

# FY25 Results Presentation

Kelsian Group Limited (ASX:KLS)

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# 1

## FY25 Overview



# FY25 highlights

Results in line with expectations. Revenue and earnings growth across all divisions

## Financial snapshot

- Strong revenue growth reflects track record in contract renewals and benefits of cost indexation
- Underlying<sup>1</sup> EBITDA in line with guidance
- Growth in Revenue, EBITDA and EBIT achieved across all divisions
- Continued strong cash generation, strengthened balance sheet
- EPS before Amortisation up 2.2% to 35 cents per share

## Strong, stable foundation with positive momentum

Ongoing commitment to operational excellence, combined with established market positions and our strong reputation, has underpinned the high renewal rate on existing contracts and delivered ongoing organic growth across all three divisions

### Group Revenue

**\$2,208.9m**  
**+9.5%**

### Underlying<sup>1</sup> EBITDA

**\$285.0m**  
**+7.4%**

### Underlying<sup>1</sup> EBIT

**\$136.0m**  
**+11.4%**

### Underlying<sup>1</sup> NPATA<sup>2</sup>

**\$94.8m**  
**+2.4%**

### Leverage<sup>3</sup>

**2.7x**  
**3.2x (Dec-24)**

### Net Operating Cashflow

**\$205.2m**  
**+39.9%**

1. Adjusted for one-off costs associated with M&A due diligence, acquisition costs, Finance & HR systems costs and an abnormal property related cost associated with the Melbourne bus franchise tender.

2. Net Profit after Tax and before Amortisation.

3. Leverage calculated as LTM Underlying EBITDA, pre-AASB 16 and excluding SPV earnings and indebtedness. See slide 23 for more information.

# FY25 operational and strategic overview

Delivered more than 383 million customer journeys in FY25

## Operational overview

- Ongoing growth in USA through contract extensions, renewals and new contract wins
- Bankstown rail replacement services performed well
- Sydney Region 6 contract in negotiations for two-year extension commencing July 2026
- Singapore operational excellence delivered two contract extensions and a contract win
- Higher patronage and improved asset utilisation delivered record result for Marine & Tourism

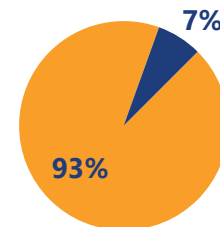
## Strategic highlights

- Capital Management and Allocation Framework in place
- Strategic review completed and sale of identified Tourism Portfolio underway
- Strategic property acquisition of Hoxton Park bus depot in Sydney
- Sale and leaseback of three West Australian bus depots
- End of peak capital investment cycle
- Acquisition of Huyton Travel in Liverpool, UK

## All material contracts retained or renewed

Focus on operational efficiency, together with leading operational performance resulted in excellent contract retention and delivered several new contract wins

## FY25 Revenue



■ Contracted or Non-Discretionary ■ Discretionary

# Focus on safety and sustainability

Kelsian is a people business and the safety of our workforce and customers is our priority



## Safe, Responsible Employer & Operator

Committed to creating a safe, healthy, and inclusive workplace for our people.

12% reduction in total recordable injury frequency across all worksites.

Zero significant spills in FY25.



## Enabling Smarter & Cleaner Transport

Supporting our partners to achieve their emissions reduction targets.

Aim to make public transport more accessible, reliable, and appealing, encouraging a shift away from private vehicle use.

204 Zero Emission Buses in operation.



## Community & Partnerships

Kelsian has proudly partnered with the Royal Flying Doctors Service for a three-year partnership reflecting Kelsian's commitment to giving back to the communities it serves.

Nationwide three-year partnership with the Clontarf Foundation supporting their 11,500 students across 150+ academies, creating pathways into meaningful careers.

# 2

## FY25 Financial Results



# Profit & loss

## FY25 performance in line with expectations

- Strong revenue growth across all divisions
- Contract indexation mechanisms effectively hedged inflationary environment for most bus businesses (fuel, wages, CPI)
- Underlying<sup>1</sup> EBITDA margin improvement from 1H FY25 reflects higher margin growth in the USA
- Depreciation increase reflects new buses for Bankstown rail and purchase of motorcoaches in USA, ROU<sup>2</sup> depreciation of \$25.8m and SPV<sup>3</sup> asset depreciation of \$9.4m
- Amortisation charge relates to customer contracts intangibles
- Higher interest reflects line fees on larger facilities and higher debt levels linked to peak capital investment program (FY24/FY25). ROU interest was \$7.5m and SPV asset interest was \$5.5m
- EPSA<sup>4</sup> of 35.0 cents, up 2.2%
- Fully franked final dividend of 9.5 cents per share, taking full year to 17.5 cents per share (FY24 - 17.5 cents per share)

| Year ended 30 June              | FY25         | FY24         | Variance      |
|---------------------------------|--------------|--------------|---------------|
|                                 | \$m          | \$m          | %             |
| Revenue                         | 2,208.9      | 2,016.8      | 9.5%          |
| Operating expenses              | (1,923.9)    | (1,751.4)    | 9.8%          |
| <b>Underlying EBITDA</b>        | <b>285.0</b> | <b>265.4</b> | <b>7.4%</b>   |
| <i>Underlying EBITDA margin</i> | <i>12.9%</i> | <i>13.2%</i> | <i>(2.0%)</i> |
| Depreciation                    | (115.8)      | (109.2)      | 6.1%          |
| <b>Underlying EBITA</b>         | <b>169.2</b> | <b>156.2</b> | <b>8.3%</b>   |
| Amortisation                    | (33.2)       | (34.1)       | (2.8%)        |
| <b>Underlying EBIT</b>          | <b>136.0</b> | <b>122.1</b> | <b>11.4%</b>  |
| Net interest expense            | (59.8)       | (50.4)       | 18.5%         |
| <b>Underlying NPBT</b>          | <b>76.2</b>  | <b>71.7</b>  | <b>6.3%</b>   |
| Income tax expense              | (14.6)       | (13.2)       | 10.8%         |
| <b>Underlying NPAT</b>          | <b>61.6</b>  | <b>58.4</b>  | <b>5.5%</b>   |
| Statutory NPAT                  | 54.5         | 58.0         | (6.1%)        |
| <b>Underlying NPATA</b>         | <b>94.8</b>  | <b>92.5</b>  | <b>2.4%</b>   |
| EPSA (cents)                    | 35.0         | 34.2         | 2.2%          |

1. Adjusted for one-off costs associated with M&A due diligence, acquisition costs, Finance & HR systems costs, and an abnormal property related cost associated with the Melbourne bus franchise tender.

2. Right-of-use. 3. Special Purpose Vehicle. 4. Earnings per Share before Amortisation.

# Cashflow

## Predictable and defensive cashflows

### Net Operating Cashflow

**\$205.2m**

Record operating cashflow

### Cash Conversion<sup>1</sup>

**86.6%**

Strong earnings quality and cash generation

### Investing Cashflow

**\$140.5m**

Reflects peak of capital investment cycle in strategic assets

### Cash Reserves

**\$182.8m**

Significant cash reserves at period end

Cash flow underpinned by long-term contracts with 93% of FY25 revenue contracted or non-discretionary in nature.

| Year ended 30 June                               | FY25           | FY24           | Variance        |
|--------------------------------------------------|----------------|----------------|-----------------|
|                                                  | \$m            | \$m            | %               |
| Receipts from customers                          | 2,239.3        | 2,002.8        | 11.8%           |
| Payments to suppliers                            | (1,948.4)      | (1,787.1)      | 9.0%            |
| <b>Gross operating cash flow</b>                 | <b>290.9</b>   | <b>215.7</b>   | <b>34.8%</b>    |
| Transaction costs                                | (5.1)          | (2.2)          | 131.8%          |
| Net interest                                     | (59.8)         | (50.3)         | 18.9%           |
| Income tax (paid)/refunded                       | (20.8)         | (16.5)         | 26.1%           |
| <b>Net operating cash flow</b>                   | <b>205.2</b>   | <b>146.7</b>   | <b>39.9%</b>    |
| Disposals                                        | 27.6           | 20.2           | 36.6%           |
| Additions                                        | (165.1)        | (149.8)        | 10.2%           |
| Additions - contracted assets                    | -              | (105.0)        | (100.0%)        |
| Business combinations                            | (3.0)          | (28.4)         | (89.4%)         |
| <b>Net investing cash flows</b>                  | <b>(140.5)</b> | <b>(263.0)</b> | <b>(46.6%)</b>  |
| Proceeds from borrowings                         | 57.5           | 167.2          | (65.6%)         |
| Repayment of borrowings                          | (36.2)         | (26.7)         | 35.6%           |
| Other share expenses                             | -              | (0.6)          | (100.0%)        |
| Dividends paid                                   | (40.9)         | (47.1)         | (13.2%)         |
| <b>Net financing cashflows</b>                   | <b>(19.6)</b>  | <b>92.8</b>    | <b>(121.1%)</b> |
| <b>Net cash flow</b>                             | <b>45.1</b>    | <b>(23.5)</b>  | <b>(291.8%)</b> |
| Cash at the beginning of the period <sup>2</sup> | 137.8          | 158.0          | (12.8%)         |
| <b>Cash at the end of the period</b>             | <b>182.8</b>   | <b>134.5</b>   | <b>35.9%</b>    |

1. Calculated as gross operating cashflow as a percentage of Underlying EBITDA adjusted for right-of-use depreciation and right-of-use interest.

2. Cash at beginning of the period adjusted for change in exchange rates

# Balance sheet

Strong cashflow generation and completion of peak capex cycle

## Significant headroom in all covenants<sup>1</sup>

### Net Debt<sup>2</sup>

**\$623.5m**

### Leverage<sup>3</sup>

**2.7x**

**Down from 3.2x at  
31 December 2024**

Target leverage of 2.0x – 2.5x LTM Underlying EBITDA, retaining flexibility to take advantage of attractive organic and inorganic growth opportunities

**On track to reach target leverage by 30 June 2026**

| Balance as at                      | 30 Jun 2025    | 30 Jun 2024    | Variance     |
|------------------------------------|----------------|----------------|--------------|
|                                    | \$m            | \$m            | %            |
| Cash and cash equivalents          | 182.8          | 134.5          | 35.9%        |
| Receivables                        | 232.9          | 204.8          | 13.7%        |
| Property, plant & equipment        | 876.2          | 825.0          | 6.2%         |
| Other tangible assets              | 77.9           | 62.6           | 5.1%         |
| <b>Total tangible assets</b>       | <b>1,369.7</b> | <b>1,226.9</b> | <b>10.6%</b> |
| Right of use assets                | 170.9          | 187.7          | (9.0%)       |
| Other assets                       | 958.9          | 984.9          | (1.5%)       |
| <b>Total assets</b>                | <b>2,499.5</b> | <b>2,399.5</b> | <b>4.2%</b>  |
| Senior debt                        | 806.3          | 739.9          | 9.0%         |
| Ring fenced debt (SPV)             | 89.0           | 100.8          | (11.8%)      |
| Other interest bearing liabilities | 6.1            | 8.2            | (25.1%)      |
| <b>Total debt</b>                  | <b>901.4</b>   | <b>848.9</b>   | <b>6.2%</b>  |
| Right of use liability             | 166.6          | 170.9          | (7.0%)       |
| Other liabilities                  | 473.5          | 452.3          | 6.6%         |
| <b>Total liabilities</b>           | <b>1,541.6</b> | <b>1,472.2</b> | <b>4.7%</b>  |
| <b>Net assets</b>                  | <b>957.9</b>   | <b>927.4</b>   | <b>3.3%</b>  |

1. Limited recourse ring fenced debt (SPV) excluded from all bank covenant calculations

2. Net debt includes senior debt, finance leases, other loans and debt relating to government-backed contracted assets but excludes SPV related debt.

3. Leverage calculated as LTM Underlying EBITDA, pre-AASB 16 and excluding SPV earnings and indebtedness. See slide 23 for more information.

# Limited recourse ring-fenced debt facilities

## Financing facilities provide flexibility and optionality for governments

- Kelsian has had ring-fenced, limited recourse asset financing facilities ("SPV") in place since July 2023 for some Australian bus service contracts
- SPV enables unlimited scalability for governments seeking to upgrade public transport infrastructure and expand or accelerate the roll out of electric buses and electrifying depots
- Kelsian 'warehouses' government contracted bus assets on balance sheet along with corresponding debt for duration of contract
- Asset value and debt profile are matched and amortised over the term of the contract
- Assets and debt revert to government if the contract is not renewed (no stranded asset risk or financial exposure)
- There are some contracted buses not yet in SPVs
- Limited recourse financing facilities are excluded when Kelsian's financiers calculate bank covenants

Government-backed contracted assets financed in SPV structures: ~\$89.0m<sup>1</sup>

Government-backed contracted assets with a vehicle termination payment obligation: ~\$124.4m<sup>1</sup>



# Capital expenditure

## FY25 marks the conclusion of a period of peak investment

### **FY25 total capex ~\$165.1m**

- In line with prior guidance of \$185m, adjusted for Kangaroo Island and SE Qld vessel and infrastructure delays
- Excludes proceeds from asset sales of ~\$27.6m

### **MARINE & TOURISM ~\$52.0m**

- Two Kangaroo Island vessels & infrastructure
- Two SE Qld vessels & infrastructure (one delivered)
- Illumina light show, K'gari

### **AUSTRALIAN BUS ~\$41.9m**

- Bus fleet (60) for Bankstown rail replacement contract
- Motorcoaches for resources and education sector
- Buses for Stradbroke Island
- Depot charging infrastructure

### **INTERNATIONAL BUS ~\$41.2m**

- Purchase of motorcoaches in USA
- Singapore bus refurbishments

### **CORPORATE ~\$30.0m**

- Sydney Hoxton Park depot purchase

### **FY26 capex ~\$128m<sup>1</sup>**

- Net sustaining capex of ~\$85m
- FY25 vessel capex carry forward (underspend) ~\$20m
- Committed growth capex (AAAHl) ~\$23m<sup>2</sup>

**Further growth capex subject to new or expanded contracts that meet investment return hurdles**



1. Excluding any contracted assets acquired in ring-fenced financing structures and before proceeds received from the disposal of property, plant & equipment  
2. As at 26 August 2025

# 3

## FY25 Divisional Performance



## Overview of FY25 performance

- Strong revenue growth underpinned by Bankstown rail replacement service and new Sydney contracts
- Operational challenges due to increased traffic congestion
- Delays in Government Zero Emission Bus rollout driving higher maintenance expense due to ageing diesel fleet
- Operational efficiency program and service changes in Sydney delivered improved contribution in Q4 of FY25
- Two-year contract extension for Sydney Region 6 being negotiated
- Successful contract renewals for Bunbury and Busselton
- Acquired Hoxton Park depot in Sydney
- Region 6 is the only major contract renewal before FY28

| Year ended 30 June              | FY25         | FY24         | Growth        |
|---------------------------------|--------------|--------------|---------------|
|                                 | \$m          | \$m          | %             |
| Revenue                         | 1,151.3      | 1,036.0      | 11.1%         |
| Operating expenses              | (1,023.4)    | (918.1)      | 11.5%         |
| <b>Underlying EBITDA</b>        | <b>127.9</b> | <b>118.0</b> | <b>8.5%</b>   |
| <i>Underlying EBITDA margin</i> | <i>11.1%</i> | <i>11.4%</i> | <i>(2.4%)</i> |
| Depreciation                    | (37.8)       | (33.7)       | 12.1%         |
| <b>Underlying EBITA</b>         | <b>90.1</b>  | <b>84.2</b>  | <b>7.0%</b>   |
| Amortisation                    | (16.0)       | (17.6)       | (9.3%)        |
| <b>Underlying EBIT</b>          | <b>74.2</b>  | <b>66.7</b>  | <b>11.3%</b>  |

**Number 1 ranked bus operator in Sydney Region 6<sup>1</sup>**

**144 Zero Emission Buses**

**Depot electrification works underway in three states**

1. Performance ranking for service on-time running, cancelled and incomplete trips, customer complaints, driver vacancies, asset maintenance in Sydney Metropolitan area

## Overview of FY25 performance

### USA

- All key contracts renewed since AAAHI acquired in June 2023
- Contracted/Charter revenue mix now 60/40
- Commenced a new contract with Louisiana State University
- Renewed and expanded the Colorado Bustang contract
- Two new major industrial contracts secured in June 2025
- Tech employee shuttle services stabilised and re-priced

### SINGAPORE

- Performance incentives achieved
- Operational performance rewarded with two-year contract extensions
- Capital light contract win - Sentosa Development Corporation

### UK & CHANNEL ISLANDS

- Awarded a new 10-year contract in Jersey post a tender process
- Not successful in renewing Guernsey contract (non-material)
- Acquired regional bus operator, Huyton Travel Limited, in Liverpool to position for upcoming regional UK franchising opportunities

| Year ended 30 June              | FY25         | FY24         | Growth        |
|---------------------------------|--------------|--------------|---------------|
|                                 | \$m          | \$m          | %             |
| Revenue                         | 689.5        | 634.0        | 8.8%          |
| Operating expenses              | (576.3)      | (529.1)      | 8.9%          |
| <b>Underlying EBITDA</b>        | <b>113.2</b> | <b>104.9</b> | <b>7.9%</b>   |
| <i>Underlying EBITDA margin</i> | <i>16.4%</i> | <i>16.5%</i> | <i>(0.8%)</i> |
| Depreciation                    | (54.8)       | (54.7)       | 0.1%          |
| <b>Underlying EBITA</b>         | <b>58.4</b>  | <b>50.2</b>  | <b>16.3%</b>  |
| Amortisation                    | (16.2)       | (15.9)       | 2.1%          |
| <b>Underlying EBIT</b>          | <b>42.2</b>  | <b>34.3</b>  | <b>23.0%</b>  |

**2,056** Buses and motorcoaches

**60** Zero Emission Buses

**Safety Award** – safest bus operator in Singapore

## Overview of FY25 performance

- Record result despite impact of Cyclone Alfred
- Margin improvement in 2H reflects dynamic pricing, fare increases, efficiency projects and operating leverage from higher patronage
- Kangaroo Island, Magnetic Island and Stradbroke Island continued to perform well
- Delivery of first SEQ vessel and a new Gladstone vessel
- Five-year extension of Northern Territory ferry contracts
- Sydney business recovering albeit still below pre-COVID
- K'gari performance subdued throughout FY25
- Kangaroo Island vessel delivery delayed, no change to overall cost. Working with SA Government in relation to mobilisation plans

| Year ended 30 June              | FY25         | FY24         | Growth        |
|---------------------------------|--------------|--------------|---------------|
|                                 | \$m          | \$m          | %             |
| Revenue                         | 368.0        | 346.8        | 6.1%          |
| Operating expenses              | (292.8)      | (275.2)      | 6.4%          |
| <b>Underlying EBITDA</b>        | <b>75.3</b>  | <b>71.6</b>  | <b>5.1%</b>   |
| <i>Underlying EBITDA margin</i> | <i>20.4%</i> | <i>20.6%</i> | <i>(0.9%)</i> |
| Depreciation                    | (21.6)       | (19.6)       | 10.2%         |
| <b>Underlying EBITA</b>         | <b>53.7</b>  | <b>52.0</b>  | <b>3.2%</b>   |
| Amortisation                    | (1.0)        | (0.7)        | 55.0%         |
| <b>Underlying EBIT</b>          | <b>52.7</b>  | <b>51.3</b>  | <b>2.6%</b>   |

**124 vessels**

**14 million** passengers carried in FY25

**+7.9%** International visitor spend forecast to grow (2024-2029)

## Overview of FY25 performance

### Global group Finance & HR system

- Digital transformation project to unify global Finance and HR functions in a single, industry-leading platform
- Will standardise processes, automate workflows, streamline operations
- Real time access to financial and HR data to support decision making, strategic planning and reporting across global footprint
- One-off implementation costs (including software licensing) to total \$21.1m over 3 years
- FY25 one-off abnormal costs of \$2.3m (FY26: \$9.3m, FY27: \$8.3m)

### Timeline for new system implementation



| Year ended 30 June              | FY25          | FY24          | Growth      |
|---------------------------------|---------------|---------------|-------------|
|                                 | \$m           | \$m           | %           |
| Revenue                         | -             | -             | 0.0%        |
| Operating expenses              | (31.4)        | (29.0)        | 8.2%        |
| <b>Underlying EBITDA</b>        | <b>(31.4)</b> | <b>(29.0)</b> | <b>8.2%</b> |
| <i>Underlying EBITDA margin</i> | <i>0.0%</i>   | <i>0.0%</i>   | <i>0.0%</i> |
| Depreciation                    | (1.6)         | (1.1)         | 43.7%       |
| <b>Underlying EBITA</b>         | <b>(33.0)</b> | <b>(30.2)</b> | <b>9.5%</b> |
| Amortisation                    | -             | -             | 0.0%        |
| <b>Underlying EBIT</b>          | <b>(33.0)</b> | <b>(30.2)</b> | <b>9.5%</b> |

# 4

## Strategy, Growth & Outlook



# Foundations in place to deliver on growth pipeline

Kelsian has delivered on several important strategic initiatives in FY25



## FY26 focus areas

### Laser-like focus on core operations

- Sydney bus operational improvements and efficiencies
- New Kangaroo Island contract and vessel mobilisation
- Efficiencies, spending discipline and cost out

### Strategic

- Divestment of Tourism Portfolio and capital redeployment
- Region 6 contract re-negotiation and extension
- Increase returns from existing assets and from any growth capital

### Growth

- Structural changes in target markets present opportunities to capitalise on track record as a leader in contract transitions and operational excellence
- Strong pipeline of opportunities to drive organic growth
  - Capital-light bus opportunities in regional UK, QLD, Singapore
  - New market opportunities: bus and ferry contracts in NZ
  - Attractive return opportunities in the USA

# Tourism Portfolio divestment

## Potential sale of a leading Tourism Portfolio spanning iconic Australian destinations

### Sale process update

- ✓ **Strong interest expressed** in whole portfolio and parts
- ✓ **Interested parties** both international and domestic
- ✓ **Sale process** underway
- ✓ **Updates** to be provided as sale process progresses

### Brand portfolio<sup>1</sup>



### Strategic footprint

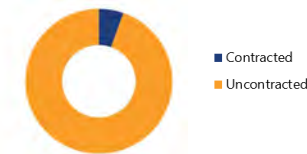


### FY25 Revenue mix

#### Revenue by type



#### Contracted & uncontracted



**42**

Vessels<sup>2</sup>

**52**

4WD buses and motor coaches<sup>3</sup>

**2**

Resorts

**12**

Routes operated<sup>4</sup>

**~1,000**

Employees<sup>5</sup>

1. Not exhaustive.

2. Vessels and tenders owned and included in the Tourism Portfolio to be divested (as at 7 July 2025 and excludes jet skis and vessels operated but not owned).

3. As at 31 March 2025. 4. As at 7 July 2025. 5. As at 11 July 2025.

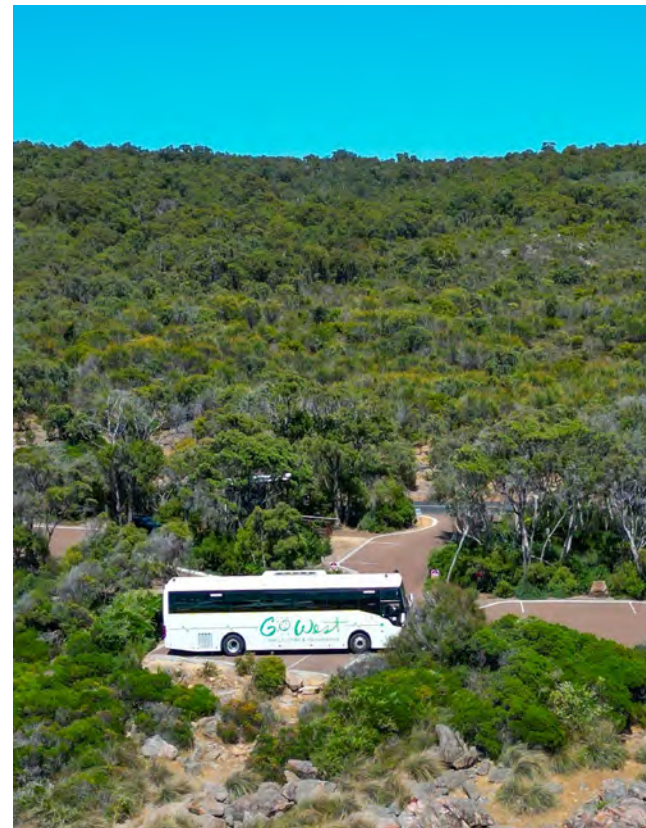
# FY26 guidance & outlook

## Operations

- July 2025 trading in line with expectations
- Bankstown rail replacement services expected to continue into 2HFY26
- Efficiency program and service changes in Sydney to deliver improved contribution
- Adelaide tramline bus replacement services
- Ongoing ramp-up of industrial transportation contracts in the USA
- Singapore continued improvement in performance incentives
- Transition & mobilisation costs for new Kangaroo Island contract
- Ongoing recovery of international tourism

## FY26 guidance and estimates<sup>1</sup>

- Underlying EBITDA between \$297m and \$310m
- Capex ~\$128m (refer to slide 11 for breakdown)
- Depreciation ~\$129m (core assets ~\$87m, ROU ~\$33m, SPV ~\$9m)
- Amortisation ~\$32m
- Interest ~\$59m (corporate facilities ~\$46m, ROU ~\$8m, SPV ~\$5m)
- Effective tax rate between 22% and 25%



1. Assuming no significant deterioration in the operating environment and no material change to the structure of the business. Refer to notes 4 to 7 on slide 25 for assumptions and other important notes.

# Kelsian investment proposition

A diversified global business with a strong track record of growth



## **OPERATIONS FOCUSED**

Strategy centered on delivering essential journeys for customers through bus, motorcoach and marine transport



## **PREDICTABLE REVENUE**

Predictable and defensive revenues from long-term, low-risk, government and corporate-backed service contracts



## **DIVERSIFIED BUSINESS**

Robust business model with diversified businesses, geographies, transport modes and customers



## **STRONG REPUTATION**

Excellent operating performance driving contract renewal and expansion



## **TRACK RECORD OF GROWTH**

Strong track record of delivering organic growth from new and expanded contracts and via M&A



## **RESILIENCE AND BARRIERS TO ENTRY**

Contracted revenue with hedging of cost base delivers resilient margins. Strong incumbent position in key markets



## **MACRO TRENDS SUPPORT GROWTH**

Long term growth tied to favourable macro trends (decarbonisation, population growth, urbanisation)

## Appendix



# Balance sheet and leverage

Leverage of 2.7x at 30 June 2025, calculated excluding limited recourse SPV debt and corresponding SPV related earnings

## Leverage as at 30 June 2025 and 31 December 2024

| Net debt                                     | 30 Jun 2025    | 31 Dec 2024    |
|----------------------------------------------|----------------|----------------|
|                                              | \$m            | \$m            |
| Senior debt                                  | 806.3          | 831.0          |
| Finance leases                               | 6.1            | 7.0            |
| Cash                                         | (182.8)        | (131.0)        |
| <b>Pre-AASB 16 net debt (excl. SPV)</b>      | <b>629.7</b>   | <b>707.0</b>   |
| Right of use liabilities                     | 166.6          | 137.0          |
| <b>Post-AASB 16 net debt (excl. SPV)</b>     | <b>796.3</b>   | <b>844.0</b>   |
| <b>EBITDA</b>                                |                |                |
| Post-AASB 16 EBITDA                          | 285.0          | 267.0          |
| Less: lease expense                          | (33.0)         | (31.0)         |
| <b>Pre-AASB 16 EBITDA</b>                    | <b>252.0</b>   | <b>236.0</b>   |
| Less: SPV adjustments                        | (18.5)         | (18.0)         |
| <b>Pre-AASB 16 EBITDA (exc SPV)</b>          | <b>233.5</b>   | <b>218.0</b>   |
| <br><b>Leverage (pre-AASB 16, excl. SPV)</b> | <br><b>2.7</b> | <br><b>3.2</b> |

## Approach to calculating leverage

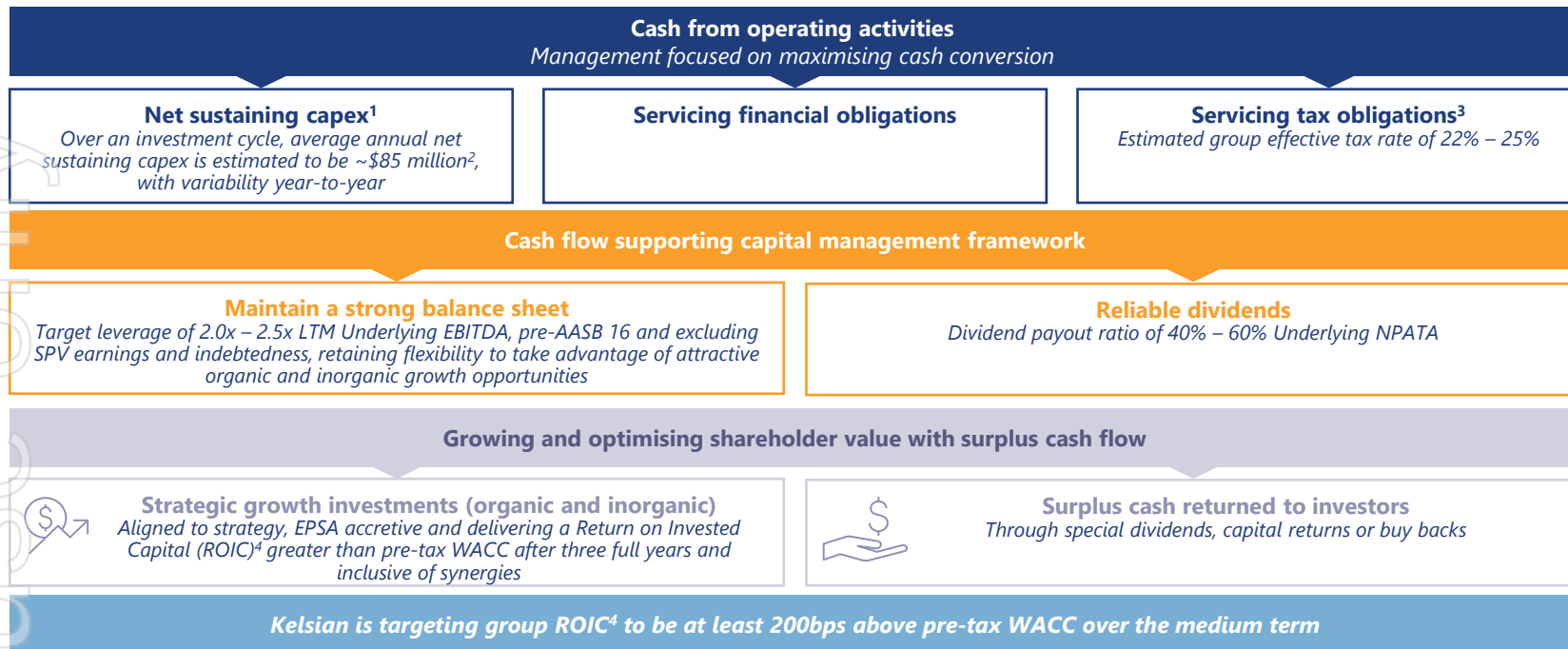
- SPV liabilities, assets and earnings excluded
  - Limited recourse to Kelsian
  - Assets ring-fenced in SPV
- As at 30 June 2025, Kelsian held ~\$36M in government backed contracted assets on our balance sheet which are yet to be moved into the ring fenced SPV structure
- Leverage excluding these contracted government-backed assets was 2.6x (3.0x as at 31 December 2024)

*Target leverage range of **2.0x – 2.5x** LTM Underlying EBITDA, pre-AASB 16 and excluding SPV earnings and indebtedness, retaining flexibility to take advantage of attractive organic and inorganic growth opportunities. Expected to reach leverage target by the end of FY26<sup>1</sup>*

1. Does not assume any asset sales in relation to the Tourism Portfolio divestment and is based on existing forecast financials only.

# Capital Management and Allocation Framework

Maintaining a strong balance sheet, facilitating growth and maximising total shareholder returns



1. Maintenance plus replacement capex less proceeds from asset sales. 2. Based on the current steady-state asset portfolio and an illustrative 30-year 'through-the-cycle' period on a nominal basis. SPV assets have been excluded from this analysis as their ongoing funding is captured within the SPV structure and is limited recourse to Kelsian. Analysis assumes constant FX rate and that current market settings prevail. 3. Assumes current steady-state asset portfolio and corporate tax rates applicable to Kelsian's operations are 30% for Australia, ~26% for the US, 17% for Singapore and 25% for the UK. Certain material adjustments also apply, including relating to receipt of an annual tax rebate associated with Kelsian's marine shipping incentives. 4. Calculated as underlying EBITA (pre-AASB 16, excluding SPV adjustments) divided by average equity plus average net debt (pre-AASB 16, excluding SPV debt). Net debt includes senior debt, finance leases, other loans, and debt relating to government-backed contracted assets, but excludes SPV-related debt.

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The guidance and estimate statements for FY26 on slide 20 are based on Kelsian's bus, motorcoach and ferry operations as at 26 August 2025 assuming no material changes to the scale of nature of operations in any location, no material additional services contracts or material changes in scope of existing services; and no material acquisitions, disposals or investment transactions (M&A). Refer also to the assumptions in note 6 above.

**Authorisation:** Approved and authorised for release via the Australian Securities Exchange on 26 August 2025 by Graeme Legh, Group Chief Executive Officer, Kelsian Group.

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