

H1FY22

# Half-Year Results Presentation

SHAPE AUSTRALIA CORPORATION LIMITED  
ABN: 14 654 729 352

# SHAPE

25 FEBRUARY 2022





# Important Notice & Disclaimer

Information, including forecast financial information, in this presentation, should not be considered as a recommendation in relation to holding, purchasing or selling shares, securities or other instruments in SHAPE Australia Corporation Limited or any other company. Due care and attention has been used in the preparation of forecast information, however, actual results may vary from forecast and any variation may be materially positive or negative.

Forecasts, by their very nature, are subject to uncertainty and contingencies may occur which are outside the control of SHAPE Australia Corporation Limited. Before making or varying any decision in relation to holding, purchasing or selling shares, securities or other instruments in SHAPE Australia Corporation Limited, investors should consider the appropriateness of that investment in light of their individual investment objectives and financial situation and should seek their own independent professional advice.





**Welcome!**



# Corporate Snapshot

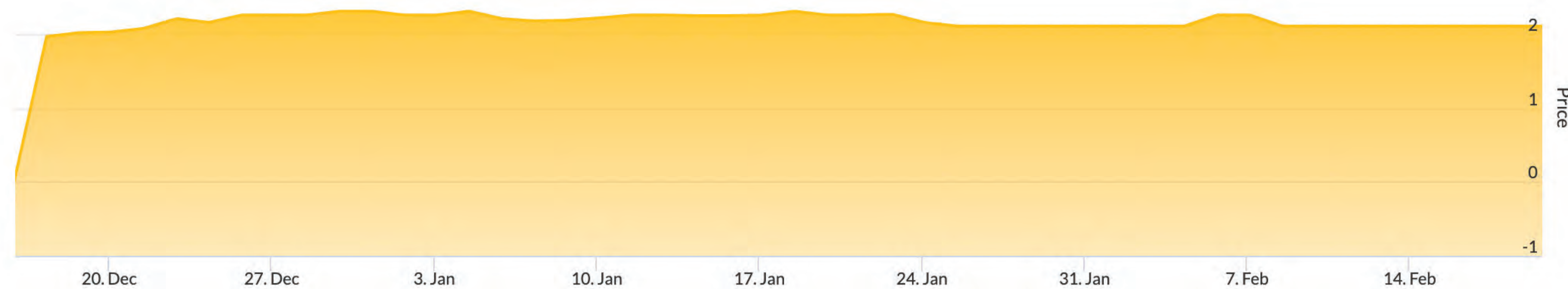
FITOUTS | REFURBISHMENTS | FAÇADE UPGRADES | CONSTRUCTION

## CAPITAL STRUCTURE

ASX Code	SHA
Shares on issue	83,241,085
Share price as at 24 February 2022	2.10
Market capitalisation as at 24 February 2022	174.8M
Net cash as at 31 December 2021	94.7M
Enterprise value as at 24 February 2022	53.6M
Dividends Per Share in H1FY22	6.00c



## SHARE PRICE SINCE IPO





# Corporate Snapshot

FITOUTS | REFURBISHMENTS | FAÇADE UPGRADES | CONSTRUCTION

## BOARD MEMBERS



**Phillip Arnall**  
(Phil Arnall)  
NON-EXECUTIVE  
CHAIR



**Michael Barnes**  
NON-EXECUTIVE  
DIRECTOR



**Rhonda Jane Lloyd**  
(Jane Lloyd)  
NON-EXECUTIVE  
DIRECTOR



**Peter Marix-Evans**  
CHIEF EXECUTIVE  
OFFICER & MANAGING  
DIRECTOR



**Gerard McMahon**  
NON-EXECUTIVE  
DIRECTOR



**Kathy Parsons**  
NON-EXECUTIVE  
DIRECTOR



**James Sloman OAM**  
(Jim Sloman)  
NON-EXECUTIVE  
DIRECTOR



**Craig Van der Laan  
de Vries**  
(Craig Van der Laan)  
NON-EXECUTIVE  
DIRECTOR





# Corporate Snapshot

FITOUTS | REFURBISHMENTS | FAÇADE UPGRADES | CONSTRUCTION

## SHARE REGISTER AT IPO

SHAREHOLDERS	SHARES HELD AT COMPLETION OF THE OFFERS ON AN UNDILUTED BASIS	
	%	Number of Shares
Biramont Pty Ltd	17.8%	14,782,938
Drayton Holding Company Pty Ltd, Drayton No.1 Pty Ltd & Drayton No.2 Pty Ltd	13.6%	11,313,938
Supercomp No.25 Pty Ltd and Kerry Ann McMahon	11.7%	9,737,920
Veroxo Pty Ltd	7.0%	5,818,297
Dakov Pty Limited	5.9%	4,875,825
Josephine Theresa Mary Hynes and Hynes Super Pty Limited	5.5%	4,585,623
SET Australia Pty Limited	5.0%	4,145,700
Other Existing Shareholders	32.4%	26,960,436
IPO Shareholders	1.2%	1,020,408

# H1FY22 Financial Highlights

## REVENUE

**\$329.3M**

▲ 10.7% on H1FY21

## EBITDA

**\$10.5M**

On par with H1FY21

## EBITDA (UNDERLYING)

**\$4.5M**

▼ 11.4% on H1FY21

## NET PROFIT

**\$8.3M**

▼ 5.3% on H1FY21

## GROSS MARGIN

**8.6%**

▼ 1.2% on H1FY21

## EARNINGS PER SHARE

**7.1c**

▼ 4.1% on H1FY21

## CASH

**\$94.7M**

## BACKLOG ORDERS

**\$405M**

▲ 65.5% on H1FY21

## PROJECT WINS

**\$475M**

▲ 36% on H1FY21

# H1FY22 Operational Highlights

<b>SAFETY</b>	<p>Our safety commitment and culture is spearheaded by our “Path to Perfect Safety” programme:</p> <ul style="list-style-type: none"> <li>^ <b>6%</b> improvement to TRIFR result (6.2)</li> <li>^ <b>12%</b> Number of proactive safety observations logged (21,676)</li> <li>✓ Campaign releasing our internally developed SHAPE Minimum Standards Safety App to the wider Construction Industry (452 downloads)</li> </ul>
<b>PEOPLE &amp; CULTURE</b>	<ul style="list-style-type: none"> <li>✓ Strong company culture maintained (as evidenced by Human Synergistics OCI measure)</li> <li>^ <b>15%</b> increase in our total workforce (455 total employees)</li> <li>✓ <b>15%</b> employees promoted during the reporting period</li> <li>✓ Formalised commitment to increasing workplace flexibility</li> </ul>
<b>PARTNERSHIPS</b>	<ul style="list-style-type: none"> <li>^ <b>36%</b> Increase in secured orders (totalling \$475m)</li> <li>✓ Secured orders will be delivered across FY22 &amp; FY23 (securing a strong forward order workbook)</li> <li>✓ <b>80%</b> of projects secured from repeat clients</li> <li>^ <b>4%</b> improvement to our Net Promoter Score (+83)</li> <li>✓ <b>85%</b> of projects delivered during H1FY22 achieved Perfect Delivery</li> </ul>
<b>GROWTH &amp; DIVERSIFICATION</b>	<ul style="list-style-type: none"> <li>✓ Diverse projects across 7 regional offices</li> <li>✓ Significant growth in Defence and Facade Upgrade sectors</li> </ul>
<b>ENVIRONMENT &amp; SOCIAL IMPACT</b>	<ul style="list-style-type: none"> <li>✓ FY22 Diversity and Inclusion Action Plan implemented</li> <li>✓ WGEA compliant and female participation increased to 30%</li> <li>✓ Achieved all objectives defined in our Reconciliation Action Plan (Innovate)</li> <li>✓ Over \$370k in value of goods, services &amp; donations to support charities as part of our positive commitment to social impact through our Community+ program</li> <li>✓ Carbon reduction targets on track</li> </ul>



# Financial Commentary

- Solid business performance in H1FY22.
- Lower net profit result due to ongoing pressures from COVID. Construction activity was constrained by delays in the commencement of new projects, site shutdowns and lower productivity due to social distancing protocols.
- Well positioned with a record backlog orderbook of \$405M and recovering markets expected to present over FY23.
- Traction on growth initiatives; particularly Facade Upgrade and Defence projects.

\$'000	H1FY22	H1FY21	MOVEMENT
Revenue	\$329,137	\$297,125	^ 10.7%
Reported EBITDA	10,504	10,462	^ 0.4%
Underlying EBITDA	4,487	5,064	v 11.4%
Statutory NPAT	5,781	6,051	v 4.5%
Key Operating metrics			
Reported EBITDA	3.2%	3.5%	v 9.4%
Underlying EBITDA	1.4%	1.7%	v 20.0%

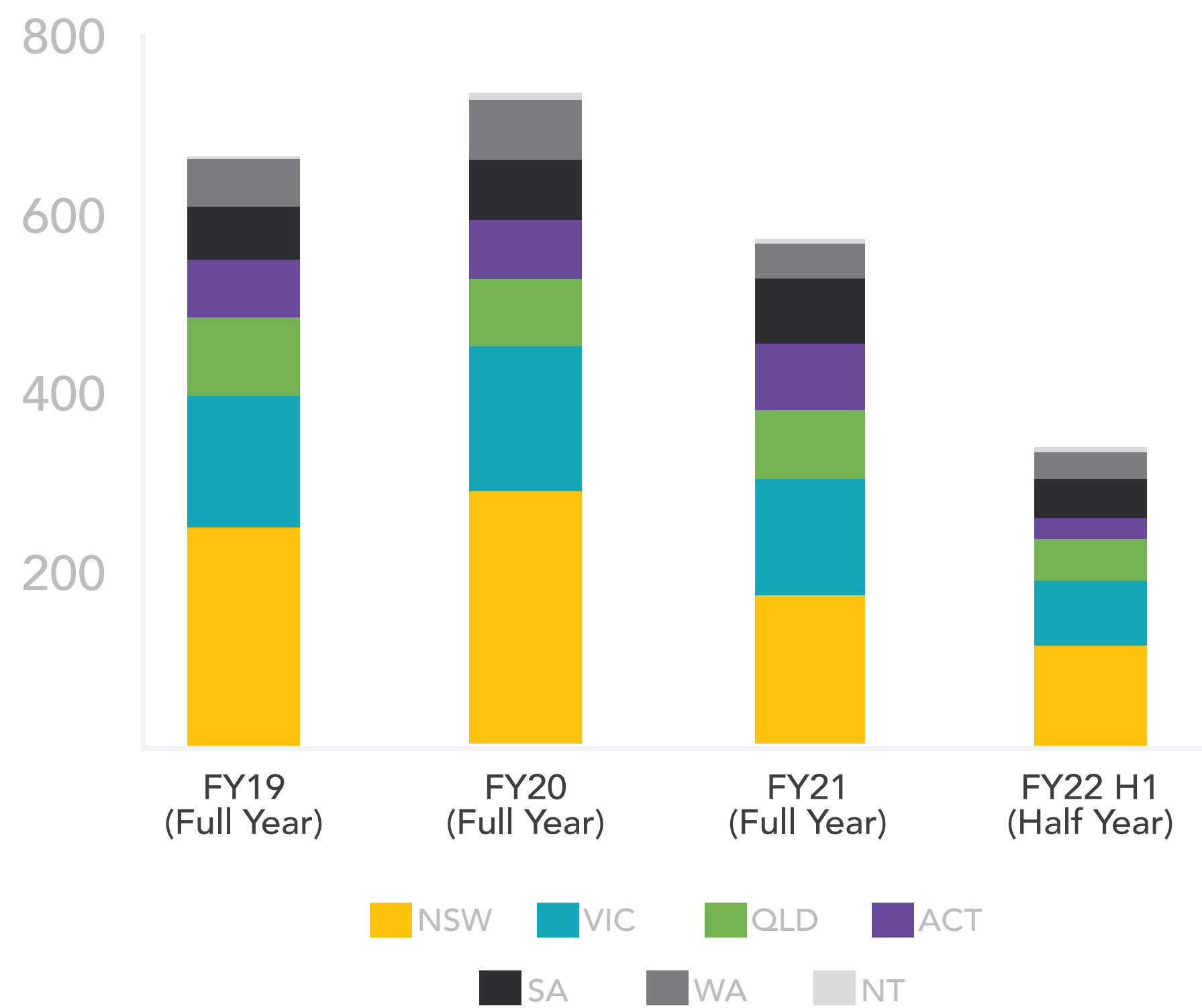




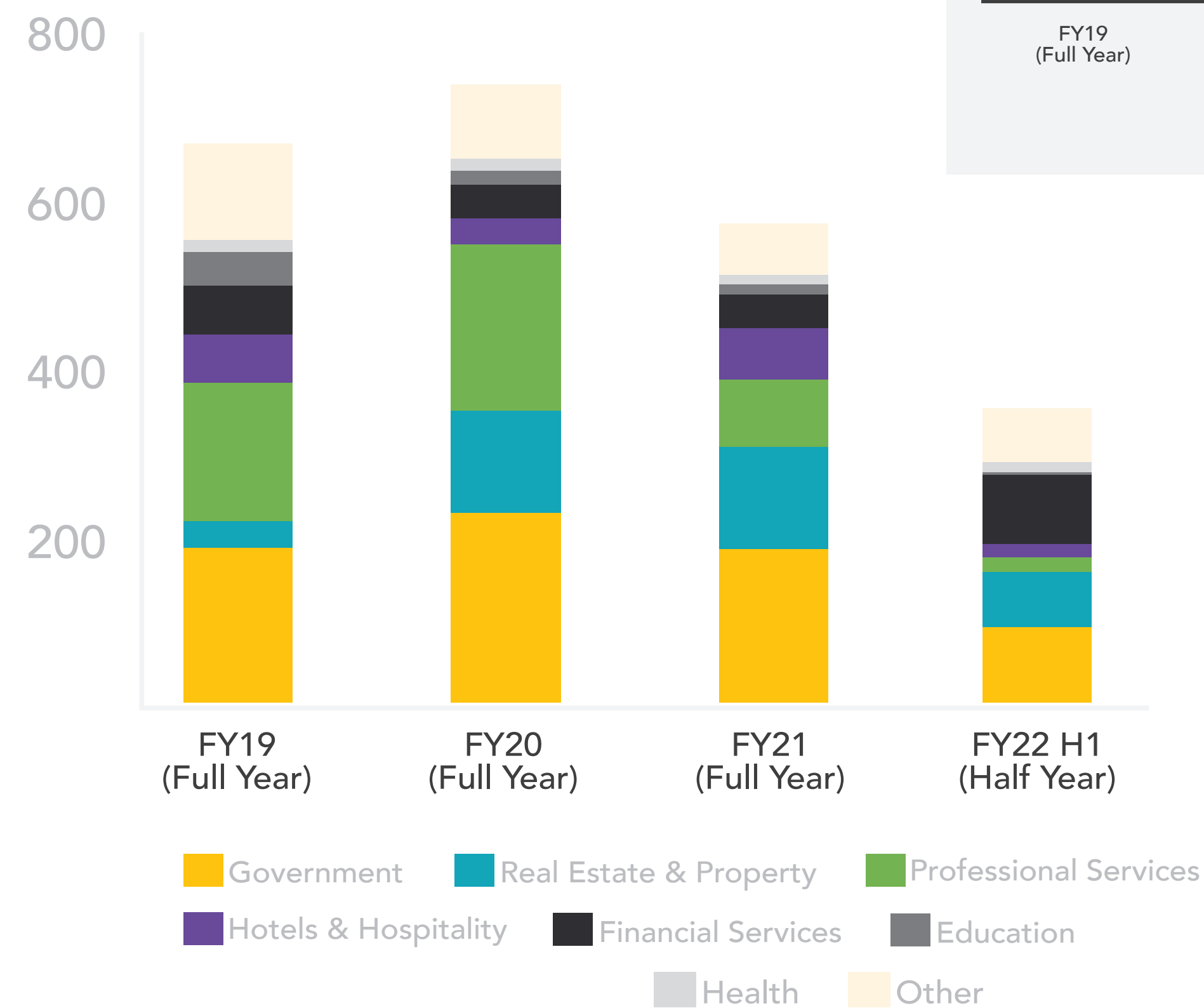
# Key Sector & Project Overview

FIGURES AS AT 31 DEC 2021

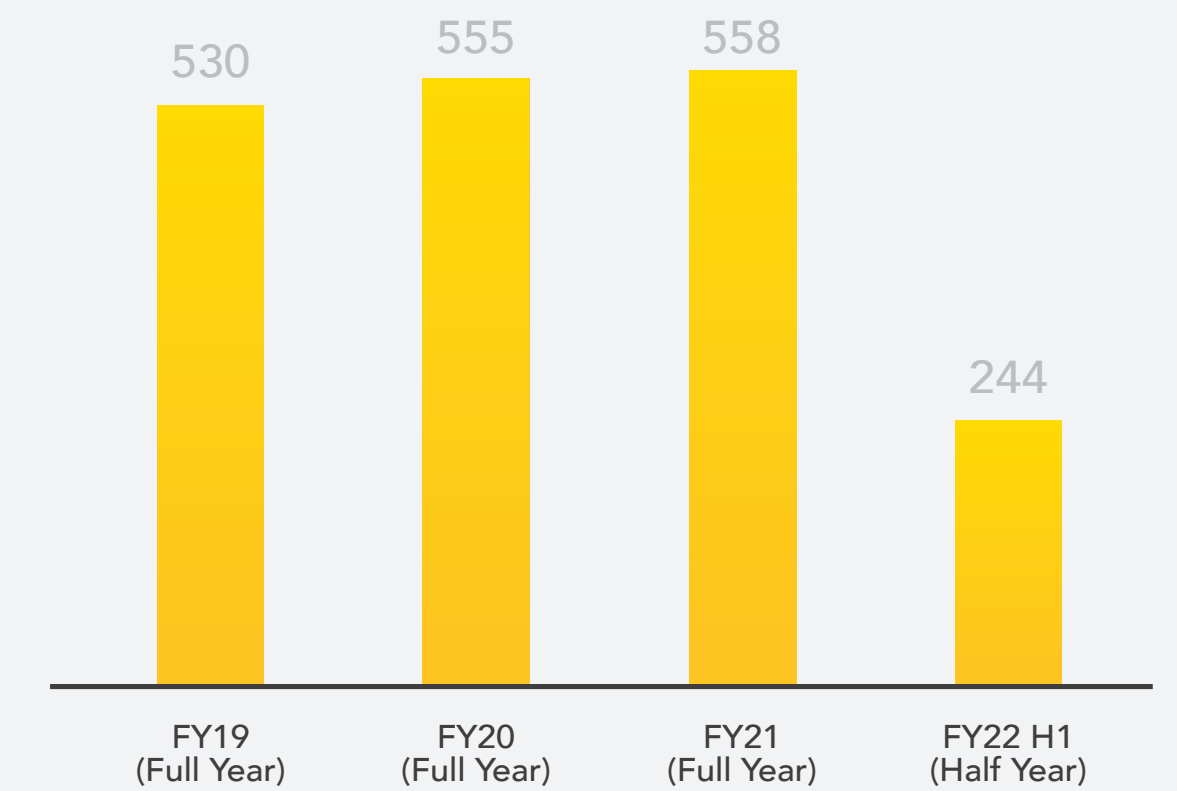
## REVENUE BY REGION



## REVENUE BY END MARKET



## NO. OF PROJECTS UNDERTAKEN



MAINTAINED A STRONG TENDER CONVERSION RATE

**51.8%**  
(by number)



# Key Sector & Project Overview

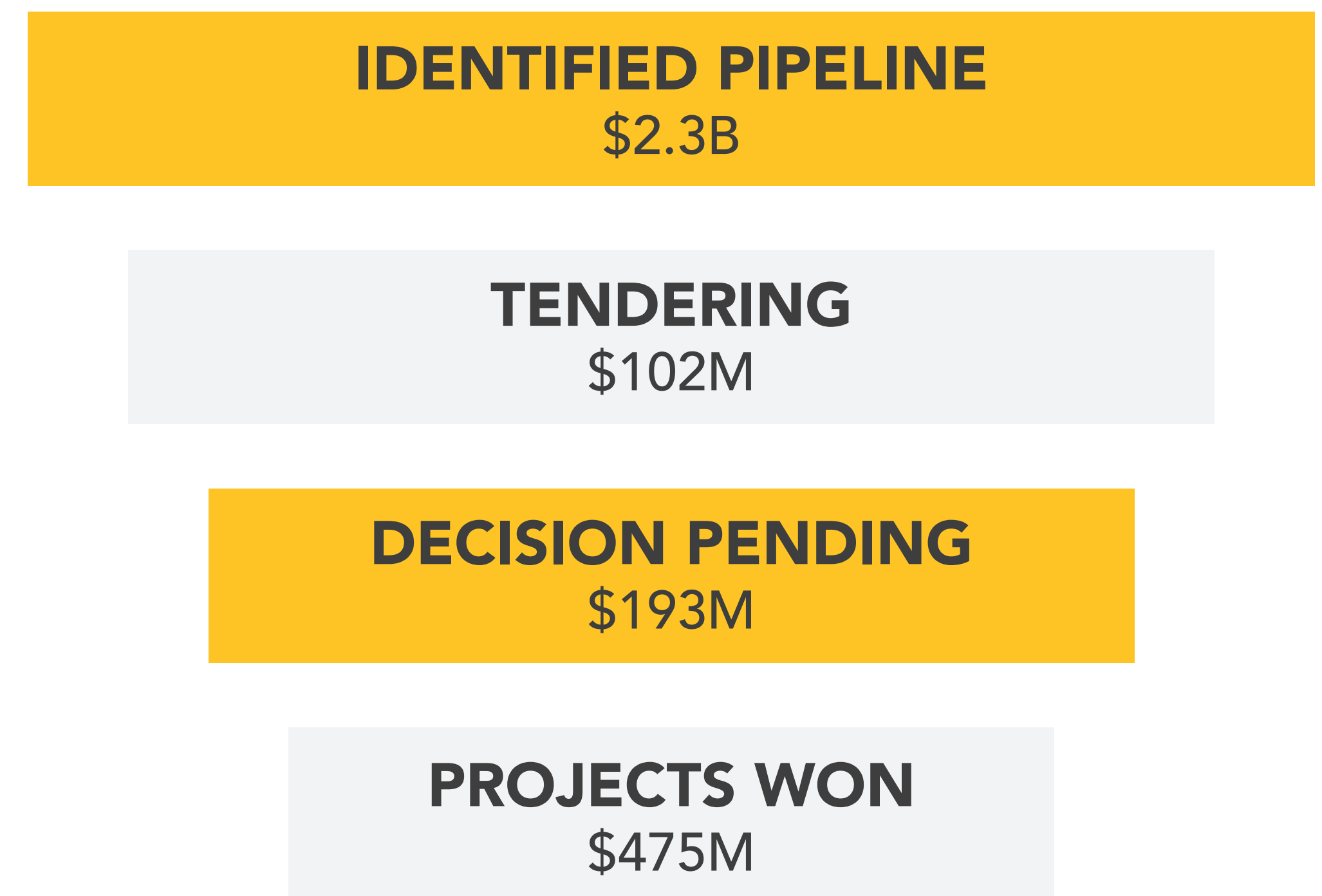
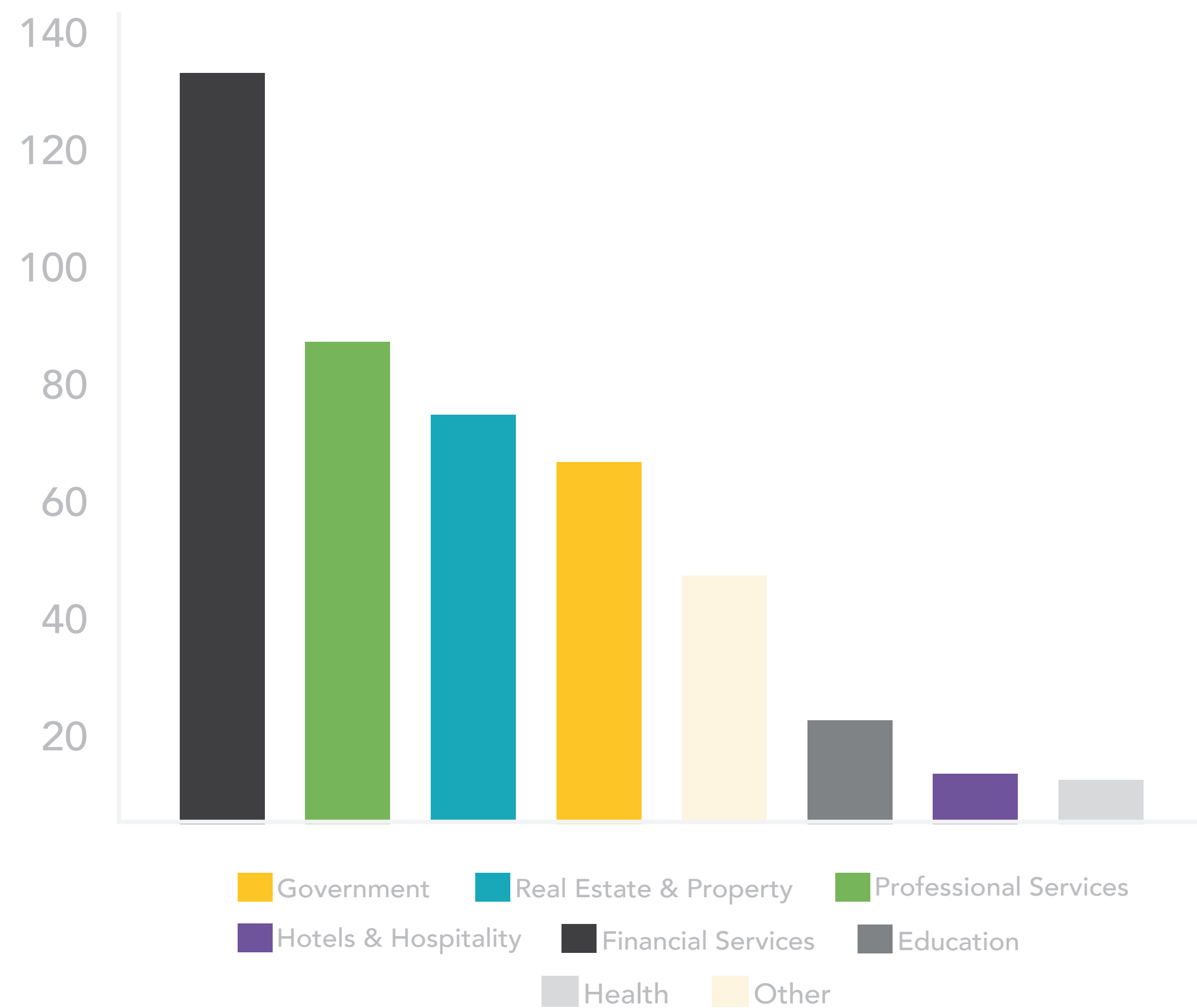




# Pipeline & Order Book

FIGURES AS AT 31 DEC 2021

## BACKLOG ORDERBOOK BY MARKET





# DLG SHAPE

- Continued strong performance for DLG SHAPE.
- SHAPE maintained 49% ownership, with 51% David Liddiard Group (DLG).
- Continued commitment to increasing aboriginal participation. 1 Indigenous intern appointed at SHAPE during the reporting period and \$845k spent through indigenous supply chain.
- DLG SHAPE remain committed to promoting indigenous employment and targets local indigenous engagement on every project.

## SPEND WITH INDIGENOUS BUSINESS

000's	SPEND TO DATE	SPEND IN H1 FY22
SHAPE	\$16,802	\$671.6
DLG SHAPE	\$3,365	\$173.9
<b>TOTAL</b>	<b>\$20,167</b>	<b>\$845.6</b>



Management fees generated to SHAPE increased by 59.4% from \$431k to \$681k during the reporting period.

## IDENTIFIED DLG PIPELINE

\$150M

## TENDERING

\$10M

## DECISION PENDING

\$40M

## PROJECTS WON

\$21.2M



# Safety

- 6% improvement in TRIFR performance.
- SHAPE continues to invest in safety leadership, systems and technology.
- SHAPE Minimum Standards Safety App developed and made available industry wide.
- 2630 number of “positive” safety observations logged, driving safety culture.
- Continued focus on employee and subcontractor mental health and wellbeing.

YEAR	TRIFR	LTIFR	NO. OF MTI	NO. OF LTI	NO. OF RWI
H1FY22	6.2	2.9	11	5	2
FY21	6.1	2.8	6	10	6
FY20	6.5	2.0	10	8	8
FY19	7.3	2.3	12	8	6
FY18	8.0	3.1	12	10	4

NOTE: STATISTICS INCLUDE ALL SHAPE & SUBCONTRACTOR HOURS

AGENCY	ACCREDITATION/CERTIFICATE
International Organisation for Standardisation (ISO)	<ul style="list-style-type: none"> <li>• ISO 14001 - Environmental Management System</li> <li>• ISO 45001 - Occupational Health &amp; Safety Management System</li> <li>• ISO 9001 - Quality Management System</li> </ul>
Federal Safety Commissioner	<ul style="list-style-type: none"> <li>• Australian Government Building and Construction WHS Accreditation Scheme</li> </ul>





# Sustainability



95 Tonnes

REDUCED CO<sub>2</sub><sup>E</sup> TO DATE



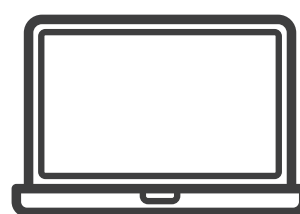
Carbon  
Offsetting

PROCUREMENT APPROVED



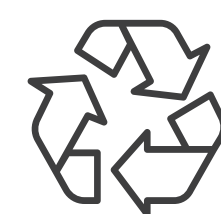
Office Electrical  
Consumption

REDUCTION STRATEGY DEVELOPED



Staff Commute  
on SHAPE Bot

ANALYSIS UNDERWAY TO  
ESTABLISH FOOTPRINT



National Waste  
Management &  
Recycling

REVIEW UNDERWAY TO  
TARGET SAVINGS

5 out of 7

SHAPE Offices

GREEN STAR ACCREDITED OR  
IN PROCESS OF ACCREDITATION



# Impacts and response to pandemic

- Demonstrated resilience in challenging and enduring market conditions.
- Construction activity was constrained by delays in the commencement of new projects, site shutdowns and lower productivity due to distancing protocols.
- SHAPE did not obtain JobKeeper or any Government support.
- SHAPE has looked after our people with a view that we would be rewarded with loyalty post pandemic.
- Trading conditions remain impacted by restrictions and inefficiencies however, market activity is increasing.
- Next 2 quarters are likely to be less impacted by restrictions, with a strong recovery possible in FY23.





# Summary

## FINANCIAL

- SHAPE was very well positioned at the start of the pandemic and is poised to maximise upside on the recovery.
- Record project wins, combined with a strong pipeline have SHAPE positioned for a successful FY23.

## OPERATIONS

- Highly engaged workforce and strong market relationships with clients, consultants and subcontractors.
- Experienced and embedded leadership team poised to steer out of the pandemic.
- 85% of projects completed within the period achieved Perfect Delivery.
- SHAPE maintained a high NPS (net promoter score) & commitment to excellent customer experience.







**Questions?**