



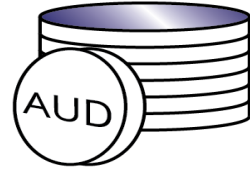
# 1H 2023 Results Presentation

ASX:FOS

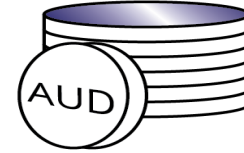
# 1H 23 Highlights



\$ 8.6M  
Sales +39%



\$0.52M  
NPBT +67%



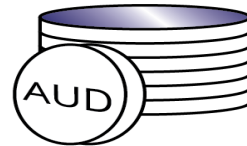
\$0.39M  
NPAT +36%



\$5.3M  
Order book -15%



Hawko Lighting  
Acquisition



\$-1M  
Operating cashflow



59  
Employees

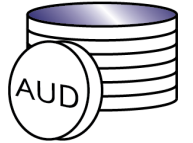


\$58M  
Quote pipeline

FÖS  
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# 1H23 Operational Update

- Since inception April 2019 FOS has delivered 6 consecutive half yearly profits.
- Record 1H sales \$8.6M +39%                      Record Q2 sales \$5.5M +57%
- 1H NPBT \$521K +67%                              1H NPAT \$392K +36%
- Cost of doing business as a % of Sales improved 33% from 44% to 33% with further improvements expected as Hawko acquisition integrates.
- Order book lower at \$5.3M as a result of high Q2 sales
  - Expect to have it back above \$6M in coming months
- Negative operating cashflow to rebound in Q3 as receivables collected from high sales months
- Acquired Hawko Lighting November 2022
  - Integration continuing, now migrated onto FOS systems
  - \$500K in synergies identified
- Raised \$1.5M via placement to fund acquisition
- Expanded FOS VEKTA range, now our biggest selling product line



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# Hawko Lighting Acquisition

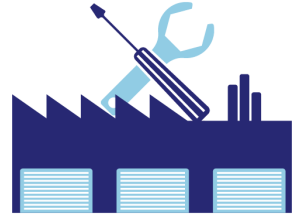


- Hawko Lighting Group
- Established over 30 years, based on Sunshine Coast, Queensland
- Manufactures an extensive range of LED linear lighting
- Services the Australian market through distributors
- 11 employees
- FY22 Sales \$3.3M
- FY22 normalised EBIT \$300K
- Synergy benefits \$500K (previously announced \$250K) (to be realised over 12 months)
- Purchase price \$1M cash upfront \$300K deferred 12 months linked to sale of stock
- FOS Capital raised \$1.5M via a sophisticated investor placement @20c per share
- Hancock & Gore (ASX:HNG) and associated entities subscribed to \$1M of the placement

# FOS Group Inclusive of Hawko



+\$20M  
Annualized Sales



3  
Manufacturing &  
Warehousing facilities



6  
Sales offices



7  
Distributors



15  
Product ranges



59  
Employees



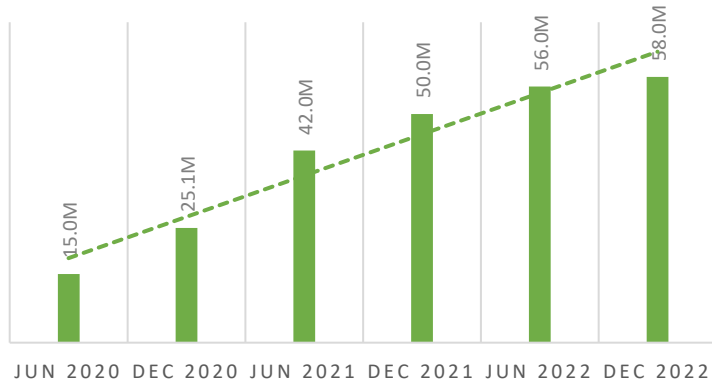
\$5.3M  
Order Book



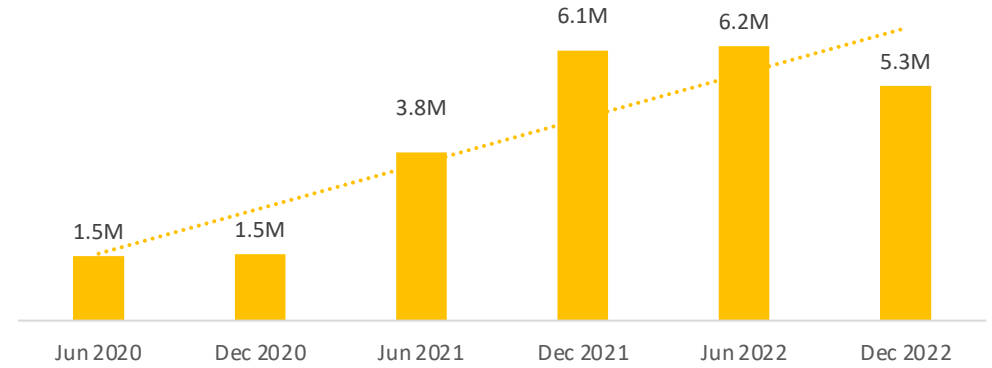
\$58M  
Quote pipeline

# 1H23 Comparative analysis

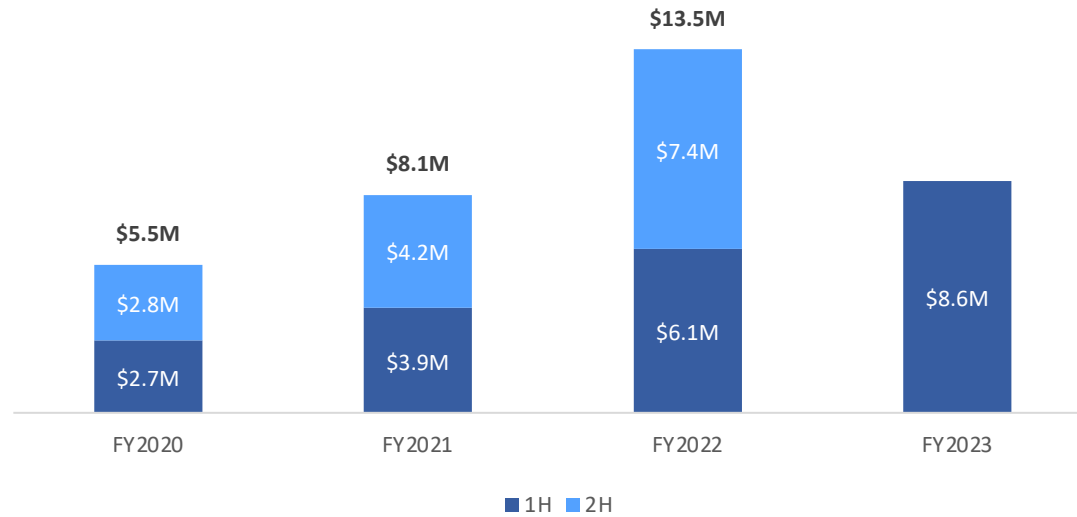
## ACTIVE QUOTES



## Orders on Hand



## Sales



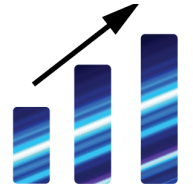
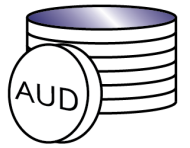
# FY22 Financials

P&L (\$m)	1H22	1H21
Sales	8.6	6.2
Gross Profit	3.3	2.8
Other income	0.1	0.26
Expenses	2.9	2.8
Exp as % of Sales	33%	44%
PBT	0.52	0.31
NPAT	0.39	0.29

Balance Sheet (\$m)	Dec 22	Dec 21
Cash & Receivables	5.2	3.9
Stock, P&E, Other	9.9	8.7
Total Assets	15.1	12.6
Payables	2.9	1.6
Other	3.1	3.5
Total Liabilities	5.9	5.1
Net Assets	9.2	7.5

# Outlook

- FOS continues to build the foundations of a profitable sustainable business
- Acquisition of Hawko represents significant manufacturing synergies and increased manufacturing capacity.
- ANZ operation with 59 staff well positioned for further growth
- New revenues streams from expanded geographical presence with the addition of 6 new distributors
- Growing pipeline of projects with active quotes now at \$58m
- Commercial construction industry continues to be robust
- Continued focus on product development and cost rationalisation
- Strong balance sheet, debt free, no material capex requirements
- Actively pursuing multiple value accretive acquisition opportunities



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# FOS at a glance

Capital Structure	ASX:FOS	Directors	
Shares on Issue	53.8m	Non-Executive Chairman	Sandy Beard
Share price (20/02)	18c	Managing Director	Con Scrinis
Market Cap	\$9.7m	Executive Director	Michael Koutsakis
		Non-Executive Director	Michael Monsonogo
Cash (Dec 2022)	\$1m	Employees	59
Net Assets	\$9.2m	Brands	15
NA per share	17c	Offices	6
		Manufacturing plants	2
Major Shareholders: SKM Investment Group (associated with executive directors) 57%			
: Hancock & Gore Ltd 16.95%			