



# AVADA GROUP LIMITED

## FY25 Results

August 2025  
ASX:AVD

BASED ON APPENDIX 4E RELEASED ON 29 AUGUST 2025



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## AGENDA

1. Results Overview
2. Financial Overview
3. Operating Update
4. Outlook



# Results Overview



# FY25 AT A GLANCE

## TOTAL REVENUE

**\$183.1m**

FY24 \$204.5m

Challenging trading conditions impacted revenue.

## ADJUSTED EBITDA

**\$12.8m**

excluding impairments

FY24 \$18.8m

Completed consolidation into single operating structure, re-branding and ERP implementation.

Completed Phase 1 of business transformation with Phase 2 ongoing.

## STATUTORY NET LOSS AFTER TAX

**\$17.6m**

FY24 net profit after tax \$1.5m

Impairments of \$9.7m on New Zealand and \$5.0m on NSW operations.

## BORROWINGS REPAID

**\$6.2m**

Borrowings \$35.3m

# Financial Overview



# FINANCIAL PERFORMANCE

- Decrease in revenues directly correlates to competitive trading conditions:
  - QLD remained stable
  - NSW margin compression
  - Victoria unionised labour
  - NZ weak economic conditions.
- Gross margins have been impacted by escalating costs and competitive pressures.
- Phase 1 of transformation process controlled costs and reduced operating expenses.

<b>\$'000s</b>	<b>FY25 Underlying</b>	<b>FY24 Underlying</b>
Revenue from operations	183,128	204,902
Revenue from acquisitions	-	15,187
<b>Total revenue (incl. other income)</b>	<b>183,128</b>	<b>204,902</b>
<b>Gross profit</b>	<b>37,914</b>	<b>47,885</b>
Gross margin (excl. other income)	20.7%	23.4%
Adjusted EBITDA	12,836	18,830
Adjusted EBITDA %	7.0%	9.2%
Depreciation	(7,253)	(7,442)
Net finance income/(expense)	(3,440)	(3,831)
<b>NPATA</b>	<b>1,279</b>	<b>5,239</b>
Vehicles (period end)	1,028	1,056
Revenue per vehicle (\$'000)	\$178	\$194
Traffic controllers (period end)	1,652	2,079
Revenue per traffic controller (\$'000)	\$111	\$99
Traffic controller hours for period ('000)	2,328	2,609
Revenue per traffic controller hour (\$)	\$79	\$79

## Note

Refer to Appendix A for a reconciliation to statutory results. Underlying results excludes M&A costs and adjustments for non-recurring income and expenditure

Key metrics are indicative of performance during the period and represent the average project work by traffic controllers. However, these may vary due to the nature of the project including the duration of work, complexity, required staff and equipment and associated fees.

# BALANCE SHEET

- FY25 was a year of consolidation following acquisitions, positioning the business for long-term value creation.
- Cash and cash equivalents \$7.3m, down from \$8.5m in FY24, reflecting \$6.2m borrowings reduction, working capital optimisation and timing of net tax payments.
- Group has funded purchase of motor vehicles and plant and equipment through working capital.
- Total assets declined to \$108.2m, primarily driven by impairments of intangible assets of \$9.7m in NZ and \$5.0m in NSW.

	CONSOLIDATED	
\$'000s	June 25	June 24
<b>Current assets</b>		
Cash and cash equivalents	7,327	8,500
Trade debtors and other current assets	32,649	31,616
	<b>39,976</b>	<b>40,116</b>
<b>Non-current assets</b>		
Property, plant and equipment	21,792	25,066
Other non-current assets	46,407	66,284
<b>Total non-current assets</b>	<b>68,199</b>	<b>91,350</b>
<b>TOTAL ASSETS</b>	<b>108,175</b>	<b>131,466</b>
<b>Current liabilities</b>		
Trade and other payables and accruals	23,960	17,793
Financial liabilities – current	4,699	3,835
Other current tax liabilities	4,690	8,462
	<b>33,349</b>	<b>30,090</b>
<b>Non-current liabilities</b>		
Financial liabilities	30,565	37,603
Other non-current liabilities	7,614	9,305
	<b>38,179</b>	<b>46,908</b>
<b>TOTAL LIABILITIES</b>	<b>71,528</b>	<b>76,998</b>
<b>NET ASSETS</b>	<b>36,647</b>	<b>54,468</b>
<b>NET CURRENT ASSETS</b>	<b>6,627</b>	<b>10,026</b>

# Operating Update



# THE BUSINESS RESPONDED TO A RANGE OF CHALLENGING TRADING CONDITIONS

Support for unionised labour on public sector projects

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Severe weather events in Q3

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Delays to Government infrastructure project  
commencements

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Margin compression in NSW operations. Changes to  
management and evolving competitive landscape for  
transport projects presenting new opportunities

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Continuing weak economic conditions in New Zealand

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# SIGNIFICANT PROGRESS IN BUSINESS TRANSFORMATION

New CEO and CFO in place

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Phase 1 of business transformation completed

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Ongoing operating cost reductions

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Eleven Australian businesses consolidated into one operating platform

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Unified brand across all operations building AVADA's reputation

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Enhanced business development activities with dedicated senior management resource

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ERP Phase 1 implementation completed

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Continued proactive management of safety culture and performance

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# NEW ZEALAND STRATEGIC REVIEW

Continuing weak economic outlook impacting performance resulting in operating loss of \$0.4m

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Strategic review completed

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\$9.7m impairment on New Zealand operations in FY25

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Management restructure

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Ongoing cost efficiencies with further savings in FY26

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New Zealand business re-branded, AVADA Traffic

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Directors have considered all options and support ongoing operations and plans to restore profitability

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## PHASE 2 OF BUSINESS TRANSFORMATION UNDERWAY



Business performance consultancy engaged to facilitate Phase 2 transformation process

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Further cost efficiencies identified for FY26

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Further optimising resource deployment across our network

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Consistently delivering industry best practice standards for safety and service

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Strengthened business development function leveraging competitive strengths to build client relationships and grow revenue

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# Outlook



# OUTLOOK



Building industry leadership position based on significant operating presence, unified brand, and commitment to best practices in safety, governance and reporting.



Solid operating platform and ongoing efficiency improvements.



Transformation will strengthen capacity to adapt to prevailing market conditions in key markets.



Underlying demand drivers remain positive with substantial pipeline of infrastructure development and maintenance projects.

# Appendix A



# UNDERLYING EARNINGS

- Non-recurring and non-operational transaction expense adjustments include costs associated with M&A activity, restructuring and systems implementation.
- Contingent consideration adjustment relates to the gain recognised with the remeasurement of liabilities associated with the STA Traffic acquisition.
- Impairment relates to \$5.0m of intangibles in NSW and \$9.7m in NZ, reflecting the challenging trading conditions.

\$'000s	FY25 Preliminary Statutory <sup>(1)</sup>	Non-recurring/ Non-operating items	Contingent Consideration	Impairment of Intangibles	FY25 Adjusted
Traffic Management Revenue	183,095				183,095
Other Revenue	517		(484)		33
<b>Total Revenue</b>	<b>183,612</b>	-	(484)	-	<b>183,128</b>
Cost of Sales	(145,214)				(145,214)
<b>Gross Profit</b>	<b>38,398</b>	-	(484)	-	<b>37,914</b>
Employee benefit expenses	(18,864)	622			(18,242)
General and admin expenses	(3,232)	956			(2,276)
Other expenses	(4,937)	376			(4,561)
Impairment of intangibles	(14,767)			14,767	-
<b>Operating expenses</b>	<b>(41,800)</b>	<b>1,955</b>	-	<b>14,767</b>	<b>(25,078)</b>
<b>EBITDA</b>	<b>(3,402)</b>	<b>1,955</b>	<b>(484)</b>	<b>14,767</b>	<b>12,836</b>
Depreciation and amortisation	(10,914)		-	-	(10,914)
<b>EBIT</b>	<b>(14,316)</b>	<b>1,955</b>	<b>(484)</b>	<b>14,767</b>	<b>1,922</b>
Net finance income / (expense)	(3,440)				(3,440)
<b>Profit before tax</b>	<b>(17,756)</b>	<b>1,955</b>	<b>(484)</b>	<b>14,767</b>	<b>(1,518)</b>
Income benefit / (expense) <sup>(2)</sup>	156				455
<b>Net Profit after tax</b>	<b>(17,600)</b>	<b>1,955</b>	<b>(484)</b>	<b>14,767</b>	<b>(1,063)</b>
Exchange differences on translation of foreign operations	(220)				(220)
Add back: amortisation (net of tax)					2,562
<b>NPATA</b>	<b>(17,820)</b>				<b>1,279</b>

## Note

1. FY25 Preliminary Statutory results are as per the unaudited 4E financial statements for the year ended 30 June 2025.

2. The tax expense amount is the current estimated expense pending finalisation of the tax calculation.

3. The pro forma and normalisation adjustments have been sourced from the underlying accounting records of AVADA Group Limited and its subsidiaries



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