



Chairman's address to the AGM

ASX & media
announcement

30 October 2018

ASX code: SXE

Southern Cross Electrical Engineering Limited

Chairman's address to the Annual General Meeting 30 October 2018

Good morning ladies and gentlemen. I would like to welcome you to Southern Cross Electrical Engineering Limited's 2018 Annual General Meeting. My name is Derek Parkin and I am a Director and the Chairman of the Company and will be chairing today's meeting.

2018 marks the fortieth anniversary of the founding of Southern Cross Electrical Engineering Limited by Frank Tomasi. It has also been forty years and twenty years respectively since Heyday and Datatel commenced operations.

I am extremely pleased to report that in this year of celebration for the Group we have been able to commemorate the occasion by delivering a number of significant achievements for our shareholders, including:

- record revenue of \$347.9m, an increase of 74% on the prior year;
- a 179% increase in underlying EBITDA to \$19.0m;
- a return to dividend payments;
- entering FY19 with an order book over \$450m; and
- maintaining a strong balance sheet to fund future growth.

During 2018 we continued to progress the successful integration of prior year acquisition Heyday and saw them make a significant contribution to our record result. We also continued our organic expansion across sectors and geographies and secured a number of significant awards of health, utilities, transport and commercial projects as well as commencing work in defence and completing our first renewables projects.

We now have national exposure to our five core markets, including the buoyant east coast public infrastructure and commercial sectors, and continue to expand our existing capabilities into new geographies.

We remain highly committed to our strategy of growth through sector and geographic diversification, both from continued organic expansion and potential further acquisitions.

The achievements of the past year would not have been possible without the hard work of our staff. On behalf of the Board I would like to take this opportunity to thank them for their efforts. And I would also like to thank you, our shareholders, for your continued support.

Earlier this month our founder, Frank Tomasi, advised that he will be retiring from the Board at the end of today's AGM. On behalf of the Board and everyone at SCEE I would like to take this opportunity to thank Frank for everything that he has done to help shape the Company into the business it is today. We wish him all the best in his thoroughly deserved retirement.

We are extremely proud of SCEE's achievements during its first forty years and excited about the next chapter in our history.

We will now proceed to the formal business of the meeting.

Contact

SCEE Perth Office
41 Macedonia Street
Naval Base WA 6165
T: +61 8 9236 8300

Graeme Dunn
CEO & Managing Director
E: graeme.dunn@scee.com.au

Colin Harper
Company Secretary
E: colin.harper@scee.com.au