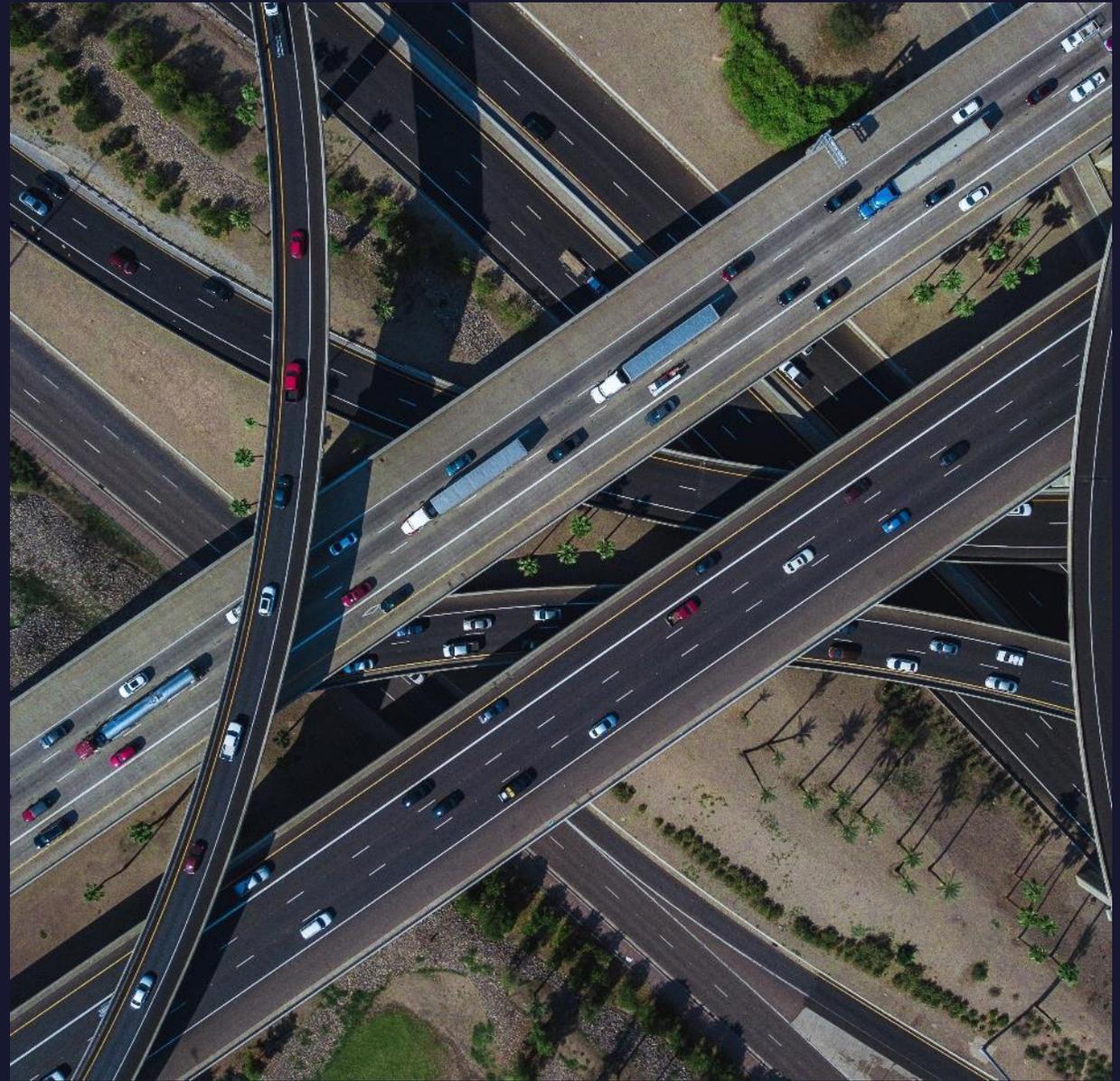


# felix

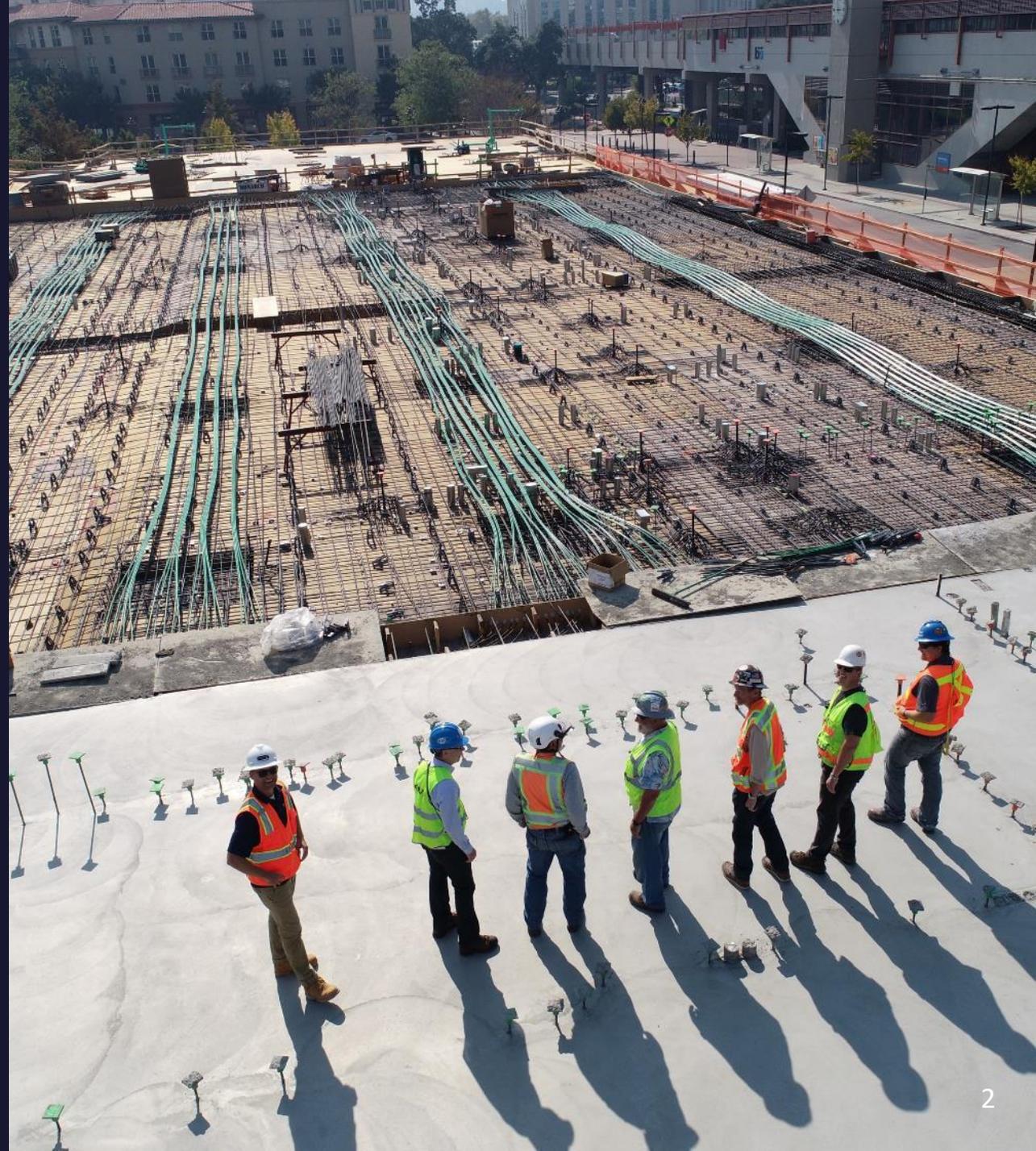
## H1 FY25 Results Presentation

February 2025

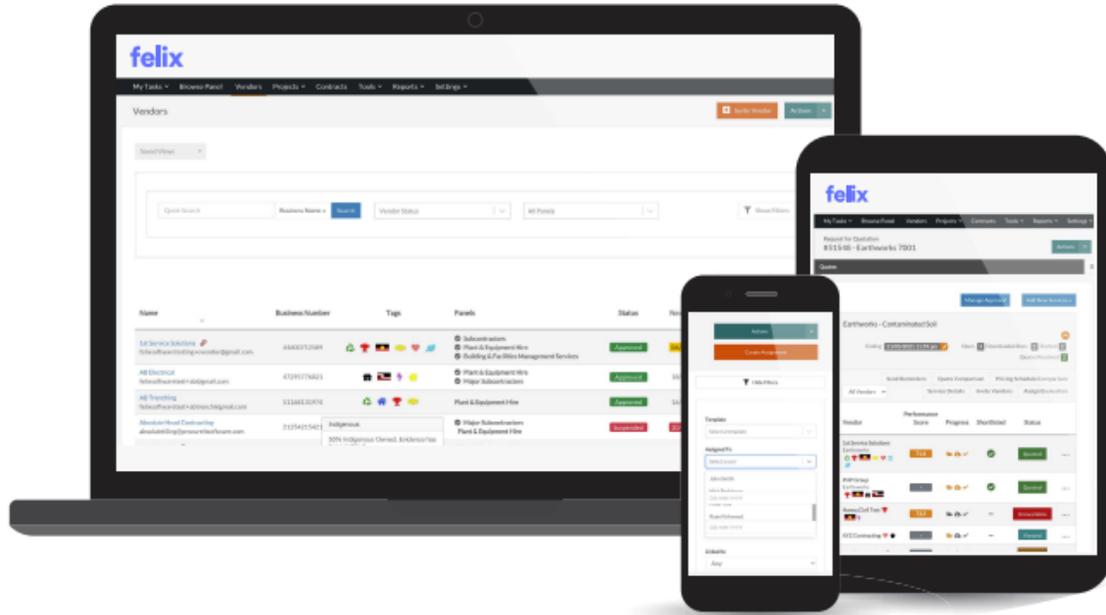


# Vision

*The trusted supply chain platform for the built environment.*



# Felix snapshot



Leading enterprise platform for capital-asset focused organisations to manage and engage with their supply chains



**Established enterprise SaaS platform**, trusted by market-leading organisations to manage and engage with their supply chains, and meet emerging supply chain ESG requirements



**Proven organic growth strategy** driven by Felix's enterprise-grade platform, purpose-built for exacting industry needs. Strong sales momentum and significant value potential through contract expansions.



**Capital-light international enterprise sales** strategy in place to leverage upselling opportunities into large international parent organisations of Felix's existing customer base



**Rapidly growing Vendor Marketplace** for organisations to find and engage with Vendors, accelerated by network effects as Felix scales. Medium-term opportunity to further monetise.



**Robust financial performance** underpinned by record of strong revenue growth, emerging operating leverage and achievement of positive operating cash flow in H1 FY25

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# H1 FY25 highlights

# H1 FY25 highlights

Contractor ARR increased 29% on H1 FY24, driven by accelerating traction in the mining & resources sector

**\$8.3m**

Group ARR **+22%** on H1 FY24

**\$6.4m**

Contractor ARR<sup>1</sup> **+29%** on H1 FY24

**\$521k**

Contractor MRR<sup>2</sup> **+22%** on Dec-23

**102%**

Contractor net revenue retention<sup>3</sup>  
(NRR) rate

**72**

Tier 1 and leading Contractors  
**+47%** on H1 FY24

**115k**

Vendors in the Marketplace  
**+27%** on H1 FY24

# Group ARR

## H1 FY25 Highlights

### Strong topline growth

- +22% growth in Group ARR to \$8.3m
- +29% growth in Contractor ARR to \$6.4m

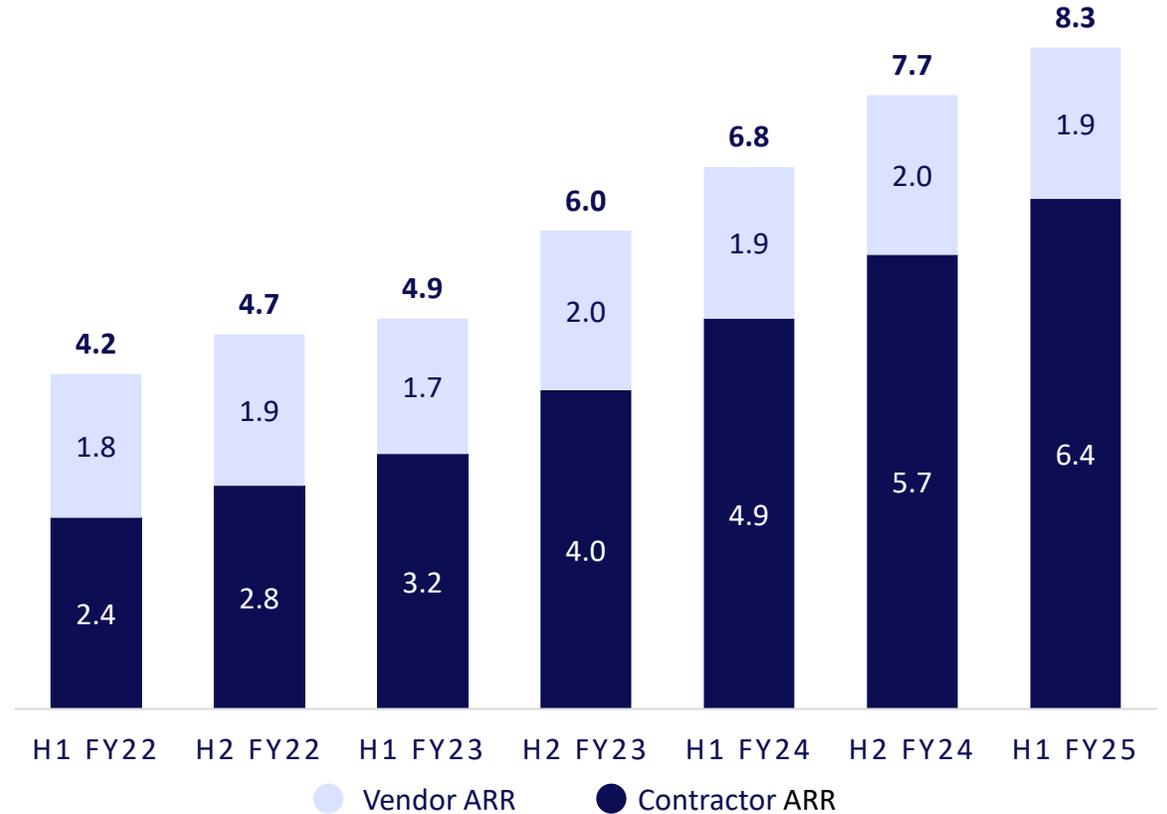
### Organic Contractor growth

- 10 new Contractors signed in H1 FY25, driven by accelerating traction within the mining & resources sector, which has now become Felix's second-largest customer sector across existing customers and the sales pipeline
- 10 expansion deals signed in H1 FY25, demonstrating Felix's ability to secure high-margin ARR across existing customer accounts

- Vendor ARR of \$1.9m, stable relative to prior periods, in-line with Felix's enterprise-led growth strategy. The long-term value of the Vendor Marketplace continues to build as Vendor numbers grow, providing a significant opportunity to further monetise over the medium-term.

Record Group ARR of \$8.3m in H1 FY25, with 10 new Contractors and 10 new expansion deals signed

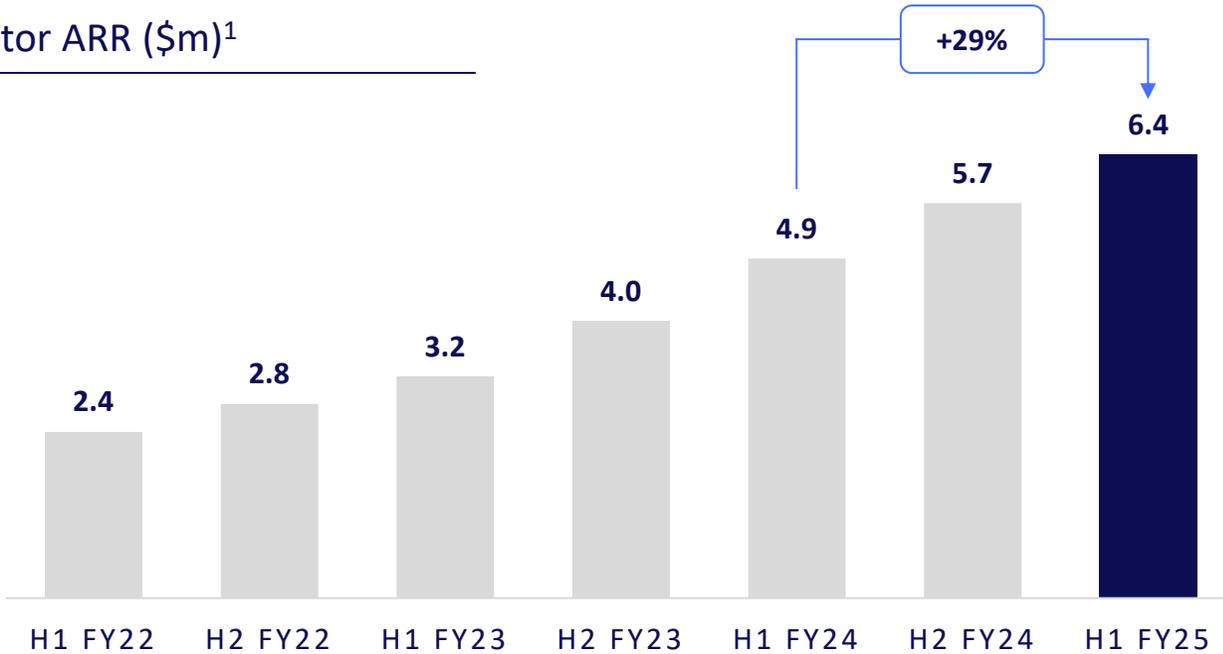
## Group Contracted ARR (\$m)



# Contractor ARR

Strong Contractor ARR and operating metrics growth evidence of success behind Felix’s enterprise-led strategy

Contracted Contractor ARR (\$m)<sup>1</sup>



Number of Contractors	38	40	43	45	49	62	72
Contractor gross margin	67%	69%	70%	76%	76%	76%	76%
Net revenue retention <sup>2</sup>	99%	105%	97%	101%	116%	114%	102%
ARR per customer	\$62k	\$70k	\$74k	\$90k	\$101k	\$93k	\$89k

## H1 FY25 performance

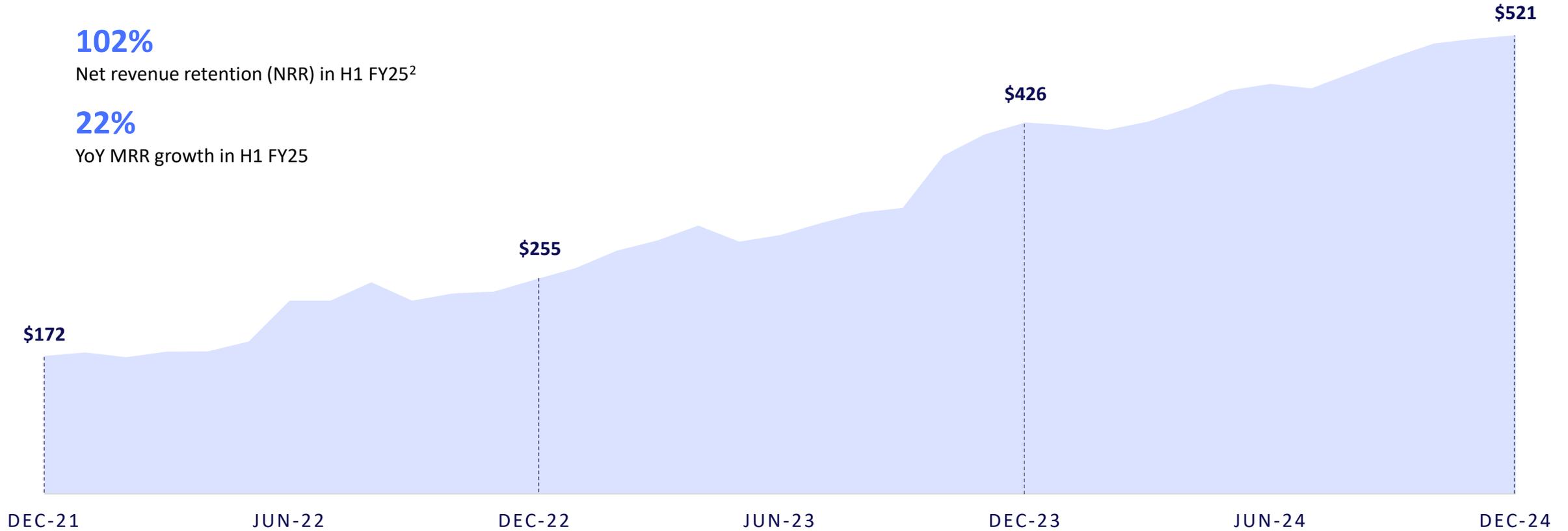
- ↳ Continued strong ARR growth, **increasing 29% on pcp to \$6.4m in H1 FY25**
- ↳ **Building momentum in new customer wins**, with the number of Contractors increasing 47% on pcp
- ↳ **Strong gross margin of 76%** in H1 FY25 as platform adoption accelerates, with incremental margin expansion expected over the medium-term
- ↳ **NRR remains >100% in H1 FY25**, as Felix continues to sign expansion deals with existing customers, delivering high-margin expansion ARR
- ↳ **ARR per customer of \$89k in H1 FY25**, driven by strategic sales strategy of securing Contractor customers through lower contract values initially, and driving future ARR uplift through expansion deals. The helps to reduce the enterprise sales cycle, while increasing Felix’s win rate in tenders

1. Contracted Contractor ARR is the sum of contracted annualised recurring fees for all Felix Contractor customers, which includes contracts yet to be implemented.  
 2. Contractor net revenue retention (NRR) is calculated by comparing the contracted ARR of Contractor customers as at the end of the financial year with the contracted ARR of the same customers as at the end of the previous financial year.

# Continued top-line momentum

Rapid growth in Contractor MRR highlighting success behind organic growth strategy

Contractor MRR (\$000)<sup>1</sup>

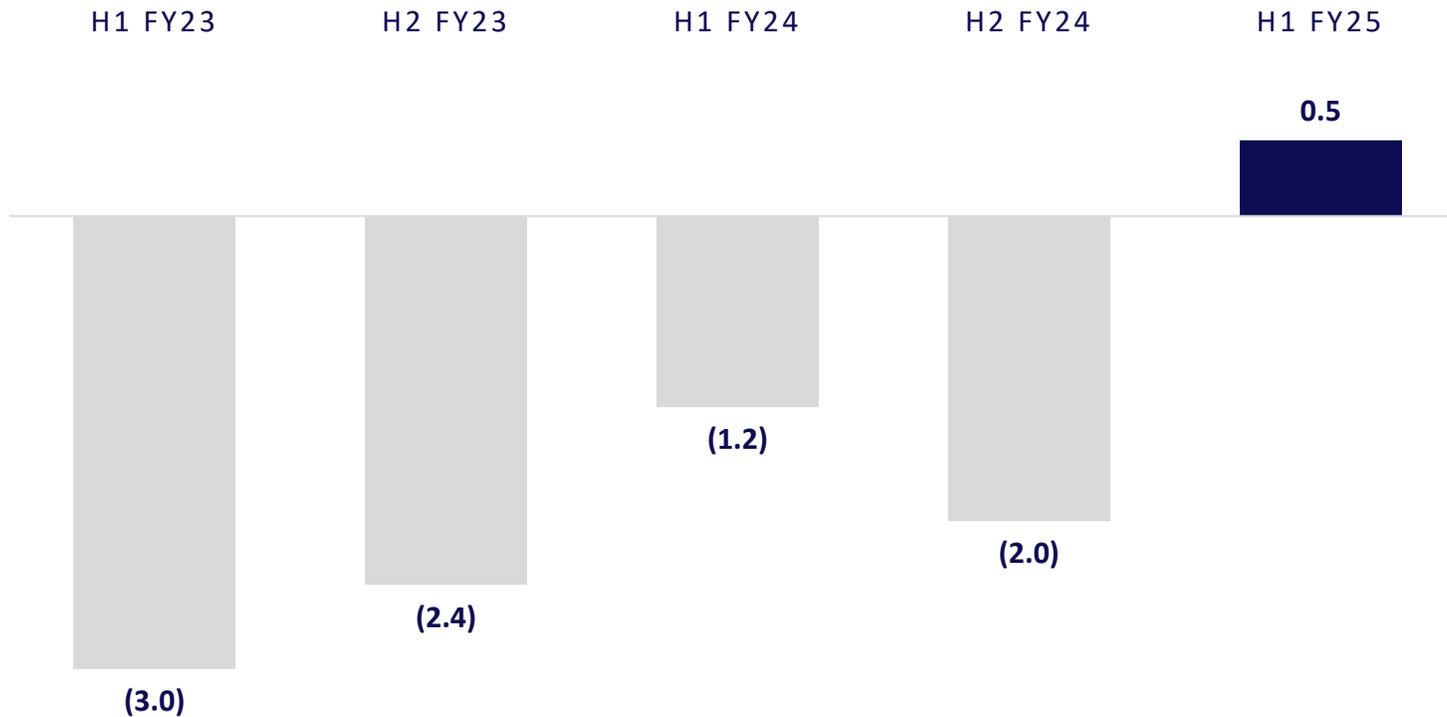


1. Contractor MRR represents the monthly recurring revenue as at month-end.  
2. Contractor net revenue retention (NRR) is calculated by comparing the contracted ARR of Contractor customers as at 31 December 2024 with the contracted ARR of the same customers as at 31 December 2023.

# Positive operating cashflow

Strong top-line growth and diligent cost base management underpinning maiden positive operating cashflow in H1 FY25

Net operating cashflow (\$m)



- ↳ In H1 FY25, Felix delivered two consecutive quarters of positive operating cashflow, recording a \$0.5m inflow during the period, representing a \$1.7m improvement on pcp
- ↳ This achievement reflects Felix's careful cost management and strategic calibration to maximize growth, while progressing towards a sustainable cashflow profile
- ↳ Felix remains focused on driving Contractor ARR growth while maintaining a positive operating cashflow position
- ↳ Vendor Marketplace continues to operate at cashflow breakeven

# Summary H1 FY25 results

	H1 FY25 (\$000)	H1 FY24 (\$000)	Change (%)
<b>1</b> CONTRACTOR REVENUE	<b>2,990</b>	<b>2,216</b>	<b>35%</b>
<b>CONTRACTOR COGS</b>			
Consultant fees	(61)	(59)	4%
<b>2</b> Contract costs	<b>(155)</b>	<b>(111)</b>	<b>39%</b>
<b>3</b> Employee benefits	<b>(454)</b>	<b>(324)</b>	<b>40%</b>
Subscriptions	(63)	(43)	44%
Total	(732)	(537)	36%
<b>CONTRACTOR GROSS PROFIT</b>	<b>2,258</b>	<b>1,679</b>	<b>34%</b>
<b>4</b> Contractor gross margin (%)	<b>76%</b>	<b>76%</b>	<b>-</b>
<b>VENDOR AND OTHER REVENUE</b>			
Vendor revenue	1,017	1,006	1%
Other income	109	57	91%
Total	1,125	1,063	6%
<b>OPERATING EXPENSES</b>			
Employee benefits	(3,552)	(3,653)	(3%)
<b>5</b> Consultant fees	<b>(163)</b>	<b>(394)</b>	<b>(59%)</b>
Other operating expenses	(1,314)	(1,185)	11%
Total	(5,029)	(5,231)	(4%)
<b>6</b> ADJUSTED EBITDA <sup>1</sup>	<b>(1,646)</b>	<b>(2,490)</b>	<b>(34%)</b>
Depreciation & amortisation	(393)	(351)	12%
Finance costs	(5)	(5)	2%
<b>7</b> Share-based payments	<b>(404)</b>	<b>(42)</b>	<b>853%</b>
<b>LOSS BEFORE INCOME TAX</b>	<b>(2,447)</b>	<b>(2,888)</b>	<b>(15%)</b>

- 35% increase in Contractor revenue**, driven by strong sales momentum with 10 new Contractors and 10 expansion deals signed in H1 FY25
- Contract costs increased in-line with Contractor revenue as they are associated with sales and platform implementation expense
- Increase in-line with investment made in support and customer success teams driven by Contractor growth
- Stable Contractor gross margin of 76%**. Incremental margin increases expected over time as the platform continues to scale
- 59% decrease in consultant fees**, with reduction driven by cost optimisation activities to deliver resource efficiency
- Strong improvement in Adjusted EBITDA of 34%**, highlighting the operating leverage delivered from strong topline growth and a stable operating expenses
- Increase in share-based payments related to director options approved at the recent AGM

# Progress against FY25 priorities

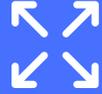


## Priorities



### Contractor growth

Continue to accelerate Contractor revenue growth by converting the strong and growing pipeline of domestic Contractors



### Contract value expansion

Unlock high-margin growth opportunities across existing customers by expanding use case



### International penetration

Complete key platform internationalisation initiatives and build on first international customer signed in FY24



### Vendor monetisation

Progress roadmap and commercialisation strategy required to monetise Vendor Marketplace



### Sustainable growth

Felix remains focused on Contractor ARR growth while maintaining a positive operating cashflow position

## H1 FY25 Progress



**10 new Contractors**  
in H1 FY25



**10 new expansions**  
in H1 FY25



**Multilingual functionality**  
for Vendor portal released



**Vendor monetisation**  
roadmap in development



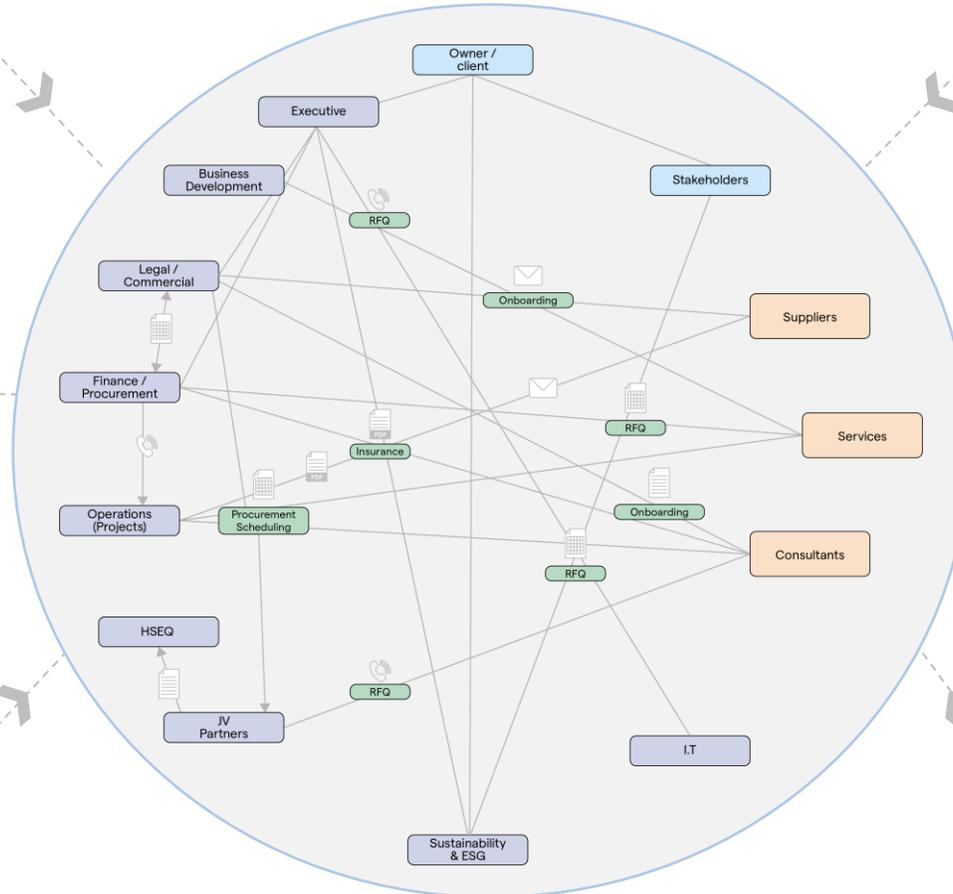
**Two consecutive quarters**  
of positive operating cash  
flows

# Felix overview

# Perfect storm of critical issues

Converging external challenges and inefficient processes are driving rapid change in how organisations manage and engage with their supply chains enterprise-wide

Example supply chain ecosystem on a single project or asset



## Supply chain compliance

*New legislation and compliance requirements are driving demand for greater supply chain visibility, governance and accountability*

## Intensifying project environment

*Increasing project scale and complexity, interoperating with JV partners are increasing execution difficulty*

## Sustainability requirements

*Emerging ESG reporting requirements are transitioning from opt-in to mandatory and are now commonplace in contract tender conditions*

## Cost & productivity pressures

*Rising input costs, tight margins and stagnant productivity are rendering inefficient processes inadequate*

## Supply chain resilience/coverage

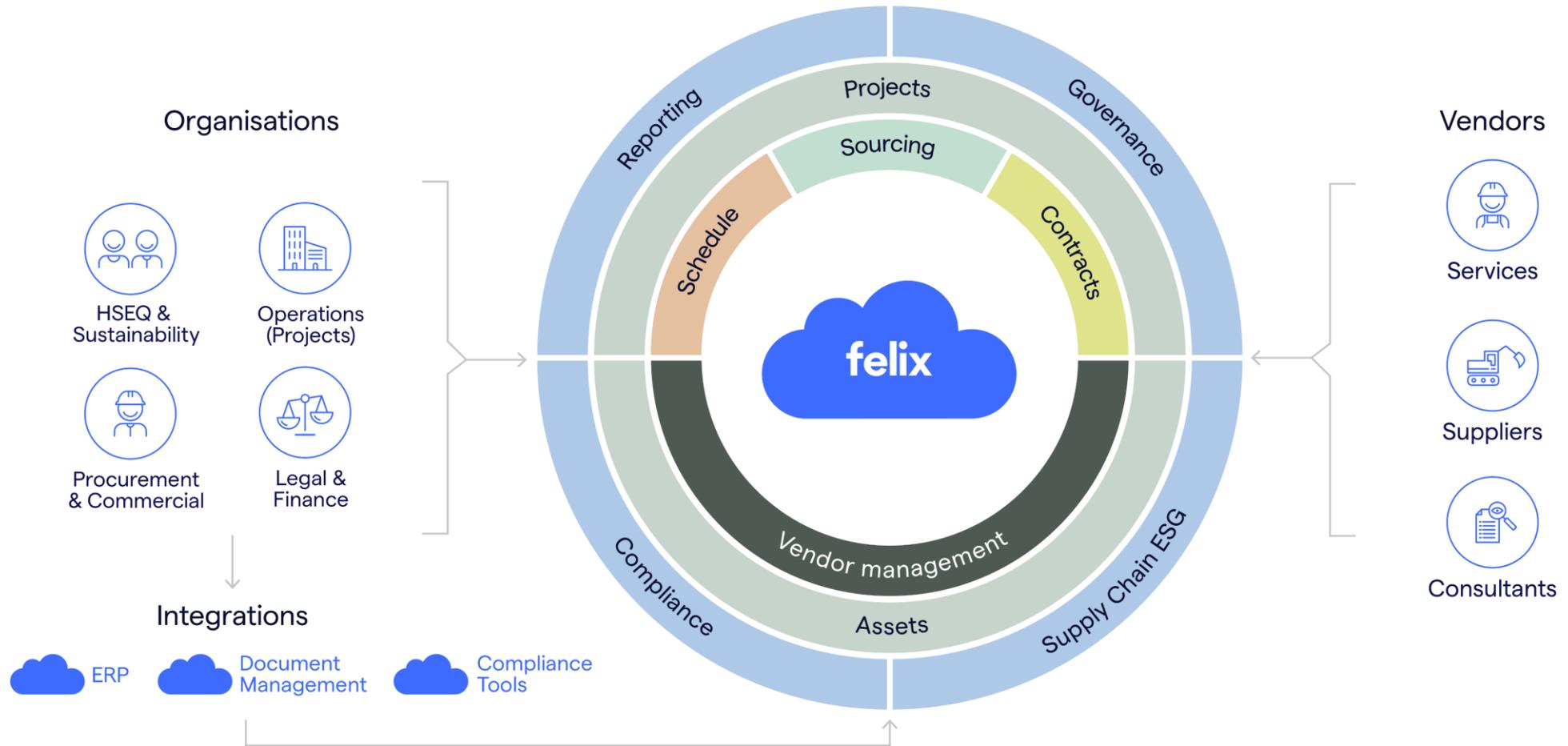
*Lack of availability, capacity and capability of subcontractors in current market conditions is significantly increasing project execution risk*

## Stakeholder expectations

*Evolving community and stakeholder expectations to deliver holistic, sustainable value to broader society*

# Felix's solution

Enterprise-grade platform connects and harmonises the supply chain ecosystem, improving visibility, trust and efficiency for organisations, Vendors and industry participants



# Trusted solution for market-leaders

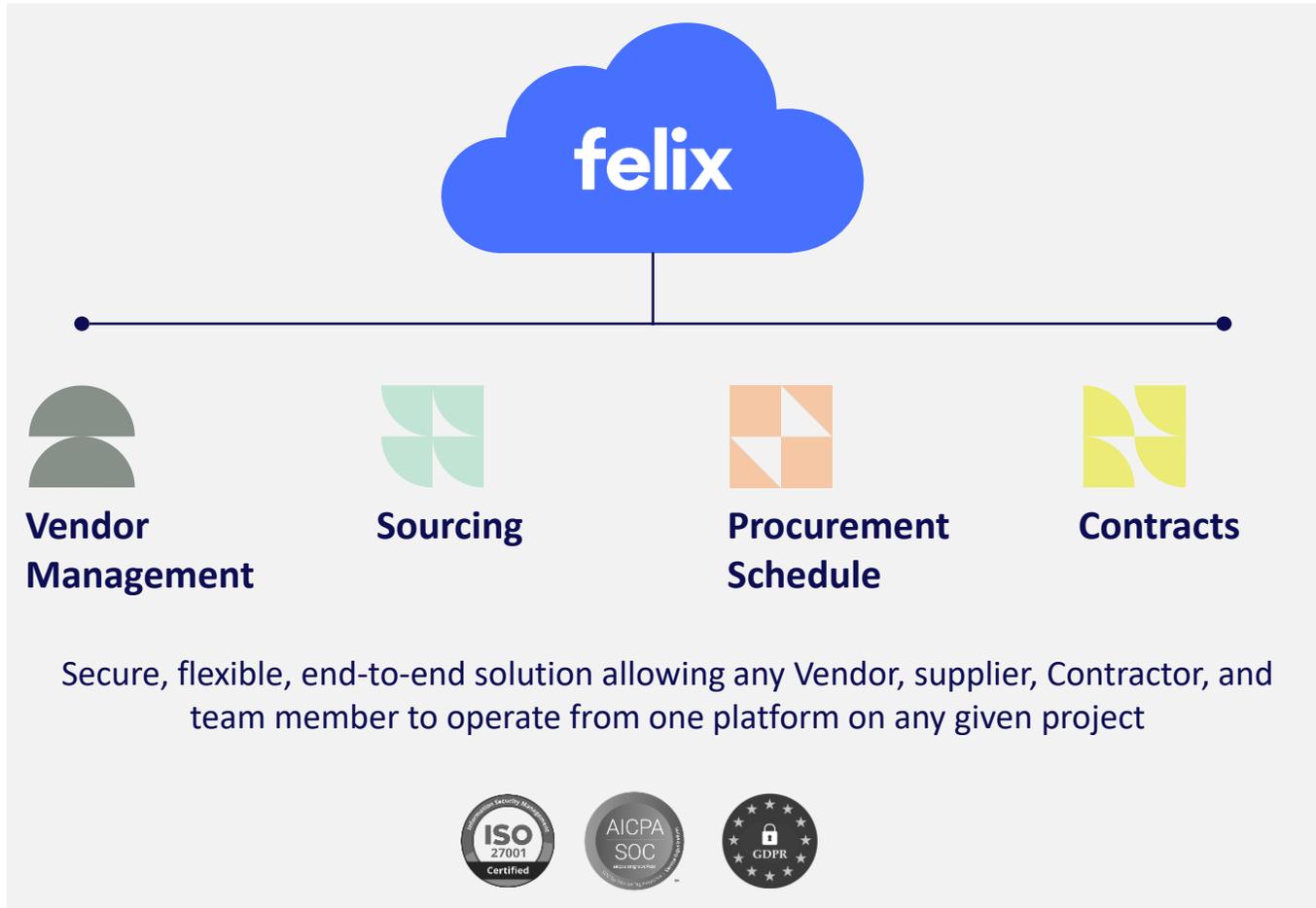
70+ Tier 1 and leading organisations trust Felix to manage and engage with their supply chains

## Select customers



# Modular platform

Felix digitises and connects organisations' supply chains, procurement workflows and internal teams



### Enterprise Revenue Model

B2B software licensing model based on the number of modules and user accounts

Additional one-time implementation fees

Average ARR per Contractor <sup>1</sup>	Typical contract length
\$89k	3-years



### Vendor Revenue Model

Currently, a lead-generation subscription service and concierge service for Vendors

# Built for asset intensive sectors



Critical Infrastructure



Engineering & Construction



Energy & Utilities



Property & Real Estate



Commercial Construction



Mining & Resources

Felix targets high-value sectors which operate across large and complex capital asset projects

Capital asset sectors share characteristics that Felix's platform has been purpose-built from the ground up to seamlessly manage throughout the entire asset lifecycle:

- ✓ Project or asset-led organisations
- ✓ Geographically diverse
- ✓ Critical dependence on third-party supply chain
- ✓ Project teams engaging supply chain and making procurement decisions
- ✓ High-risk and complex supply chains
- ✓ Procurement is largely services (subcontractor) focused
- ✓ Hybrid operating model relying on centralised and project teams
- ✓ Large organisations with complex enterprise workflows

# Unique solution

Traditional methods of managing supply chains are inadequate, while existing software solutions are not built to industry needs



## Paper / form-based solutions

*Traditional supply chain management using paper-based forms, spreadsheets and email*

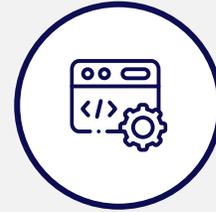
- Significant inefficiencies
- Siloed information between teams
- Not secure, no access controls or traceability



## Generic procurement solutions

*Industry agnostic procurement software solutions*

- Not fit-for-purpose
- Expensive and inflexible, with long implementation cycles
- Poor usability for operations teams



## Point solutions

*Specialised offerings designed with features for niche use cases*

- Narrow focus of solution
- Lacks flexibility and scalability
- Not underpinned by robust supply chain management capability

# felix

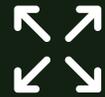
*Comprehensive supply chain management and procurement software solution, purpose built for capital-asset intensive organisations*

- ✓ **Comprehensive enterprise grade platform** built specifically for large Contractors and asset owner organisations
- ✓ **End-to-end functionality and visibility** across the entire procurement lifecycle
- ✓ **Market-leading supply chain management capability** underpinning platform
- ✓ **Optimised** for use by projects and operations teams
- ✓ **Seamless integration** into existing technology ecosystem

# Growth strategy



**1. Drive domestic Contractor growth**



**2. Contract value expansion**



**3. International expansion**



**4. Vendor monetisation**

# 1. Drive domestic Contractor growth

- ↳ **Build on sales momentum of FY24** to continue driving domestic adoption across high-value sectors
- ↳ **Leverage recent strong demand from the mining & resources sector**, highlighted by the four mining & resources customers signed in H1 FY25
- ↳ Convergence of significant supply chain, ESG and compliance pressures on organisations is driving broadening demand for Felix's platform across a diverse range of sectors
- ↳ **Ensure satisfaction of existing customer base and maintain historically low rate of churn** and high Net Revenue Retention
- ↳ **Deliver targeted platform investments**, including additional third-party integrations, which can further entrench Felix in customer operations and increase Felix's value proposition

Contractor customers<sup>1</sup>

72

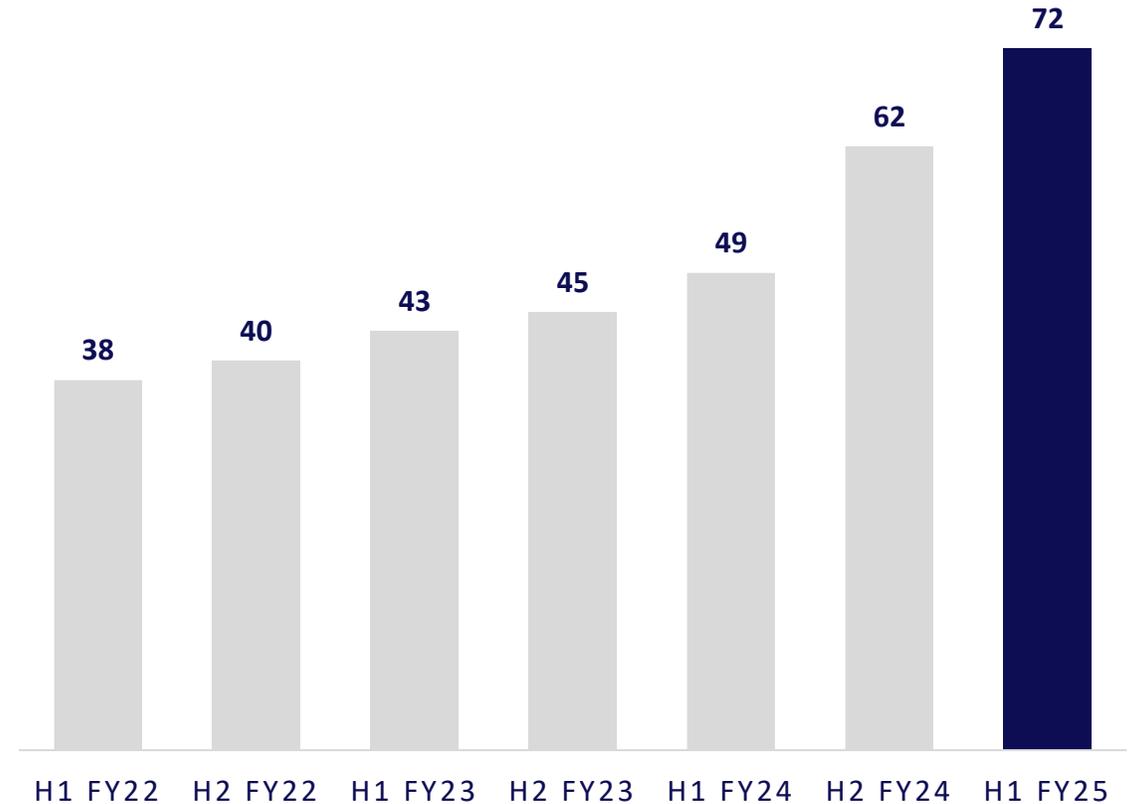
Australian market<sup>2</sup>

~1,700

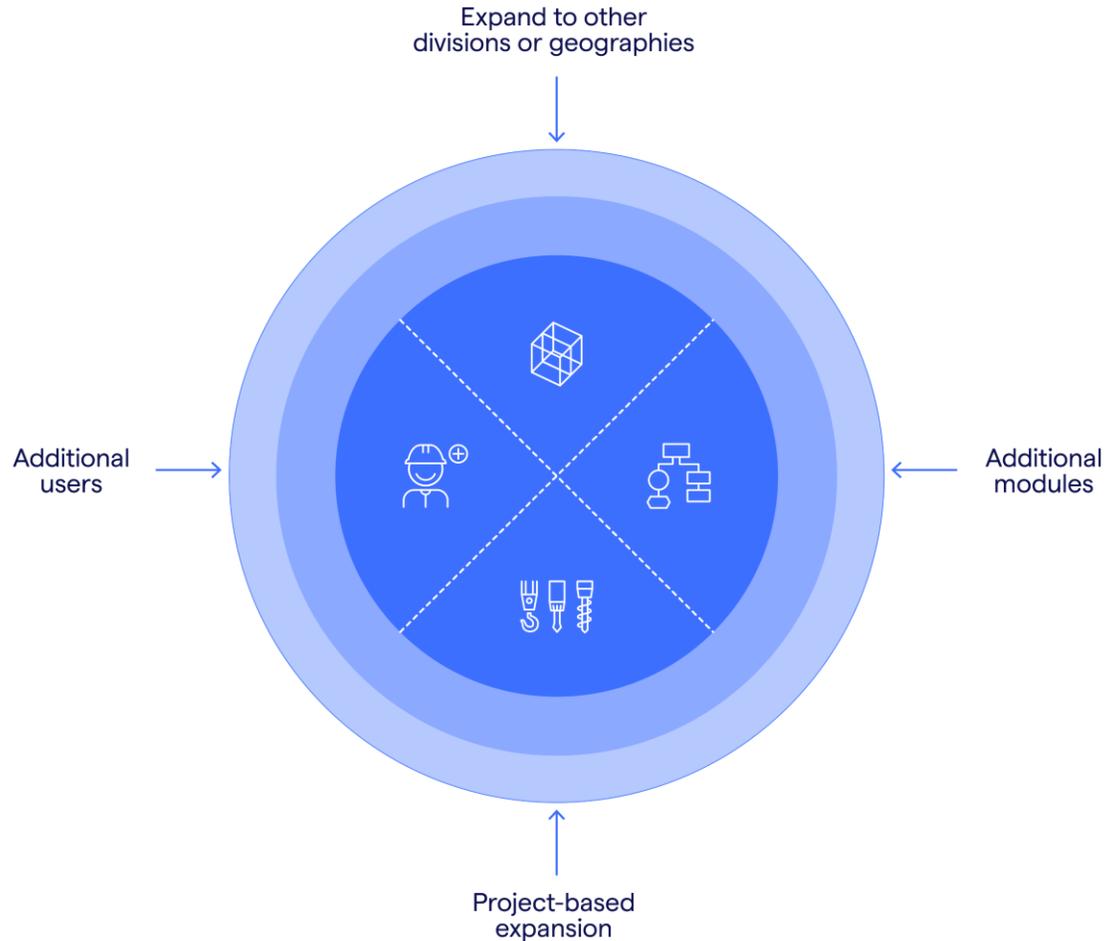
Domestic growth strategy to leverage broadening demand from adjacent sectors and convergence of supply chain, ESG and compliance pressures

## Accelerating platform adoption

(Total customers)



# 2. Contract value expansion



Multiple levers to drive uplift in contract value over time, with significant headroom across existing customers

## Expansion approach

- **Expand to other divisions or geographies** – initial contract use-cases generally have a narrow focus, representing opportunities to upsell into additional divisions and geographic operations
- **Additional modules** – opportunity to drive further downstream module adoption across existing customers
- **Project-based expansion** – as Felix becomes embedded in customer operations, there are opportunities to expand into new projects, further entrenching Felix’s value proposition
- **Additional users** – as organisations scale usage across more projects and divisions, user demand naturally increases, driving further growth through additional licenses

➤ Total expansion deals signed:

FY21	FY22	FY23	FY24	H1 FY25
3	7	20	17	10

Aggregate expansion opportunity across existing customers at maturity

**~2.9x** Current Contractor ARR<sup>1</sup>



1. Based on management estimates of potential ARR of current customers at maturity divided by current Contractor ARR.

# 3. International expansion

- ↘ Leverage opportunities to upsell into large international parent organisations of Felix’s existing customer base, in addition to organic pipeline opportunities
- ↘ Significant investment made to date into the internationalisation of Felix’s software platform
- ↘ **First international customer signed in FY24** with a mining & resources customer operating across Africa, Middle East, North and South America, and APAC
- ↘ **Broad international applicability proven**, with Felix’s platform already being utilised on international projects and with growing international Vendor numbers
- ↘ International opportunities require longer sales cycles given size and scale of international organisations, but provide an opportunity to reshape Felix’s financial profile

International Vendors on the platform<sup>1</sup>

11,689

International projects using Felix<sup>1</sup>

149

1. International Vendors and projects resulting from usage from existing domestic customer base. As at 31 December 2024.

## Capital-light and opportunistic strategy

### Approach

**Platform Internationalisation**



- ✓ Localisation features in-platform for international projects & Vendors
- ✓ International data security and compliance certificates (ISO27001, SOC-2 Type 1, GDPR)
- ↻ Development of multilingual capability
  - ✓ Multilingual functionality for Vendor portal
  - ↻ Multilingual functionality for Contractors (*expected in H2 FY25*)

**Existing upstream opportunities**



- ✓ 15 current contracts with domestic divisions of larger international parent organisations
- ↻ Leverage success with local divisions to drive sales momentum and organically expand across other divisions / geographies

**Partnerships**



- ↻ Secure cornerstone international organisations sourced through InEight partnership, providing access to large global organisations at limited sales & marketing cost to Felix

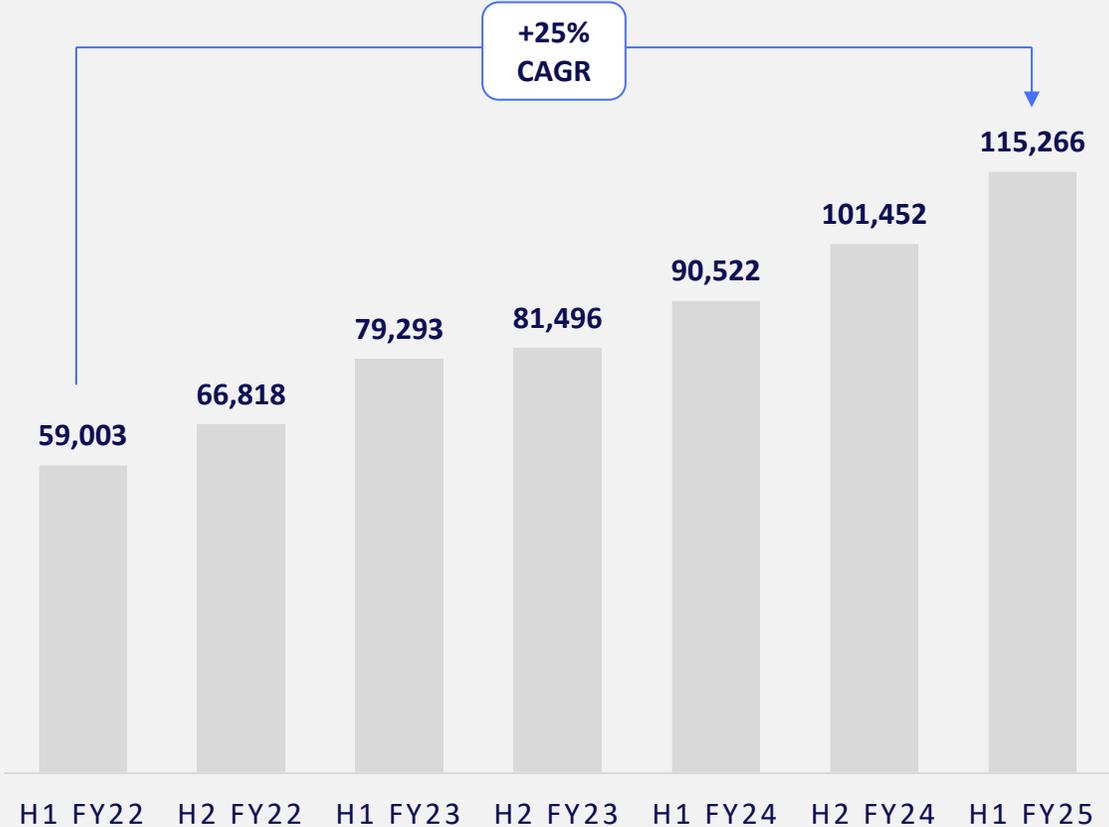
# 4. Vendor monetisation

Mandated usage of the platform...



Network effects of the enterprise platform are scaling the Vendor marketplace at little cost to Felix

...is driving rapid growth in scale of the Vendor marketplace



# 4. Vendor monetisation

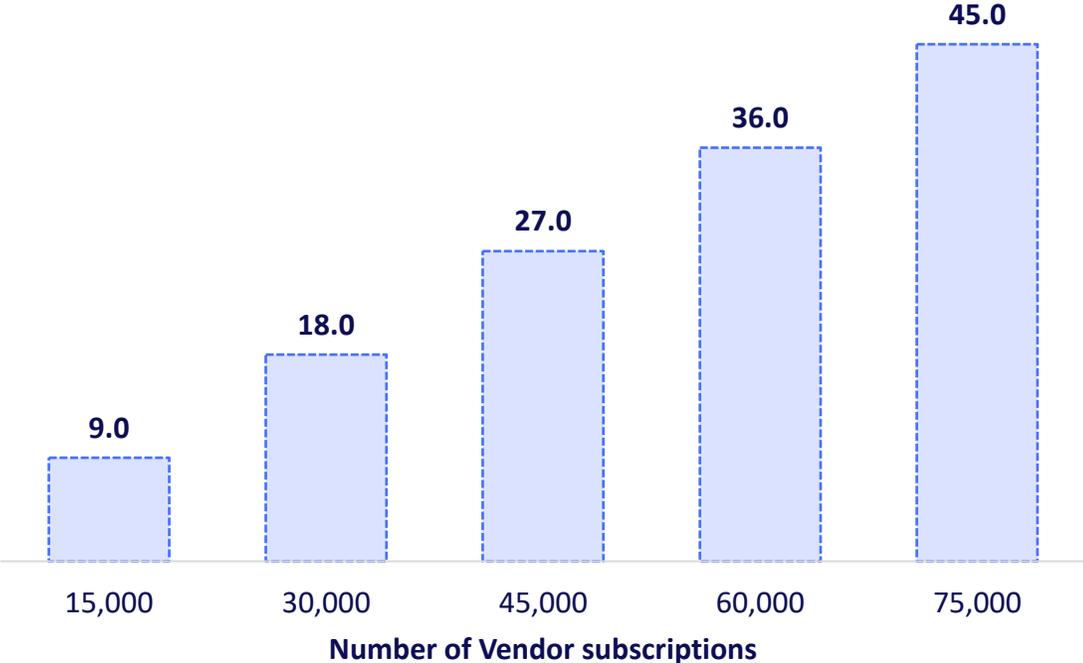
## Vendor monetisation opportunity

- ✎ Felix’s rapidly scaling Vendor Marketplace represents a significant monetisation opportunity which can be captured through a **freemium subscription model**
- ✎ **Vendors face various inefficiencies in the bidding process** on projects, such as the cumbersome prequalification process in which Vendors are required to repetitively prequalify in the same way for multiple organisations
- ✎ Felix plans to implement a staged approach to monetisation, with focus on product development and functionality improvements:
  - ✓ **Increase scale of Vendor Marketplace**, achieved through network effect from onboarding more Contractors
  - ✓ **Develop new functionality**, including AI-powered Vendor compliance document automation to significantly streamline qualification process for projects
  - 🔄 **Develop new modules**, such as *Vendor Passport and Wallet*, to significantly enhance the value proposition and drive Vendor conversion and retention
  - 🔄 **Transition to new subscription revenue model** once new modules and functionality are deployed

Long-term growth underpinned by opportunity to monetise the Vendor Marketplace

## Illustrative Vendor Marketplace ARR (\$m)<sup>1</sup>

*Does not account for future growth in the Vendor Marketplace, which has grown at 25% annually from H1 FY22 to H1 FY25*



1. Illustrative Vendor Marketplace ARR calculated at different levels of Vendor adoption and a subscription cost of \$50 per month. Figures are for illustrative purposes only.

# Additional information

# Corporate Overview

Share price performance (last 12 months)



## Substantial shareholders<sup>1</sup>

David Williams	14.4%
Perennial Value Management	14.3%
Thorney Investment Group	8.0%
Salter Brothers Emerging Companies	7.3%
George Rolleston (NED)	6.9%
Mike Davis (Co-Founder and CEO) and Michael Trusler (Co-Founder and NED)	6.4%
InEight (Strategic partner)	4.9%

## Financial information

Share price (19-Feb-25)	\$0.21
52-week trading range (low / high)	\$0.15 / \$0.25
Shares on issue	204.5m
<b>Market capitalisation (19-Feb-25)</b>	<b>\$42.9m</b>
Cash (31-Dec-24)	\$2.3m
Debt (31-Dec-24)	N/A
<b>Enterprise value (19-Feb-25)</b>	<b>\$40.6m</b>

# Board and Management



**Michael Bushby**  
Chairman

- 30 years' experience in Government including former Chief Executive of Roads & Traffic Authority in NSW
- Senior experience in the transport infrastructure sector
- Previous Chairman of transport technology company EROAD Ltd (NZX:ERD) and previous Board member and President of Roads Australia



**Joycelyn Morton**  
Non-Executive  
Director

- Extensive corporate experience in Australia and internationally across a variety of industries
- Currently serves as a non-executive director of Argo Global Listed Infrastructure (ASX:ALI), Argo Investments (ASX:ARG), and Gelion Plc (AIM:GELN)



**Rob Phillpot**  
Non-Executive  
Director

- Global Construction Tech leader with over 20 years' experience
- Co-founded global leading collaboration platform Aconex (ASX:ACX), which was acquired by Oracle in the largest tech acquisition in Australian history at the time



**Mike Davis**  
CEO, Managing  
Director  
& Co-Founder

- Co-Founder of Felix
- Over 15 years' experience in running technology companies, including founding and leading global e-commerce business Canvas & Canvas



**George Rolleston**  
Non-Executive  
Director

- Over 15 years' transactional and advisory experience across a range of industries
- Sits on a number of boards in industries ranging from tourism, finance, software and medical technology, including MHM Automation Ltd (NZX:MHM)



**James Frayne**  
Chief Financial  
Officer

- Former Senior Accountant at Grant Thornton in the privately held business and taxation divisions
- Holds a Bachelor's Degree in Business and an MBA from QUT
- Member of the Institute of Chartered Accountants Australia and New Zealand

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