

## CAPRAL ASX ANNOUNCEMENT

# Annual General Meeting Addresses and Proxy Results

Thursday, 8 May 2025

Attached please find the Chairman's and Managing Director's addresses that will be delivered at today's 2025 Annual General Meeting (AGM) starting at 10am.

Also attached is the Computershare Proxy Tabulation Report dated 7 May 2025.

To attend and participate in the meeting virtually, which is broadcast as a live webinar, go to <https://meetnow.global/M9GQP6X>

You will need your Shareholder Reference Number (SRN) or Holder Identification Number (HIN) to register.

Approved and authorised for release by Capral's Board of Directors.

For further information please contact:

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Yours faithfully



**Tertius Campbell**  
CFO and Company Secretary

### FORWARD-LOOKING STATEMENTS

This announcement and presentation may contain forward looking statements which may be identified by words such as "believes", "considers", "could", "estimates", "expects", "intends", "may", and other similar words that involve risks and uncertainties. Such statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of Capral or its Directors and management, and could cause Capral's actual results and circumstances to differ materially from the results and circumstances expressed or anticipated in these statements. The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.



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CAPRAL LIMITED ANNUAL GENERAL MEETING  
8 May 2025  
CHAIRMAN'S ADDRESS

### Taking a look at 2024

In the 2024 financial year Capral delivered a resilient operational performance despite the more challenging economic conditions. With increasing diversification in the channels that Capral operates in, the business is positioned well to perform strongly through cycles.

The robustness of Capral's performance is also underpinned by the 2019 operational restructure that permanently lowered Capral's cost base, enabling the business to better leverage the capacity utilisation of its extrusion plants.

For the year ended 31 December 2024 Capral delivered EBITDA of \$58.3 million compared to \$61.5 million in the prior year.

EBIT fell 10% to \$34.5 million as compared to \$38.5 million in 2023.

Net Profit After Tax (NPAT) of \$32.5 million compares to \$31.8 million in 2023. NPAT in 2024 was assisted by a tax benefit of \$3.6 million from the increased recognition of deferred tax assets. In 2023 we did not recognise any additional deferred tax assets.

Revenues of \$650 million in 2024 were on par with the prior year. Average selling prices increased by 4% as a result of higher global LME aluminium prices, this largely offset the impact from 5% lower volumes.

In FY24 Capral delivered earnings per share of \$1.88 (including 21 cents of tax benefit), compared to prior year of \$1.77.

Demand in Capral's key industrial sectors remained solid through the year with 2024 volumes growing compared to the prior year. This was driven by; recent acquisitions, retention of market share gains against imports, and strength in the transport and infrastructure segments.

The residential construction segment, which contributes around 40% of Capral's volume, slowed through the year as expected. Capral's extrusion operations responded by reducing production shifts, cost reduction activities, and operational efficiency programs. Capral expects residential construction activity to improve during the second half of FY25.

Capral completed two further distribution business acquisitions during the year to fill gaps in its network and grow this channel. The acquired businesses have been successfully integrated into the Capral network.

Working capital was \$87.7 million at the end of FY24, slightly higher than \$86.7 million at the end of FY23. Capral continues to have a strong balance sheet which enables the business to invest in ongoing operations, seek growth opportunities, and deliver to shareholders sustainable capital management strategies.

Capral continued its work on anti-dumping of aluminium extrusions into the Australian market to help ensure fair competition in the markets in which we operate. This will continue in FY25 and beyond. With the recent tariffs imposed by the Trump administration it is critical that the Australian government remains committed to preventing aluminium extrusions being dumped in the Australian market. We were pleased to see the Albanese government committing an

additional \$5m to the anti-dumping commission to reduce case time and better monitor goods and high-risk activities from overseas.

### **Moving onto Capital Management**

The Capral board is committed to ensuring that capital allocation priorities are balanced between investment opportunities for growth through acquisitions, growth and stay in business capital expenditure, working capital funding, and distributions to investors.

Having prioritised the return of franking credits to shareholders in prior years and the payment of the fully franked final dividend of 35 cents per share for the year ended 2023 exhausted all franking credits. Capral still has substantial tax losses to carry forward, therefore any dividends which may be paid in the medium term will be unfranked.

Capral began an on-market share buy-back in 2023, and commenced another on-market share buy-back in March 2024 which resulted in an equivalent distribution of 36 cents per share in FY24.

In addition, Capral declared an unfranked final dividend of 40 cents per ordinary share which was paid on 26 March 2025 in respect of FY24. This was paid to all shareholders that were on the register of members as at the record date of 5 March 2025. The Dividend Reinvestment Plan was not active for this dividend.

For FY24 Capral returned the equivalent of 76 cents per share consisting of 40 cents in cash dividends and 36 cents by way of share buy-backs completed during the year. This compares with the equivalent of 72.5 cents for FY23 which was made up of 55 cents in dividends and 17.5 cents in share buy-backs.

Capral commenced another on-market share buy-back of up to 10% of its issued shares on 3 March 2025. Capral's board will continue to ensure that distributions to shareholders remains a key component of Capral's capital allocation policy. It is anticipated that, subject to share trading liquidity, share buy-backs will form a major portion of value returned to our shareholders.

### **From a Safety and Sustainability perspective**

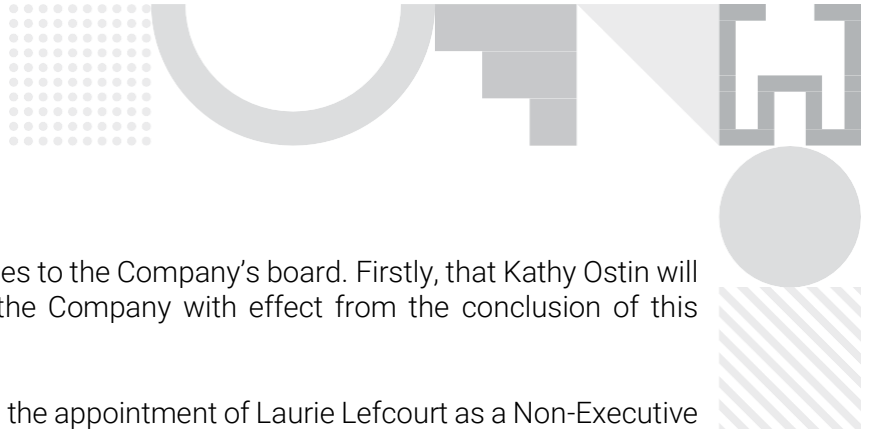
Capral remains committed to pursuing excellence in its delivery of effective safety and sustainability programs across all parts of its business. While the number of reportable injuries increased in FY24, Capral's injury rate remains below reported peer averages.

The environment is a key priority for Capral. We have committed to Net Zero by 2050 of scope 1 and 2 emissions, and a 20% reduction in emissions by 2030. We are on-track to meet these targets.

Capral is well advanced with its plans to meet the new climate change reporting requirements for 2025.

Capral's LocAl<sup>(R)</sup>, our lower carbon aluminium brand, continues to be a focus with volumes growing significantly in 2024. In addition, Capral has trialled recycling mill scrap aluminium back into the billet casting process through the Rio Tinto Boyne smelter. Investigations with other smelters to recycle extrusion scrap are also ongoing.

The Sustainability Report in the annual report details the many well-advanced initiatives in progress.



## Turning now to recent board updates

On 17<sup>th</sup> April we announced some changes to the Company's board. Firstly, that Kathy Ostin will resign as a Non-Executive Director of the Company with effect from the conclusion of this Annual General Meeting.

And secondly, that the Board announced the appointment of Laurie Lefcourt as a Non-Executive Director, effective from 17<sup>th</sup> April and that Laurie will replace Kathy as the Chair of the Audit and Risk Committee after this Annual General Meeting. Laurie will stand for election at next year's Annual General Meeting.

On behalf of the Board I would like to take this opportunity to thank Kathy for her contribution to Capral over the last 5 years and wish her all the best for the future. I would also like to welcome Laurie to the board and look forward to her involvement in Capral.

Bryan Tisher an existing Non-Executive Director and Chair of the Remuneration & Nomination Committee is up for re-election as resolution 1 of the AGM, we will hear from Bryan later.

## Looking Ahead

We expect the detached housing sector to start recovering in FY25 with the benefits flowing through in the second half. The industrial sector is forecast to maintain its current level. External factors are likely to result in a continuation in the volatility of commodity prices. Inflation and other cost increases, particularly in energy and labour costs, will also have an impact.

Capral remains committed to continuing to improve its operational efficiency throughout the organisation together with its commitment to investing in growth and returning capital to shareholders going forward. The company is positioned well to perform through market cycles and the current uncertain macro environment.

On behalf of the board I want to thank our shareholders, all of the Capral team, and our other stakeholders for their strong support during 2024. Thank you to my co-directors for their contributions throughout the past year.

I will now hand over to Tony for his comments.

**Mark White**  
Chairman



**CAPRAL AGM  
8 MAY 2025  
MANAGING DIRECTOR'S ADDRESS**

## Financial Review

Market conditions were softer in 2024 mainly due to a slow-down in activity in the residential housing market. Capral also experienced reduced demand from aluminium distributors as import supply chains returned to normal. Volume however remained solid in our industrial markets which allowed Capral's manufacturing plants to run at good levels of efficiency.

The residential housing market slowed, impacted by high interest rates and affordability. Housing starts for 2024 finished at 168,270, slightly above the prior year and down around 25% from the highs of 2021 and 2022. Commercial construction activity also slowed during the year. Key industrial markets remained relatively strong, especially the transport and infrastructure segments, and we retained market share gains in the metal fabrication sector.

The international LME price of aluminium lifted during the year finishing at two year highs, driven primarily by international trade and tariff concerns post the USA election. Capral's average LME cost for 2024 was 5% above last year. This flowed through to higher selling prices and working capital levels.

Despite the slower economic conditions Capral delivered another very good profit result in 2024 with EBITDA of \$58.2 million (2023: \$62.5m) on 5% lower volume, and EBIT of \$34.4 million (2023: \$38.5m). A very pleasing result, demonstrating how far Capral has progressed in being able to deliver solid earnings during a slow-down in the housing market.

Capral ended 2024 with a Net Cash balance of \$68.9 million. Debtor collection performance remained very good. Inventory levels rose slightly but higher LME prices lifted inventory value, leading to higher working capital levels which will likely continue to rise in the year ahead.

Capral paid an unfranked final dividend of 40 cents per share (FY23: 55cps). Capral also completed an on-market share buy-back during the year equivalent to 36cps, taking total 2024 distributions to shareholders to 76cps (FY23: 72.5cps). Capral has continued its on-market share buy-back program during 2025 under the 12-10 rule. As advised last year, Capral exhausted its franking credit balance in 2023, therefore shareholder distributions in the medium term will be by way of unfranked dividends and/or share buy-backs.

## Key Initiatives and Strategies

Key high-level strategies remain consistent

- Build on our strengths
- Optimise what we do
- Grow for the future

In the year ahead we will continue to focus on our Smithfield and Penrith extrusion plants. Smithfield will focus on upgrading equipment to improve plant reliability and productivity. The first stage of the Penrith plant upgrade, replacing the extrusion press, was completed during 2023. The second stage, replacing the billet furnace and saw, will be completed this year.

We will continue to grow Capral's distribution operations with the objective of increasing the volume and profitability of Capral's direct-to-market channel. During 2024 we added two

Aluminium Trade Centres to the Capral distribution footprint with acquisitions of existing businesses in Melbourne and Brisbane. This makes a total of four new sites over the last few years. We continue to seek other opportunities to expand our distribution footprint and into other adjacent market segments.

## Fair Trade

Capral continues to lead the local industry in the pursuit of fair trade. Key points to note are:

- Application submitted for continuation of measures on Chinese imports for a further five years.
- China recently announced the removal of export VAT rebates which should see a lift in import pricing in 2025.
- Measures against Malaysian and Vietnamese imports remain in place until 2028.

While some share gains have been made over the last few years, imports still represent over a third of the total Australian extrusion market. Now that supply chains have normalised, and international trade flows are in a state of flux, it is even more important that we continue the fight to retain a fair share for the local extrusion industry which contributes over 2,000 direct jobs to the Australian economy.

## Safety

Safety is the first of Capral's five key values. We continue our focus on risk assessment, training, systems, and our safety culture. Capral recorded a total reportable injury frequency rate (TRIFR) of 7.7, slightly better than our peer group average. Lost time injuries remained at four, but medical treatment injuries increased by five to nine. Importantly, lost and return to work hours fell by 38% on the prior year.

## Sustainability and ESG

Capral's journey to net zero emissions by 2050, with a 20% reduction target by 2030, is on-track and progressing well. During the 2023/24 year Capral's scope 1 & 2 total emissions fell by 9% and intensity fell by 5%. This was a result of operational energy efficiencies and an increase in renewable energy sources.

During 2024 Capral increased its focus on waste management and recycling by introduction various programs at key sites. These initiatives lead to an increase in recycling and a 12% reduction in waste from baseline.

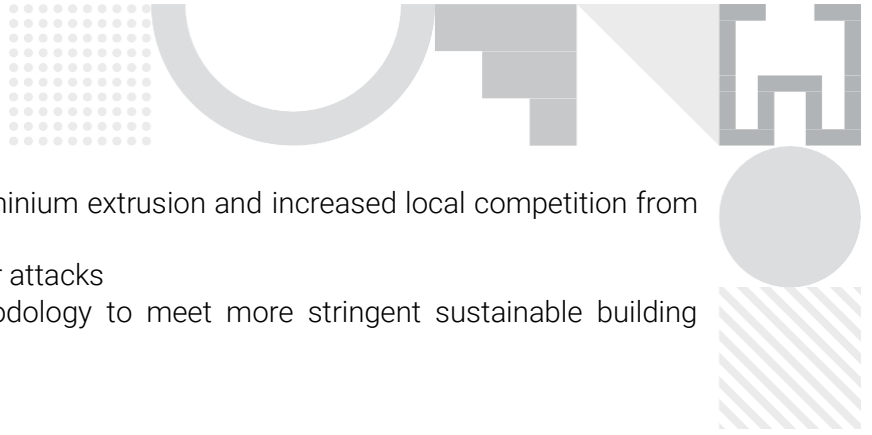
Capral maintained its Aluminium Stewardship Initiative (ASI) certification and remains the only extruder in the region to secure this globally recognised certification. This enables Capral to offer certified lower carbon aluminium options to the Australian market through our trademark brand LocAl®. This is gaining traction in the market with volumes lifting by close to four times over the prior year.

Capral has considered the overall impact of current ESG issues and has not discovered any resulting material impact on our financial statements at this point. Capral is well-placed to meet the requirements of new climate reporting standards for FY25.

## Key Operating Risks

Capral has a robust risk assessment process and active risk mitigation programme, key risks include:

- Significant slow-down in economic activity, particularly the new housing market



- Increased level of imported aluminium extrusion and increased local competition from new entrants
- External IT threats such as cyber attacks
- Changes in construction methodology to meet more stringent sustainable building codes

## Outlook

Forecasts for the residential market show detached housing approvals lifting in 2025 as interest rates start to fall. Total residential starts in 2025 are forecast to be slightly higher than 2024, however the pipeline of work that sustained volumes over the past two years has been completed. The non-residential market is forecast to be steady in 2025 as are our key industrial markets.

LME is volatile and subject to international influences. The threat of tariffs by the USA government led to LME soaring in first quarter 2025 to the highest level since the Russian invasion of Ukraine in 2022. In the current environment LME is highly volatile and, based on external forecasts, Capral expects LME to be at elevated levels throughout 2025 leading to increased working capital levels. The recently announced 25% tariff on steel and aluminium by the USA government will not have a direct impact on Capral. However, it will influence international trade flows and Australia must be vigilant in maintaining a robust anti-dumping regime to ensure a level playing field for local manufacturers.

The overall market for Capral's aluminium products is forecast to remain reasonably steady during 2025. On this basis, at this time and absent any unforeseen events, we expect earnings for FY25 to be broadly in line with prior year. Therefore Capral should be in a position to continue to return capital to shareholders by way of share buy-backs and unfranked dividends.

The focus in the year ahead will be to deliver benefits from the recent Trade Centre acquisitions in Victoria and Queensland, complete the second stage of the Penrith plant upgrade, and continue to grow our distribution business through both acquisition and organic growth. We plan to enhance our range, service, and capability to grow our customer base and deliver strong ongoing profitability.

I wish to thank the Capral team for their contribution to a very pleasing 2024 result. Capral remains in a good position to capitalise on its extensive capabilities, take opportunities as they present, and grow the business for the future.

**Tony Dragicevich**  
Managing Director  
8<sup>th</sup> May 2025

**CAPRAL LIMITED**

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**2025 Annual General Meeting (5/8/2025)**
**Vote Totals - Based on the first resolution**

Securities On Issue	16,765,099
Valid Securities Voted - (For, Against, Open Usable, Open Conditional)	7,724,713
Valid Securities Voted (%)	46.08
Total Securityholders Cast	110

**Vote Details**

Resolution	Vote type	Voted	%	% of all securities
1, RE ELECT BRYAN TISHER	For	7,505,552	97.17	44.77
	Against	4,898	0.06	0.03
	Open-Usable	214,263	2.77	1.28
	<i>Board</i>	209,442	2.71	1.25
	<i>Non-Board</i>	4,821	0.06	0.03
	Open-Cond	0	0.00	0.00
	Open Unusable	0	N/A	0.00
	Abstain	900	N/A	0.01
	Excluded	0	N/A	0.00
2, ADOPTION OF REM REPORT	For	6,710,118	95.34	40.02
	Against	113,475	1.61	0.68
	Open-Usable	214,263	3.05	1.28
	<i>Board</i>	209,442	2.98	1.25
	<i>Non-Board</i>	4,821	0.07	0.03
	Open-Cond	0	0.00	0.00
	Open Unusable	0	N/A	0.00
	Abstain	39,969	N/A	0.24
	Excluded	647,788	N/A	3.86
3, SHARES TO A DRAGICEVICH	For	6,643,414	95.10	39.63
	Against	134,020	1.92	0.80
	Open-Usable	207,809	2.98	1.24
	<i>Board</i>	202,988	2.91	1.21
	<i>Non-Board</i>	4,821	0.07	0.03
	Open-Cond	0	0.00	0.00
	Open Unusable	0	N/A	0.00
	Abstain	740,370	N/A	4.42
	Excluded	0	N/A	0.00

**Source of Vote**

	Keyed	Scanned	Intermediary Online	Proximity	InvestorVote Desktop	InvestorVote Mobile	Other
Votes	242,725	0	0	6,025,336	1,410,862	46,690	0
Securityholders	25	0	0	3	66	16	0

Please note: Voting forms have been recorded and audited. The figures above can now be regarded as final.

## CAPRAL LIMITED

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**FOR**

A direction to the proxyholder to vote 'For' the resolution.

**AGAINST**

A direction to the proxyholder to vote 'Against' the resolution.

**OPEN – USABLE**

Undirected votes given to a proxyholder to vote as the proxyholder thinks fit.

**OPEN – CONDITIONAL**

The Open-Conditional votes may eventuate from one of the following situations:

**Situation 1** - Open votes given by a securityholder, to a person who is subject to the Voting Exclusion Statement under ASX Listing Rule 14.11 or an Associate of that person, as their proxy; or

**Situation 2** - Open votes given by a securityholder, who is subject to the Voting Exclusion Statement under ASX Listing Rule 14.11 or an Associate of that person, to a proxy who is not subject to the voting exclusion.

The "Condition" recognises that the company will disregard any votes cast in favour by the appointed proxy.

**OPEN – UNUSABLE**

No votes will be classified to this category as the voting intention is now obsolete.

**ABSTAIN**

A direction to the proxyholder to abstain from voting on the resolution. These votes will not be counted in computing the required majority on a poll.

**EXCLUDED**

Votes of a securityholder who has appointed a proxy and the securityholder and proxyholder are prohibited from voting on a resolution due to a Voting Exclusion.