

24 February 2022

SOLID RESULTS FROM RV AND COMMUNITY SOLUTIONS OFFSET BY BUILDING SOLUTIONS

CORPORATE SUMMARY

\$ million	H1 FY22	H1 FY21
Revenue	209.2	169.9
Underlying EBITA ¹	(1.5)	16.0
NPATA ²	(1.4)	10.7

DIVISIONAL RESULTS

Building Solutions	H1 FY22	H1 FY21
Revenue	151.4	117.0
EBITA ¹	(8.5)	4.1
Community Solutions³		
Revenue	16.4	22.4
EBITA	4.7	10.9
RV Solutions		
Revenue	41.4	30.6
EBITA	5.1	3.7

¹EBITA adjusted for significant items of \$39.8m

²NPATA = Underlying NPAT plus after-tax amortisation of contract intangible.

³Formerly Accommodation Solutions.

Fleetwood Limited (ASX: FWD) (Fleetwood or the Company) today provides first half results for FY22, including details on the significant impact of cost increases on two major projects and COVID-related disruptions in Building Solutions.

Negotiations remain ongoing with existing and potential customers around future Searipple room requirements for FY23 and beyond. Several opportunities remain for securing long-term community demand to support future earnings.

The RV Solutions business continued its positive performance driven by the ongoing strength in domestic tourism, albeit with supply challenges caused by the COVID pandemic.

Importantly the Company has maintained a strong cash position of \$56.2m during 1H FY22, which combined with the positive outlook for the remainder of FY22, has given the Company confidence to declare a first half dividend to shareholders of 2 cents per share.

Project underperformance in Building Solutions and difficulties related to the ongoing COVID-19 pandemic resulted in the Company recording earnings before interest, tax and amortisation (EBITA) of (\$1.5m) on revenue of \$209.2 million.

Management has implemented robust cost control and governance measures within the Building Solutions business and the Company retains sufficient cash on hand to cover upcoming working capital and capital expenditure requirements across the business.

Based on the order book and outlook across our operating businesses, the Company anticipates a return to profitability in the second half of FY22. The overarching strategic objective remains focused on revenue growth through diversification, generating sustainable margins, increasing utilisation, and reducing overheads to improve earnings.



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CEO COMMENT

Commenting on the first half results, Chief Executive Officer, Bruce Nicholson said:

“The past half has been challenging for Fleetwood in the face of project issues within Building Solutions and broader COVID-19 related restrictions. It has been pleasing to maintain the Company cash position given these challenges and be able to recognise our shareholders with the payment of the 2 cent interim dividend.

“The identification of cost overruns during the half was challenging, but the team has acted swiftly to mitigate the impact and implement processes to prevent this from re-occurring.

“The order book has grown significantly during the previous six months, and I am looking forward to this business delivering on these opportunities in the coming months.

“Community Solutions (previously Accommodation Solutions) had a similar result compared to the second half of FY21 and the outlook is positive with several new capital projects either approved or under planning in the region.

“RV Solutions continues to benefit from the boom in domestic travel and the slow return of international tourism indicates that the strong industry demand will likely remain well into the second half.”

Full details of the half yearly results can be found in the half year Directors’ Report Review of Operations.

This announcement was authorised by the Fleetwood Limited Board.

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