

2025

Half Year Results

Presentation and Earnings Guidance

21 August 2025

Capral Limited (ASX:CAA)
15 Huntingwood Drive, Huntingwood NSW 2148
Approved and authorised by Capral's Board of Directors



Agenda

- 1** Business Overview
- 2** 1H25 Highlights
- 3** 1H25 Financials
- 4** Strategy
- 5** Outlook & Guidance

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Our business at a glance

Australia's leading supplier of aluminium extrusion and rolled products.

#1

Manufacturer and Distributor of
Aluminium Extrusion

#1

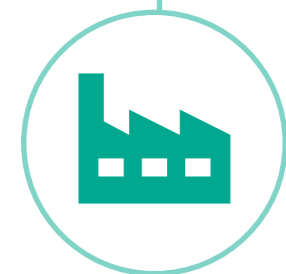
Distributor of
Aluminium Sheet and Plate

#1

Supplier of
Aluminium Value Add Services

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Our business at a glance



6 Plants
8 Extrusion Presses
65,000t Annual extrusion capacity



8 Distribution Centres
14 Trade Centres



~\$460 million
Total Assets



1000+
Employees



Key Markets

- Residential and Commercial Building
- Industrial (Transport, Marine, Infrastructure, Solar, Metal Fabrication)



~27%
Market Share



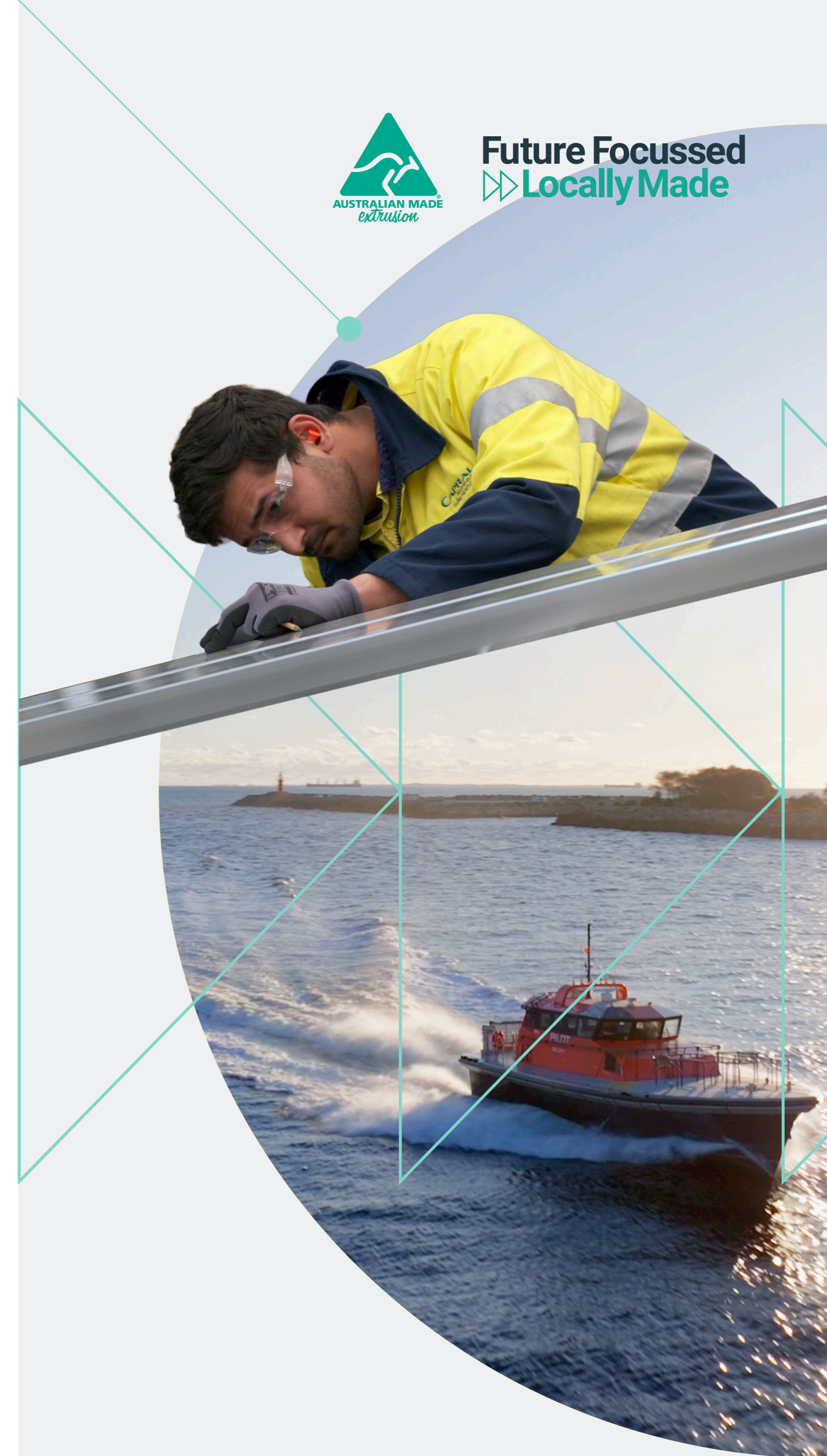
~\$665 million
Annual Turnover

Half Year Highlights

“Earnings in line with expectation:

- *Lower volume, however higher metal (LME) price lifted sales revenue above prior period*
- *Industrial demand has softened*
- *Residential demand soft but steady, expected recovery in second half*
- *Margins holding up well due to effective cost management and recovery.”*

TONY DRAGICEVICH
CEO & MANAGING DIRECTOR



1H25 Performance Highlights

Half year results in line with expectation

Volume

31,100 tonne

33,500 tonne 1H24

↓ **7%**

Revenue

\$327m

\$313m 1H24

↑ **4%**

Underlying EBITDA^{1,2}

\$27.7m

\$28.7m 1H24

↓ **3%**

Underlying EBIT²

\$16.1m

\$16.9m 1H24

↓ **5%**

EBITDA¹

\$26.8m

\$29.2m 1H24

↓ **8%**

NPAT³

\$15.3m

\$14.7m 1H24

↑ **4%**

EPS³

\$0.89

\$0.83 1H24

↑ **8%**

Net Cash

\$53.0m

\$67.8m 1H24

NTA per share

\$11.67

\$11.25 Dec24

Capital Management

~27 cps buy-back

(equivalent)

1H24: ~18 cps buy-back

1H25: No interim dividend

declared (1H24: Nil)

Safety Performance

5.9 TRIFR⁴

7.7 FY24

Notes

1. EBITDA is defined as Earnings before Interest, Tax, Depreciation and Amortisation
2. Underlying EBITDA and EBIT are adjusted for significant items: LME revaluation (1H24: \$0.6m, 1H23: (\$0.6m))
3. NPAT and EPS include Deferred Tax Benefit (1H25: \$2.5m, 1H24: Nil)
4. TRIFR is total reportable lost time and medically treated injuries per million work hours

Sales Volume, Channels and Mix

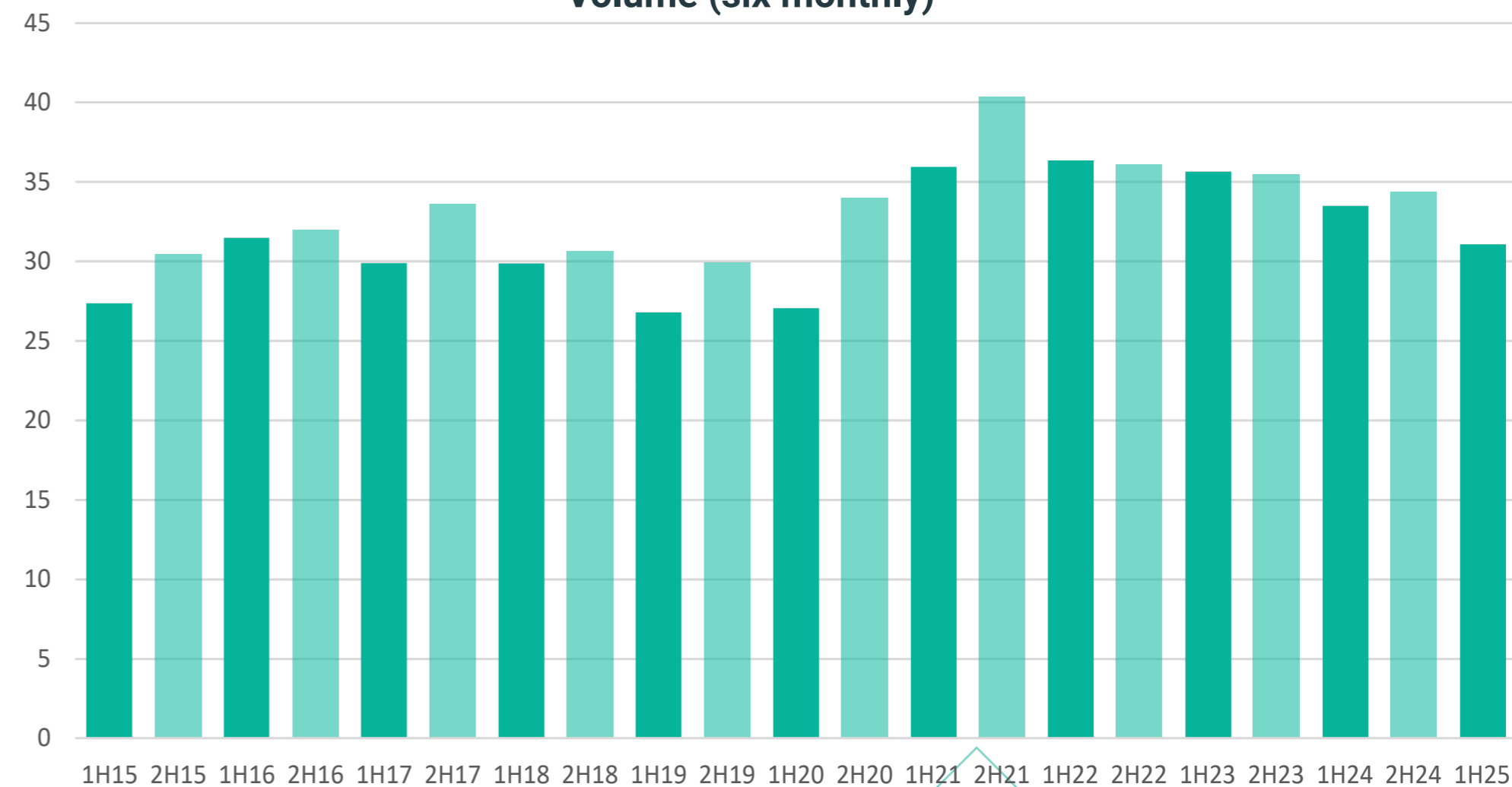
Industry diversification supports volume during cyclical downturns

Volume 7% down on 1H24, ahead of expected housing recovery starting H2 2025

- Residential remains soft but approvals and commencements are lifting
- Imports of fully fabricated windows are starting to impact the residential market
- Industrial sectors slowing, especially infrastructure and transport
- Industrial exposure remains around 50%

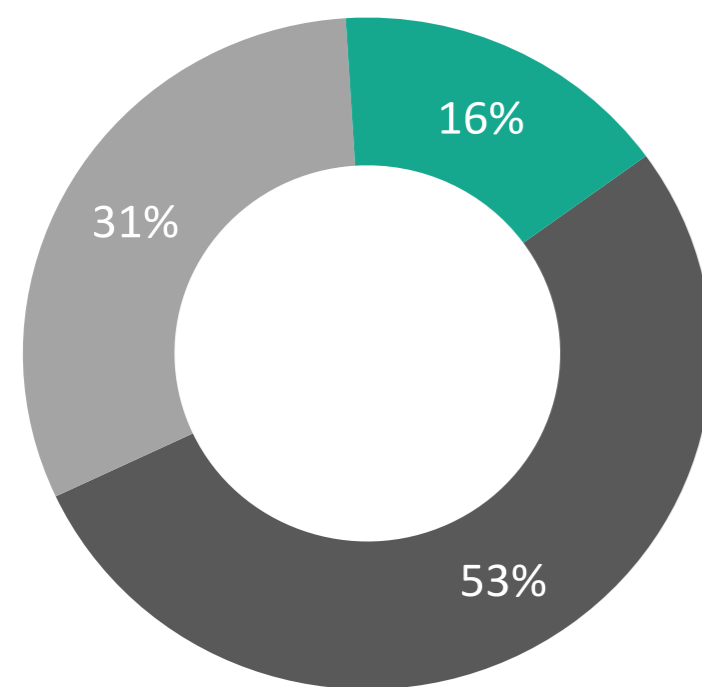
Sales seasonality - stronger second half anticipated in 2025

Volume (six monthly)



Source: Capral

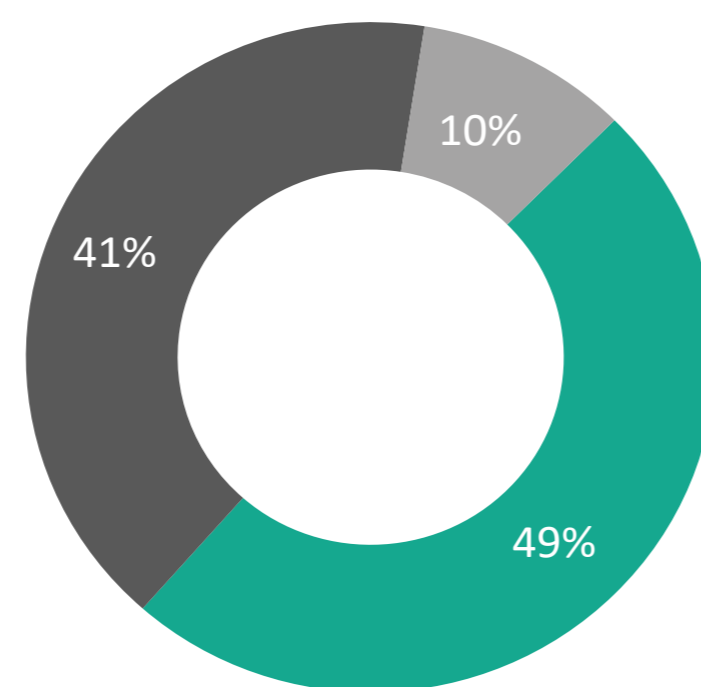
Channels to Market (volume)



- Extruded Aluminium (direct from mill)
- Extruded Aluminium (via distribution centres)
- Rolled Aluminium plate (via distribution centres)

Source: Capral

Industry Exposure (volume)



- Residential Building
- Commercial Building
- Industrial (Transport, Marine, Infrastructure, Solar, Metal Fabrication)

Residential sector remains soft but improving

Expecting recovery in second half 2025

2025

Latest forecast¹ 181,000 starts

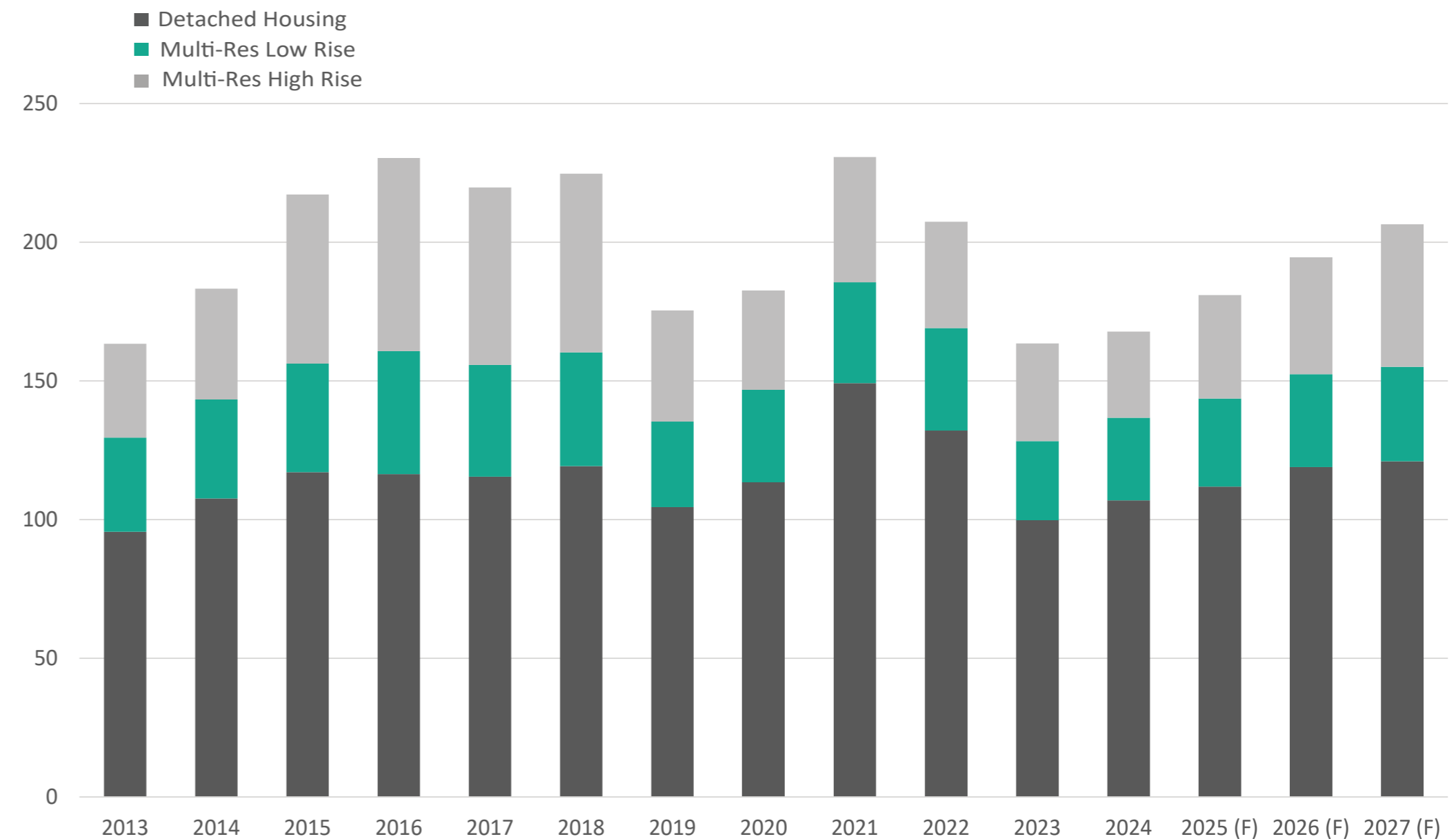
- Total forecast commencements up 8% on 2024
- Residential starts impacted by:
 - Interest rates
 - Removal of government incentives
 - Escalating building costs and affordability
- Detached dwellings up 5% on 2024
- Low-rise multi-residential up by 6%, high-rise up by 20%

Future

Forecast¹ starts 194,500 in 2026, up 8%

- Approvals forecast to lift on lower interest rates
- Detached dwellings forecast to lift by 6%
- Low-rise multi-residential up 6%, high-rise up 13%

Annual Dwelling Commencements¹ (000's)



Capral's residential volume is mainly aligned with Detached and Low-Rise Dwellings

¹ Source: HIA & Oxford Economics (May 2025)

Recent Capral Projects

Residential



Howley Street, NSW

Fabricator: Master Windows

Builder: Miso Building

Products Used: Capral AGS Framing System



Cooranbong, NSW

Fabricator: Fin Windows + Doors

Builder: Candor Homes

Products Used: Capral Urban Windows and Doors



Avalon House, NSW

Fabricator: PCW Commercial Windows

Builder: Laxale

Products Used: Capral AGS Framing System

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Recent Capral Projects

Commercial



ARUP Brisbane, QLD

Fabricator: MHC Carpentry
Glazing Tiling

Products Used: Capral AGS
Framing System



Bunbury Hands Oval, WA

Fabricator: LGA (WA)

Products Used: Capral AGS
Framing System



Nippon Express - The Yards, NSW

Fabricator: ADS Glass and
Aluminium

Products Used: Capral AGS
Framing System

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Industrial sector has softened

Transport, infrastructure, manufacturing slowing - marine and cladding remain solid



Transport

- Sector has softened from historic highs



Marine

- Commercial ferry builds, solid local demand
- Defence shipbuilding steady with possible upside



Solar

- Imports impacting demand for local solar rail
- Government Sunshot initiative provides future opportunity
- Aligning with potential Australian solar manufacturers



Industrial Construction

- Infrastructure investment has slowed
- Cladding sector demand continues to grow for facades and sunshades



Manufacturing and General Fabrication

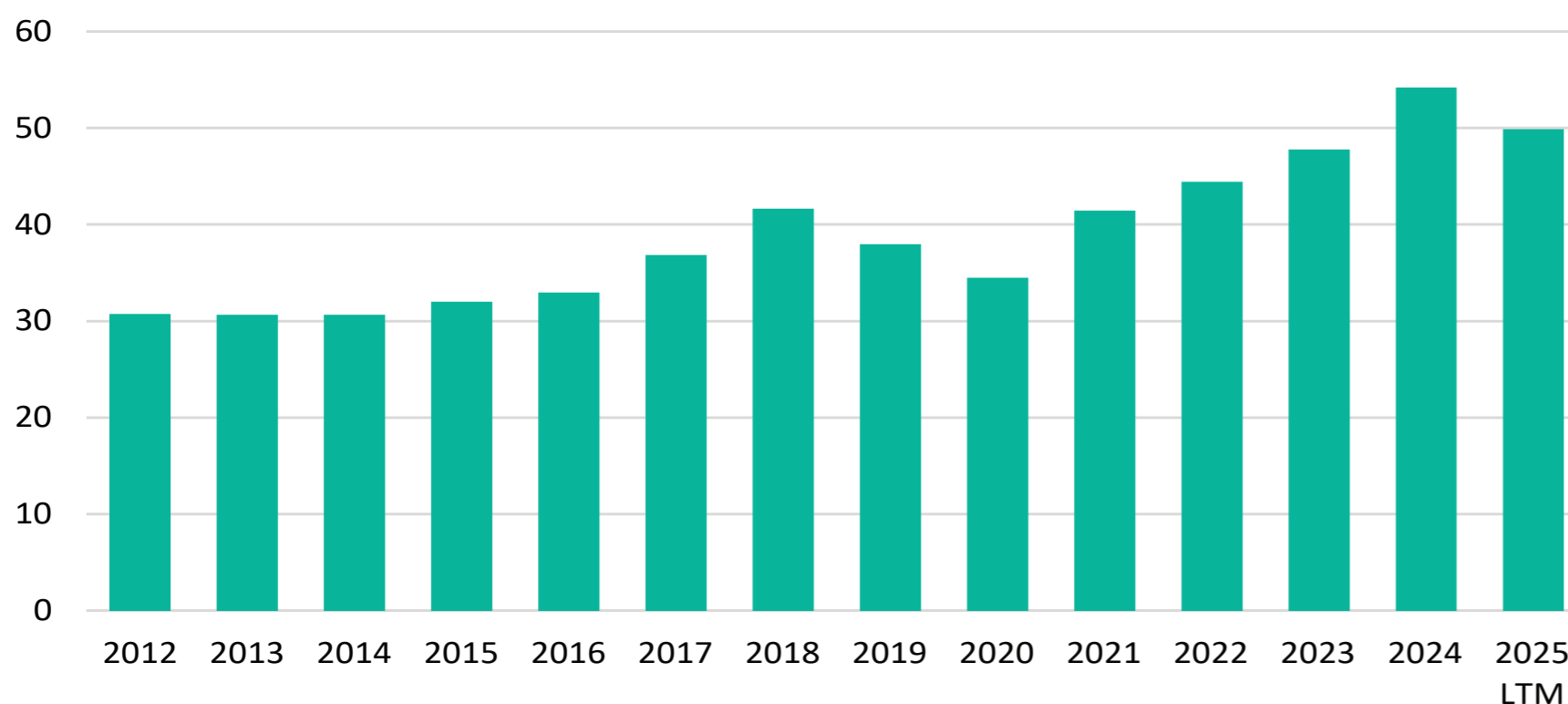
- Markets slowing but share gains holding against imports



Resellers

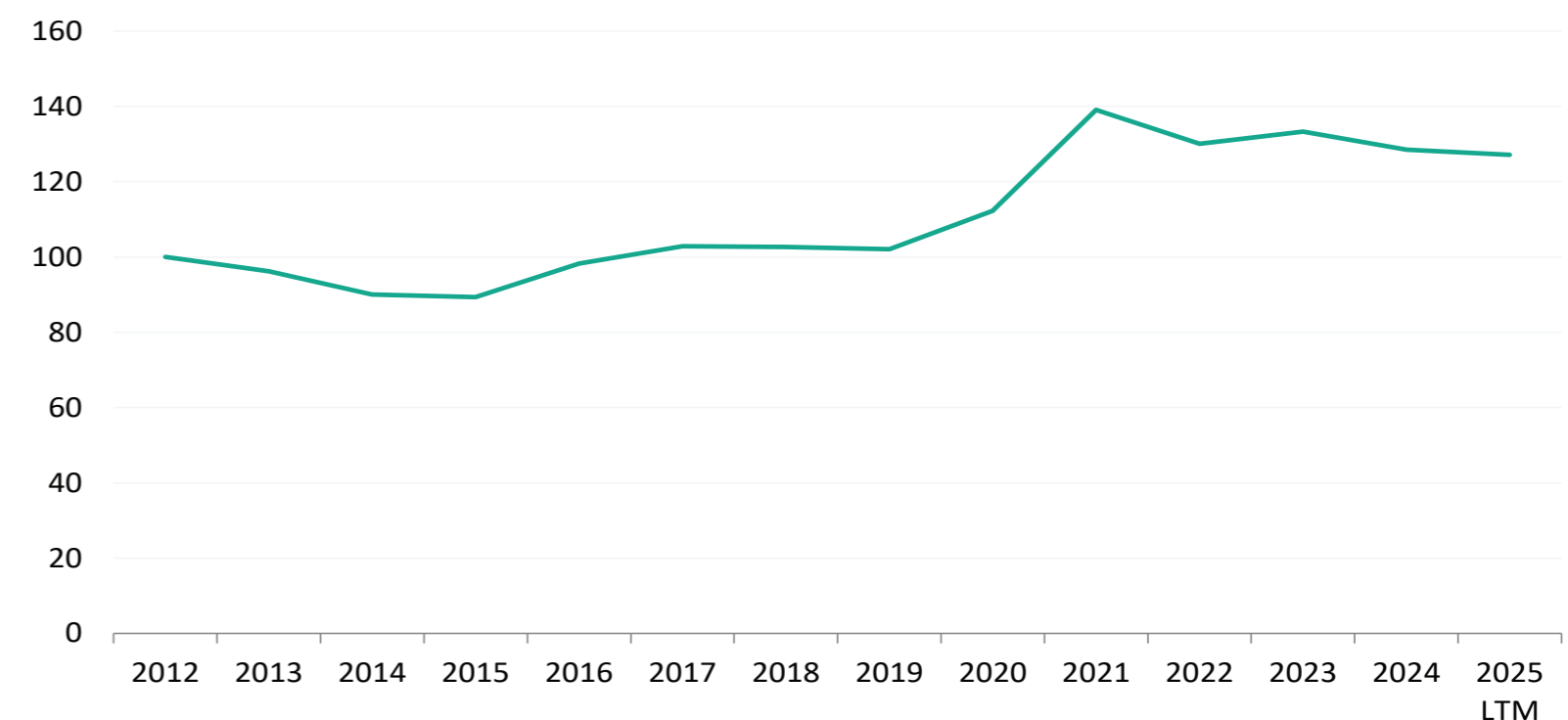
- Volume to resellers softened due to return to imports
- Opportunity in response to anti-dumping outcomes

New Truck and Van Builds (000's)



Source: Truck Industry Council of Australia

Total Capral Industrial Volumes



Source: Capral (Indexed from 2012)

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Recent Capral Projects

Industrial



Western Sydney International

Ceiling battens and structural spine for new International Airport Terminal

Badgerys Creek, NSW



Westlab

Laboratory and Industrial Workspace solutions

Mitchell Park, VIC



Volgren

Bus Builder

Dandenong South, VIC

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“Bottom of cycle earnings performance remains solid despite 7% lower volume and inflationary pressures.”

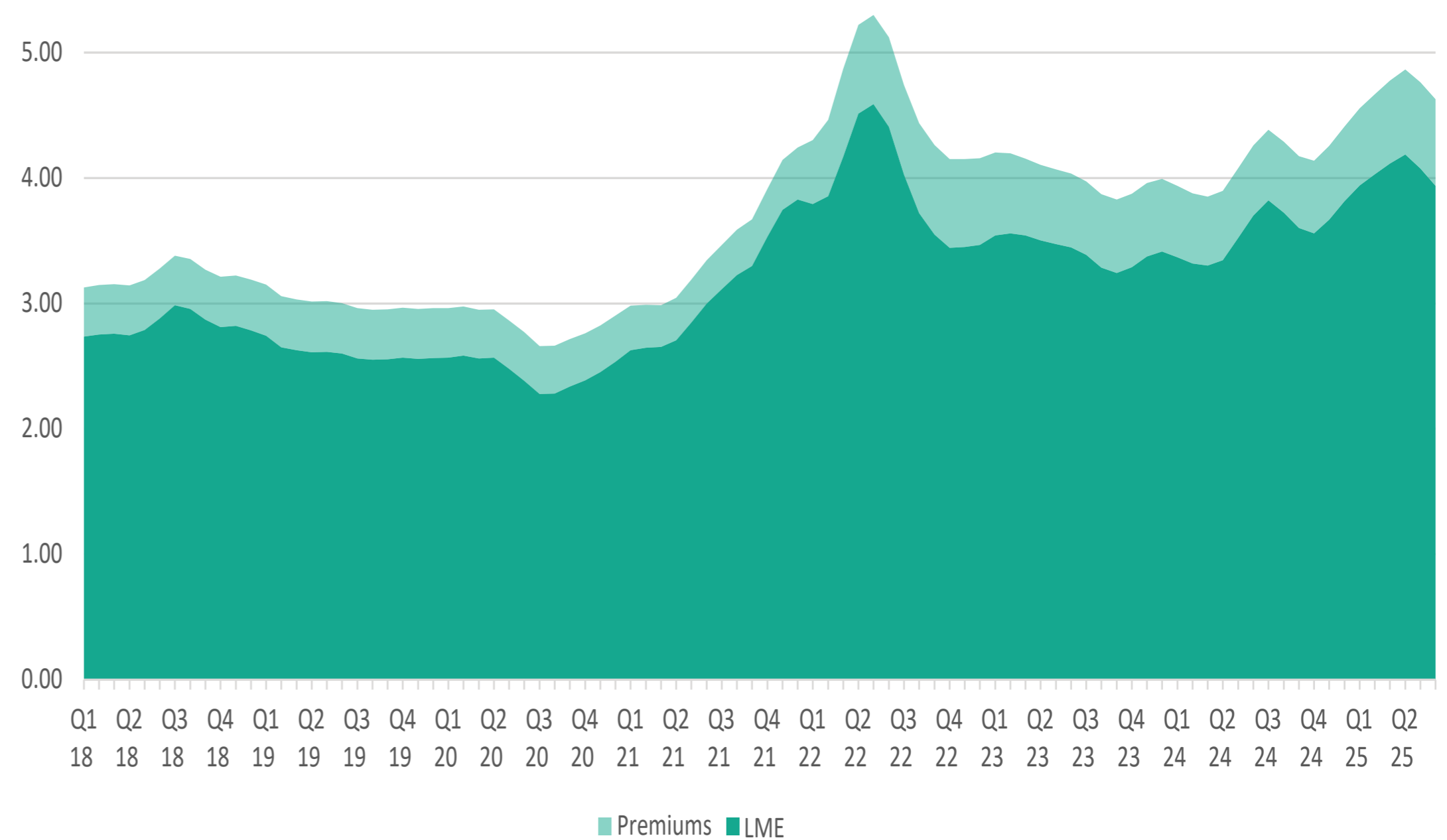
TERTIUS CAMPBELL

CFO

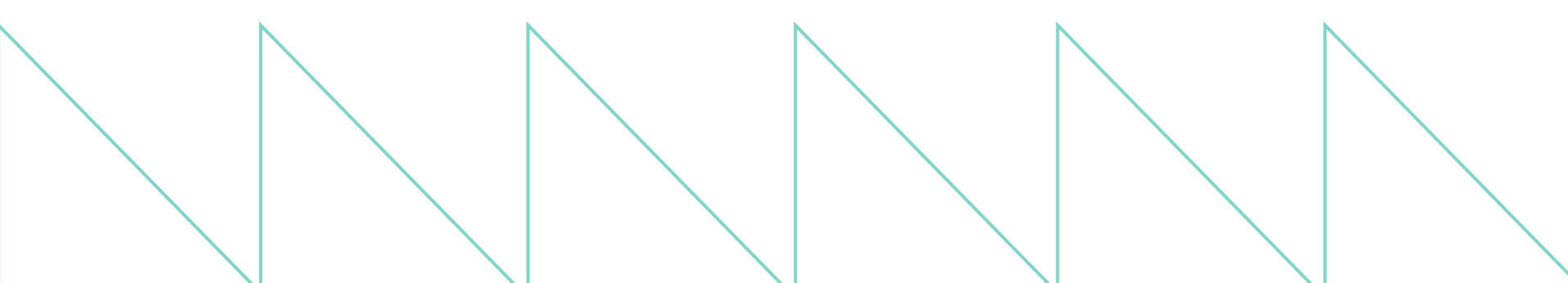
Metal cost has been volatile in 2025

1. Regional premiums lifted in 1H25, but have fallen in 3Q25
2. The international LME price is volatile and impacted by global supply factors and geopolitical trade issues
Average LME increased by 13% on FY24 to \$A3,870t, rising in Q125, falling in Q2, have rebounded in Q3
3. The USA government's tariff uncertainty is impacting international trade flows and creates volatility in regional premiums and LME

Aluminium Price \$A
(LME & Premiums)



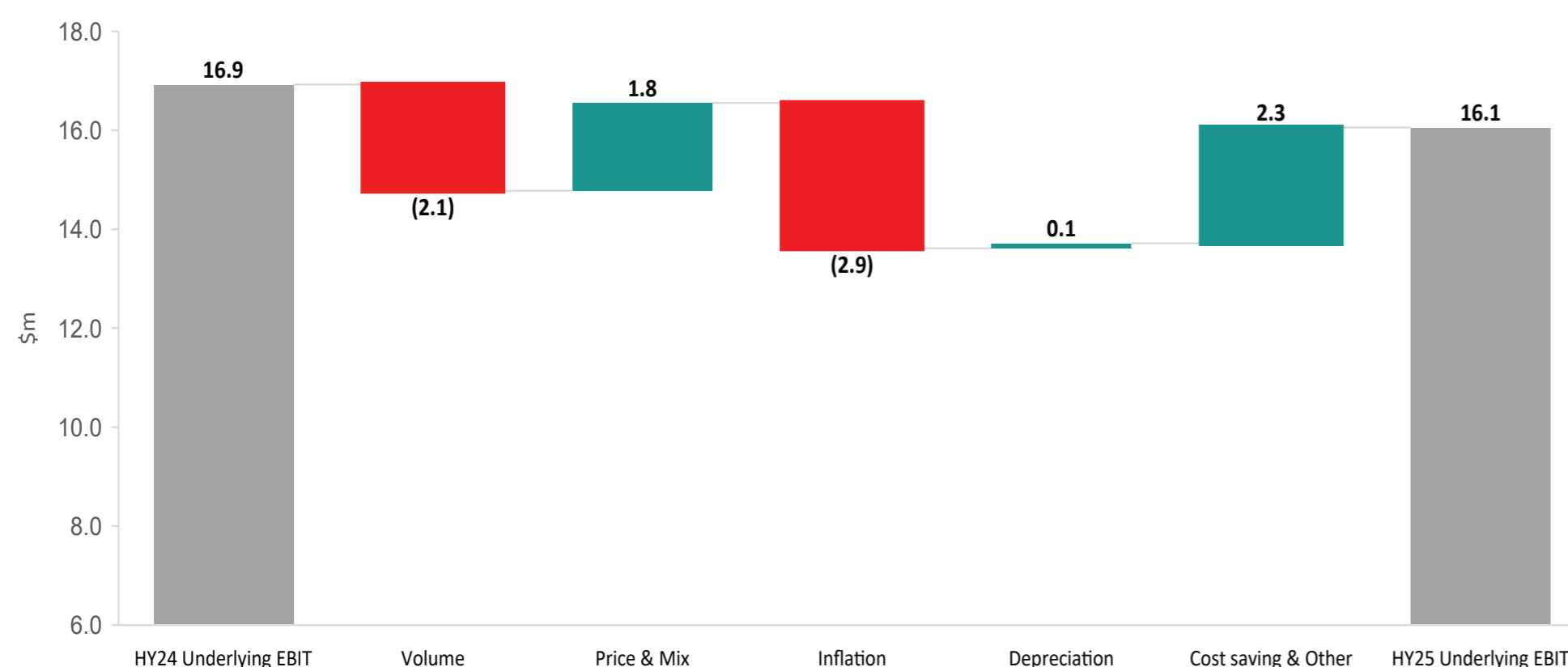
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Earnings in line with expectation

Remaining solid during cyclical downturn

1. Volume 7% lower than 1H24
2. Sales Revenue 4% up on 1H24, reflecting higher metal cost and improved mix and selling prices
3. Underlying EBITDA 3% below 1H24, primarily due to impact of lower volume and inflation, partially offset by cost reduction programs.
4. LME revaluation constitutes significant item, reflecting a year on year negative profit impact of \$1.5m
5. Operational Finance Cost is lower with no short-term working capital loans since 2H23
6. Income Tax Benefit relates to the recognition of a further \$2.5m Deferred Tax Asset based on projected growth in future taxable income



		1H25	1H24
Sales Volume ('000 tonnes)	1	31.1	33.5
		\$m	\$m
Sales Revenue	2	327.2	313.4
Underlying EBITDA	3	27.7	28.7
Depreciation/Amortisation			
- Owned Assets		(4.8)	(4.6)
- Right of Use Assets		(6.8)	(7.1)
Underlying EBIT¹		16.1	16.9
Significant Items	4	(0.9)	0.6
EBIT		15.2	17.5
Finance Cost			
- Operational Funding	5	(0.2)	(0.4)
- Right of Use Leases		(2.1)	(2.4)
Net Profit Before Tax		12.8	14.7
Income Tax Benefit	6	2.5	-
Net Profit After Tax		15.3	14.7
Earnings Per Share (\$/share)		0.89	0.83

Strong balance sheet

Underpinning capital management initiatives

1. Inventory increased due to higher average metal prices (LME)
2. Receivables metrics remain excellent with DSO at 44 days (Dec24: 44 days)
3. Facility with ANZ Bank to fund working capital and trade instruments (LC's), new syndicated facility of \$75m signed to allow for future growth
4. Lease Liabilities (current and non current) of \$76.2m, primarily property leases as defined by AASB16, net impact is reduction in Net Assets of \$21.9m (\$1.32 per share) due to timing of lease terms

Net cash positive and metrics remain strong, well within bank covenants providing flexibility to manage uncertainty and capital allocation:

- EBITDA Interest cover¹ LTM at an average of 19.4 times (FY24: 21.4)

¹ The calculation of interest cover used for bank covenant purposes differs from calculations drawn directly from the financial statements

² Subject to same business test

		Jun 25	Dec 24
Current Assets		\$m	\$m
Inventory	1	159.4	155.4
Trade Receivables	2	101.1	91.8
Cash and Equivalents	3	53.0	68.9
Others		2.4	4.7
		315.9	320.8
Current Liabilities			
Trade Payables		(134.3)	(141.4)
Lease Liabilities	4	(16.7)	(16.9)
Borrowings	3	-	-
Provisions and Other		(17.7)	(15.0)
		(168.7)	(173.3)
Net Current Assets		147.2	147.5
Non Current Owned Assets		94.6	92.7
Non Current Right of Use Assets		54.4	59.0
Non Current Lease Liabilities	4	(59.5)	(66.0)
Non Current Provisions		(7.3)	(8.1)
Net Assets		229.3	225.1
Net Tangible Asset Value		193.5	191.5
NTA per share (\$/share)		11.67	11.55
Available Tax Losses ²		208.3	222.4
Accumulated Unrecognised Tax Losses		109.0	131.3

Cash used for increased distributions and working capital demands

Continued strong focus on cash management.

1. Working capital increased due to metal cost
2. Capex in line with plan
3. Distributions includes FY24 final dividend \$6.8m and 1H25 share buy-back \$4.5m
4. Trade Instruments mainly letters of credit (drawn and open) in relation to imported product

Cash Flow	1H25	1H24
	\$m	\$m
EBITDA ¹	27.7	28.7
Working Capital	1 (16.9)	5.9
Finance Cost	(3.0)	(2.6)
Operating Cash Flow	7.8	31.8
Capital Expenditure	2 (4.3)	(4.7)
Interest Received	0.7	0.8
Acquisition/Investment	-	(2.4)
Rent Principal	(8.9)	(8.1)
Free Cash Flow	(4.6)	17.4
Proceeds from (repayment of) borrowings	-	-
Other	0.1	0.1
Distributions to Shareholders	3 (11.3)	(9.3)
Net (decrease)/Increase in cash	(15.8)	8.2
Bank Facility Usage		
Bank Guarantee	4.3	4.9
Trade Instruments	4 37.5	33.5
Net Cash Position		
Cash Balance in Funds	53.0	67.8

Disciplined capital management

Driving solid returns for shareholders

1. Distributions

- Capral aims to distribute 40-80% of underlying earnings per share
- Total distribution of 27 cps or 35.0% in 1H25 (1H24: 18 cps or 22.0%) through share buy-back

2. Franking Credits

- All Franking Credits have been distributed

3. Buy-back (on-market)

- In 2023/24 - 1,017,538 shares bought back and cancelled at an average price of \$9.18 per share
- 2025 further buy-back of up to 10% of issued shares. 1H25: 448,866 shares bought back and cancelled at an average price of \$10.06 per share

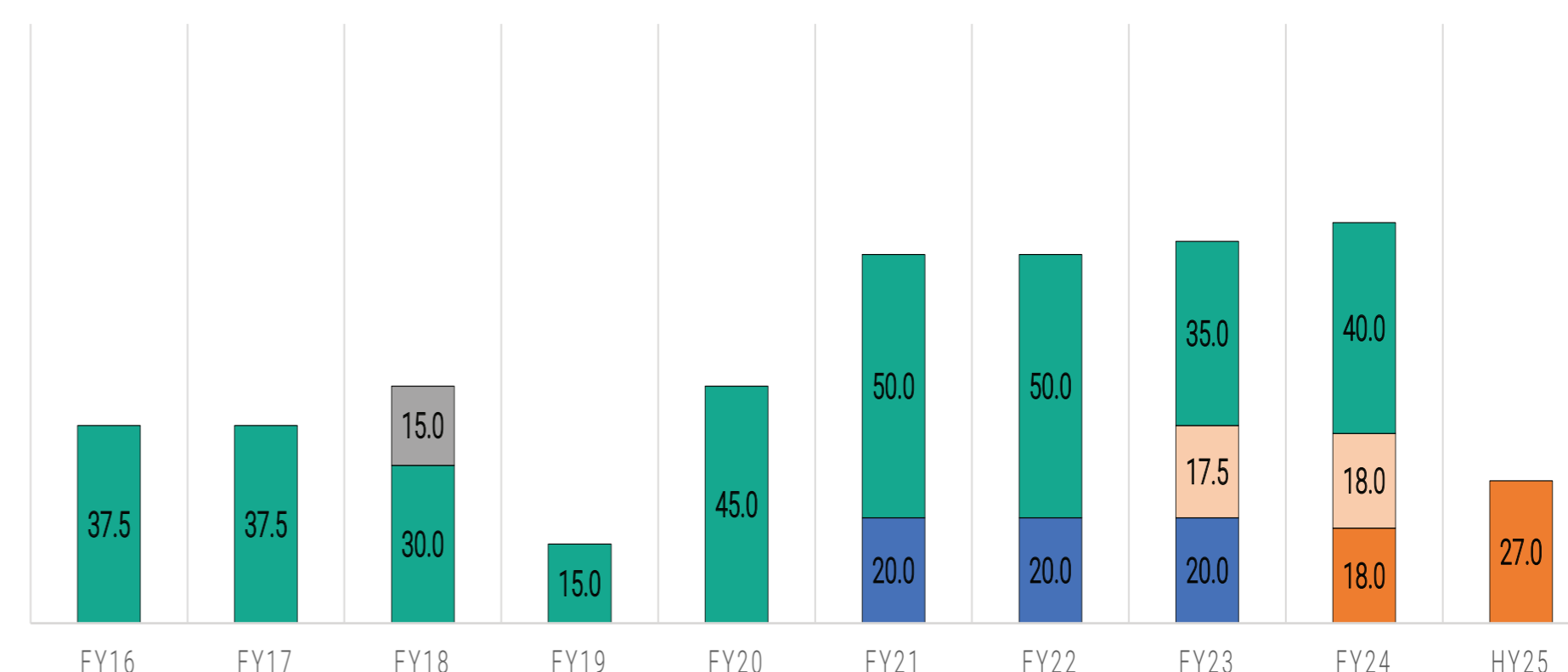
4. Dividends

- No interim dividend declared in 1H25, will re-evaluate at year-end
- Distributions will focus on buy-backs, topped up with unfranked dividends as required

5. Shareholder return

- 4.5 year TSR: ~138% from Jan 2021 to June 2025 representing a CAGR of ~21% pa

■ Share Buyback H1¹ ■ Share Buyback H2¹ ■ Final Dividend ■ Special Dividend ■ Interim Dividend



¹ Based on weighted average number of shares on issue.
Further Buy-backs to be determined by Board

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Strategy and Outlook

“We continue to focus on increasing return on invested capital, improving our competitive position, and growing our presence in aluminium distribution.”

TONY DRAGICEVICH
CEO & MANAGING DIRECTOR



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Clearly Defined Strategy

Build, Optimise and Grow



BUILD on our strengths

- Widest range of aluminium products
- National extrusion manufacturing and distribution network
- Innovative aluminium systems and supply chain solutions
- Committed and experienced people



OPTIMISE what we do

- Continually improve key customer service metrics
- Drive lean manufacturing to deliver world class productivity levels
- Invest in new technology to increase productivity and lower costs
- Optimise supply chain to maximise efficiencies



GROW for the future

- Leverage our capabilities into new opportunities
- Develop new products and channels to market
- Enhance presence in architectural markets
- Expand footprint through acquisition and into adjacent markets

Improve productivity, grow in new markets and enhance our value to customers



Manufacturing

- Continue process improvement programmes
- Maintenance capital spend to ensure on going plant reliability and efficiency
- Progressively upgrade shop floor control systems
- Upgrade Penrith extrusion plant

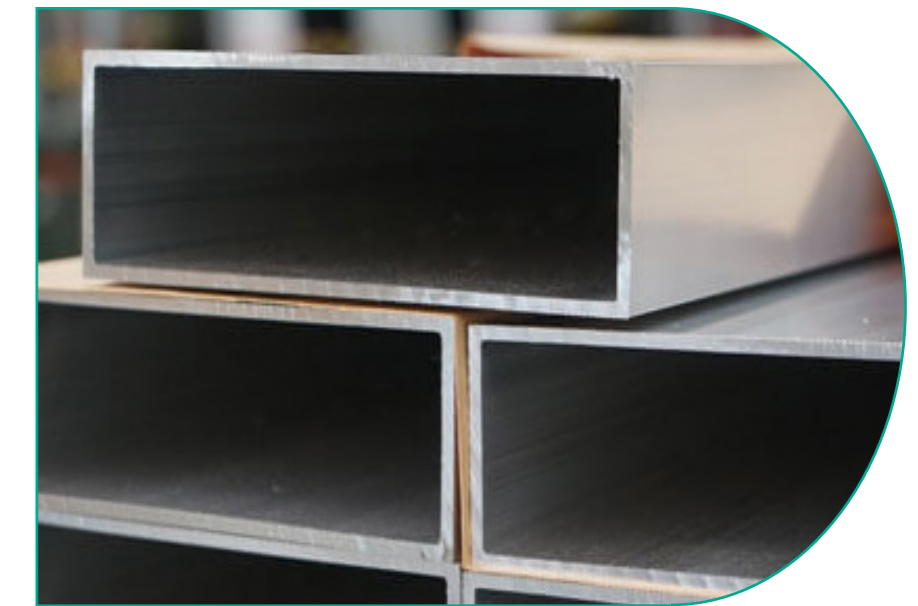
Distribution

- Capral's new window and door range and systems software released
- New paintline operational in NSW
- Grow Capral's direct distribution channel organically and by acquisition (four completed since 2022)
- Announced Comsupply acquisition, planned to complete August 2025

Sales and Marketing

- Ongoing technology investment including; customer interfaces (EDI & CRM), digital marketing (EDM), new website and e-store
- Joined Australian Made campaign
- Lower carbon (LocAl®) product offers
- Customer partnership programme "Crafted with Capral" continues
- Promoting our capability through "Capral Can Do" videos

Imports and anti-dumping



GLOBAL CONTEXT

- USA tariffs have no direct impact
- Resulting changes in trade flows are a real risk
- Robust anti-dumping system important for level playing field

CHINA

- Current measures expire October 2025
- Continuation application to extend further five years
- Preliminary findings (SEF) published in July, indicate a positive outcome
- SEF indicates floor price and increased dumping and countervailing duties
- Final decision of Minister due October 2025

MALAYSIA

- Current measures expire June 2026
- Anti-dumping Commission has initiated continuation investigation on Capral's application in June 2025
- Final decision due June 2026

OTHER

- Measures in place against Vietnam until June 2027
- Capral participating in Government forums on reform and strengthening the system
- New extruder start-up in Newcastle, affiliated with large Chinese importer

ESG Framework

On a path to a more sustainable future

2025 Highlights

- Capral enhanced its IMS software to improve alignment with evolving sustainability reporting requirements
- Learning opportunities have been expanded to create a learning culture that supports employees to advance their skills
- Capral's Scope 1 & 2 emissions remain on track for further reduction in 2025 and to achieve 2030 targets
- Further progress in waste reduction by increasing recycling efforts

Sustainability Reporting

- Sustainability reporting metrics align with Australian Sustainable Reporting Standards (ASRS) and Capral is on track to meet its reporting requirements

Three Pillars of Sustainability

Environment

- Environmental conservation
- Climate change mitigation
- Sustainable practices
- Ethical considerations

Social

- Our people
- Community engagement
- Safety

Governance

- Corporate governance
- Ethical business practices
- Risk management and assurance

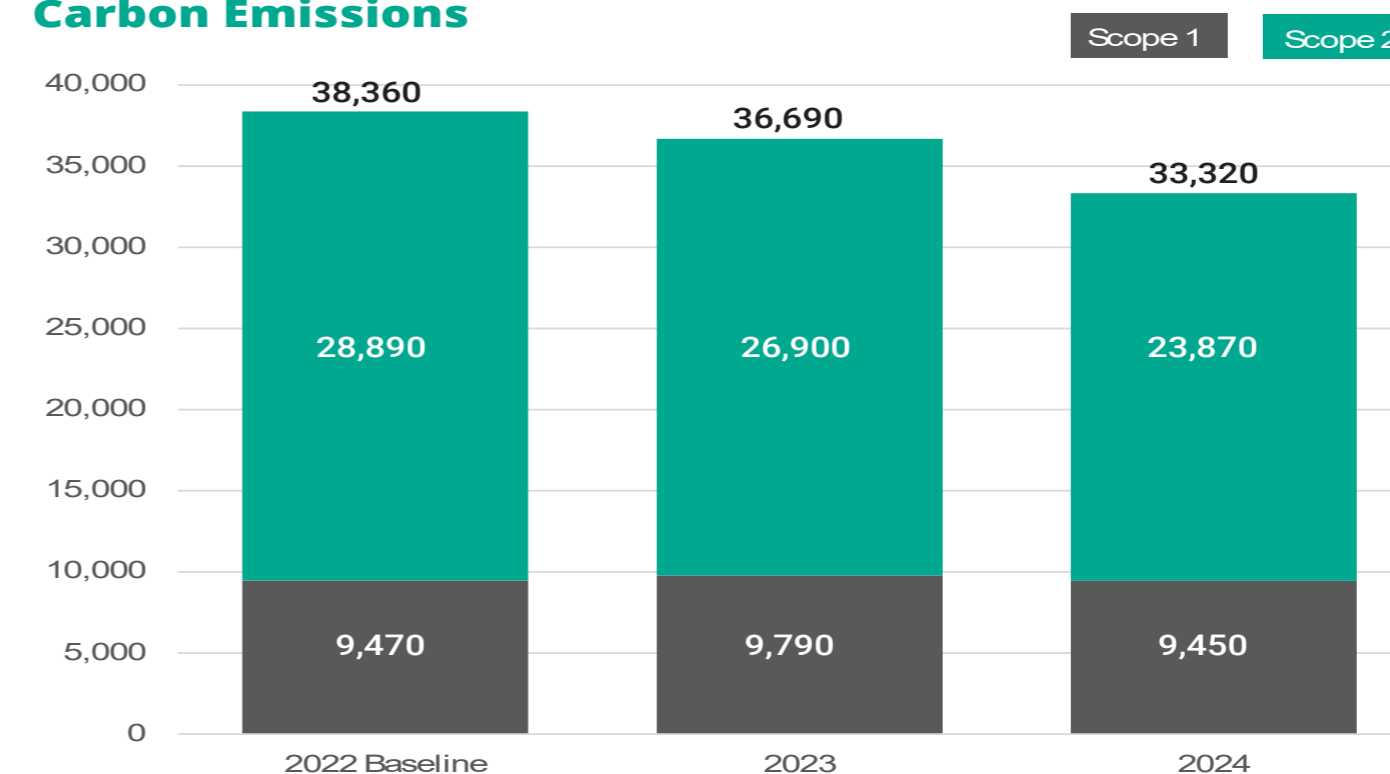
Our Commitment

- Increase the circularity of aluminium in Australia and sourcing of lower carbon aluminium
- Net Zero by 2050 (Scope 1 & 2 emissions)
- 20% emissions reduction by 2030 (Scope 1 & 2 emissions)
- 20% waste reduction by 2030
- Aluminium Stewardship Initiative (ASI) certification
- Global Reporting Initiative (GRI) alignment

Shaping Capral's Sustainable Future



Carbon Emissions



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Outlook and Guidance



- FY25 EBITDA³, based on a forecast improvement in market conditions and absent unforeseen events, is expected to be broadly in line with prior year
- Industrial and Commercial markets have softened
- Residential building commencements are forecast¹ to start recovering in second half of 2025
- LME² is volatile and subject to global factors, rising sharply in late 2024 and early 2025. Price fell during second quarter, but has since rebounded and is expected to remain at elevated levels during remainder of 2025, many factors at play and volatility to continue
- Inflationary cost pressures continue to impact, especially; employee, energy, packaging and freight costs
- Working capital levels are expected to remain elevated on the back of higher metal costs
- Capital expenditure planned to be at \$11m
- On this basis, Capral would be in a position to continue returns to shareholders, firstly in the form of on-market share buy-backs and topped up by unfranked dividends if required

¹ Source: HIA and Oxford Economics May 2025 forecast

² Source: Harbor Aluminium (August 2025)

³ Note 1 (page 6)

This presentation includes forward looking estimates that are subject to risks, uncertainties and assumptions outside of Capral's control and should be viewed accordingly.

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CAPRAL
ALUMINIUM
SHAPING THE FUTURE

Questions & Appendix

Thank you for your time

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Strategic National Footprint

Industry diversification supports volume during housing downturn

Capral has a national footprint with a presence in every state and Extrusion plants near five mainland capital cities

Distribution Centres

Queensland

1. Cairns AC
2. Townsville RDC
3. Sunshine Coast (Kunda Park) AC
4. North Brisbane (Deception Bay) AC
5. Bremer Park RDC
6. Springwood AC
7. Gold Coast (Burleigh Heads) AC
8. Archerfield AC

New South Wales

9. Newcastle AC
11. Huntingwood RDC
12. Rockdale AC
14. Wollongong AC

Victoria

15. Lynbrook AC
16. Noble Park AC
17. Campbellfield RDC
18. Laverton AC

South Australia

20. Kilburn RDC

Western Australia

21. Canning Vale RDC
22. Welshpool AC
23. Wangara AC

Northern Territory

24. Darwin RDC

Tasmania

25. Hobart RDC

RDC - Regional Distribution Centre
AC - Aluminium Trade Centre

