

20 August 2025

Full Year Results Announcement

- Record revenue of \$801.5m, up 45.2% on prior year
- Record EBITDA of \$54.8m up 36.6%, record EBIT of \$45.9m up 40.4% and record NPAT of \$31.7m up 44.5% on record prior year
- Record year-end cash \$86.8m, up 5.3% on record prior year
- Fully franked 5.0cps final dividend declared, total FY25 dividends of 7.5cps up 25% on prior year
- Order book of \$685m diversified across sector, geography and discipline
- Force Fire acquisition completed 1 April 2025, widening capabilities and offerings
- Multiple further acquisition targets being explored
- FY26 EBITDA guidance in range of \$65m-68m, growing 18-24% on FY25 EBITDA

Southern Cross Electrical Engineering Limited ("SCEE Group") today released its results for the year ended 30 June 2025.

Financial Results

Revenue for the year of \$801.5m was up 45.2% on the prior year record revenue of \$551.9m.

Revenue contribution by sector was as follows:

- Infrastructure – revenue for the year was \$511.6m, up 118.9% from \$233.7m in the prior year, and was again the largest sector contributing 64% of total revenue. Synergy's 500MW/2,000MWh Collie Battery Energy Storage System ("CBESS") project in Western Australia, initially announced in May 2024 and with over \$200m of work now awarded, is now passing peak levels of activity and is progressing well and on schedule. Other significant revenue contributors in the year were Western Sydney International Airport where the main terminal project has been completed with new packages of work awarded and ongoing, the Shoalhaven Hospital Redevelopment project and various Data Centres including NEXTDC SYD03 Artarmon.
- Commercial – revenue for the year was \$152.5m, compared to \$171.1m in the prior year. Key contributors in the current year were ongoing works for Coles and Woolworths by Trivantage's



national supermarket services business and Heyday's various projects across NSW and ACT including the Pitt Street Sydney Metro station commercial and residential towers.

- Resources – revenue for the year was \$137.4m, compared to \$147.0m in the prior year. SCEE Electrical has various ongoing works for BHP, Rio Tinto, Sino Iron and Newmont Boddington Gold and SEME Solutions continues to provide mine site and villages security upgrades.

Recurring revenues from services, maintenance, sustaining capital, and framework style agreements accounted for over 25% of FY25 revenue and grew 15% in FY25 to over \$210m compared to \$185m in the prior year. Gross profit for the year of \$105.9m was up 28.1% on the prior year gross profit of \$82.7m. Gross margin percentages were 13.2% compared to the prior year gross margins of 15.0%. Gross margins in the second half were 13.7% compared to 12.7% in the first half. Included in gross margin was circa \$4.0m of legal costs relating to the WestConnex arbitration which was announced to the ASX in December. Margins in the first half were also suppressed by a less profitable commercial buildings project mix with less fit-out works than normal.

Overheads of \$52.8m, which included \$2.5m of Force Fire acquisition costs and the addition of Force Fire's overheads post completion on 1 April, were up from \$43.3m in the prior year. Overheads as a percentage of revenue decreased to 6.6% compared to 7.8% in the prior year.

Record EBITDA for the year of \$54.8m was up 36.6% on the prior year's record \$40.1m and exceeded guidance of "at least \$53m".

Record EBIT of \$45.9m and record NPAT of \$31.7m were up 40.4% and 44.5% on the prior year's record results. The current year result included \$2.7m of amortisation of acquired intangible assets compared to \$2.1m in the prior year.

The Board has declared a fully franked final dividend of 5.0 cents per share to be paid on 8 October 2025. Total fully franked dividends declared for the year, including the interim dividend of 2.5 cents per share paid in April, were 7.5 cents per share, up 25% from 6.0 cents per share in the prior year.

The group has a franking account balance at 30 June 2025 of \$61.5m.

The cash balance at 30 June 2025 of \$88.6m was a record year-end balance and up 5.3% on the prior year despite paying out \$19.1m of dividends, \$32.0m of acquisition consideration for Force Fire and \$1.0m of deferred consideration relating to the prior year acquisition of MDE. The closing cash balance includes \$12m of advance payments received on the CBESS project that remained on the balance sheet at period end which will unwind in the first half of FY26.

The group remains debt free.

The acquisition of Force Fire resulted in the recognition of goodwill of \$43.1m and acquired intangibles of \$5.5m in respect of customer contracts and relationships. Force Fire had a strong final quarter post-acquisition with its contribution to the group's result in that period broadly netting off against the acquisition costs incurred.

At 30 June 2025 there was a record \$115.2m of bank guarantees and surety bonds on issue leaving headroom of \$34.8m in the \$150.0m of combined facilities capacity. Headroom is expected to increase in H1 FY26 as the bonding securing the CBESS advance payments is returned.

On 2 December 2024 SCEE Group subsidiary Heyday submitted a Notice of Arbitration and Statement of Claim claiming against the CPB Dragados Samsung Joint Venture for additional costs

incurred in performing its works on the WestConnex M5 motorway tunnel project in Sydney. The expedited arbitration process has commenced and is expected to be resolved in the first half of FY26.

Health, Safety and Environment

Delivering our work safely is our highest priority and we are extremely proud of our strong safety culture. We were Lost Time Injury ("LTI") free across the group's operations in FY25 for the third consecutive year. This represented 3.5 million manhours LTI-free in the year delivered by our workforce of circa 1,900 direct employees. Our SCEE Electrical business is now over 21 years LTI-free in Australia.

We continue to maintain a low GHG emissions base. In FY25 our operational emissions (Scope 1 and Scope 2) totalled 4,702 tCO₂-e, up from 3,687 tCO₂-e in FY24 due to the significantly higher levels of activity in the current year.

Strategy

SCEE sees electrical contracting as its core capability whilst increasingly diversifying into adjacent disciplines and servicing 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 and disciplines, either organically or by acquisition.

We are increasing our exposure to services and maintenance style works.

We are actively exploring a range of acquisition targets offering further geographic diversification and new capabilities.

We aim to maximise the synergies and cross-selling opportunities created by the increasing diversification and multi-disciplinary nature of the Group

The electrification of the Australian and global economies presents SCEE with opportunities across all its operations.

Acquisition of Force Fire

Consistent with our strategy, we completed the acquisition of Force Fire Holdings, a leading New South Wales and Queensland-based provider of fire safety solutions, for an enterprise value of up to \$53.5m on 1 April 2025.

The fire sector is a natural and logical adjacency to SCEE's core electrical competence.

Founded in 2004 and headquartered in Sydney, Force Fire provides specialised fire safety solutions, having both mechanical ("Wet fire") and electrical ("Dry fire") capabilities, by executing projects and services/minor works for a highly recurring client base, enjoying long term relationships with a diverse range of facility managers, property owners, and builders.

The demand for fire safety solutions is non-discretionary, non-deferrable, and underpinned by strict regulatory and compliance requirements, a stringent insurance environment and increasing tenant

demands, resulting in a high level of repeat clients. Force Fire has a growing presence in recurring-style maintenance, services and minor works which accounts for circa 30% of its revenue already.

Force Fire has attractive end market diversification with exposure to commercial and industrial buildings and Data Centres, which are expected to generate continued long-term growth. Cross-selling opportunities are anticipated with the potential to leverage the combined group's capabilities and client relationships.

The business also represents a highly attractive platform for further geographic and capability expansion in the fragmented fire sector, with organic and acquisitive opportunities identified and to be capitalised on by combining the highly incentivised Force Fire management team with the greater breadth and scale of support, including balance sheet strength, provided by the wider SCEE group.

We have a successful track record of acquiring value accretive businesses and are exploring multiple further acquisition targets and have the financial capacity to execute these.

Outlook

Order book and contract awards

The order book at 30 June 2025 remained strong at \$685m compared to last year's record \$720m which included the then-recently awarded CBESS project. The infrastructure sector makes up two-thirds of the order book. Over 75% of the order book is on the east coast and circa 25% of it is now in the adjacent non-electrical disciplines of fire, manufacturing, security and communications.

Notable awards in the year included the CBESS Switchyard package, further packages of work at the NEXTDC SYD03 Artarmon and other hyperscale data centres, a substation package at the Alkimos desalination plant in WA, and the Shellharbour Hospital project in NSW which at over \$60m is the group's largest ever hospital award.

Heyday were awarded the Western Sydney Airport Stand Alone Facilities Project, comprising two major packages of works critical for airport operations, taking the number of packages of work awarded to the group at the Western Sydney Airport to eleven.

Trivantage Manufacturing received multiple orders to provide products for the Western Harbour Tunnel in Sydney and the North East Link in Melbourne resulting in their order book reaching record levels.

We recently announced that SCEE Electrical has secured further renewals of its services agreements with Energy Queensland Limited and at the Newmont Boddington Gold Mine for four and five years respectively.

Markets

The infrastructure market is a very wide sector for SCEE and spans federal, state, 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.

The Data Centre sector is in exponential growth driven by cloud computing and AI developments. Data Centres are electrically dense, with electrical work comprising the largest component of construction cost. SCEE Group businesses have worked on Data Centre projects for over twenty years and have multiple touch points into the sector, particularly Heyday's strong position in general

construction, Trivantage Manufacturing building and supplying electrical equipment and Force Fire now offering wet and dry fire solutions.

The group's Data Centre revenues have grown strongly in recent years from an average of \$20m per annum in FY19 to FY23, increasing to \$50m in FY24 and now to approximately \$120m in FY25. A number of awards were secured during the year and we are currently tendering on or positioning for over \$500m of work to be awarded in the next two years for extensions at existing or new builds of multiple Data Centres.

SCEE has multiple exposures to Australia's energy transition which requires electrification of many activities by 2050. This particularly includes transforming the electricity supply to run on non-carbon fuels and the electrification and decarbonisation of existing industries, transport networks and the built environment.

The transition of Australia's electricity supply requires investment in renewables supported by battery storage and grid configuration. SCEE Group is well credentialled to participate in this thematic having delivered multiple solar farms, wind farms and Battery Energy Storage Systems. In early-FY26 we will successfully complete the CBESS project while Force Fire are nearing completion of installation of fire safety solutions on the Macintyre Wind Farm in Queensland for Nordex. We are tendering for multiple battery and wind farm developments across Australia and expect to announce further battery projects in the near term.

SCEE offers services across a huge range of electrification initiatives including decarbonising our client's operations, helping meet the demand for products required for decarbonisation and the movement to sustainable buildings with stricter building codes and sustainability standards and the introduction of Sustainability Reporting Standards expected to drive increased electrification and other services provided by SCEE to upgrade buildings.

In healthcare we are delivering the new Shellharbour Hospital which is ramping up and expected to be completed in mid-2027. We are positioning for further major hospital developments presenting in NSW and ACT in the medium-term.

The Western Sydney International Airport terminal project for Multiplex is now completed with the Stand Alone Facilities Project now underway. We are expecting a long-term pipeline of works with further airport expansion and in the surrounding Aerotropolis region.

We are tendering for multiple projects on the Sydney Metro programme including the airport line and Sydney West Station developments having completed the Pitt Street Metro Station during the period. Trivantage Manufacturing was recently awarded the switchboard project for the airport line and is supplying products for multiple transport developments in NSW and Victoria.

In the commercial sector we expect volumes to grow in FY26 driven by the addition of Force Fire and its exposure to commercial and industrial warehousing works where we see a growing pipeline of opportunities emerging. Volumes from Trivantage's national supermarket services business remain steady while commercial building activity has now stabilised at lower post-covid activity levels with the Atlassian building development and City Tattersalls Club redevelopment in Sydney ongoing.

Resource sector volumes are at consistent levels in the absence of major greenfield development projects. We saw a steady flow of sustaining capital type works in the current year and expect that to continue into FY26.

Earnings guidance

The group is anticipating further growth in FY26 with EBITDA in the range of \$65m-68m, growing 18-24% on FY25 EBITDA.

The ability to deliver our growth forecasts could be adversely affected by delays to current and future projects or by project delivery issues, however we do not anticipate any impact at the current time and note that opportunities exist outside the current forecasts that could mitigate against any shortfalls or even exceed these forecasts.

Macro factors, including economic and geopolitical uncertainty, have the potential to destabilise or change the markets in which we operate. The group continues to monitor and manage the broader economic environment.

Comment

Commenting on the full year results, SCEE Group Managing Director Graeme Dunn said “I am delighted to be reporting on another year of record results where we have continued to grow our revenue and earnings while further widening the group’s capabilities through the acquisition of Force Fire.

We anticipate our growth trend continuing in FY26, driven by a number of factors including:

- our strong order book and high levels of exposure across the group to the growing pipeline of opportunities in Data Centre, battery storage and industrial warehousing projects across Australia;
- increased opportunities to cross-sell the group’s diverse capabilities and disciplines; and
- we are exploring a number of acquisition targets which we have the skillsets, experience and financial capacity to execute.”

Results webcast

Investors and analysts are invited to attend a results presentation webcast with Graeme Dunn (SCEE Group CEO and Managing Director) and Chris Douglass (SCEE Group CFO) today, Wednesday 20 August 2025 at 11am WST.

Investors and analysts can register to attend the webcast at the following link:

<https://ccmediaframe.com/?id=mCenEty4>

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