

Stokes

Appliance Parts | Technologies | Service | Industrial



Stokes Limited (SKS) 2014 AGM Presentation

Presented by Managing Director
Con Scrinis

Successful First Full Year

- Completed restructuring
- Excellent start to technologies division
- Two acquisitions in appliance parts division
- Two capital raisings totaling \$4.55M.
- Balance sheet strengthened
- Solid start to 2015
- Impressive project pipeline

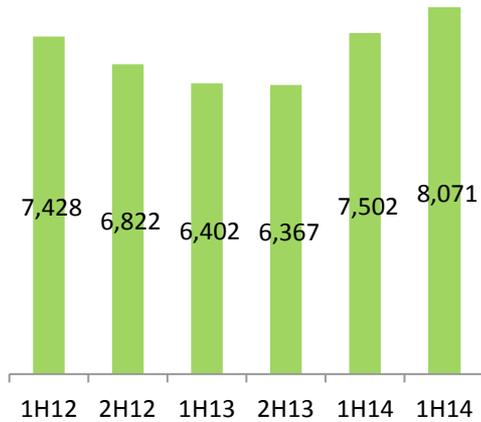
Key Highlights

- Group revenue up 19% to \$15.6 M (PCP \$13M).
- EBIT* \$254K (pcp loss \$1.06M).
- NPAT* \$103K (pcp loss \$1.18M).
- Revenue from new technologies division \$2.1M (pcp : nil).
- Gross Margins improved from 29% to 35%
- Appliance Parts online sales now at 22%

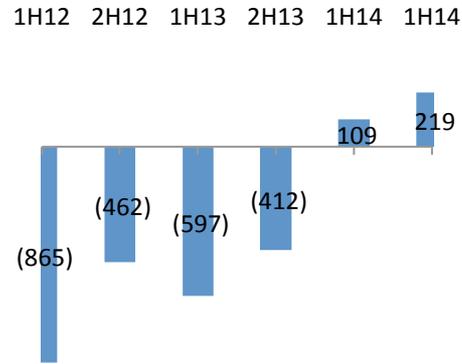
*Net Profit After Tax and EBIT after adding back business-restructuring costs of \$0.25 million expensed to profit & loss (pcp: \$2.04 million)

Results Snapshot

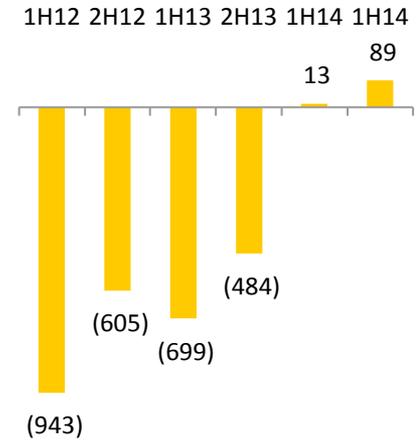
Revenue up



EBITDA up



NPAT up



Technologies Division - Audio Visual & Lighting

- Immediate success with sales of \$2.1M.
- AV Complete and AV Solutions ranges launched.
- New products being designed and developed.
- Large scale LED lighting retrofit orders won.
- Substantial pipeline of projects underway.
- New office established in West Melbourne.
- NSW sales office established

Technologies Division - Audio Visual & Lighting

- Tech team now comprises 12 key staff
- Continue to invest in people and product development
- Business being run with long term sustainable growth at the expense of short term gains
- Decision to invest in growth opex ahead of the curve
- Recently secured additional product from Hong Kong International lighting fair
- Strong outlook for 2015.
- This division is now the key driver of the company

Appliance Parts and Industrial Divisions

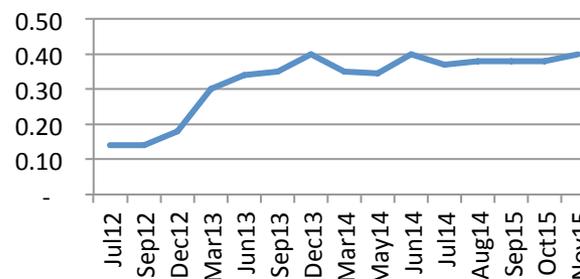
- Restructure complete.
- Revenues stabilised \$13.4M (pcp : \$12.8m).
- Acquired ANZ and Janda appliance parts.
- Profitability improving and will continue to do so.
- Online transactions now account for 22% of sales and growing.
- Increased outsourcing of industrial manufactured products
- Staff numbers reduced from 100 (2012) to 50 (2014)

Corporate Snapshot

Capital Structure

Shares on issue	29.1 million
Convertible Notes	7.3 million
Options on issue	Nil
Share price	40c
Market Cap	\$11.6 million
52 week high	40c
52 week low	30c

Share Price Performance



Directors & Management

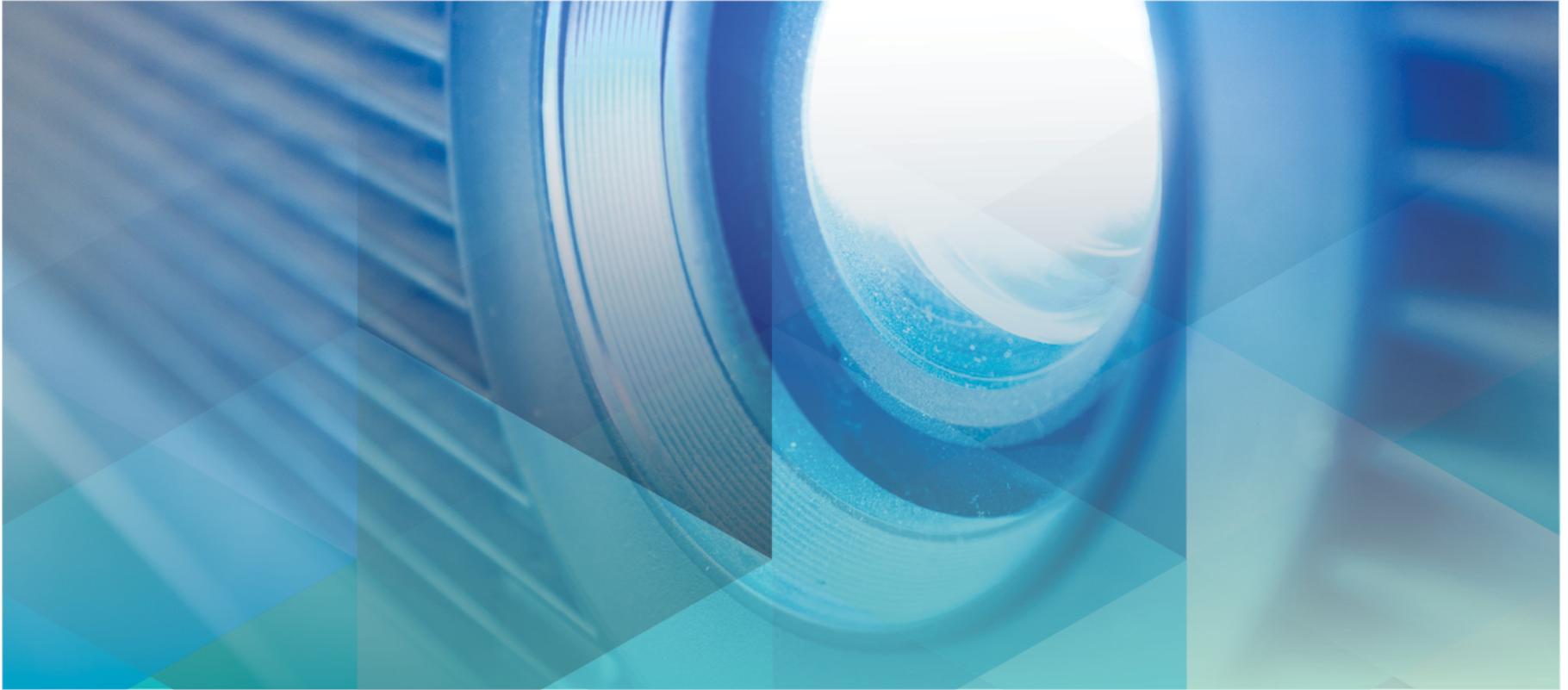
Peter Jinks	Non Executive Chairman
Greg Jinks	Executive Director
Con Scrinis	Managing Director

Shareholder Breakdown

Directors & Management	46%
Top 20 Shareholders	86%
Substantial Shareholders (Non Management)	
JM Financial Group	19%

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stokes.com.au