



SSH Group Ltd | 23 November 2023

A construction worker wearing a yellow hard hat and safety glasses is looking up at a tall building under construction. The building is covered in scaffolding and has a modern, glass-fronted facade. The scene is set against a clear blue sky.

2023 ANNUAL GENERAL MEETING

INTRODUCING SSH GROUP



Who we are

We are an **industrial company** that has a portfolio of businesses, focused on service delivery to industries reliant on outsourced resourcing.

What we do

We **build, acquire, and invest** in quality businesses that are scalable and demonstrate a strong potential for high return on investment.

Our purpose

To improve **outcomes** for Australian **projects and communities.**

OUR BUSINESSES



Recruitment and Workforce Management



Machinery Hire



Fleet Hire



Indigenous Partnership





2023 ANNUAL GENERAL MEETING
BUSINESS UPDATE



OUR PROFILE



4	Operating Subsidiaries 100% Owned by SSH Group Ltd.
1	Investment Partnership with 49% Shareholding.
300+	Primary Hire Assets across the Group.
100+	Secondary Hire Assets across the Group.
360+	Clients Serviced in FY23 period.
415+	Workforce engaged over the FY23 period.

PERFORMANCE ACTIVITY



Successfully decentralised our group of companies to build independent brand recognition in the marketplace.



Attracted top industry talent and expertise to drive growth under highly capable stewardship & leadership.



Strong customer uptake to our cross selling of services to industry.



Focus on higher margin sectors produced a significant financial improvement.



Efficiency creation & asset utilisation stayed as a key metric to deliver positive outcomes for the group.

FY23 FINANCIAL PERFORMANCE



A pivotal year as the group proactively broadened its service offerings and transitioned to higher margin markets.

Revenue

\$41.1m  **-\$55.0m** vs \$96.1m FY22

Gross Margin %

26%  **+14%** vs 12% FY22

EBITDA

\$3.3m  **+\$4.0m** vs **-\$0.7m** FY22

Operating Cashflow

\$2.8m  **+\$3.6m** vs **-\$0.7m** FY22

Cash on Hand

\$2.0m at 30 June 2023

EBITDA Cash Conversion*

FY23 | **85%**

- Increase in gross margin and EBITDA driven by the introduction of equipment hire services
- Repositioned recruitment and workforce management for operational efficiencies and growth
- Strong positive operating cash flow

*Calculated as operating cashflow over EBITDA

FY24 JUL 23 – OCT 23



UNAUDITED

Oct 23 cumulative 12 months EBITDA

TRI MONTHLY	EBITDA
Nov 22 – Jan 23	\$621,770
Feb 23 – Apr 23	\$1,006,217
May 23 – Jul 23	\$1,657,458
Aug 23 – Oct 23	\$1,408,332
12 – month total	\$4,693,777



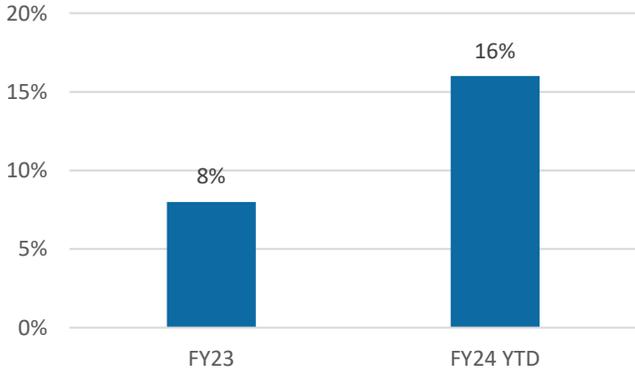
Oct 23 EBITDA vs Oct 22



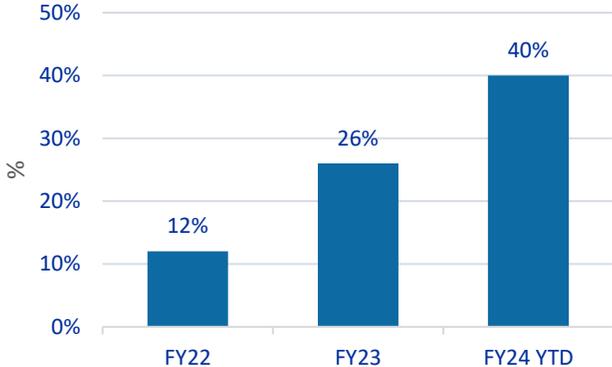
PERIOD	EBITDA
Oct 22	\$321,914
Oct 23	\$553,253
Variance	+\$231,339

EBITDA / Revenue % Increase

FY23	
Revenue	\$411,153,039
EBITDA	\$3,343,639
EBITDA / Rev %	8%
FY24 YTD (July – Oct)	
Revenue	\$11,513,756
EBITDA	\$1,852,474
EBITDA / Rev %	16%



Continued Margin Improvement



PERIOD	GROSS MARGIN
FY22	12%
FY23	26%
FY24 (YTD)	40%

PEOPLE & DIVERSITY



FY23 Workforce

415 +



**FEMALE REPRESENTATION
CORPORATE & MANAGEMENT**

50%



**INDIGENOUS REPRESENTATION
CORPORATE & MANAGEMENT**

5%

SOCIAL RESPONSIBILITY



SSH Group is committed to social responsibility, recognising the significance of our role in supporting the communities in which we operate.

We actively contribute to not-for-profit organisations, local communities, and initiatives aimed at helping others.

As an organisation we strive to make a positive impact beyond business.

And many more...

INDIGENOUS ENGAGEMENT



Improved cultural maturity since partnership formation.

Increased first nation expenditure through supply chain.

First Indigenous executive appointed to partnership.

Increased traditional owners engaged to deliver works in partnership.

CORPORATE SNAPSHOT

AND BOARD LEADERSHIP



ASX Code	SSH
Share Price*	\$0.17
Market Capitalisation*	\$11.2m
Shares on Issue	65.9m
Board & Executive Ownership	32%
Top 20 Shareholders	74%

*as at 21 November 2023



Bruce Lane
Non – Executive Chairman

BCom, MSc (LBS Sloan Fellow), GAICD
25+ years' experience

Bruce has held leadership roles with a number of ASX-listed companies and significant blue-chip companies in Europe and Australasia.



Daniel Cowley – Cooper
Chief Executive Officer & Managing Director

Founder of Site Services Holdings Group of entities
15+ years' experience

Daniel has held senior leadership roles in several Australian businesses, successfully launching new brands and guiding businesses through growth and expansion phases.



Stefan Finney
Chief Operating Officer and Executive Director

Executive of Site Services Holdings Group of entities
15+ years' experience

Stefan has been responsible for successfully guiding the development of emerging businesses, and stabilising and expanding operations in large established companies.



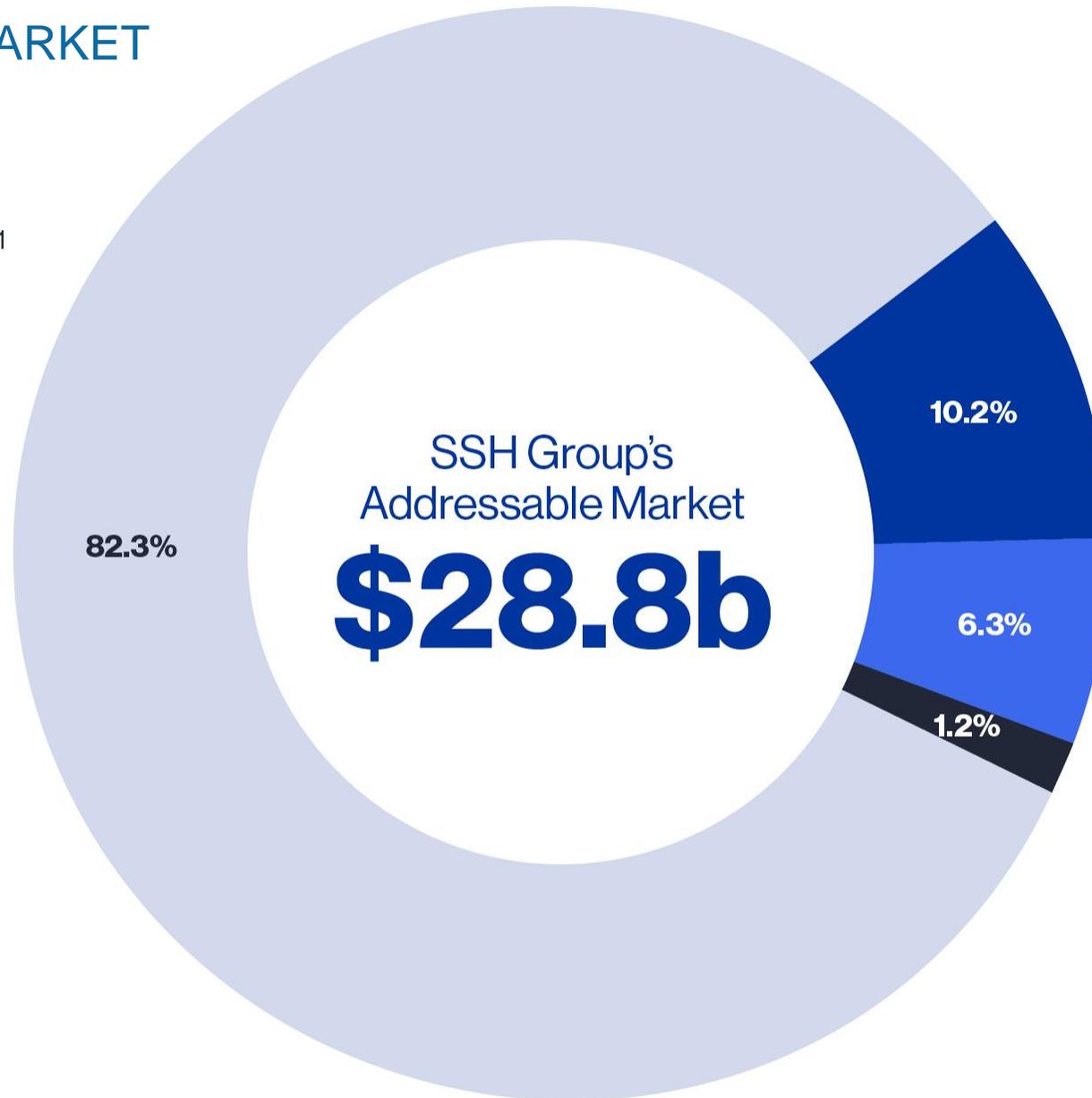
2023 ANNUAL GENERAL MEETING
OUR STRATEGY



ADDRESSABLE MARKET



Recruitment &
Workforce Management ¹
\$23.7b



Safety & Security ²
\$3.0b

Machinery Hire ³
\$1.8b

Fleet Vehicle Hire ⁴
\$0.4b

1. Current services aligned with 69.6% of market. Australia Industry (ANZSIC) Report N7212/ Administrative and Support Services - Temporary Staff Services in Australia - March 2022
2. Current services aligned with 26.8% of market. Australia Industry (ANZSIC) Report O7712/Public Administration and Safety - Investigation and Security Services in Australia - April 2022

3. Current services \$1.8b aligned with 20.9% of market. Australia Industry (ANZSIC) Report 7712/Public Administration and Safety - Investigation and Security Services in Australia - April 2022
4. Current services aligned with 14% of market. Australia Industry (ANZSIC) Report N/212/Administrative and Support Services - Temporary Staff Services in Australia - March 2022

OUR STRATEGY



Leverage our Divisional Strengths

- Customers with long term recurring work
- Limited exposure to Lump Sum contract risk
- Pricing models with annual rise and fall mechanism

Organic Growth

- Increased asset utilisation
- Geographical expansion
- Increased service offerings
- Increased penetration of services per customer

Acquisition Growth

- Scalable targets
- Strong management and leadership
- Synergies with the portfolio of the Group
- Defendable market share
- Growth markets

Operational Focus Areas

- Maximise cross selling opportunities
- Increase customer retention and engagement
- Industry experienced leadership driving growth
 - Increase operational excellence
- Continuous improvement on workplace safety and risk management
 - Ongoing cost efficiency reviews
 - Leverage asset utilisation

Financial Focus Areas

- Increase free cash flow from operations
- Strengthen capital and financial management discipline
- Continue to improve gross margin and cost effectiveness
 - Reduce net debt to EBITDA

Our Strategic Horizons

FY23

- Entered equipment hire industries
- Moved into higher margin services
- Restructured the Group for improved efficiency and ready for growth.

Horizon 1 (years 1-2)

- Maximise cross selling opportunities
- Strengthen balance sheet
- Consolidate growth in gross margin and achieve positive free cashflow
- Continue to explore M&A opportunities
- Geographical and service line expansion

Horizon 2 (years 3-4)

- Geographical and service line expansion
- Value accretive M&A opportunities
- Target Group EBITDA Margin of 15%



**2023 ANNUAL GENERAL MEETING
APPENDICES**



Core Services and Focus Markets

- Resourcing
- Recruitment
- Workforce management
- Construction, Resources, Security

FY23 in Review

- Rebranded as Bridge Resources.
- Restructured to incorporate SSH Group Safety.
- Engaged senior industry experienced leadership to drive future growth.

Outlook

- Significant growth underpinned by the strong pipeline of projects in the construction, resource, and energy markets.
- Core focus to drive operational excellence to continue building strong customer engagement.

MULTIPLEX



Divisional Highlights | Machinery Hire



Core Services and Focus Markets

- Earthmoving equipment and machinery hire
- Construction in Infrastructure, Civil and Rail, and Resources

FY23 in Review

- Successfully integrated KMH into the SSH Group.
- Implemented asset data analysis across the fleet of hire assets, to enable data-driven decision-making, and improved hire asset performance.
- Rebranded and modernised KMH's identity and enhanced the brand's awareness and recognition in the target markets.
- The Machinery Hire Division delivered a strong EBITDA result, which was effectively a 20.7% first year return on the acquisition investment.

Outlook

- Focus on larger and longer term hire clients.
- Focus on increased asset utilisation and operational efficiencies via longer-term hires.
- A continuing emphasis on delivering improved free cash flow.

Divisional Highlights | Fleet Hire



Core Services and Focus Markets

- Site ready light vehicle and truck hire
- Construction in Infrastructure, Civil and Rail, and Resources

FY23 in Review

- Launched Tru Fleet as an internal SSH Group business startup.
- Deployed fleet assets to Western Australia, New South Wales, and Queensland.
- First year EBITDA provides 121% return on capital invested.
- Introduced light trucks into the range of fleet assets.

Outlook

- Continue to increase asset utilisation through long term contract hire.
- Focus in FY24 is to improve the Division's debt-to-equity position and free cash flow.





FY23 in Review

- Four Hills Services partnership established to fuse the strengths and expertise of both entities.
- Achieved Supply Nation certification—an endorsement of the Group's dedication to collaborating with Indigenous businesses.
- Partnership generated SSH revenue in its first four months, which has supported SSH's growth in FY23.

Outlook

- Targeting growth— firmly rooted by the strong demand of Four Hills specialised services.
- Self-sustaining partnership
- Growth opportunities exist through the evolution of existing service lines and the potential of new service offerings.



SIGN UP TO OUR INVESTOR HUB

Our investor hub delivers on our commitment to provide an enhanced investor experience.

It's a dedicated platform where we can continue to interact regularly with shareholders and investors who wish to stay up-to-date and have their questions answered.

Scan the QR code or visit:

<https://investorhub.sshgroup.com.au/welcome>



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THANK YOU

✉ investors@sshgroup.com.au

☎ 0492 867 656

🏢 SSH Group Ltd
PO Box 189
WELSHPOOL DC 6986

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✕ @sshgroupau

in @investorsshgroup

ASX:SSH