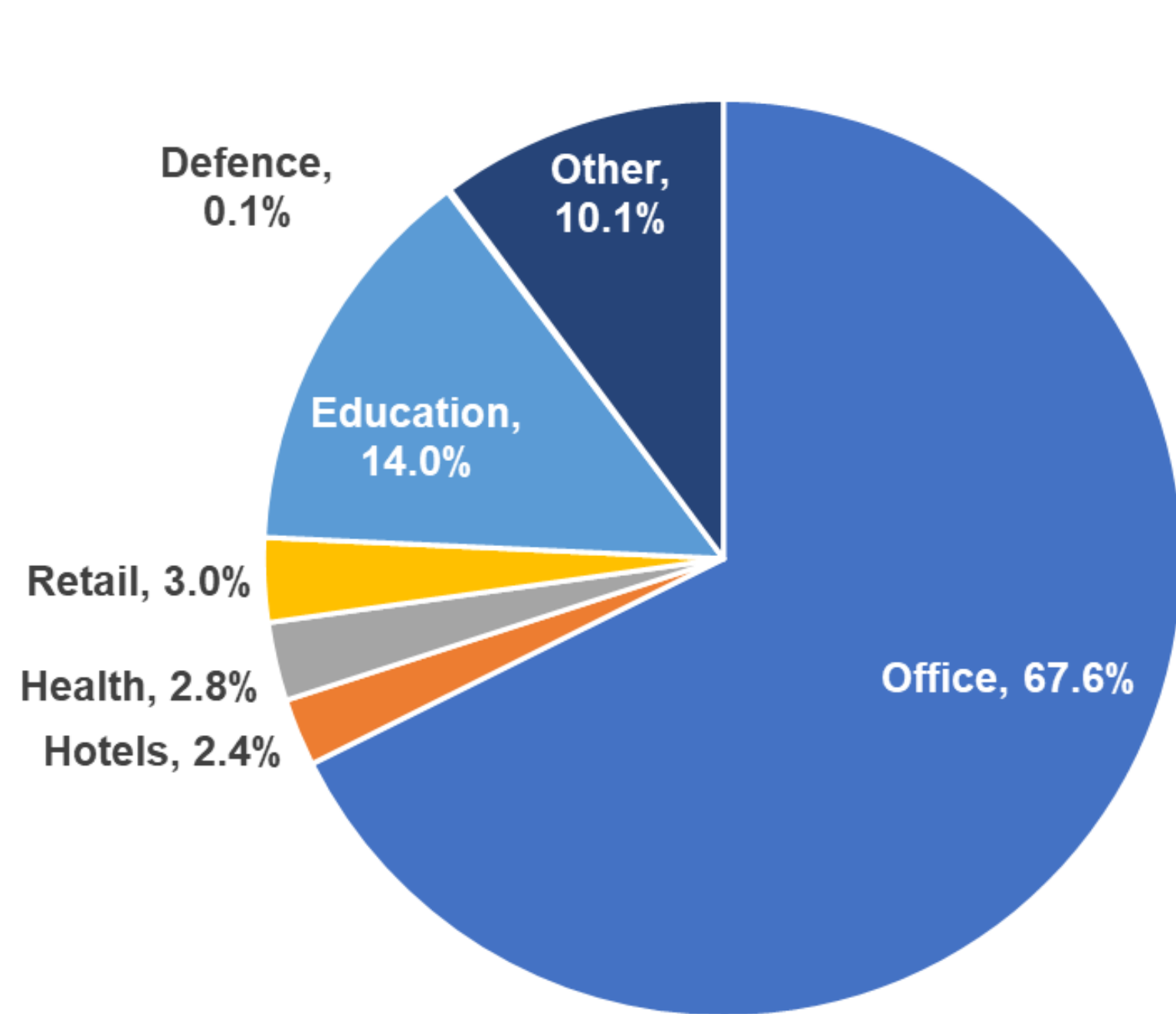
Note: Revenue figures include SHAPE and its associates.



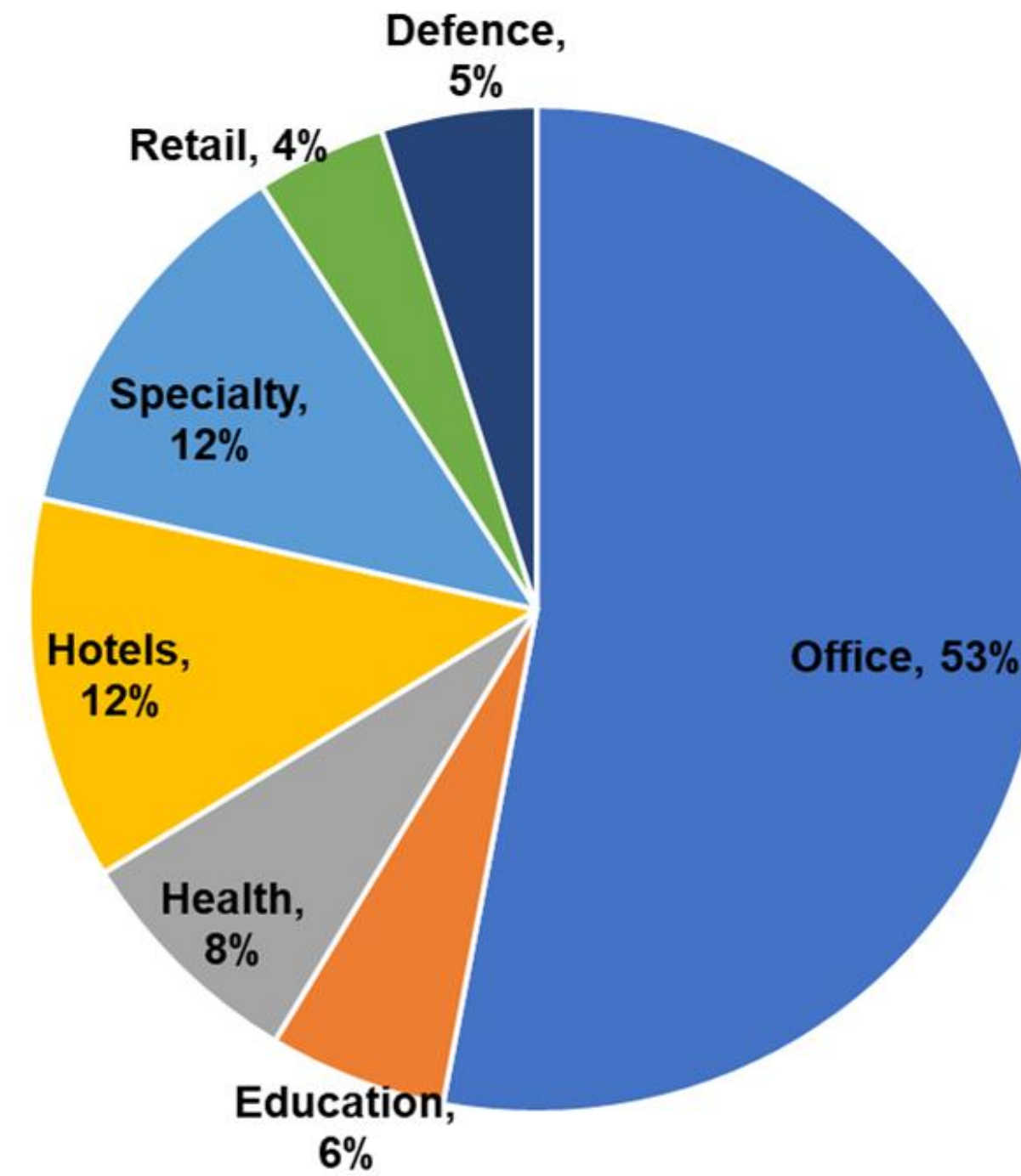
Half Year Only

Strong And Diversified Backlog Order Book And Pipeline Underpin Future Performance

FIGURES AS AT DECEMBER 31, 2023



Backlog Order Book by Sector



Pipeline by Sector

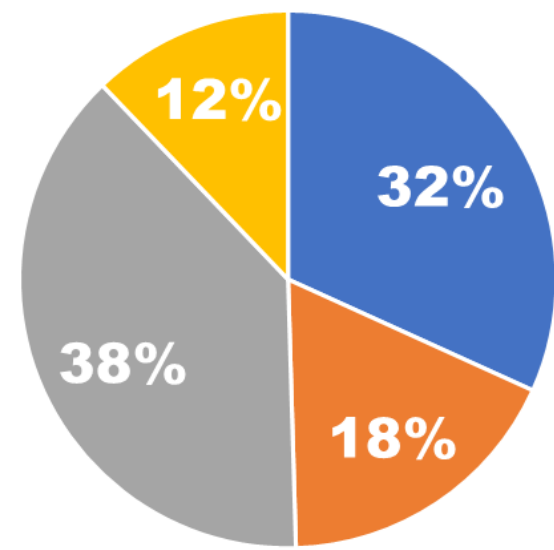
Identified Pipeline
\$3.6b

Tendering
\$114.2m

Decision Pending
\$375.0m

Projects Won
\$526.8m

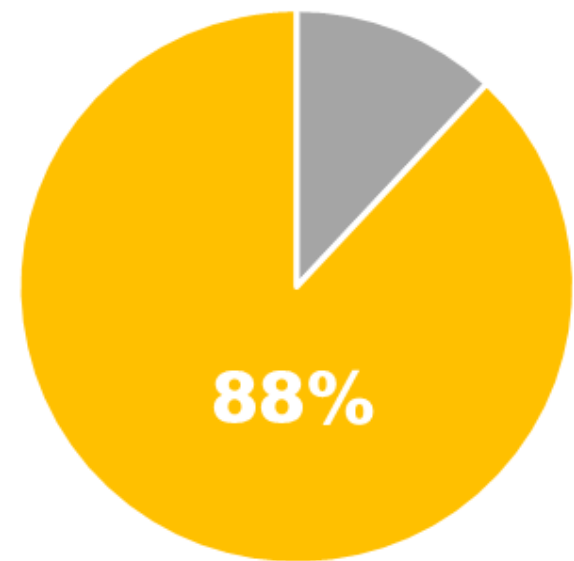
Diversification Of Projects Drives Business Resilience



■ less than 4 months ■ 4-6 months
■ 6-12 months ■ More than 12 months

Project Duration

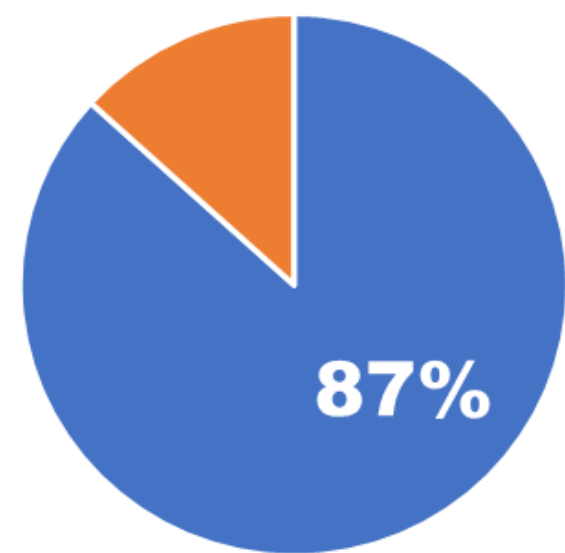
Order book is strongly weighted with short duration projects which provide protection against cost escalation risk.



■ External ■ Internal

Interior Works vs External Works

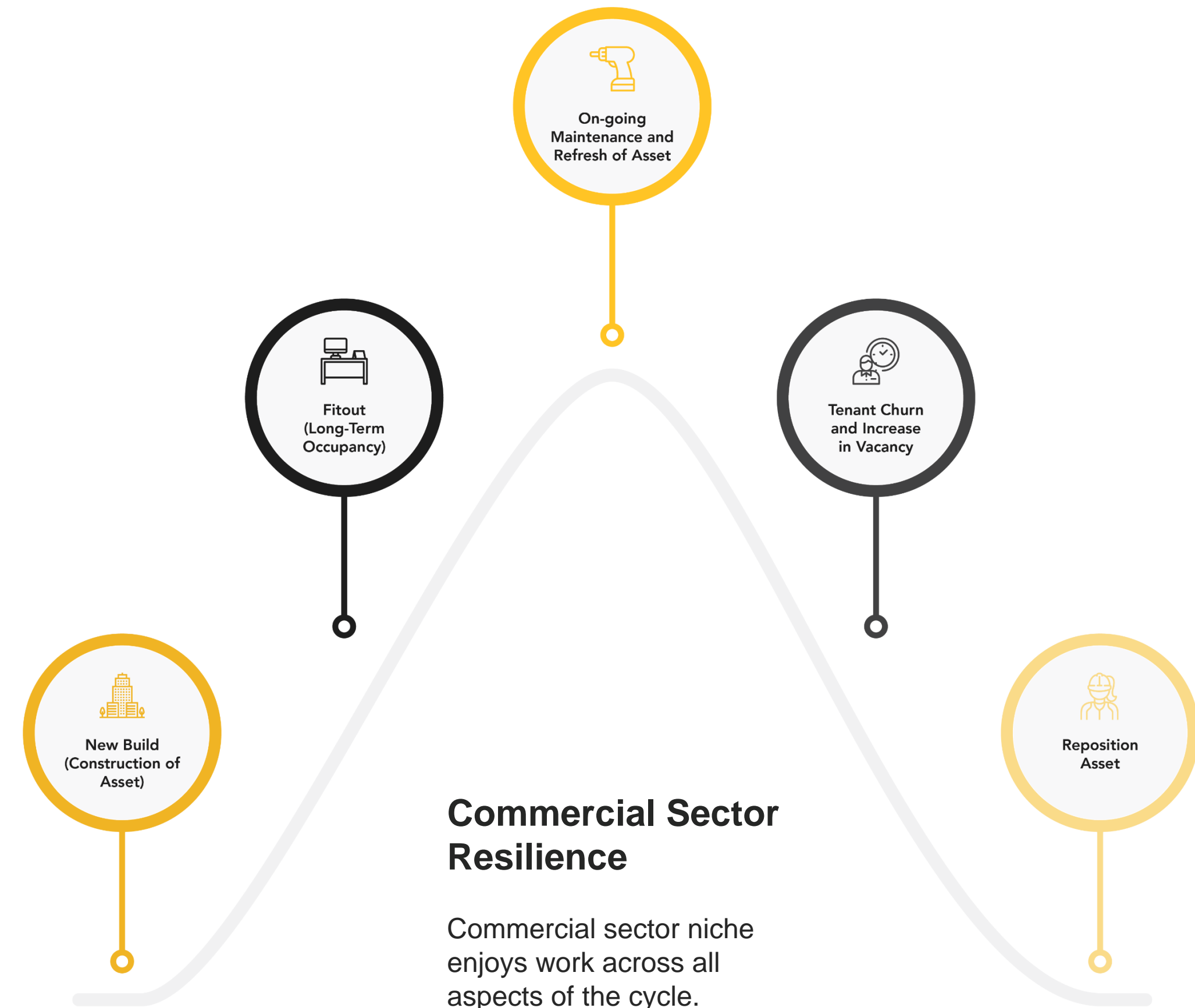
The profile of most SHAPE projects is lower risk from an industrial relations perspective and weather exposure.



■ Repeat Work ■ New Client

Repeat Work

High proportion of repeat work reflects the regard that clients have for SHAPE's project teams and delivery standards.



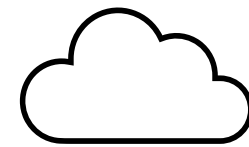
Continued Investment In Safety Leadership, Systems, And Technology



- Safety performance metrics, while still positive, have increased as a result of the current labour and resource conditions.
- It is worth noting that SHAPE's performance for the half on TRIFR and LTIFR is above the average of all OFSC-accredited companies. TRIFR of 5.5 is our second-best performance for a half.
- SHAPE continues to invest in safety leadership and systems and is continuing to seek efficiencies in administration and processes through technology. This involves developing predictive project performance reporting and exploring the potential benefits of AI.
- Total incidents reported reduced by 6.5% from 237 to 222.
- More than 26,500 proactive Safety, Quality, and Environmental observations logged.
- 3,324 'positive' safety observations logged, supporting the ongoing development of the SHAPE Safety Culture.

Year	TRIFR	LTIFR	No. Of MTI	No. Of LTI	No. Of RWI
H1FY24	5.5	1.6	9	4	1
FY23	3.8	0.9	7	4	6
FY22	6.7	2.0	16	8	3
FY21	6.1	2.8	6	10	6
FY20	6.5	2.0	10	8	8

NOTE: Statistics include all SHAPE & subcontractor hours. These statistics are derived from a rolling 12-month average and reflect the outcome as of December 31, FY24. Definitions: LTIFR = Lost Time Injury Frequency Ratio, TRIFR = Total Recordable Injury Frequency Ratio, LTI = Lost Time injury, RWI = Recordable Work Injury, MTI = Medical Treatment Injury, OFSC = Office of the Federal Safety Commissioner.



2,912t Co2-e

Total emissions offset continues to reduce (down from 2,959t Co2-e in PCP)



Carbon Neutral

Climate Active certification maintained for Corporate Operations



Projects Delivered

3 projects completed worth \$24.2m



GreenPower

58% of all corporate electricity is provided via Green Energy providers (compared to 36% in the PCP).



Carbon Accounting Software Embedded for Corporate Operations

Co2-e accounting reduction strategies in place for each office

5

SHAPE Offices

Green Star accredited or in process of accreditation (Brisbane accredited during the period and Melbourne still pending)

Financial Overview

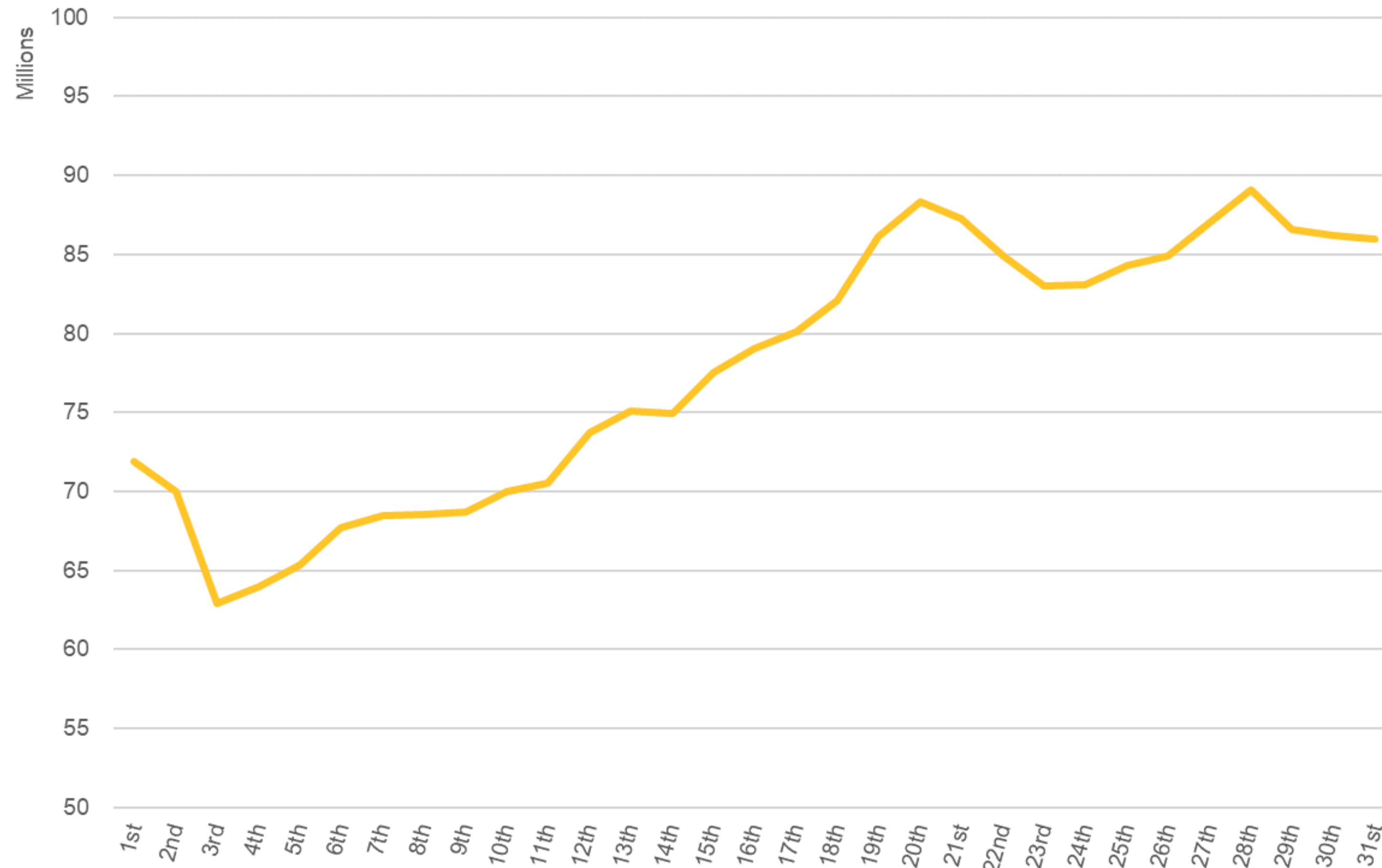
Significant Profitability Uplift For The Half

- Revenue for H1 strong at \$415.2m, down slightly (5%) on PCP due to minor delays to some projects commencing.
- Gross Margin increased by 22% to 9.1%. H1 numbers include a higher than usual percentage of projects being closed out in the period (higher Gross Margin percentage at the tail end of a project on average).
- EBITDA increased 31% to \$12.2m.
- NPAT increased 59% to \$7.5m.
- Well positioned for growth, maintaining a strong backlog order book of \$457.2m, up 24%.
- Sound cash management with a strong cash and marketable securities position of \$97.9m.

\$'000	H1FY24	H1FY23	Movement
Revenue	415,201	436,251	↓ 5%
EBITDA	12,239	9,342	↑ 31%
NPAT	7,503	4,709	↑ 59%
Other Metrics			
EBITDA margin	3.0%	2.1%	↑ 38%
Dividend Declared	8 Cents	5 Cents	↑ 60%

Strong Liquidity Position With Flexibility To Maximise Opportunities

Average Daily Cash and Marketable Securities Balance
12 month rolling average



Diligent Liquidity Management

- Consistent application of rigorous cash management processes by project teams.
- Diligent capital management to support prequalifications and external financial assessments.
- Average daily balance of cash and marketable securities¹ throughout H1FY24 of \$78.5m².
- Average monthly minimum balance of cash and marketable securities throughout H1FY24 of \$59.2m².

¹ Marketable securities include highly liquid, investment grade, fixed and floating-rate, ASX-listed and wholesale market, financial and corporate bonds, and hybrids.

² Includes restricted cash of \$5.5m.

Growth Strategy

SHAPE's Growth Strategy Is Focused On Three Pillars

Growth/Diversification Into Non-core Market Sectors



Project Wins

Hotels	FY24 (H1)	\$20.03m
	FY23 Full Year	\$49.99m
Health	FY24 (H1)	\$23.65m
	FY23 Full Year	\$43.08m
Retail	FY24 (H1)	\$30.91m
	FY23 Full Year	\$40.96m
Education	FY24 (H1)	\$73.81m
	FY23 Full Year	\$81.28m
Defence	FY24 (H1)	\$45.06m
	FY23 Full Year	\$66.54m

Notes

- All figures include SHAPE and its associates.
- FY24 results are for H1, while FY23 results are for the full year.

Capability Expansion (Facades, Modular, New Build etc)



Project Wins

New Build	FY24 (H1)	\$71.72m
	FY23 Full year	\$31.57m
Facades	FY24 (H1)	\$13.40m
	FY23 Full Year	\$34.85m
Modular	FY24 (H1)	\$22.85m
	FY23 Full Year	\$24.66m

City of Sailsbury Operations Centre Extension, Adelaide

Notes

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Geographic Expansion



JW Marriott Gold Coast, Level 1 Spa, Gold Coast

Project Wins

Gold Coast	FY24 (H1)	\$22.35m
	FY23 Full Year	\$20.46m
Newcastle	FY24 (H1)	\$16.59m
	FY23 Full Year	\$3.48m
Tasmania	FY24 (H1)	\$12.95m
	FY23 Full Year	\$15.17m

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Questions?

SHAPE

Appendix

Appendix A Reconciliation Of Profit Before Income Tax To EBITDA

	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Profit before income tax	10,846	7,019
Depreciation and amortisation	2,424	2,654
Interest revenue	(1,778)	(954)
Finance costs	747	623
EBITDA	12,239	9,342



EBITDA is a non-IFRS earnings measures which do not have any standardised meaning prescribed by IFRS and therefore may not be comparable to EBITDA presented by other companies.