

Investor Presentation

MARCH 2022



The case for change

- + **Volatile and inconsistent earnings over the past decade have led to share price underperformance**
- + **Historically the Group has been too dependent on earnings from Searipple**
- + **RV Solutions was reset in FY19 and is now on the right trajectory**
- + **Building Solutions revenue and earnings has been overly reliant on education in Victoria and Queensland**
- + **The Build, Transform, Grow strategy provides the roadmap for long-term journey to improve the quality and consistency of earnings with a particular emphasis on the Building Solutions business**



Osprey Village, South Hedland

Build, Transform & Grow

BUILD

- + **Capability**
- + **Systems and process improvements to underpin long term, sustainable growth**
- + **Brand awareness**

TRANSFORM

- + **Revenue diversification - Building, RV and Community Solutions**
- + **From builder to manufacturer in Building Solutions**
- + **RV from new products and OEM to retail**

GROW

- + **Organic growth from the transformation program**
- + **BOOT opportunities in Communities**
- + **Acquisitions that are aligned or adjacent to our business**

Build – Now

Capability:

- + **Appointment of two key executives**
- + **Functional excellence organisation design introduced to drive performance improvement**
- + **Assessing frontline competency and leadership capability**

Systems and processes:

- + **Review of systems and processes underway to determine improvement opportunities**
- + **Key Performance Indicators (KPIs) under development**

Brand awareness:

- + **‘One Fleetwood’ program initiated to develop common vision and values**
- + **Merged and refreshed three websites – MBS, Building Solutions and Fleetwood Limited – to unify and strengthen brand presence**
- + **MBS business in NSW rebranded to Fleetwood Australia**



Build – Next

Capability:

- + **Functional Executives lead key transformation projects**
- + **Systematic performance review process**
- + **Rewards systems aligned to financial outcomes**

Systems & Processes:

- + **Enterprise resource planning and other systems consistency across the business**
- + **National collaboration platforms installed across estimating, design and manufacturing to leverage resources**
- + **Standard Fleetwood key operational indicators developed - "The Fleetwood Way"**
- + **Institutionalise knowledge**

Brand Awareness:

- + **Digital marketing campaign to lift Fleetwood brand**
- + **Increased financial media engagement**
- + **Retain current Camec branding, given its market profile**



Transform – Revenue Diversification

+ Building Solutions:

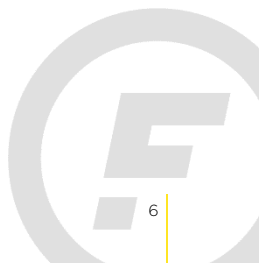
- + **Qualify work coming into our pipeline against key measures**
- + **Truly leveraging national capacity for the first-time delivery of the Centres for National Resilience in Melbourne, Brisbane & Perth, supported by operations in four states**
- + **Defence Sector (\$20bn Defence Estate Spend in next 5 years, \$200m modular in next two years. National clients significant spend profile moving forward, \$3.3m won YTD)**

+ Community Solutions:

- + **Lifestyle and affordable housing - \$15bn State Government spend, Government, Community Housing Providers and developers as route to market, ~\$20m won YTD**
- + **BOOT mining camps and community villages – a small pipeline of these opportunities and we have the unique position to leverage our balance sheet**

+ RV Solutions:

- + **Shift from OEM to aftermarket with a targeted retail store in Melbourne**
- + **Commercialisation of new products such as sandwich panel walls and aluminium frames**
- + **Continuous product development with a pipeline of 6+ products coming to market annually**



Transform: Manufacturing and Supply

+ Transformation

- + **Improving manufacturing productivity in Building Solutions and driving cost out will help Fleetwood reposition modular building in Australia**

This transformation over three horizons will change the mindset of what modular can:

- + **Deliver – unique buildings using standard components**
- + **Build – quickly, efficiently and at reduced cost**
- + **Adopt – modern methods of building underpinned by continuous improvement, digitisation and automation**

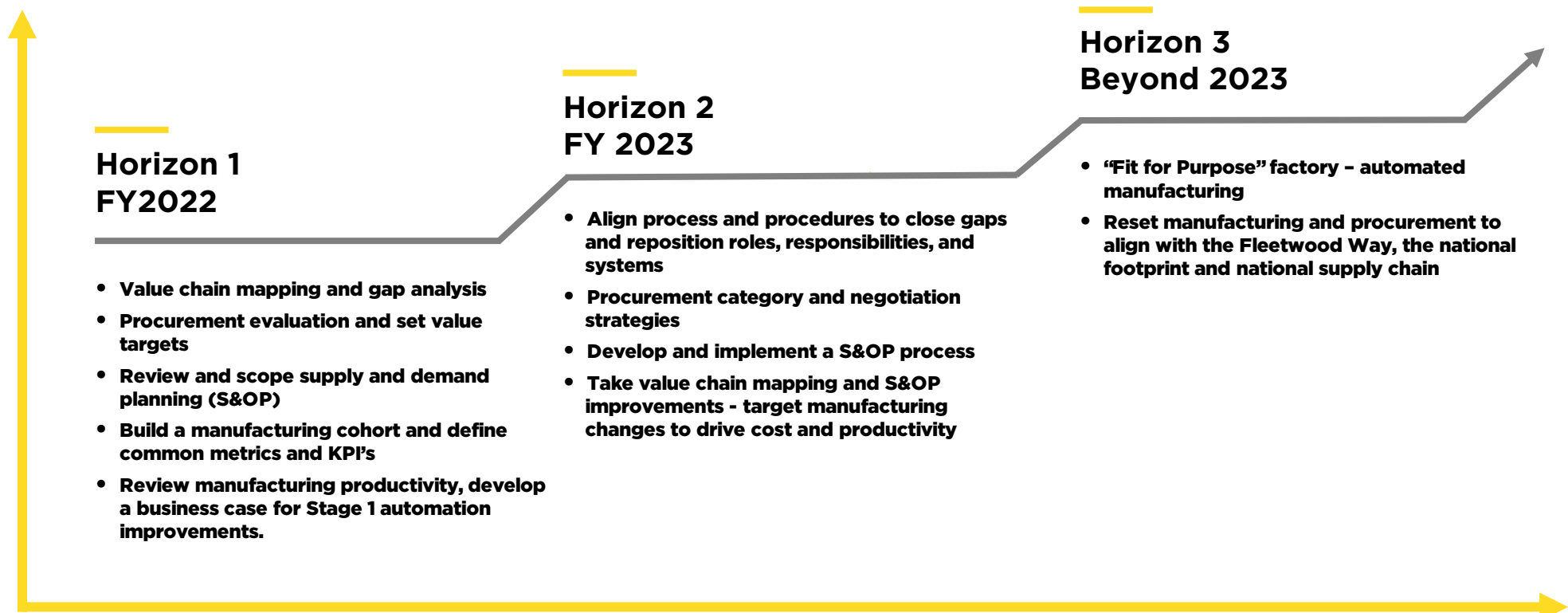
+ Building Solutions agenda

- + **Align national workflows and develop common processes and procedures to deliver consistency**
- + **Introduce Sales & Operation Planning (S&OP) that will transform Building Solutions to a business with the capability to push and pull orders to optimise capability**
- + **Balancing build complexity with standardisation of modular components to open pathways to automation**
- + **Focusing on national procurement will reduce costs by consolidating purchasing and leverage the purchasing power of the national business. There is opportunity in reducing the current 1,400 vendors and 6,500 product lines across 45 categories**



Transform

Manufacturing and supply chain opportunities and projects timeline



Understanding the end-to-end business is critical to transform and grow



Grow

- + **Additional revenue streams will drive growth**
- + **Margins through overhead reductions, procurement savings, higher factory utilisation (including automation)**
- + **Higher utilisation of factories will improve margins in the long term and accommodate further organic growth**
- + **We are open to bolt-on acquisitions in time that are aligned or adjacent to our businesses**
- + **Step change can come from BOOT opportunities in communities**



Australian Embassy Morocco

QUESTIONS

FLEETWOOD
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Thank you

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Investor Relations

T 08 9323 3300

E info@fleetwood.com.au