



SHAPE Shareholder Newsletter

July 2024

A message from the CEO

Dear Shareholders,

As FY24 comes to a close, we are pleased to announce a strong finish to the financial year, with record project wins exceeding \$1 billion for SHAPE and its associate DLG SHAPE. This newsletter showcases some of FY24's most exciting project wins, reflecting our diverse project portfolio.

For FY24, we expect revenue to be around \$830 million (unaudited), marginally lower than the prior corresponding period (pcp). This is due to extended tender periods delaying the start of some projects. However, we enter FY25 with a strong backlog order position, which is anticipated to surpass \$450 million, up approximately 30% compared to \$343 million in pcp.

Despite lower revenue, SHAPE has demonstrated its resilience and profitability with significant increases in EBITDA and NPAT. FY24 EBITDA is expected in the range of \$25 million to \$26 million, an increase of more than 25% on pcp. FY24 NPAT is estimated in the range of \$15 million to \$16 million, reflecting a rise of over 40% compared to pcp. Our ability to sustain margins is a testament to our team's dedication to operational efficiency, strategic cost management, and resilient safety management.

SHAPE's three diversification pillars, which includes the expansion of non-core markets, construction capabilities, and geographic locations, have all contributed to the record project wins in FY24. Specifically, geographic expansion is expected to deliver three times the project wins compared to pcp.

Following our FY24 Half Year results in February, Scott Jamieson (CFO) and I conducted several investor presentations in Sydney and Melbourne. We are pleased to announce that we have increased our analyst coverage to include Petra Capital along with Moelis. In May, I was also invited to sit on the small-cap companies panel at the Australian Shareholders' Association's 2024 Investor Conference. I presented SHAPE's business segments, growth strategy, pipeline, and the resilience and diversity of the business to an audience of around 250 retail investors of varying investment sophistication.

Another recent highlight was SHAPE receiving a "Double-Buy" recommendation on a May segment of ausbiz's The Call. Earlier this week, I once again joined ausbiz to discuss our record \$1 billion project wins.

During the year, we also welcomed new and familiar faces to the team. One notable addition is returning SHAPIAN and industry heavyweight Amro Salem, who has already made strides as Group Manager – Design & Build. You can read more about Amro in our People Spotlight below.

Our success this year highlights the strength of our robust business model, ability to adapt to market demands, and diverse project portfolio, particularly with shorter-duration projects. However, it is our investment in systems, processes, and people, and our ongoing commitment to quality that truly drives our high customer satisfaction and strong business performance. This is underpinned by our continued focus on maintaining our constructive culture and supporting our exceptional people.

With our growing business and diversification comes added complexities in our operations and increased exposure to incidents and potential injuries. We continue to work tirelessly with our teams to strive for zero harm on every project.

Looking ahead to FY25, we anticipate ongoing industry challenges, particularly around cost escalation and labour shortages. Still, we remain optimistic, thanks to SHAPE's highest backlog order book and strong forward pipeline valued at more than \$3.2 billion.

Thank you for your continued support throughout the financial year. We look forward to presenting our FY24 Full Year Results to you on Wednesday, 21 August.



Peter Marix-Evans
CEO

Key Dates

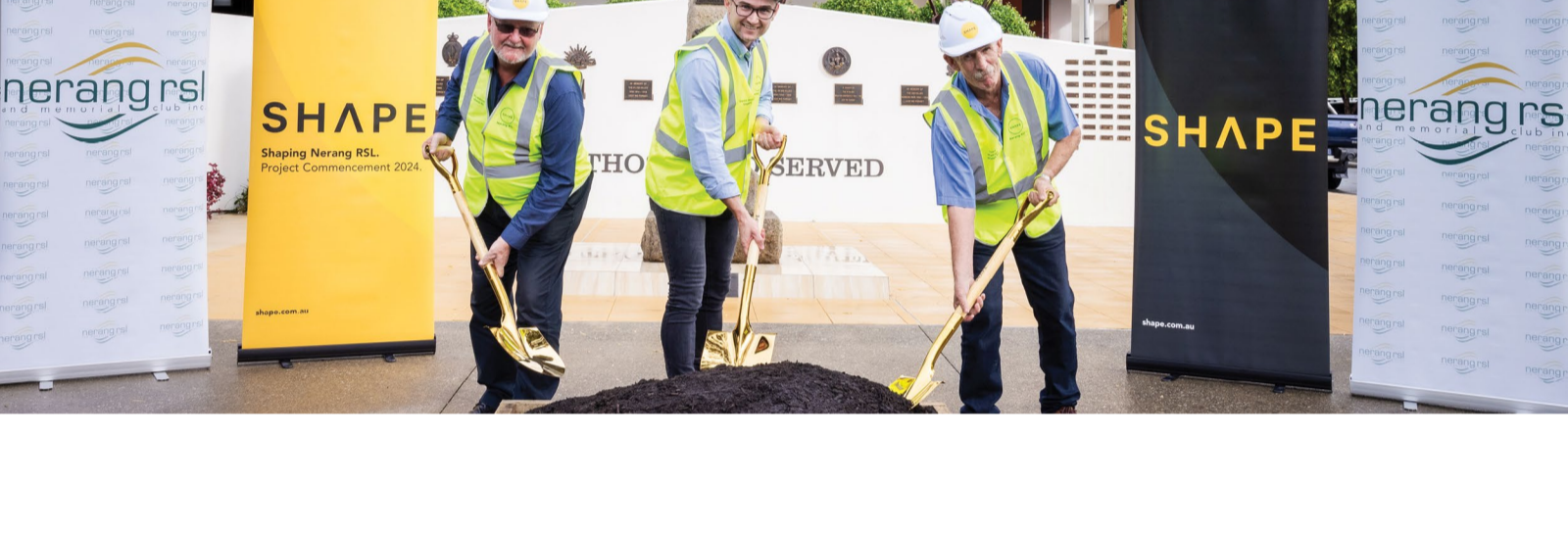
FY24 Full Year Results Webinar at 1:00-2:00pm on **Wednesday, 21 August 2024**. [Register Here](#) →

Key Project Wins

Gold Coast New Build Projects

Our SHAPE Gold Coast team secured two key new build projects in FY24, the Nerang RSL & Memorial Club and Tallebudgera Surf Club. In April, a sod turning ceremony was held to kick off the major upgrade to the Nerang RSL, which includes a refurbishment, reconfiguration of the existing car park, and a new multi-level car park. During the financial year, the SHAPE team in Brisbane also completed the Swanbank Service Station new build project.

[Read more about the Nerang RSL sod turn](#) →



Albert Hall Renewal Launceston

The SHAPE team in Tasmania, led by our ACT team, secured Stage 3 of the redevelopment of the historic Albert Hall in Launceston, Tasmania. Due for completion in 2025, the project has transitioned from the demolition stage to the construction of the new building, marking significant progress in transforming this historic landmark into a modern meeting and exhibition space while preserving its rich heritage.

Charles Darwin University New Build

SHAPE Darwin secured the Centre for Better Health Futures (Blue 8) at Charles Darwin University. Works are currently underway on the new 3,684 sqm teaching and research facility at the Casuarina campus, which will leverage state-of-the-art technology solutions to simulate clinical environments for students.



BHP Perth Office

The SHAPE Perth team have been busy delivering Stage 1 of the BHP Perth office, a marquee project in Western Australia, which is due for completion in October 2024.

Sydney Airport T1, Bussing Redevelopment

In Q3 FY24, the SHAPE Sydney team secured the \$25 million refurbishment project of Sydney Airport's T1 Pier B East Bussing Terminal. Works have now commenced, with the project due for completion in 2025.

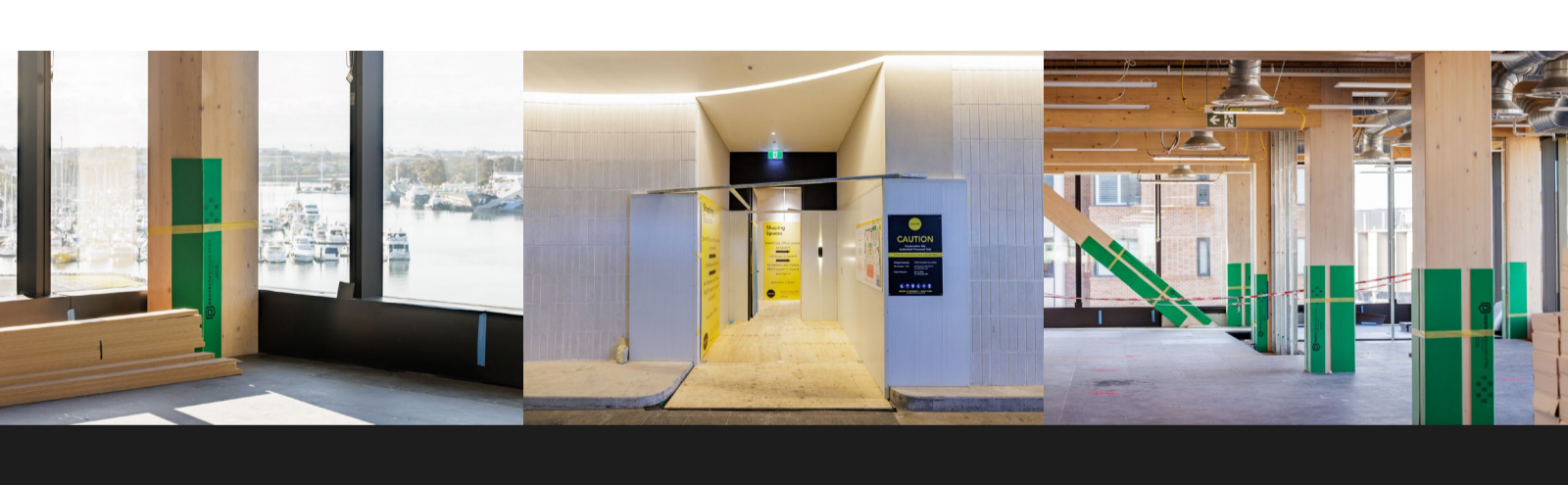


University Projects in Adelaide

In FY24, the SHAPE Adelaide team were awarded nine projects across three of South Australia's major universities.

Ausgrid Newcastle Office Accommodation

The SHAPE Newcastle Team was recently awarded a 6 Star Green Star, 4 floor office fitout for Ausgrid in a premium newly completed Cross Laminated Timber (CLT) building at 42 Honeysuckle Drive in central Newcastle.

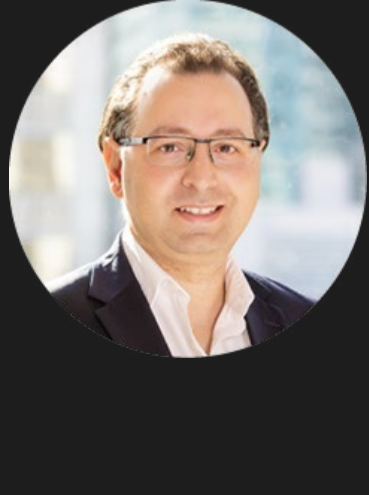


People Spotlight: Amro Salem, Group Manager – Design & Build

In February, we welcomed back a returning SHAPIAN, Amro Salem, as Group Manager – Design & Build. Having spent the early part of his career at SHAPE, Amro spent more than 21 years of experience in commercial real estate and design and construction across APAC, EMEA, and the US.

His extensive experience in managing multi-million-dollar commercial real estate deals and implementing operational, delivery, and business practices has been honed across significant roles. Notably, Amro spent seven years as Global Director at Unispace and, more recently, as COO at NPM.

In his new position, Amro is taking on the exciting role of driving the growth of our multi-disciplinary Design & Build team, providing our clients with an end-to-end service that begins with managing the strategy and design through to defect-free delivery. Amro's impact has been immediate, having secured multi-million-dollar opportunities, setting up our Design & Build team for continued success into FY25.



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About SHAPE Australia

SHAPE Australia (ASX: SHA) is a leading national fitout and construction services specialist. Headquartered in Sydney, with nine additional branches across major capital cities and regional locations, SHAPE Australia delivers projects across multiple sectors, including Commercial Buildings, New Build and Modular Construction, Facades, Defence, Education, Health, Hospitality, and Retail. With more than 620 people, an award-winning company culture and an impressive Net Promoter Score of +87, SHAPE brings transparency, a partnership approach, and three decades of experience to undertake any type of construction project.