

29 October 2024

**Company Announcements Office**

ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000  
Via ASX Online

**2024 ANNUAL GENERAL MEETING ADDRESSES**

In accordance with ASX Listing Rule 3.13.3, attached are the addresses to shareholders and accompanying slides that will be delivered by the Chair of the Board, Ms Fiona Hele and the Managing Director and Group Chief Executive Officer, Mr Clinton Feuerherdt at the Annual General Meeting 2024 of Kelsian Group Limited (ASX:KLS) that commences at 10:00am ACDT (10:30am AEDT) today.

As noted in the addresses, Kelsian reaffirms its expectations of FY25 Underlying EBITDA to be between \$283 million and \$295 million\*, with a skew to the second half.

*Authorised for lodgement with the ASX by the Managing Director and Group Chief Executive Officer, Clinton Feuerherdt*

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**Further information**

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*\* Assuming no deterioration in operating environment, no material changes in domestic tourism, labour availability or key input prices such as fuel. Variations in economic conditions, trading conditions, currency exchange or interest rates, or other circumstances may cause these key assumptions to change.*

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**KELSIAN GROUP LIMITED**  
**AGM TO BE HELD AT 10:00am ACDT AS AN IN PERSON MEETING**  
**ON TUESDAY 29 OCTOBER 2024**

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**CHAIR ADDRESS – FIONA HELE**

It is an honour to be standing here today as the Chair of Kelsian. Since I joined the Board in September 2016, I have seen the significant growth of the business from marine and tourism services, the expansion into metropolitan bus public transport with the acquisition of Transit Systems Group and then more recently into motorcoaches with the acquisition of All Aboard America Holdings. Being a part of that journey has provided me with a valuable perspective on all of our business units and the sectors in which we operate.

I am delighted to be working with my fellow Directors to represent and serve the interests of you, our shareholders; by overseeing the strategy, execution, policies and performance of Kelsian to create and deliver long-term value.

I would like to start by outlining several changes to the Kelsian Board since last year's AGM.

Firstly, following the 2023 AGM, Chris Smerdon retired from the Board. Chris was the longest serving non-executive director with the Company and his decision to retire reflected his support for Board renewal and succession planning.

Jackie McArthur was appointed as an independent non-executive Director of Kelsian, effective 15 January 2024. Jackie is a highly experienced ASX company director and has over 20 years' experience gained at both executive and board level.

In June 2024, Caroline Elliott was appointed as an independent non-executive Director of Kelsian. Caroline has broad experience at both executive and board level, and she brings particularly strong finance and audit skills to Kelsian.

Jackie and Caroline are up for election today, so you will hear more from them later.

I was appointed Independent Chair on 1 July 2024 when Jeff Ellison retired as Chair and stepped down from the Board.

Jeff joined Kelsian over 30 years ago and I take this opportunity to thank him for all his hard work and dedication.

During the past year, there has been a significant refresh of the Kelsian Board and I am confident that we have the appropriate balance of skills and experience going forward.

In line with the Board's commitment to targeting adherence to ASX Corporate Governance Principles, and Board renewal; I'm pleased to report that the Board is now majority independent with a 50-50 split of male / female directors.

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Turning now to the results for the 12 months to 30 June 2024. Last financial year represents the first full year of contribution from our American business, All Aboard America! Holdings, Inc. ('AAAH') which was acquired in June 2023. It also includes the part year contribution of new metropolitan bus contracts in Sydney which began operating in August and October 2023.

FY24 was a record result and represented a year of significant growth. In 12 months, we delivered over 367 million customer journeys, representing a 31% increase compared to FY23. Underpinning this growth, was a 15% increase in the number of buses and motor coaches to 5,575, including a 51% increase in the number of zero emission buses, now totalling 149 battery electric buses and four hydrogen fuel cell vehicles.

Underlying Net Profit After Tax and before Amortisation, adjusted for one-off costs associated with M&A and abnormal items) increased by 32.3% to \$92.6 million.

Net operating cash flow increased by 176.2% to \$58 million.

The Board declared a fully franked final dividend of 9.5 cents per share, taking the full year dividend to 17.5 cents per share.

One of the key achievements during the period, was the establishment of ring-fenced, limited recourse, asset financing facilities to house Government backed contracted assets including \$40 million for the funding of 49 battery electric buses for Region 6 in Sydney, and approximately \$75 million for contracted bus assets operating Regions 2 and 3 in Sydney.

Another highlight occurred in May, when we announced the successful refinancing and upsizing of our corporate debt facilities, with strong support from both existing and new lenders.

As a business, we transport people on roads and waters that have a range of hazards and risks that may be unsafe. As a consequence, we always strive to mitigate those risks by managing and educating our people, and constantly improving behaviours, processes, and equipment. Safety remains a priority in absolutely everything we do and we are committed to ensuring we create a safe and healthy environment for our employees, contractors, and customers.

Overall, the FY24 result was a very good one. Not only was it a pleasing financial result, operationally, the business performed very well.

The record FY24 result was overshadowed by the events prior to the FY24 results announcement, in particular the capital expenditure anticipated for FY25. I want to reiterate that the Board approved these investments as highly commercial and strategic initiatives to support continued growth in the medium and longer term.

We announced the revised capex program in conjunction with our unaudited indicative results two days prior to the release of our audited accounts.

With the benefit of hindsight, we could have handled the communication differently, including releasing the full unaudited accounts and hosting an investor call with the release of the FY25 capex update.

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As well as feedback on the timing and handling of these announcements, we have received feedback from some shareholders relating to leverage, returns on invested capital, and our communication and engagement with the market.

Kelsian is currently undertaking a detailed review of its capital management and allocation framework to confirm its suitability for the business' strategy. This review includes target leverage, maintenance and growth capital requirements, target returns for deployed capital and target dividend payout range.

The review is evaluating Kelsian's portfolio against the framework, and potential opportunities to improve returns and optimise the portfolio.

Kelsian has already undertaken a process to identify property assets that it views as less strategic. For example, we are already in the process of executing a sale and lease back on several depot assets in Western Australia.

The outcome of the review, including target returns, will be reflected in the future structure of Kelsian's management remuneration structure and incentive framework.

We look forward to providing you with a more detailed update on this review at our half-year results in February.

Turning now to Remuneration.

During the past few years, there has been significant improvement to the Remuneration framework. We do however recognise that there is more to do. Our approach to remuneration and rewarding KMP continues to ensure remuneration is competitive, and that Executives are incentivised to drive long-term sustainable growth and increase shareholder value.

Based on the proxy votes received, we anticipate we may receive our first strike for our remuneration report. This is a disappointing outcome.

The Board acknowledges the need to better connect critical performance drivers and our remuneration framework, as well as reporting transparency, both of which we will address.

Clearly, there is more for the Board to do; including but not limited to ensuring our remuneration is sufficiently competitive to attract and retain talent for our evolving and growing business, while ensuring it falls within a remuneration structure that aligns executives to grow the business, be more operationally efficient, and deliver long-term shareholder value with sustainable and appropriate returns.

I'm pleased to share with you today that the Board has committed to introducing appropriate capital returns based measures into our Remuneration Framework to apply from FY26.

In conclusion, I can assure shareholders that we have taken all the feedback on board, and as your incoming Chair I make the following commitments:

- To take action to address underperforming assets.
- To act on divesting non-core assets.
- To ensure leverage is appropriate.
- To improve communication, including around capital allocation, to give shareholders better visibility.

This detailed review of capital management is our primary focus for the coming months, and I ask shareholders to give us the time to undertake this review thoroughly, in conjunction with our advisors, to ensure we make the right decisions that are in the best interests of the business for the long term.

Before I hand over to Clint, I want to take a moment to outline what I believe to be one of the reasons why the future prospects for Kelsian are strong.

As you know, transport is one of the largest identifiable sources of carbon emissions and therefore a key focus area for any government determined to reach net zero emission status.

Kelsian is in an enviable position to support governments in converting their existing diesel fleets to zero emission while simultaneously encouraging people to leave their cars at home and choose public transport for their commuting.

Kelsian has deep industry knowledge and a leadership position to support governments in undertaking this essential modal shift and as your Chair I'm looking forward to ensuring we capitalise on this opportunity in the coming years.

I would like to conclude by thanking our Managing Director and Group CEO, Clint Feuerherdt and his teams across Australia, Singapore, the United Kingdom and the United States. We are incredibly fortunate to have dedicated and committed employees across the organisation who adhere to the key values we hold at Kelsian. I would also like to thank my fellow Board members for their valuable contribution and look forward to working alongside them in 2025.

Most importantly, on behalf of the Board, I thank our loyal shareholders and to our new shareholders, welcome to the Kelsian Group.

I will now hand over to Clint to provide a summary of the FY24 financial and operational highlights, current trading and outlook.

## **MANAGING DIRECTOR AND GROUP CHIEF EXECUTIVE OFFICER ADDRESS – CLINT FEUERHERDT**

Thank you, Fiona.

Fiona has presented the headline numbers for FY24 representing a record financial result for Kelsian.

As the most experienced and far-reaching public bus and marine transport operator in Australia, the FY24 result further enhances our leadership position. It is a testament to the Group's ability to grow organically and profitably in existing markets, to enter new markets using selective M&A and drive better operational performance from our existing portfolio of businesses.

I will now outline a selection of the operational and strategic highlights from FY24.

Firstly, I am proud to report that Transit Systems is now the largest Sydney metropolitan public bus operator. This was achieved after the successful mobilisation of the three new contract regions in Western Sydney, which added 700 new staff, 380 new buses and 5 new bus depots.

These new contracts have been added to the portfolio organically and all of the buses have been financed and housed in a limited recourse ring fenced Special Purpose financing vehicles providing a

very capital efficient outcome for Kelsian.

In addition, Transit Systems commenced a new major rail replacement contract in Perth in November 2023 and secured the Bankstown Rail Replacement contract in Sydney that kicked off successfully a few weeks ago.

All of this has been achieved in a tight labour market, and despite a very large increase in services. Pleasingly, the business is fully staffed thanks to a well-executed recruitment strategy combined with the launch of the Transit Academy which is introducing new drivers into the industry by training and transitioning them from a standard car licence to a bus license.

Turning now to the international bus segment that has grown to now represent approximately one third of the Group's revenue.

The most notable change is the full year inclusion and contribution of our USA business, All Aboard America. I will speak to AAAHI's performance in a moment.

In Singapore, the business battled higher absenteeism and staff shortages early in FY24 but exhibited improvement in the second half. The Singapore business concluded the year fully staffed, with reducing levels of absenteeism and performance incentives returning.

SeaLink Marine & Tourism delivered a commendable result when considering the strength of the post COVID demand in FY23 and accounting for three of the busiest months being weather affected in FY24, and the ongoing cost-of-living pressures on households.

The business continues to implement yield management strategies, with fare increases selectively applied to address inflationary cost pressures.

The margin compression that was experienced mostly stemmed from the lower demand due to weather in the peak months of December, January and February.

International tourist arrivals were up on last year, but the second half saw lower demand from the domestic market, likely attributed to the cost-of-living pressures and greater accessibility to international travel.

The expansion of SeaLink's business in the Whitsunday Islands continued with the acquisition of Red Cat Adventures in February 2024. SeaLink now operates a renewed Hayman Island ferry contract and an additional contract to supply tours and experiences to Hayman Island visitors.

Turning now to the first full year of AAAHI, the 4<sup>th</sup> largest motorcoach operator in USA that we acquired in June 2023. AAAHI is a leading provider of passenger motorcoach services to corporate, government, education, construction and the tourism sector customers in the USA.

We are delighted with AAAHI's first year performance, with double digit revenue growth during the period. The business continues to track ahead of our investment case with excellent returns.

The AAAHI team have had an impressive track record of contract renewal with all expiring contracts successfully renewed in the period. We have also seen the addition of new contracts in our key markets that service the technology, construction, education and government sector clients.

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Specifically, as regards the performance of our top 10 contracts which deliver the majority of AAAHI's contracted revenues; during FY24, four of the top 10 contracts were renewed following RFP processes and a further five of the top 10 contracts benefited from pricing rate increases. During the year we also secured two contracts with new clients that will be additions to our top 10 contract list moving forward.

AAAHI's presence and scale delivers cost and operational efficiencies and provides a great platform to continue to grow in the large and fragmented USA market.

We have a strong pipeline of near-term opportunities in the technology, corporate and construction employee shuttle markets.

We also intend to explore opportunities in adjacent markets such as healthcare shuttles, airport shuttles, and on campus university transport.

Both the Australian and international bus divisions are performing well.

I would like to call out the excellent start to the Bankstown Rail Replacement contract as an example of our operational excellence. We successfully delivered a fleet of 60 new buses and recruited and trained 140 bus drivers – on time and on budget.

There have been significant achievements during the first quarter in our International Bus business too. I'm pleased to report that the challenges faced by a large industrial client in USA have been resolved and, as anticipated, this project is currently ramping up at pace.

We extended the Bustang & Pegasus service contracts in Colorado for one-year with four one-year options.

In the UK we renewed the Jersey bus contract for a 10-year period. While it was disappointing to not renew the Guernsey contract, it was not a material contributor to the earnings from the UK. All the assets servicing the Guernsey contract were owned by government and will be passed on to the new operator.

During the first quarter, the Marine & Tourism performance was somewhat subdued compared to the prior year.

Projects within the M&T segment are progressing well with vessel construction and infrastructure projects tracking well.

Recently, I was fortunate to visit K'gari, formerly known as Fraser Island, and I was very impressed by the Illumina laser light show experience that launched in September. This is a permanent installation by the same artist that was involved in a similar light show installation at Uluru. I am optimistic that it will drive increased visitation to this unique part of Australia, and I encourage all of you to go up and see it for yourselves!

Turning now to capital management. As Fiona mentioned in her address; we are currently undertaking a detailed review of our capital management and allocation framework to confirm its suitability for the business' strategy.

This review includes target leverage, maintenance and growth capital requirements, target returns for deployed capital and target dividend payout range.

The review is evaluating Kelsian's portfolio against the framework, and potential opportunities to improve returns and optimise the portfolio.

Kelsian will provide a more detailed update on the progress of this review at our half year results in February.

We have already undertaken a process to identify property assets that we believe are less strategic and we have initiated a process of executing a sale and lease back of several depot assets in Western Australia.

Turning now to FY25 outlook.

In the domestic bus business, the focus is now on ensuring we capture the synergies and efficiencies across the new Sydney bus contracts.

Furthermore, we anticipate continued growth in AAAHI and Singapore.

Whilst the Marine and Tourism business remains somewhat subdued, FY25 is a significant year for the business with the mobilisation of four of the largest vessels in the fleet, two on Kangaroo Island and two in South East Queensland, expected in the second half.

Like many of you in the room, I will welcome the long-awaited mobilisation of vessels and infrastructure for the new improved Kangaroo Island ferry service. The investment made in this project, including the contribution towards the key marine landing infrastructure secures this important contract for operating exclusive ferry services to KI for up to 25 years.

The new ferries will increase capacity by more than 100% on this route, one that is currently capacity constrained.

With the introduction of yield management strategies, and the additional capacity, we expect to recoup this investment over the 25-year contract term.

It is worth noting that fares on this route have only seen modest increases since 2013 and it is the increased visitation to the island that has delivered the strong returns from this asset historically.

This volume of visitation is expected to gain momentum when the new ferries are launched making onboarding and exiting much easier as they are drive-on drive-off.

There are also expanded camping and caravanning facilities and top-class golf course, currently under development all of which are expected to attract additional visitors to the island.

The first of our two new car ferries for South-East Queensland services has been launched and we expect to take delivery over the next month or so.

Finally, in August 2024 we have sought to outline in greater detail how the planned changes to the asset base translate to depreciation and interest in FY25, further broken down to highlight the core asset components, separate to the government funded ring fenced limited recourse SPV components.

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We reaffirm guidance of FY25 EBITDA of between \$283 million and \$295 million, with a skew to the second half, representing some further significant earnings growth over the strong FY24 result presented in August.

Whilst the share price fall in the past few months has been disappointing for all shareholders, I want to take this opportunity to outline what I believe are Kelsian's Key Investment Highlights.

Firstly, we have approximately 89% of group revenue underpinned by long term contracts, with highly creditworthy counterparties.

Building on this substantial portfolio of contracted revenue, Kelsian has an enviable history of securing, renewing and extending contracts.

It is worth noting that during the past 25 years, we have only lost two major domestic contract renewals of more than 40 buses, being Perth and Adelaide. We subsequently regained contracts in both Perth and Adelaide and are now the largest operator in both markets.

As an operator, we continue to top the leaderboards – for example, if you look on the Transport for NSW dashboard showing the region's relative performance for service on-time running, cancelled and incomplete trips, customer complaints, driver vacancies and asset maintenance across the Sydney Metropolitan area or the Outer Metropolitan area, Transit Systems has three of our regions ranked in the top five.

Importantly for the portfolio, we have no material public bus or marine & tourism contracts up for renewal in the next two years, giving us good visibility of revenues and operating earnings.

We enjoy strong, preferred positions in many of our businesses, including for example our leading operational reputation and the physical assets in our Marine & Tourism business where we are the operator to so many of Australia's iconic island destinations.

We have taken on board the feedback from investors and are prioritising cash generation.

As outlined in August, we anticipate capex will decline sharply in FY26 following this period of peak investment, and we expect to use the free cash generated to reduce leverage.

Shareholders can take comfort that from FY26, the recent years of peak investment and capital deployment are behind us, and we can all look forward to capitalising on that investment during the coming years.

Kelsian's strong market presence and operating expertise means it has a wide array of organic growth options. Our pipeline of organic growth opportunities extends to Australia, New Zealand, USA, Singapore, and UK.

We will be disciplined in how we evaluate these opportunities and return on invested capital will be a primary criterion by which we assess them.

Turning now to the mega tailwind that is decarbonisation. Transport is a key focus for any government focused on reaching net zero emission status.

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To decarbonise public bus transport networks, governments need to convert their existing bus fleets to zero emissions while at the same time encouraging people to shift from cars to public transport by increasing public transport services.

The Australian Climate Council recommends 50% of transport budgets should be dedicated to public transport. International analysis has highlighted that a significant mode shift in urban passenger transport alongside vehicle electrification is needed if we are to stand any chance of limiting warming to 1.5 degrees centigrade over the long term.

Mode shift can only be achieved by an increase in public transport networks, both to entice people out of their cars and onto public transport and to cater for the anticipated increase in demand.

This translates into greater private sector participation in the delivery of public transport and accelerated growth within the contracts that are already in the portfolio.

As the operators of the largest zero emission bus fleet and the largest electrified bus depot in Australia; governments increasingly rely on us for our deep industry knowledge and leadership in this area.

In closing, Kelsian is a diversified global business with predictable revenue streams, underpinned by long term contracts in defensive sectors.

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## Kelsian Group Limited

2024 Annual General Meeting of Shareholders

29 October 2024  
10:00am (Adelaide time)



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**Authorisation:** Approved and authorised for release via the Australian Securities Exchange on 29 October 2024 by Joanne McDonald, Company Secretary, Kelsian Group Limited.

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# Kelsian Group Board and Auditor

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**Fiona Hele**  
**Chair**  
Independent Non-Executive Director



**Clint Feuerherdt**  
Managing Director &  
Group Chief Executive  
Officer



**Terry Dodd**  
Independent Non-Executive Director



**Jackie McArthur**  
Independent Non-Executive Director



**Caroline Elliott**  
Independent Non-Executive Director



**Lance Hockridge**  
Independent Non-Executive Director



**Diane Grady AO**  
Independent Non-Executive Director



**Neil Smith**  
Non-Executive Director



**Joanne McDonald**  
Company Secretary,  
Group Chief Legal and  
Risk Officer



**Andrew Muir**  
Company Secretary,  
Group Chief Financial  
Officer



**Nigel Stevenson**  
Auditor  
Ernst & Young

## Chair Address

# 2024 Annual General Meeting of Shareholders

Fiona Hele



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# FY24 financial snapshot

Record result reflects full year contribution of AAAHI and addition of Sydney bus contracts

## Revenue

Up 42.2% on pcp

**\$2,016.8m**

## Underlying\* EBITDA

Up 63.9% on pcp

**\$265.4m**

## Underlying\* NPATA\*\*

Up 32.3% on pcp

**\$92.6m**

## Earnings per Share before Amortisation (EPSA)

Up 13.3% on pcp

**\$0.34**

\*Adjusted for one-off costs associated with M&A and abnormal items

\*\*Net Profit after Tax and before Amortisation



*The Jackson, Starship Sydney, Captain Cook Cruises, Sydney Harbour*

## Solid result reflects growth strategy

- Substantial revenue growth
- Full year impact and strong growth of AAAHI
- 2H margin improvement in Australia bus reflecting labour availability issues being resolved and efficiencies
- Continued benefits of cost indexation in inflationary environment
- Record operating cashflow underpinned investment in fleet renewal, growth initiatives and strategic property assets

# Managing Director and Group CEO Address

## 2024 Annual General Meeting of Shareholders






Clint Feuerherdt



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# FY24 operational & strategic highlights

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 <p><b>TRANSIT SYSTEMS</b></p> <p>AUSTRALIAN BUS</p>	<ul style="list-style-type: none"><li>• New Sydney bus regions transitioned on time and on budget – Transit Systems now largest operator in Sydney</li><li>• Major rail replacement projects secured in Perth (LXR) in FY24 and Sydney (Bankstown) commenced in FY25</li><li>• Labour availability issues resolved via well-executed extensive recruitment and training programs (Transit Academy)</li><li>• Decarbonisation of fleet continues, with 153 Zero Emission Buses (ZEBs) (30 June 2024)</li></ul>
 <p>ALL ABOARD AMERICA HOLDINGS</p>  <p>TOWER TRANSIT</p> <p>INTERNATIONAL BUS</p>	<ul style="list-style-type: none"><li>• Retained &amp; extended several major contracts, added new clients in technology, corporate and construction sectors</li><li>• Delays experienced in industrial / construction projects – ramp up expected in FY25</li><li>• Ongoing investment to support growth including expansion into Austin, Texas</li><li>• Result in Singapore impacted by higher absenteeism – now resolved</li><li>• Channel Islands business performed in line with expectations</li></ul>
 <p><b>SEALINK</b></p> <p>Marine &amp; Tourism</p> <p>MARINE &amp; TOURISM</p>	<ul style="list-style-type: none"><li>• Demand held up well, despite inclement weather in peak trading period of December to February</li><li>• Discretionary spend softened in 2HFY24 in some areas</li><li>• Fare increases partly offset inflationary impacts</li><li>• Further expansion in the Whitsunday Islands – acquisition of Red Cat Adventures (1 February 2024)</li></ul>
 <p>STRATEGIC</p>	<ul style="list-style-type: none"><li>• Successful debt re-financing completed, moving to an unsecured basis with improved tenor and terms</li><li>• Limited-recourse asset financing structures established to fund government-backed contracted assets and BEBs</li><li>• Opportunistically acquired strategic property assets (Newton and Hoxton Park bus depots)</li><li>• Completed development work on new greenfield bus depot (Melton, Victoria)</li></ul>

# Successful first full year of operations in the USA

- AAAHI exceeded expectations during first full year
- Integration successfully completed, with the Kelsian USA advisory board established, key management team retained and the addition of two new senior managers to the leadership team
- 100% contract renewal success
  - Retained and grew key contracts in all markets and added contracts servicing new technology, construction, education and government clients
- Organic expansion into Austin, Texas
- Investment to expand fleet to service new contracts and established new leasehold facilities in Sacramento and Austin
- Ongoing commitment and further investment in safety, with industry leading bus safety technology being installed on all motorcoaches



First Class Tours, Houston, Texas

## Performance of AAAHI's top 10 contracts

- Four contracts retained and renewed following RFP processes
- Five other top 10 contracts had rate increases
- Five contracts had service levels increased
- Two new contracts awarded during FY24 which now rank as top ten contracts

# FY25 progress update

## Australian Bus

- Bankstown Rail replacement began on time and on budget
  - Procured 60 new buses for the rail replacement contract
  - Recruited, trained and deployed a new workforce including 140 bus drivers

## International Bus

- Extension of Bustang & Pegasus service contracts in Colorado
- Industrial construction projects ramping up
- Renewed Jersey bus contract, 10 years, non-renewal of Guernsey

## Marine & Tourism

- Vessel construction and infrastructure program on track
- Illumina light show launched on K'gari (Fraser Island)

## Capital Management

- Detailed review of our capital management and allocation framework underway
- Portfolio review to identify opportunities to improve returns and optimise the portfolio
- Process commenced for the sale and lease back of several depot assets in Western Australia



New SE Queensland vessel



Bankstown Rail Replacement buses

# FY25 Outlook

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<b>Financial Performance</b>	<ul style="list-style-type: none"><li>• Synergies and efficiencies from integration of Sydney contracts</li><li>• Bankstown rail replacement began September 2024</li><li>• Continued growth in AAAHI, Singapore recovery</li><li>• Marine &amp; Tourism linked to economic conditions / Illumina a potential catalyst</li></ul>
<b>Investment</b>	<ul style="list-style-type: none"><li>• Completion of new KI and SEQ vessels and infrastructure</li><li>• No new vessels planned for FY26</li><li>• Bankstown rail buses replace future maintenance capex as they are redeployed</li><li>• M&amp;A – focus on small bolt on acquisitions to complement existing portfolio</li></ul>
<b>Cashflow &amp; Balance Sheet</b>	<ul style="list-style-type: none"><li>• Cashflow and Balance Sheet support the FY25 capital program</li><li>• New unsecured debt facilities provide flexibility</li></ul>
<b>FY25 Earnings Guidance*</b>	<ul style="list-style-type: none"><li>• Underlying EBITDA between \$283 million and \$295 million, with a skew to the second half</li></ul>



\* Assuming no deterioration in operating environment, no material changes in domestic tourism, labour availability or key input prices such as fuel. Variations in economic conditions, trading conditions, currency exchange or interest rates, or other circumstances may cause these key assumptions to change.

# Investment highlights

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- 1 Revenues underpinned by long term contracts with highly creditworthy counterparties**

  - ~89% of FY24 revenues contracted
  - Revenue weighted average remaining contract term, including extensions: 4.2 years in Australian Bus and 12.9 years in Marine & Tourism
- 2 Enviable track record and reputation of securing, renewing, and extending contracts**

  - Only two major contracts lost in 25 years (Perth and Adelaide, of which both were re-signed)
  - 13.8% CAGR\* over 15 years (Transit Systems; Tower Transit Singapore)
- 3 Highly regarded operator with strong EV experience**

  - Deep industry knowledge and leadership in zero emission vehicles
  - Consistently ranked as leader in operational performance against peers
- 4 Excellent visibility of margins and operating earnings**

  - Cost-base indexation for fuel, wages and CPI in most government contracts
  - No material contract renewals in next two years
  - Highly scalable with barriers to entry
- 5 Renewed focus on capital management & cash generation**

  - Prioritising cash conversion, following a period of elevated capex investment
  - Large capital program now complete; four largest vessels in fleet to be delivered in next six months.
- 6 Pipeline of attractive organic growth opportunities**

  - Focused on public transport in Australia, NZ, USA, UK
  - Exposed to mega-tailwinds: decarbonization of public transport, population growth, travel recovery



Takeout

**Kelsian is a diversified global business with predictable revenues, underpinned by long term contracts in defensive sectors with mega-tailwinds**

\* Calculated excluding Marine & Tourism, AAAHI and Tower Transit UK revenue, includes nine months of trading for NSW Region 2

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