

Stokes Limited (SKS) 2015 AGM Presentation

‘Leading provider of innovative
technologies, products and solutions’



Stokes

Restructure of old business

End of an era

- October 2012 new board and management take control
- Business comprised electric elements manufacturing, appliance parts distribution and badges manufacturing
- Turnover \$12M +100 employees
- Company was losing in excess of \$2M per year
- Company had been in decline for over 20 years
- Completed a total restructure that included:
 - Sale of badges business
 - Consolidation of warehousing and sales of appliance parts division

Restructure of old business

- Changeover of ERP system
- Created new e-commerce websites
- Completed 4 bolt on acquisitions
- Separated manufacturing division and outsourced over 50% of product
- Completed 70+ redundancies
- Turned appliance parts division into profitable business with EBIT \$1.4m
- Sold Appliance Parts division for \$5m
- Closed manufacturing division

Key Highlights



- Sale of Appliance Parts Division for \$5M
- Profit on Sale of Appliance Parts Division \$2.4M
- Closure of Manufacturing Division at a cost of \$1.1M
- Company transformed from old world manufacturer to new world technologies business
- Technologies division revenue up 63% to \$3.5M
- No Bank Debt
- YTD order book +\$4M

Technologies Division

- Lighting & Audiovisual established mid 2013
- FY sales up 63% to \$3.5M
- Opened NSW and WA offices
- Continued investment in key staff with employees now at 41
- Secured exclusive Oceania distributorship of Forma Lighting products
- Appointed exclusive Australian distributor of AEC & Eco Point lighting
- Established lighting distributors in WA, QLD and ACT

Technologies Division

- LED lighting retrofit market expanding rapidly
- Acquired Audiovisual and telecommunications business with \$1.5M revenue
- Expecting significant growth in coming years

Product Ranges



Product Ranges

Ascendancy



AUDOS



Vwall

nVision

Pivotel
gear



Financial Summary

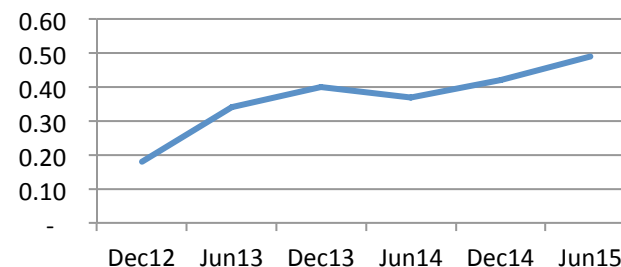
Profit and Loss Summary	Continuing	Discontinued	FY 2015	FY 2014
Revenue	3,528,318	11,291,107	14,819,425	15,572,672
Cost of Sales	(2,737,164)	(8,776,842)	(11,514,006)	(10,082,476)
Selling & Admin Expenses	(2,563,319)	(3,458,790)	(6,022,109)	(5,408,280)
Depreciation	(66,285)	(284,441)	(350,726)	(77,618)
Finance costs	(406,790)	-	(406,790)	(150,915)
Goodwill impairment	-	(99,485)	(99,485)	
Reported Net Loss	(2,245,240)	(1,328,451)	(3,573,691)	(146,617)
Increase in finance costs (Con Notes)	321,579			
New business set up cost	1,850,000			
Adjusted net loss for the year	(73,661)			

Corporate Snapshot

Capital Structure

Shares on issue	29.1 million
Convertible Notes	7.3 million
Options on issue	Nil
Share price	49c
Market Cap	14 million
52 week high	50c
52 week low	37c

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%

stokes.com.au

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