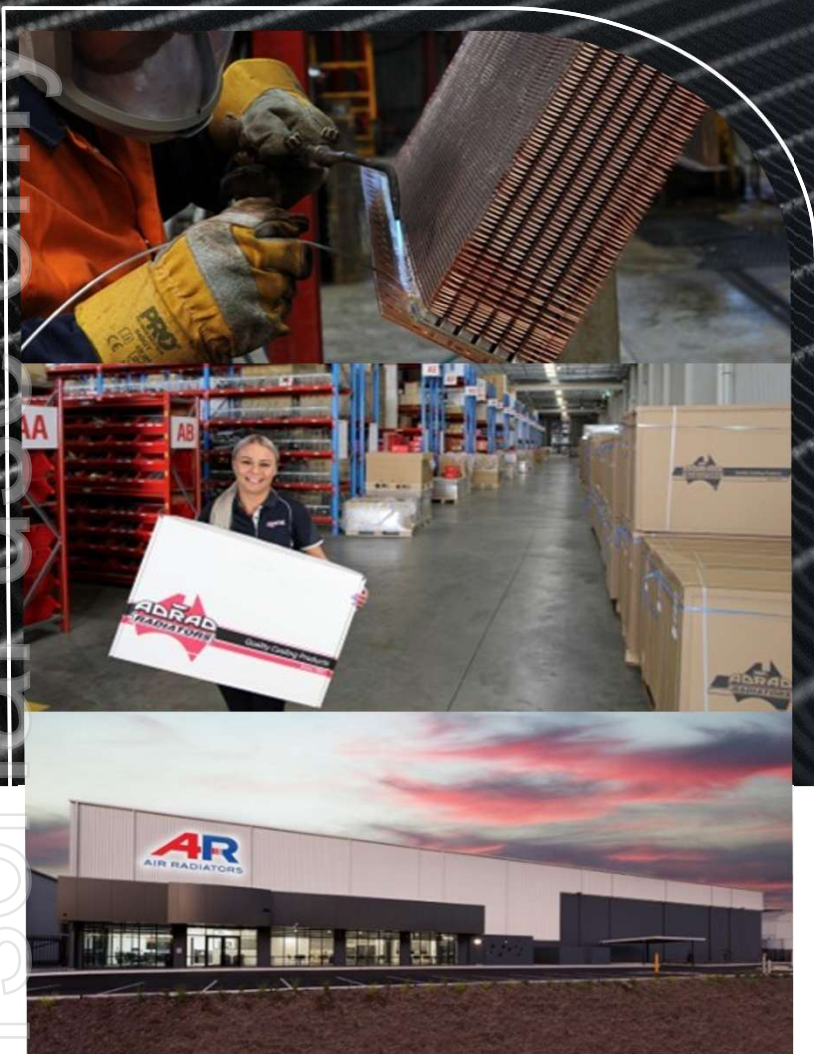


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# ADRAD

## FY25 RESULTS PRESENTATION

AUGUST 2025

[adradholdings.com.au](http://adradholdings.com.au)

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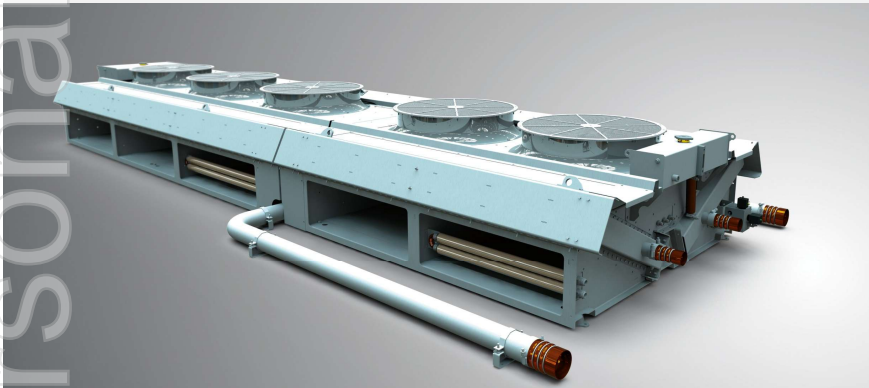
## Our diversified business

# Vision: 1<sup>st</sup> Choice for Industrial & Engine Cooling Solutions

Two major segments servicing all aspects of the engine cooling market:

### HEAT TRANSFER SOLUTIONS (AIR RADIATORS)

A vertically integrated designer and manufacturer of industrial and automotive radiator and cooling solutions.



### DISTRIBUTION (ADRAD)

Importer and distributor of radiators and other products for the Australasian automotive and industrial aftermarket.



# FY25 Group Financial Highlights

**\$153.1m**

Sales Revenue

↑ 8.9%

from FY24

**\$17.7m**

Pro forma EBITDA<sup>1</sup>

↓ 2.8%

from pro forma FY24

**\$7.2m**

Pro forma NPAT

↑ 2.9%

from pro forma FY24

**\$13.9m**

Operating Cash flow<sup>2</sup>

↓ cash conversion ratio: 79%;

pro forma FY24: 81%

**\$4.2m**

Capital Investment<sup>3</sup>

FY24: \$5.3m

**\$1.05**

Net tangible assets per  
ordinary share

↑ 7.7%

from FY24

**6.95cps**

Basic EPS

↓ 5.5%

From FY24

**3.48cps**

FY25 related dividends<sup>4</sup>  
– fully franked

↑ 18.4%

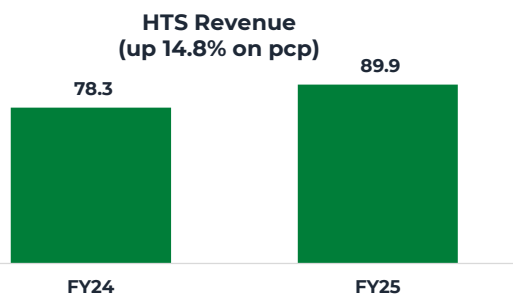
From FY24

## Notes:

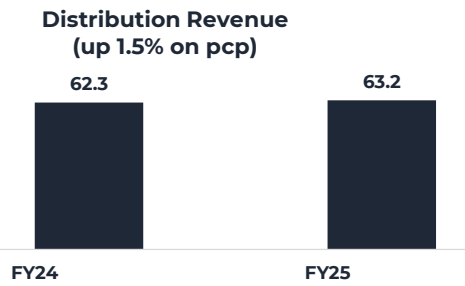
1. Pro forma EBITDA post AASB-16 Leases
2. Increased expenditure on inventory to meet data centre and project customer demand. Cash conversion ratio: cash from operations ÷ pro forma EBITDA
3. Lower FY25 capex versus pcp following substantial completion of Thailand office facility and factory re-lay initiated in FY24
4. Equates to 50% of statutory NPAT, fully franked. The final dividend of \$2.08cps has a record date of 8 September with a payment date of 29 September.

# FY25 Segment Performance

	HTS				Distribution				Corporate				Group Total			
	FY25	FY24	Change		FY25	FY24 Restated	Change		FY25	FY24	Change		FY25	FY24 Restated	Change	
	\$ m	\$ m	\$ m	%	\$ m	\$ m	\$ m	%	\$ m	\$ m	\$ m	%	\$ m	\$ m	\$ m	%
Sales revenue from continuing operations	89.9	78.3	11.6	14.8%	63.2	62.3	0.9	1.5%					153.1	140.6	12.5	8.9%
EBITDA <sup>(Statutory)</sup> from continuing operations	13.1	12.4	0.7	5.6%	8.4	9.9	(1.5)	(15.2%)	(4.9)	(4.7)	(0.2)	5.2%	16.6	17.6	(1.0)	(5.8%)
EBITDA <sup>(Pro forma)</sup> from continuing operations	14.2	12.4	1.8	14.5%	8.4	9.9	(1.5)	(15.2%)	(4.9)	(4.1)	(0.8)	20.7%	17.7	18.2	(0.5)	(2.8%)



- ✓ Increased sales in off-highway units in Asia.
- ✓ Growing demand for back up generation for data centres.
- ✓ New powergen projects initiated FY25 for delivery in FY26.



- ✓ Distribution revenue growth initiatives implemented:
  - Pricing strategy refined, branch effectiveness activities and range expansion led to revenue and margin growth in 2H.

## HTS Segment

### What we said we'd do

### What we've done

**1 Expand revenue in Asia**

Asia regional sales director hired.

**2 Driving Alu Fin applications**

Delivered prototypes to customer; currently undergoing in-field testing.

**3 Product development**

Developing and testing prototype low-cost units targeting SE Asia market.

**4 Improvement of Thailand facilities**

Thai manufacturing facility layout optimised.

**5 Increased penetration into data centres**

Increased order book and doubled output capacity to meet customer demand at Lara site.

# Distribution

## What we said we'd do

## What we've done

**1 Growing customer engagement and sales**

Launched delivery (GPS) tracking app and e-catalogue re-vamp initiated 2HFY25.

**2 1st choice for cooling solutions**

Growth in trade customer base up 6.5% in FY25.

**3 Improving data analytics**

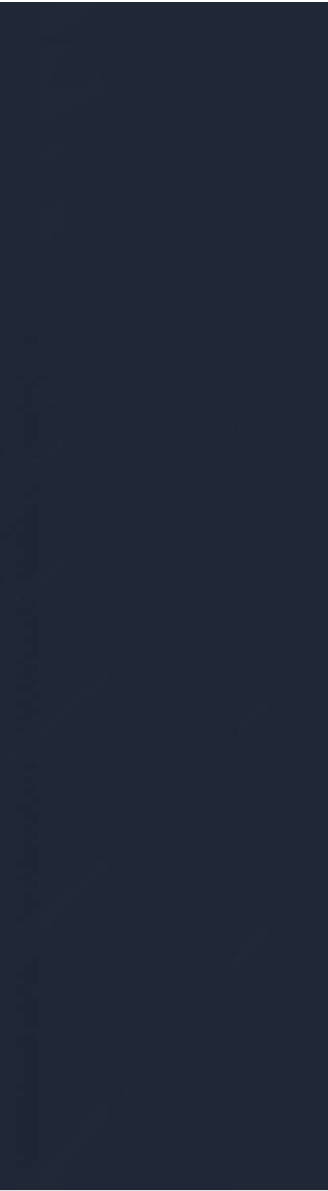
Finalised roll out of a new analytics to support price strategy & cost recovery to improve margin.

**4 Grow market share**

Branch expansion phase 1 planned for FY26 and continued product range expansion.

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# FY25 Financials



## Financial results FY25



	Pro forma				Statutory			
	FY25	FY24 Restated	Change		FY25	FY24 Restated	Change	
	\$m	\$m	\$m	%	\$m	\$m	\$m	%
Sales revenue from continuing operations	153.1	140.6	12.5	8.9%	153.1	140.6	12.5	8.9%
EBITDA <sup>1</sup>	17.7	18.2	(0.5)	(2.8%)	16.6	17.6	(1.0)	(5.8%)
NPAT <sup>2,3,4</sup>	7.2	7.0	0.2	2.9%	5.7	6.0	(0.3)	(5.0%)

- Sales revenue growth of 8.9%
- Pro forma EBITDA down 2.8% from pcp to \$17.7m largely driven by increases in:
  - Materials and consumable costs driven by deteriorating AUD purchasing power and increased direct input costs.
  - Employee cost through wage and superannuation uplift.
  - Insurance costs due to broadened and improved cover for Cyber, Professional Indemnity and asset insurance.
- Pro forma NPAT up 2.9% versus pcp due to lower effective tax rate.
- Final dividend of 2.08 cps. Total FY25 related dividend paid and/or declared of 3.48cps equating to 50% of statutory full year NPAT, fully franked. Up 18% on pcp.

1. Pro forma adjustments to FY25 results include the add back of the \$1.1m R&D asset impairment; comparison is to FY24 pro forma results restated for Discontinued Operations.

2,3,4 Pro forma adjustments include tax effected impact of R&D asset impairment and the net tax effected impact of Discontinued Operations

## Balance Sheet

	30-Jun-	30-Jun-	Change	
	25	24	\$ m	%
	\$ m	\$ m	\$ m	%
Cash	18.2	15.8	2.4	15.0%
Trade and other receivables	22.3	24.5	(2.2)	(9.1%)
Contract assets	5.9	2.8	3.2	114.7%
Inventory	45.7	44.5	1.2	2.6%
PP&E	19.0	17.7	1.4	7.7%
Right-of-use assets	36.3	43.5	(7.1)	(16.4%)
Other assets	41.8	41.8	(0.0)	(0.0%)
<b>Total assets</b>	<b>189.2</b>	<b>190.6</b>	<b>(1.3)</b>	<b>(0.7%)</b>
Trade and other payables	12.9	11.9	1.0	8.0%
Provision for income tax	(1.2)	(0.7)	(0.4)	59.3%
Borrowings	0.6	1.4	(0.8)	(59.7%)
Lease liabilities	40.8	47.4	(6.6)	(13.9%)
Other liabilities	9.9	9.8	0.1	0.9%
<b>Total liabilities</b>	<b>63.0</b>	<b>69.8</b>	<b>(6.8)</b>	<b>(9.8%)</b>
<b>Net assets</b>	<b>126.2</b>	<b>120.8</b>	<b>5.5</b>	<b>4.5%</b>

- Robust financial position supported by operating cash flows.
- Increase in contract assets reflects data centre and project orders pending customer delivery.
- Inventory growth to support data centre and project delivery.
- Continued capital investment (\$4.2m) supporting growth and enhancing productivity.
- Right-of-use asset has declined due to management electing not to exercise some lease extensions plus ongoing depreciation, while the lease liability has also reduced as lease payments were made.
- Net tangible assets per ordinary share increased 7.7% to 104.6 cps (30 June 2024: 97.1 cps).

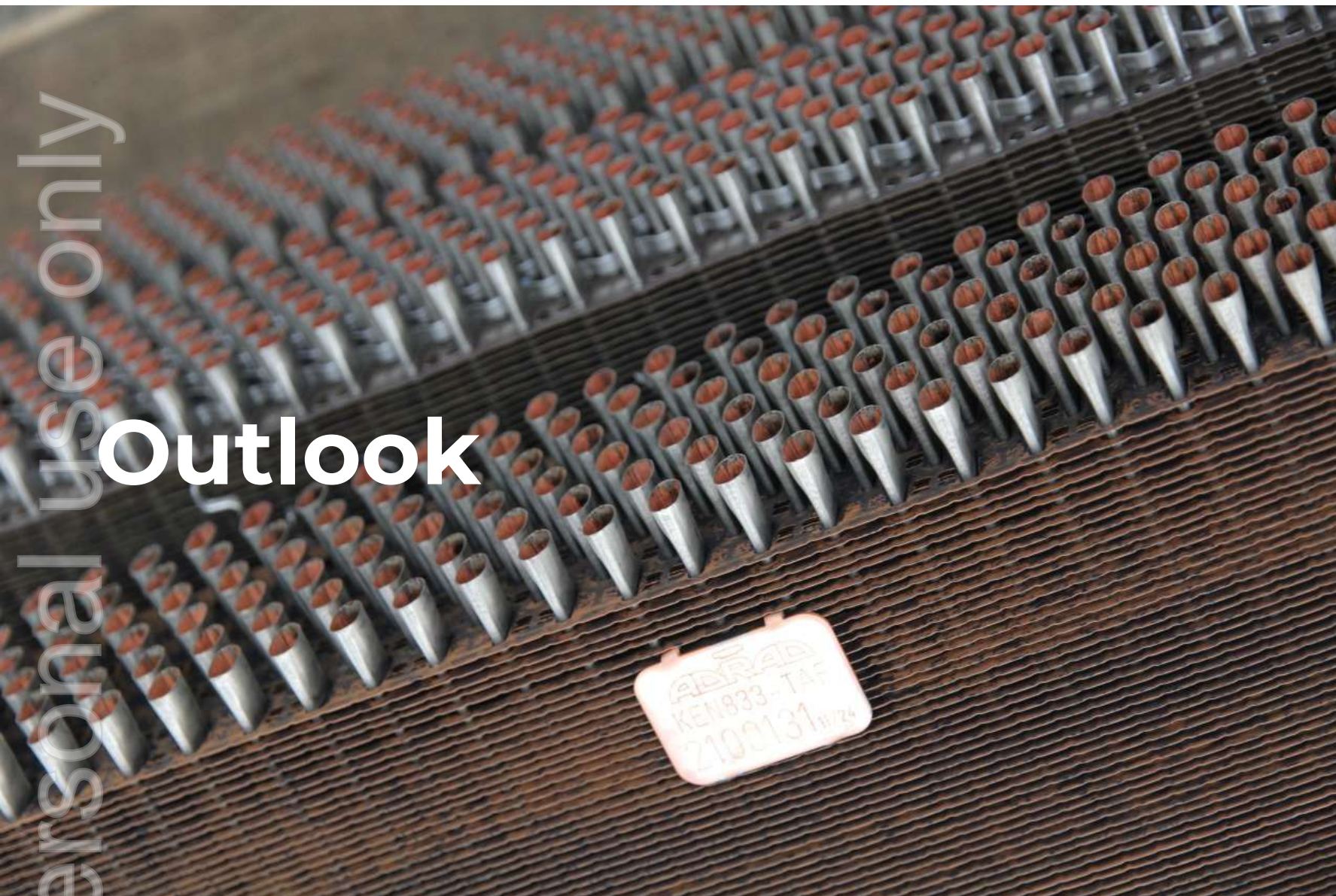
## Cash Flow

	FY25	FY24 Restated	Change	
	\$ m	\$ m	\$ m	%
Operating cash flow	15.7	18.9	(3.2)	(17.1%)
Finance (costs)/income	0.3	0.2	0.1	60.6%
Tax paid	(2.0)	(4.4)	2.4	(54.2%)
<b>Cash flows from operating activities</b>	<b>13.9</b>	<b>14.7</b>	<b>(0.8)</b>	<b>(5.1%)</b>
Capital expenditure (net of disposal)	(4.1)	(5.2)	1.1	(21.8%)
<b>Cash flows from investing activities</b>	<b>(4.1)</b>	<b>(5.2)</b>	<b>1.1</b>	<b>(21.8%)</b>
Borrowings proceeds/(repayments)	(0.8)	(1.5)	0.6	(43.8%)
Lease payments (principle)	(4.2)	(3.7)	(0.6)	15.1%
Dividends paid	(2.4)	(2.4)	(0.0)	1.9%
<b>Net cash from financing activities</b>	<b>(7.5)</b>	<b>(7.5)</b>	<b>0.0</b>	<b>(0.7%)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2.3</b>	<b>1.9</b>	<b>0.4</b>	<b>23.0%</b>
Cash and cash equivalents at the beginning of the financial year	15.8	13.9	1.9	13.7%
<b>Cash and cash equivalents at the end of the financial year</b>	<b>18.2</b>	<b>15.8</b>	<b>2.3</b>	<b>14.8%</b>

- **Pro forma cash conversion ratio (cash from operations/pro forma EBITDA) 79% (FY24: 81%) as a result of increased inventory to support growing data centre orders.**
- **Final dividend declared of 2.08 cps to be paid in October 2025. Fully franked.**
- **Total dividend declared and/or paid in relation to FY25 equates to 3.48cps, up 18% (FY24: 2.94cps). Equates to 50% of statutory FY25 NPAT.**

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# Outlook



## FY26 outlook

Management remain confident of improved business performance during FY26.

- strong orderbook
- data centre demand growing
- remote Powergen demand expected to increase
- grow order book in SE Asia
- strategic initiatives aimed at cost and efficiency improvements



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Thank you



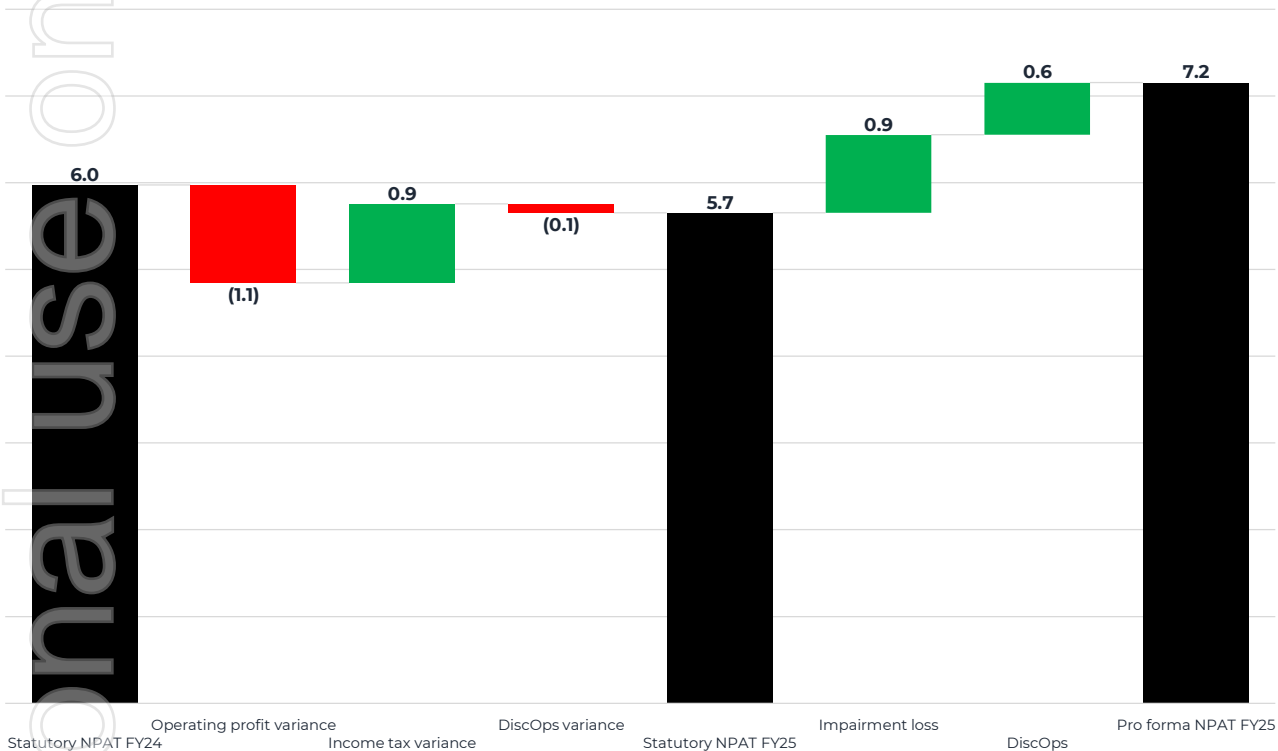
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# Appendices



# Statutory NPAT FY24 to pro forma FY25 bridge

NPAT FY24 to FY25 Bridge



### Statutory NPAT FY24 to FY25:

- Lower FY25 operating profit = ~\$0.4M lower tax vs pcp.
- Difference in non-deductible / assessable items and foreign tax rates = ~\$0.5M lower tax vs pcp.

### Statutory NPAT FY25 to proforma FY25 :

- Addback tax effected impairment loss on R&D asset and effect of NZ operations closure (Discontinued Operations).

# ADRAD



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