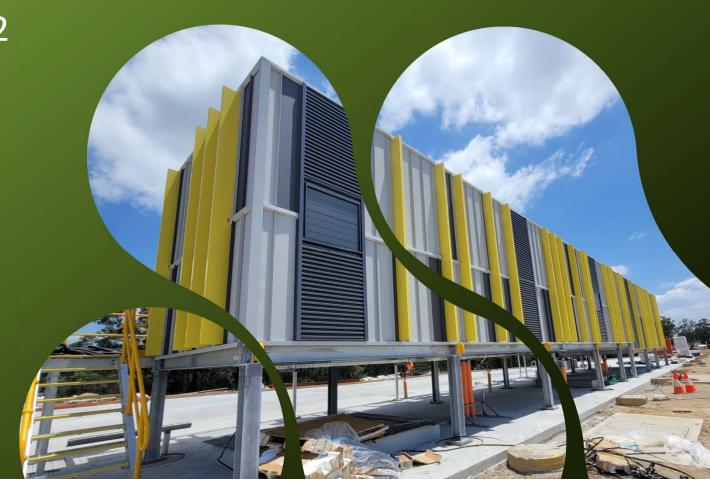


# Mayfield Group Holdings Ltd

CEO Report to the Annual General Meeting

21 November 2022



## 2022 Performance



Strong revenue growth but legacy issues holding back margin

## **Highlights**

- Revenue growth: Up 35% to \$82.3m
- Strong recovery of order book and margins continuing into FY2023
- Acquisition of balance of ATI Australia Pty Ltd adding \$6.6m revenue and \$0.4m profit

### **Lowlights**

Delay in wash-through of improved sales margins into WIP

Performance of STE Solutions
(subsequently renamed Mayfield Services)
with \$3m loss driven by competition, Covid
and PAREP contractual difficulties

 Inability to recover VIC revenue lost with Covid border closures



## Strategy



The Group remains committed to providing products and services for critical electrical and telecommunications infrastructure nation-wide.

#### Key themes

- 1. Focus on quality revenue with strong margin
- 2. Mayfield Services realigning to support products of MI, ATI and our channel partners.
  - Exited market for greenfield electrical construction & rebranded service business
  - Relocating Mayfield Services to Mayfield Industries in Edinburgh SA
  - Closure of the Ballarat VIC office by February 2023 at end of lease

Grow presence in WA and Perth workshop capabilities

- Grow sales of our remote battery monitoring systems
- Develop synergies amongst power products, telecommunications and battery systems: Remote monitoring, battery energy storage systems



## Outlook



Positive start to the financial year driven by strong order book, higher activity and margins back at pre-Covid levels.

- First quarter profits of \$685k (Unaudited).
- A strong work-in-hand of \$43m with healthy mix of end-user clients and market sectors
- New channel partner agreement with MV OEM supplier Leistung Energie
- Major Mayfield Industries 3-year contract with BHP with a \$7.3m Moducell LV and Leistung MV switchboard upgrade for Nelson Point, Port Hedland, Western Australia.

Encouraging supply discussions for ATI battery management hardware to a major

telecommunications organisation.

#### Risks include

- Weather in NSW holding back telecoms project activity
- Recruitment and retention of staff
- Supply chain disruptions



# Outlook (Cont)



We are inspired by the direct contribution of our products and services in combatting the human effects of climate change; and looking to make even more meaningful contributions.

We are considering our own carbon footprint, and building on our existing 60KW solar generating capability in SA, with a mindset of achieving 'net zero'.

We are being thoughtful about how we attract and retain staff: Committed to inclusivity, diversity and career development (apprentice schemes and study support).

The Board successfully focused on the integration of ATI, restoration of margins and a

return to profitability, and will now focus on:

Acquisition targets in telecoms and power

 New, engineered products in energy management through synergies of existing capabilities