

Investor Roadshow – March 2025



4 March 2025



Introduction to SCEE



Leading national electrical, instrumentation, communications, security and maintenance group...

- Established in 1978 in Perth and listed in 2007 (ASX:SXE)
- Leading and trusted national provider and manufacturer of specialised electrical, instrumentation, communications, security, and maintenance services and products
- Diversified operations across three broad market sectors of Infrastructure, Commercial and Resources with circa 60% of order book on East Coast
- Diversification supported by successful track record of acquiring value accretive businesses: Datatel in 2016, Heyday in 2017, the Trivantage Group (S.J. Electric, SEME Solutions, and Trivantage Manufacturing) in 2020, and the MDE Group in 2024
- Over last eight years, management have materially grown revenues from \$200m in FY17 to over \$550m in FY24

...built by design through operational excellence and a disciplined M&A strategy



Historically focused on resources and industrial work, but now also diversified into transport, infrastructure, defence, utilities and renewables



Telecoms and communications specialist providing services to the education, health, government, commercial, resources and transport sectors



Heyday Group

NSW and ACT-based electrical contractor servicing the commercial and fit-out sectors, and the retail, education, health, hotel, transport, datacentre, and residential sectors



National provider of electrical and maintenance services to supermarkets, and the retail and commercial sectors



Provides electronic security services to the resources, law enforcement, custodial, industrial, and health sectors



Leading manufacturer of premium quality switchboards and power distribution systems to a range of end users both internally within the Group and to external customers



Communications, data, and electrical services provider to commercial building, data centre, healthcare and transport infrastructure sectors

**INFRASTRUCTURE
DATA CENTRES
ELECTRIFICATION**

**DIVERSIFIED
MARKETS
AND
OPERATIONS**

**LONG-TERM
BLUE-CHIP
CLIENT BASE**

**RECURRING
REVENUE
GROWTH**

**FINANCIAL
STRENGTH
AND
SHAREHOLDER
RETURNS**

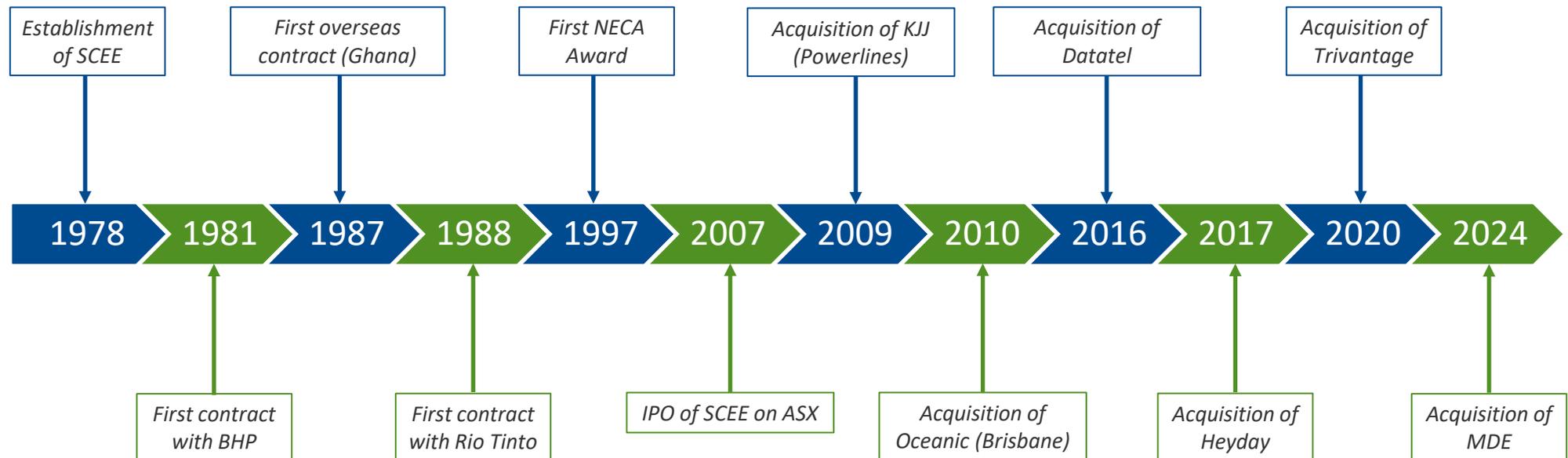
**TRACK
RECORD OF
SUCCESSFUL
ACQUISITIONS**

SCEE's strategy



SCEE Group primarily sees itself as an electrical contractor diversified across the infrastructure, commercial, and resources sectors

- Our growth strategy continues to be to deepen our presence in those sectors and broaden our geographic diversity through expanding our core competencies and adding adjacent and complementary capabilities, either organically or by acquisition
- We are increasing our exposure to services and maintenance style works with recurring revenues tripled since FY18
- We are actively exploring range of acquisition targets offering further geographic diversification and new capabilities
- The electrification of the Australian and global economies present SCEE with opportunities across all its operations





Financial performance

Record half year revenue, profit and cash



Record half year revenue \$397.4m (H1 FY24: \$255.5m) up 55.5% on pcp

Infrastructure comprised 63.3% of revenue as largest sector (40.6% of revenue in pcp)

Record half year EBITDA \$27.1m (H1 FY24: \$17.1m) up 58.5% on pcp *

Record half year EBIT \$23.2m (H1 FY24: \$13.3m) up 73.7% on pcp *

Record half year NPAT \$16.2m (H1 FY24: \$9.6m) up 67.8% on pcp

Result included \$1.1m (H1 FY24: \$1.1m) for acquisition amortisation

Record cash \$114.8m (30 June 2024: \$84.1m) up 36.5% on record prior period end

No debt in period

Order Book \$670m (31 December 2024: \$550m) up 21.8% on pcp

Interim Dividend 2.5 cps declared and fully franked, up 150% on prior year Interim Dividend

** EBITDA and EBIT are non-IFRS financial measures, for a reconciliation to statutory results see Appendix 1*

Record half year revenue and profit



Record half year revenue \$397.4m (H1 FY24: \$255.5m) up 55.5% on prior corresponding period

Revenue split by sector: Infrastructure \$251.7m (PCP: \$103.8m), Commercial \$79.9m (PCP: \$78.9m), and Resources \$65.8m (PCP: \$72.8m)

Ongoing significant revenue contributors were the Collie Battery Energy Storage System, Western Sydney International Airport, NEXTDC Artarmon and other Data Centres, Pitt Street Sydney Metro station and towers, and various BHP, Rio Tinto, Woolworths and Coles projects

Record gross profit of \$50.6m (H1 FY24: \$37.7m) up 34.2% on prior corresponding period. Gross margin percentage down 2.0% to 12.7% compared to the prior corresponding period at 14.7%. Included in gross margin was \$3.0m of legal costs relating to the WestConnex arbitration. The commercial building project mix in period was comprised almost entirely of less profitable base-building works rather than a more usual blend with more profitable fit-out works which also suppressed average margins

Overheads* as a percentage of revenue were 6.0% compared with 8.2% in prior corresponding period

Record EBITDA*, EBIT* and NPAT of \$27.1m, \$23.2m and \$16.2m respectively. Up 58.5%, 73.7% and 67.8% respectively on prior corresponding period

EBIT* and NPAT includes \$1.1m acquisition amortisation (H1 FY24: \$1.1m)

Summary financials:

	H1 FY25	H1 FY24	%
	\$m	\$m	
Revenue	397.4	255.5	55.5%
Gross Profit	50.6	37.7	34.2%
Gross Margin %	12.7%	14.7%	
Overheads*	(24.0)	(20.9)	14.8%
EBITDA*	27.1	17.1	58.5%
EBITDA %*	6.8%	6.7%	
EBIT*	23.2	13.3	73.7%
EBIT %*	5.9%	5.2%	
NPAT	16.2	9.6	67.8%
NPAT %	4.1%	3.8%	

* Overheads, EBITDA and EBIT are non-IFRS financial measures, for a reconciliation to statutory results see Appendix 1

Strong balance sheet



Cash increased in year to a record \$114.8m (30 June 2024: \$84.1m)

Remain debt free

Bank guarantee and surety bond facilities capacity increased from \$100.0m to a record \$150.0m in May

Record \$112.5m of bank guarantees and surety bonds were on issue at 31 December 2024 leaving headroom of \$37.5m in the \$150.0m of combined facilities capacity

Franking account balance of \$54.0m at 31 December 2024

Fully franked interim dividend of 2.5 cents per share declared, to be paid 9 April 2025

Balance sheet summary:

	Dec 24	Jun 24
	\$m	\$m
<i>Current assets</i>	240.7	227.0
<i>Non-current assets</i>	139.8	137.7
Total Assets	380.5	364.8
<i>Current liabilities</i>	179.3	164.1
<i>Non-current liabilities</i>	6.0	9.5
Total Liabilities	185.3	173.6
Equity	195.2	191.2

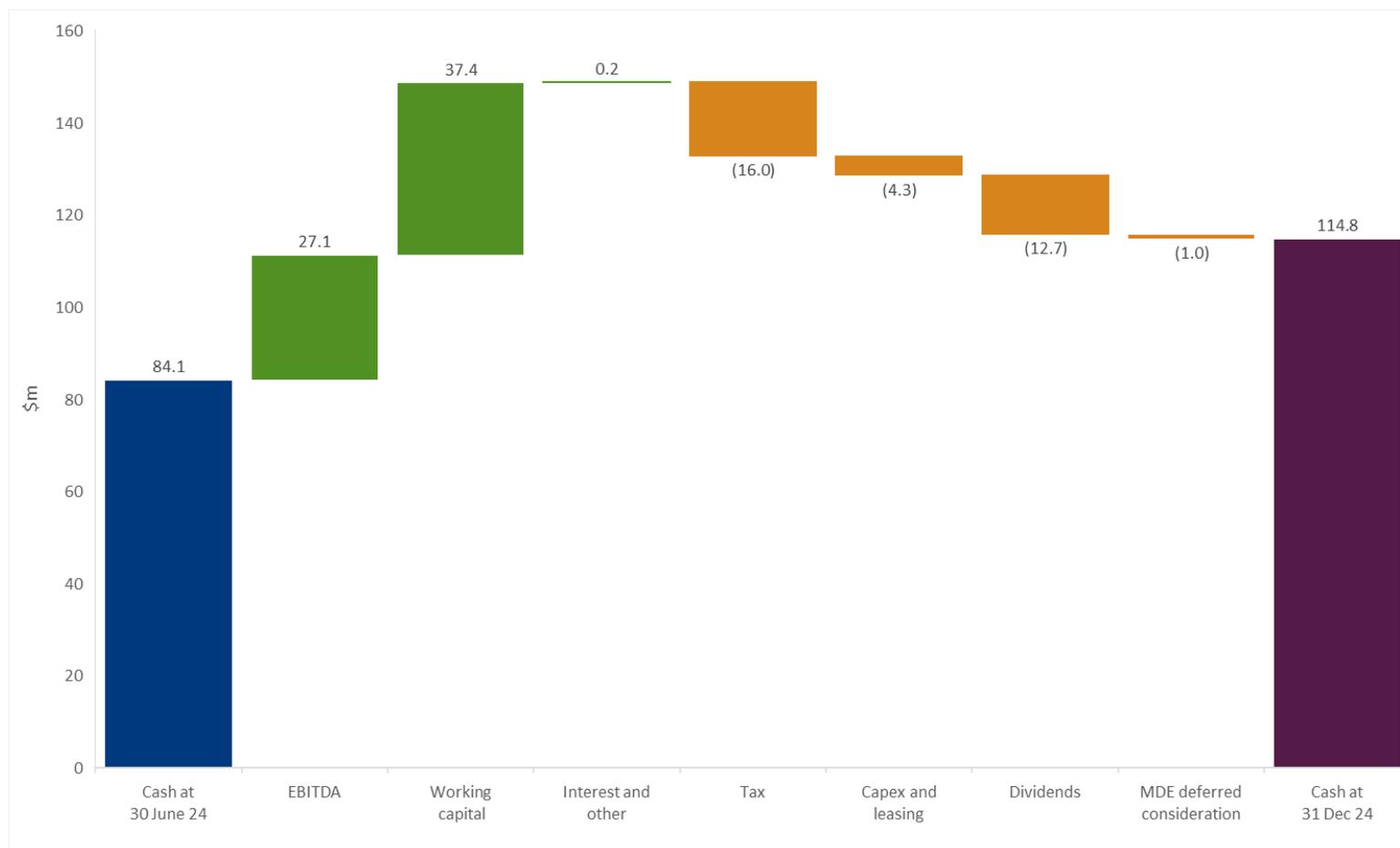
Record cash



Significant cash flows in the period included:

- Record pay-out in a half year of \$12.7m of fully franked dividends
- Tax payment of \$16.0m in half effectively “catching up” on payments of only \$3.7m income tax paid in previous half
- Deferred consideration payment of \$1.0m for acquisition of MDE Group based on their FY24 result

In addition, \$20m of advance payments on CBESS project received pre- and post-30 June 2024 were still on balance sheet at 31 December 2024. Effectively \$8.0m of these will be repaid by deductions from invoices in the period to 30 June 2025





Operations and outlook

Operational highlights and outlook



Lost Time Injury (“LTI”) free for fifth consecutive half-year (H1 FY25: 1.6m manhours LTI-free)

Workforce at circa 1,700 direct employees

Collie Battery Energy Storage System at peak levels of activity, progressing well and to schedule

Western Sydney Airport terminal project ramping down, but further airport works anticipated

Recent MDE Group acquisition performing to expectations

Shellharbour Hospital project largest ever hospital contract award

Further awards at NextDC Artarmon and other Data Centres

Very strong pipeline of Data Centre and infrastructure projects across Australia

Trivantage Manufacturing order book at record levels

Strong balance sheet supports further acquisitions which we are actively exploring

WestConnex expedited arbitration commenced, resolution not now expected until H1 FY26

Reiterating FY25 EBITDA guidance of at least \$53m with expectations of further growth beyond



Three structural tailwinds

Infrastructure very wide sector for SCEE across federal and state government and private investment in Data Centres, renewables and energy, transport (including airports, rail, road and ports), health and aged care, defence, education, agriculture, water, and other utilities

Heyday have a long history of successfully delivering hospital developments. Current projects are:

- For John Holland the Shoalhaven Hospital Redevelopment Project awarded in 2023 for over \$30m to be completed this calendar year
- For Watpac the recently announced new Shellharbour Hospital which is our largest ever hospital contract award at over \$60m and expected to be completed in mid-2027

Positioning around further major hospital developments presenting in medium-term in NSW and ACT



Infrastructure (cont.)

Outside of Data Centres, renewables and hospitals, other strong infrastructure opportunities for SCEE include:

- Western Sydney International Airport and Aerotropolis - SCEE's largest revenue contributor in FY24, the terminal project for Multiplex is now ramping down. Tendering further packages for award in the near-term for the Command Centre and the Canine Centre. Expecting long-term pipeline of works with further airport expansion and in surrounding Aerotropolis region
- Sydney Metro - Pitt Street Metro Station now finished and tendering for airport line and Sydney Metro West station developments
- Trivantage Manufacturing supplying products for multiple transport developments in NSW and Victoria
- Early works at the Alkimos desalination plant in WA



Data Centres

Data Centres are electrically dense with electrical work comprising the largest component of construction costs. SCEE businesses have worked on Data Centres for over twenty years and the sector is now showing exponential growth

- Data Centres have grown in size, those of the hyperscale cloud providers now have 10+ data halls and consume 100s of MWs
- Capital flowing into sector – see AirTrunk \$24bn sale in late-2024
- Multiple SCEE businesses involved in the sector, particularly Heyday’s strong position in general construction and Trivantage Manufacturing building and supplying electrical equipment
- Currently working at three Data Centres and manufacturing electrical equipment for others
- Data Centre revenues grown strongly recently - averaged circa \$20m pa FY19-FY23, growing to \$50m in FY24, and forecasting \$120m in FY25
- Over \$60m of Data Centre awards announced in H1 FY25 and currently tendering on or positioning for over \$500m of work to be awarded in next two years for extensions at existing or new builds of multiple Data Centres



Electrification

Australia is undergoing an energy transition requiring electrification of many activities in coming decades. SCEE has multiple exposures to these developments

The transition will require:

- Transforming Australia's electricity supply to run mainly on non-carbon fuels
- The development of new, clean energy industries
- The electrification and decarbonisation of existing industries, transport network and the built environment

SCEE offers services across a huge range of electrification initiatives including:

- Decarbonising client operations – such as power efficiencies for supermarkets, LED lighting in education facilities and manufacturing solar-powered security gates
- Meeting the demand for products required for electrification – mineral processing plants and underground mine EV-charging systems
- Movement to sustainable buildings – environmental initiatives expected to become supercharged



Electrification (cont.)

Transition of Australia's electricity supply requires investment in renewables supported by battery storage and grid reconfiguration

SCEE well-credentialed to participate in this thematic having constructed multiple solar farms, wind farms and Battery Energy Storage Systems

Announced in May our largest ever initial award by Synergy for the Collie Battery Energy Storage System ("CBESS"). Involves installation of 640 battery container units and 220kms of cabling to provide a 500MW/2,000MWh battery to feed into the South West Interconnected System ("SWIS"). Over \$200m of work for SCEE including the switchyard package

Project progressing well and to schedule including all batteries delivered to Bunbury with over 50% installed at site, cabling and switchrooms installation commenced and all switchyard structural steel erected

Tendering for other battery developments across Australia





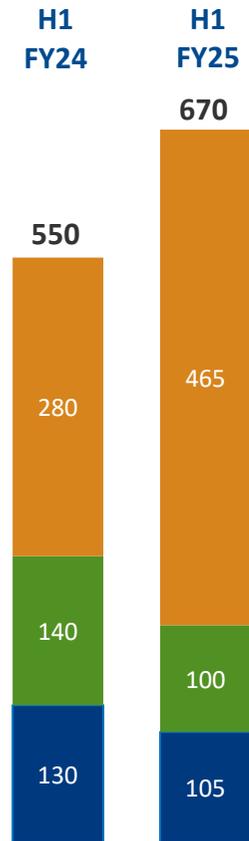
Investment proposition

Diversified across markets and operations



Order Book by Sector \$m

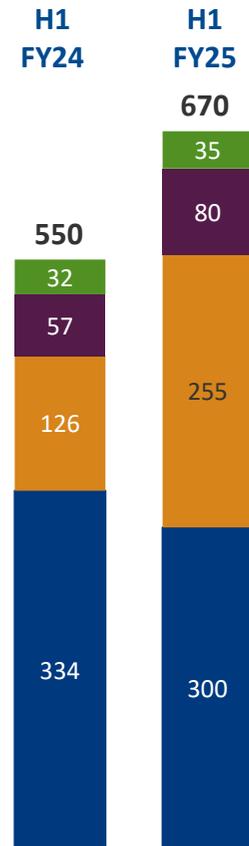
- Order book up 22% on pcp
- Infrastructure 70% of order book



- Infrastructure
- Commercial
- Resources

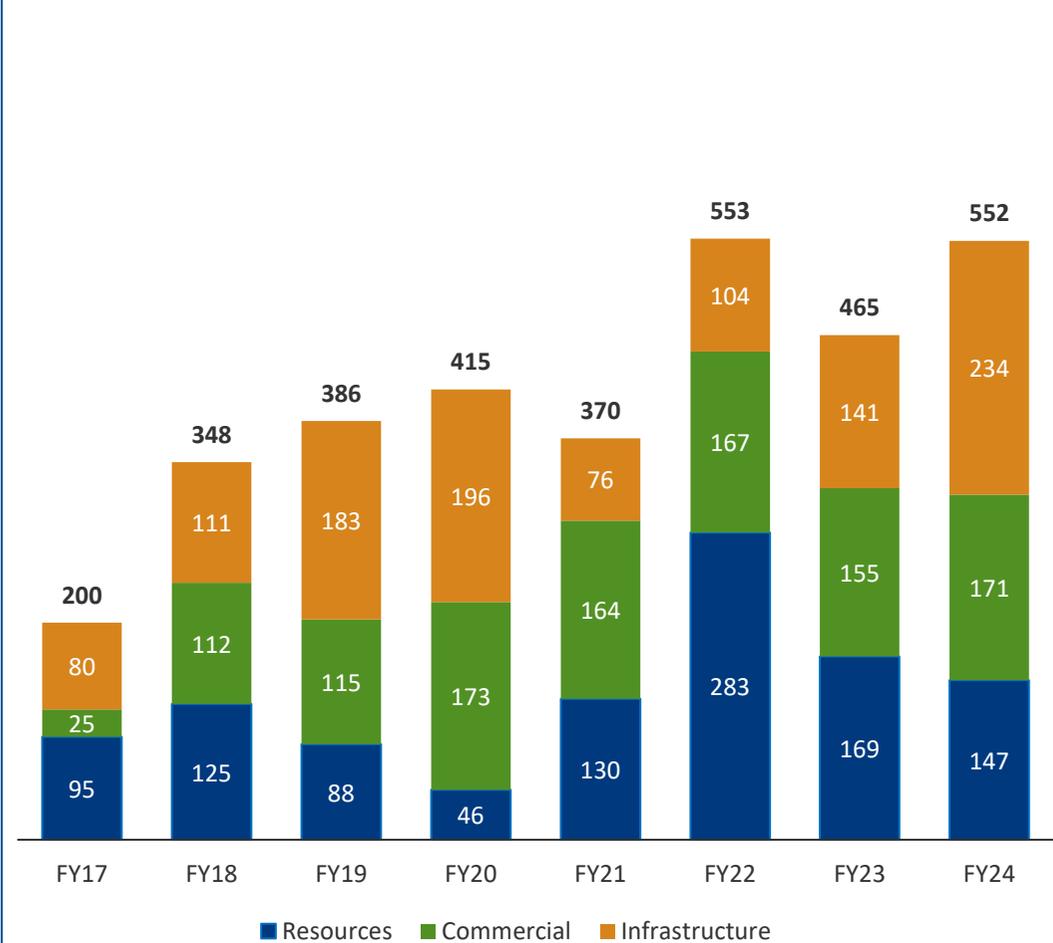
Order Book by Geography \$m

- 60% of order book on East Coast



- VIC, SA & NT
- QLD
- WA
- NSW & ACT

Revenue breakdown by Sector FY17-FY24 \$m



- Resources
- Commercial
- Infrastructure

Investor Roadshow – March 2025

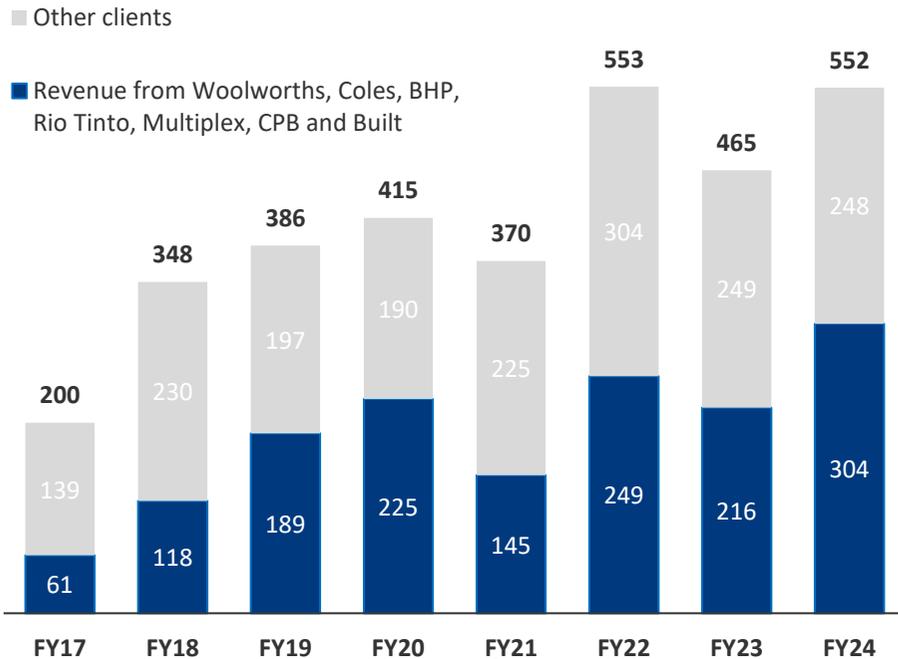
Long-term blue-chip client base



Seven selected clients – Woolworths, Coles, BHP, Rio Tinto, Multiplex, CPB and Built – have consistently provided over 45% on average of revenues over the last eight years totalling over \$1.5 billion of work

Revenue from above clients as percentage of total revenue

FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
31%	34%	49%	54%	39%	45%	46%	55%



These seven clients have long-standing and deep relationships with SCEE spanning decades and most across multiple group businesses



Woolworths client since **1973**
Multiple services and frameworks agreements



Coles client since **1975**
Multiple services and frameworks agreements



BHP client since **1981**
Projects: Villages Security Projects, Juwi NGSP



Rio Tinto client since **1988**
Projects: Tom Price BESS, Gudai-Darri Iron Ore, Gove Refinery



Multiplex client since **2002**
Projects: Western Sydney Airport, Westmead Hospital



CPB client since **2007**
Projects: Sydney Metro Pitt Street Station, Mount Keith Debottlenecking



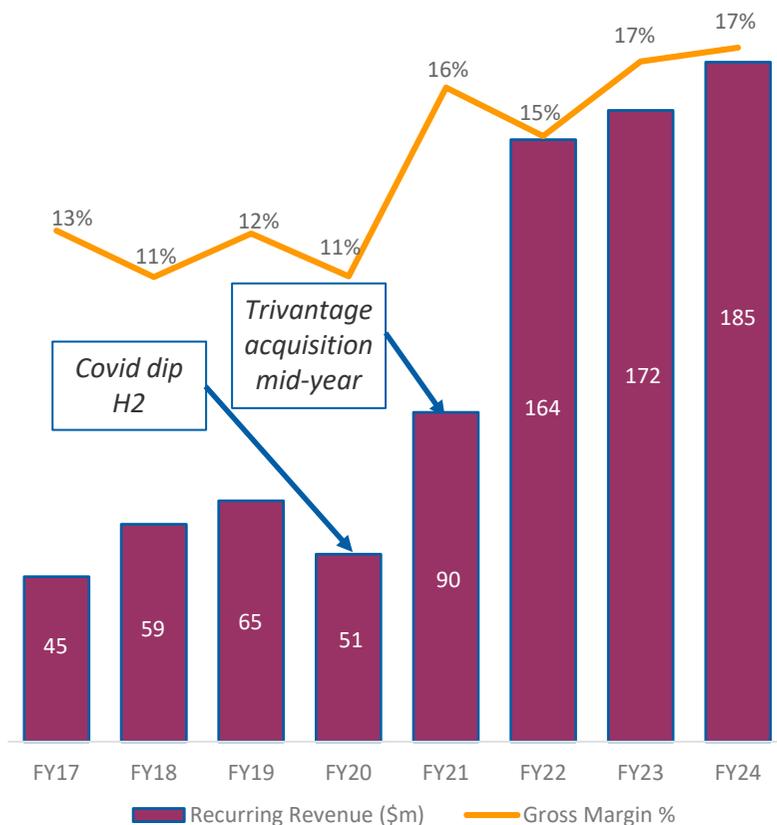
Built client since **2012**
Projects: Atlassian HQ building, Sandstone Education Building, Parramatta Square

Growth of recurring revenue



Strong track record of recurring revenue growth - FY24 recurring revenue was over 33% of total annual revenue

Recurring Revenues (\$m)



Wide range of recurring works under services, maintenance, sustaining capital, and framework agreements, including:

- Supermarket works for Woolworths and Coles
- SEME security systems maintenance at correctional facilities and hospitals
- Maintenance teams at Citic Pacific Sino Iron and Newmont Boddington Gold mines and across Rio Tinto and BHP Pilbara and Arrow Energy's Queensland operations
- Energy Queensland asset inspection agreement
- Datatel education, healthcare and local government works
- Considerable longevity in many of these arrangements

Strong shareholder returns and financial position

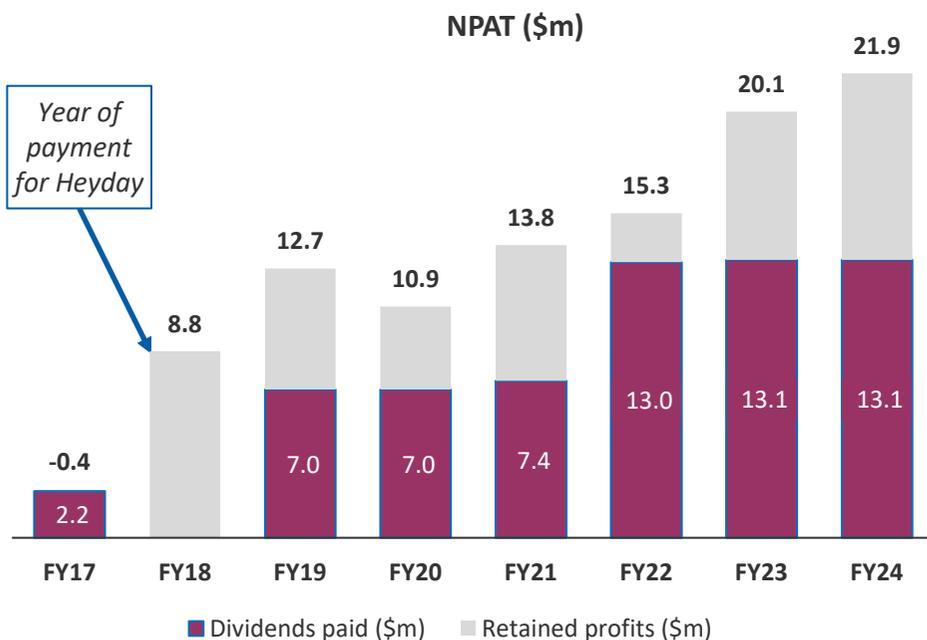


Shareholder returns over last eight years

(2.5cps franked interim dividend to be paid 9 April 2025)

Increased 150% over prior year interim dividend)

Dividends paid (cps)							
FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
3.0	0.0	3.0	3.0	3.0	5.0	5.0	5.0
Implied yield (%)							
FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
5.2%	0.0%	5.6%	6.8%	5.6%	8.5%	7.5%	2.9%



Strong cash position to support continued growth

at 31 December 2024:

	\$m
Cash	114.8
Debt	0.0
Net cash	114.8
Bank Guarantees and Surety Bonds on issue	112.5
Group Finance Facilities capacity	150.0
Bonding headroom	37.5
Franking Account balance	54.0

Track record of successful acquisitions



Completed value-accretive acquisitions of Datatel in 2016, Heyday in 2017, Trivantage Group in 2020 and MDE Group in 2024

Actively exploring range of further acquisition targets offering increased geographic diversification and new capabilities



Offers access to communications and telco sectors

Total consideration paid \$6.2m

Implied acquisition multiple in final year of earn-out:

4.3x EBIT



Heyday Group

Entry to commercial and infrastructure sectors in

NSW and ACT

Total consideration paid \$54.1m

Implied acquisition multiple in final year of earn-out:

2.9x EBIT



TRIVANTAGE

National provider of services to supermarkets

security sector and switchboard manufacturer

Total consideration paid \$53.5m

Implied acquisition multiple in final year of earn-out:

3.4x EBIT



MDE

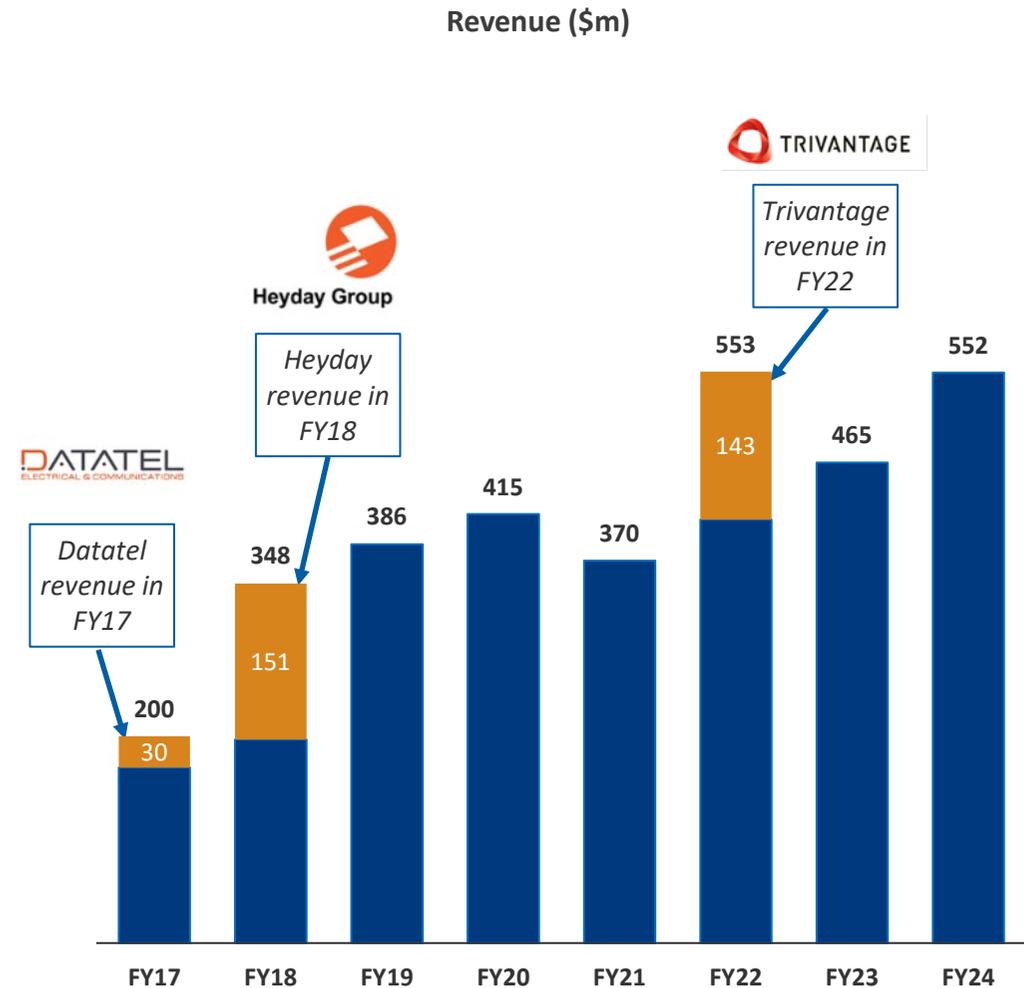
NSW provider of communications services

across multiple sectors

Total consideration to be paid by end of FY26:

\$10.55m

Revenue contribution of acquisition in first full year of consolidation





Conclusion

Conclusion



Record half year revenue \$397.4m (H1 FY24: \$255.5m) up 55.5% on pcp

Record half year EBITDA \$27.1m, EBIT \$23.2m and NPAT \$16.2m all up on pcp *

Record cash \$114.8m (30 June 2024: \$84.1m) up 36.5% on record prior period end

Interim Dividend 2.5 cps declared and fully franked, up 150% on prior year Interim Dividend

Collie Battery Energy Storage System at peak levels of activity, progressing well and to schedule

Shellharbour Hospital project largest ever hospital contract award

Very strong pipeline of Data Centre and infrastructure projects across Australia

Trivantage Manufacturing order book at record levels

Electrification tailwind offers huge opportunities across group

Strong balance sheet supports further acquisitions which we are actively exploring

Reiterating FY25 EBITDA guidance of at least \$53m with expectations of further growth beyond *

* EBITDA and EBIT are non-IFRS financial measures, for a reconciliation to statutory results see Appendix 1



Q&A

Capital Structure

ASX Code	SXE
Share Price (17 February 2025)	\$1.535
No. of ordinary shares (17 February 2025)	264.3m
Market Capitalisation (17 February 2025)	\$405.7m
No. of performance rights (17 February 2025)	4.1m
Cash (31 December 2024)	\$114.8m
Debt (31 December 2024)	Nil
Enterprise Value (17 February 2025)	\$290.9m

Shareholders at 7 February 2025

Thorney Investments	14.4%
Other Institutions in Top 30 Shareholders	23.2%
Frank Tomasi	16.9%
Directors and Executives	4.3%
Others – Retail, Private, smaller Institutional	41.2%
Total	100.0%

Appendix 1 – IFRS reconciliation



SCEE's results are reported under International Financial Reporting Standards (IFRS). SCEE discloses certain non-IFRS measures that are not prepared in accordance with IFRS. The non-IFRS measures should only be considered in addition to, and not as a substitute for, other measures of financial performance prepared in accordance with IFRS.

EBITDA and EBIT are non-IFRS measures which do not have any standard meaning prescribed by IFRS and therefore may not always be comparable to EBITDA and EBIT presented by other companies.

EBITDA represents earnings before interest, income tax, depreciation and amortisation. EBIT represents earnings before interest and income tax. A reconciliation of profit before tax to EBITDA and EBIT is presented in the table on this slide.

	H1 FY25	H1 FY24
	\$m	\$m
Contract revenue	397.4	255.6
Contract expenses	(346.9)	(217.9)
Gross Profit	50.6	37.7
Other income	0.5	0.3
Overheads ⁽¹⁾	(24.0)	(20.9)
EBITDA	27.1	17.1
Depreciation and amortisation ⁽²⁾	(3.9)	(3.8)
EBIT	23.2	13.3
Net finance income/(expense) ⁽³⁾	0.2	0.5
Profit before tax	23.3	13.9
Income tax expense	(7.2)	(4.2)
Profit from continuing operations	16.2	9.6

(1) Employee benefits expenses, Occupancy expenses, Administration expenses and Other expenses from ordinary activities

(2) Depreciation expense, Amortisation expense and Amortisation of customer contracts and relationships

(3) Finance income and Finance expenses

Appendix 2 – selection of current projects



Synergy Collie Battery Energy Storage System – SCEE Electrical
Over \$200m



Multiplex Western Sydney International Airport - Heyday
Over \$100m



Rio Tinto Iron Ore Master Services Agreement – SCEE Electrical
Circa \$5-10m per annum



John Holland Shoalhaven Hospital Redevelopment - Heyday
Over \$30m



Ergon Energy Asset Inspection and Maintenance Services – SCEE Electrical
Over \$10m per annum



Watpac Shellharbour Hospital Development - Heyday
Over \$60m



Multiplex NEXTDC Artarmon Data Centre - Heyday
Over \$150m



Coles and Woolworths Supermarkets – S.J. Electric
Circa \$50m per annum



BOJV Atlassian Australia HQ Building – Heyday
Over \$35m



Spark NEL DC JV North East Link Highway Switchboards – Trivantage Manufacturing
Over \$15m

Disclaimer



Some of the information contained in this presentation contains “forward-looking statements” which may not directly or exclusively relate to historical facts. These forward-looking statements reflect the current intentions, plans, expectations, assumptions and beliefs of Southern Cross Electrical Engineering Limited (“SCEE”) about future events and are subject to risks, uncertainties and other factors, many of which are outside the control of SCEE.

Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Because actual results could differ materially from SCEE's current intentions, plans, expectations, assumptions and beliefs about the future, you are urged to view all forward-looking statements contained in this presentation with caution and not to place undue reliance on them. No representation is made or will be made that any forward-looking statements will be achieved or will prove to be correct.

SCEE does not undertake to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

This presentation is for information purposes only. It is not financial product or investment advice or a recommendation, offer or invitation by SCEE or any other person to subscribe for or acquire SCEE shares or other securities. The presentation has been prepared without considering the objectives, financial situation or needs of the reader. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs, and seek the appropriate professional advice.

Statements made in this presentation are made as at the date of the presentation unless otherwise stated. The information in this presentation is of a general background nature and does not purport to be complete. It should be read in conjunction with SCEE's other periodic and continuous disclosure announcements.