

24 November 2022

FOR IMMEDIATE RELEASE

General Manager
ASX Market Announcements
Australian Securities Exchange Limited
PO Box H224
Australia Square
Sydney NSW 1215

**BSA Limited: Annual General Meeting
Chair and Chief Executive Office Addresses to Shareholders**

Address by the Chair

Good afternoon Shareholders.

It has been a challenging year for the Company. On behalf of the Board, I would like to acknowledge the continuing commitment and ongoing support given by all of our employees, contractors and shareholders during this past year. Despite a year of challenges and change, the Group finds itself on a stabilized financial footing and at an inflection point to move forward and achieve its stated goals

Our financial results for FY22 were materially impacted by COVID-19 across both divisions for the first half of the year with a slow return to what we would consider normal trading conditions now occurring.

During March 2022 we commercially settled a class action brought against us by Shine Lawyers alleging that independent contractors should be treated as employees. We have consistently defended our position however the board re-evaluated the defense of the legal case against associated opportunity and legal costs and entered into a commercial settlement of \$20million payable over 3 years.

In April 2022, the Board undertook a \$13.4million capital raise (before costs) which was supported by its three major shareholders. The funds received were utilized for general working capital purposes.

At the time of the raise, the Board considered its strategic statement published on 8 February 2021 which targeted a 3 year growth target to FY2024 of \$750million revenue at a minimum of 5% EBITDA margins. Given the impact of the beforementioned items and ongoing external volatility and uncertainty the board considered it prudent to retract this statement. Without diminishing our long term strategic ambitions it was clear that the Group needed to focus on short-term priorities for its ongoing business being:

- To simplify its structures to best service clients;
- To right size the cost base to better match current revenue projections and improve bottom line margin;
- To consolidate and stabilise our financial position;
- To take advantage of higher margin growth opportunities; and
- Most importantly, to retain our key people and talent.

These initiatives have been progressed by the business resulting in improved FY2022 second half

trading.

Despite the headwinds faced during the year we have continued to successfully tender and win new work. Key contacts won include Aldi Australia to implement Building Management Control Systems (BMCS) across the ALDI portfolio, and Intellihub Australia for the roll out of Smart Metering Services for the CUI division.

Our interim CEO, Arno Becker, will talk more to the BSA operations in his address.

Board Renewal

During the year, there have been some Board and management changes.

In November 2021, Paul Teisseire retired as a director. Paul's input over the last 15 years has been invaluable especially as Audit and Risk Committee Chair. Paul was replaced immediately after the 2021 Annual General Meeting by Brendan York who also took on the role as Audit and Risk Committee Chair. Brendan brings a wealth of experience in financial management and compliance.

In March 2022, Michael Givoni retired after 17 years serving as a Non-executive Director and more recently as Chairman since April 2015. I have the privilege of taking the helm as Interim Chair in his place and I would like to thank Michael for his guidance and support.

In April 2022, Timothy Harris resigned as Managing Director and Chief Executive Officer. At the same time a broader cost optimisation strategy was executed across the leadership team. Arno Becker, the then Chief Financial Officer ("CFO") has stepped up to assume the role of Interim CEO as well as his ongoing function as CFO. Despite these changes at short notice Arno, the Senior Executive Team and our employees have shown their resilience and support during considerable change.

The Board has commenced the process to appoint a new CEO and is looking at both internal and external candidates. In the interim the Board remains confident that the structures in place support the delivery of services to our customers.

Remuneration

At last year's AGM, the proxy voting on the Remuneration Report showed a rejection of greater than 25% of votes and so the Company received a 'first strike'. To address the concerns expressed at the 2021 AGM, the Key Management Personnel held meetings with major shareholders post the AGM to address concerns raised including the linkage between current financial year performance and KMP remuneration outcomes. The Board is comfortable that the existing remuneration framework serves the right purpose of incentivising management to drive future growth. The Board is pleased to advise that proxy voting for the Remuneration Report at this year's AGM, illustrates that shareholders are supportive and as a result, no second strike will be recorded.

In summary it's been an unpredictable and challenging operational environment. Yet, as you can see from the above, BSA has risen to these challenges and remained forward looking and focused.

In closing, I would like to again thank the Board and shareholders for their ongoing support, and of course the Executive Team, our staff and contractors for their continued hard work and dedication. The Board looks forward to advancing the interests of shareholders in this coming year and into the future.

Divestment of APS Maintain business

As announced yesterday, BSA has entered into an agreement to divest its APS Maintain business to CBRE Group, Inc. for A\$20 million before completion adjustments. In line with the board's focus on recalibrating the business and advancing the interests of shareholders, the divestment of the APS Maintain business represents the next stage of stabilising, refocusing and

transforming the BSA Group.

Arno Becker will speak in more detail about the transaction and it will enable BSA to focus on the telecommunication, utility and major fire construction sectors.

Thank you.

I would now like to hand over the meeting to the BSA Interim CEO, Mr Arno Becker to discuss the operations of the company.

Chief Executive Officers Address

Thank you, Nick, and once again welcome to all shareholders.

I'm Arno Becker the Interim Chief Executive Officer of BSA and will be taking you through our full year results.

Before we begin I would like to acknowledge the resilience, drive and passion shown by our people over the past year – this includes our direct employees, our subcontractors, suppliers and clients. Their work, day in and day out to service our clients, makes a huge impact.

I would also like to acknowledge our board and shareholders for their ongoing support and guidance in a challenging year.

In the presentation today I will give an overview of our service offerings followed by Operational highlights for the year, FY23 priorities, Financial performance, APS Divestment and Strategic Direction.

OUR BUSINESS

BSA was primarily a technical services company operating in two major segments. Advanced Property Solutions delivering HVAC and Fire suppression services to major clients such as Facilities manager and tier 1 buildings.

The second segment is Communications and Utilities infrastructure delivering technical services in telecommunications, primarily fixed line with expansion into wireless through our Catalyst ONE acquisition and utilities through smart metering.

Following the announcement yesterday of the divestment of the BSA Maintain business, our core focus will be on the CUI and Fire Build businesses.

We are a people business with 400 plus employees and over 2000 skilled field resources delivering our services.

HEALTH AND SAFETY

The SAFETY SLIDE gives an overview of the key safety initiatives and metrics for the Group. This year BSA invested in a tailored Safety Leadership Pathway program emphasizing the competencies and skills required to drive a high- performing culture and leadership team, with a key focus on safety. We continue to evolve our safety systems and remain compliant with international standards.

In FY22 we continued focusing on managing our workforce to mitigate the impacts of the COVID19 pandemic on our clients and our people to ensure we work safely and adhere to government mandated practices and restrictions.

During October the Executive team led a “stop for safety” day with a focus on the choices we make at work, and in our daily lives, and the safety consequences of these. We stopped work for an hour.

As has become customary at BSA, we invited a guest speaker, James Wood, to lead our safety hour. James spoke powerfully on the safety choices he made 20 years ago and the lasting and irreversible impact this had on himself and his loved ones.

We continue to support and promote mental health awareness and participated in the national “R U OK?” initiative.

Safety is and remains our number one priority and we are proud to have a strong, embedded, safety culture across the Group, with a focus on continual improvement across all our business operations.

FULL YEAR HIGHLIGHTS

The Group remained resilient and delivered a modest year-on-year revenue growth with the current and comparative periods impacted by COVID-19, albeit in varying ways. The APS group continued to secure annuity-style revenue streams. Reactive maintenance and minor works demand was lower and was impacted by clients’ reduced discretionary spend. The CUI group was impacted adversely by reduced volume demand as it transitioned between nbn’s previous OMMA agreement and its new Unify agreement, whilst also diversifying its customer base through new clients (including Axicom TPG/Vodafone, Go Evie and Intellihub).

Revenue levels - compared to prior years - grew by 10.4% to \$466.4m and were driven by higher volumes in the CUI segment and new customers in the APS segment. However, lower margins across a mix of work impacted our results negatively.

EBITDA pre significant items amounted to \$0.1m showing a recovery from the first half loss of \$2m.

Significant items have had a material impact on our results and are primarily made up of the Class Action settlement and goodwill impairment.

The result of the above has led to a Net Loss after tax of \$42.2m noting that the majority of items impacting the result are non-cash or non-current in nature.

Operating Highlights

COVID 19 proved to be a significant challenge in the current year, specific impacts included the:

- Closure of construction sites on the East Coast;
- Reclassification of “Essential Services” impacting previously unaffected contracts, clients and platforms including smart metering and Foxtel;
- Restrictions on travel, impacting labour demand across states; and
- Health protocols significantly reducing the productivity of the workforce through isolation protocols which continued into the second half.

During this time the group addressed its delivery model and overhead structure to align with its revised strategy whilst retaining our key people. This completed by 30 June 22 with changes impacting all levels including the then Executive.

Operationally the business navigated significant challenges whilst growing its top line number. The CUI segment benefited from higher volumes on certain platforms and new clients. The APS segment continued to grow and diversify, securing new work which included a significant contract with ALDI for Building Management Services.

APS MAINTAIN DIVESTMENT

Yesterday BSA entered into an agreement to divest its APS Maintain business to CBRE Group, Inc., for A\$20 million in cash and subject to customary completion adjustments and third party consents.

The divestment will enable BSA to focus on the remaining business which is made up of the telecommunication sector as well as Fire Major construction.

BSA remains committed to successfully delivering work for key clients including nbn, Foxtel and major builders including Multiplex, CPB and Lendlease.

As illustrated, the transaction includes all maintenance and minor works across HVAC and Fire including (revenue contribution of \$158.7m in FY22) and includes all APS

maintenance subsidiaries.

This transaction will be transformational for both parties. The sale of the business is a great outcome for both our customers and our people. CBRE will leverage its skilled workforce, scalability, global experience and complementary services to continue delivery of world-class services to APS customers. The sale will also ensure continued career growth for existing APS employees.

Financial close is expected by 28 February 2023 with transition expected to be over 9 to 12 months post this date. We look forward to transitioning the business to CBRE.

STRATEGIC DIRECTION

During our planning phase for FY23 we implemented a three horizon approach across the group which consisted of three pillars. Stabilise, Focus and Transform. The intent is to simplify short term goals in order to achieve long term sustainability with a focused approach for the future.

All pillars have advanced during the first half of FY23.

The first pillar of stabilisation has already progressed with key items finalised or in advanced stages. We have recalibrated our structures through the changes in our executive leadership team and our broader delivery model. Our absolute focus is on cash-backed profits which is reflected in improved operating results over the final quarter of FY22, albeit at a modest pace. We have also exited a number of contracts that do not contribute to these goals. Lastly the divestment of APS will present a more focused portfolio going forward funds to increase working capital for operating costs thus strengthening our balance sheet.

The next phase addresses our focus on the near term, ensuring sustainability and further prioritisation of cash and profitability through phased growth and scalability. We will focus on growing our Fire Build division by targeting major infrastructure project whilst further expanding our wireless footprint. In parallel we will continue to partner with our existing clients. Successfully completing the first two pillars will allow us to transform the group and target our long-term strategic ambitions of top and bottom line growth on our terms - resulting in increased shareholder returns.

Thank you.

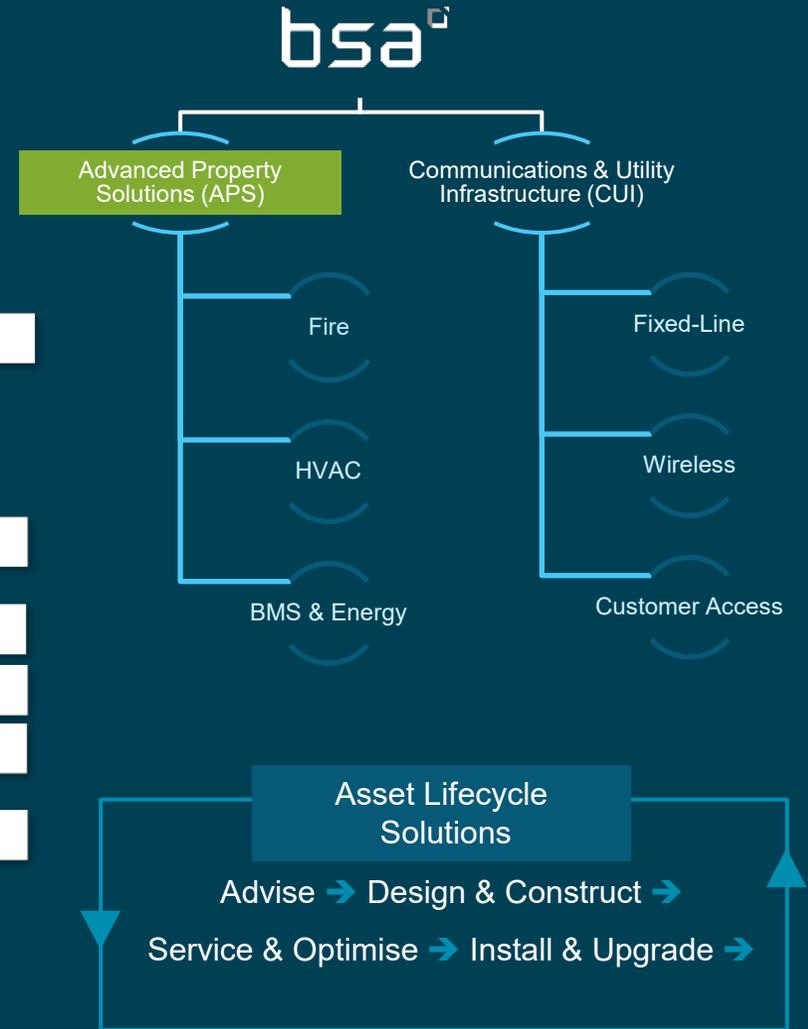
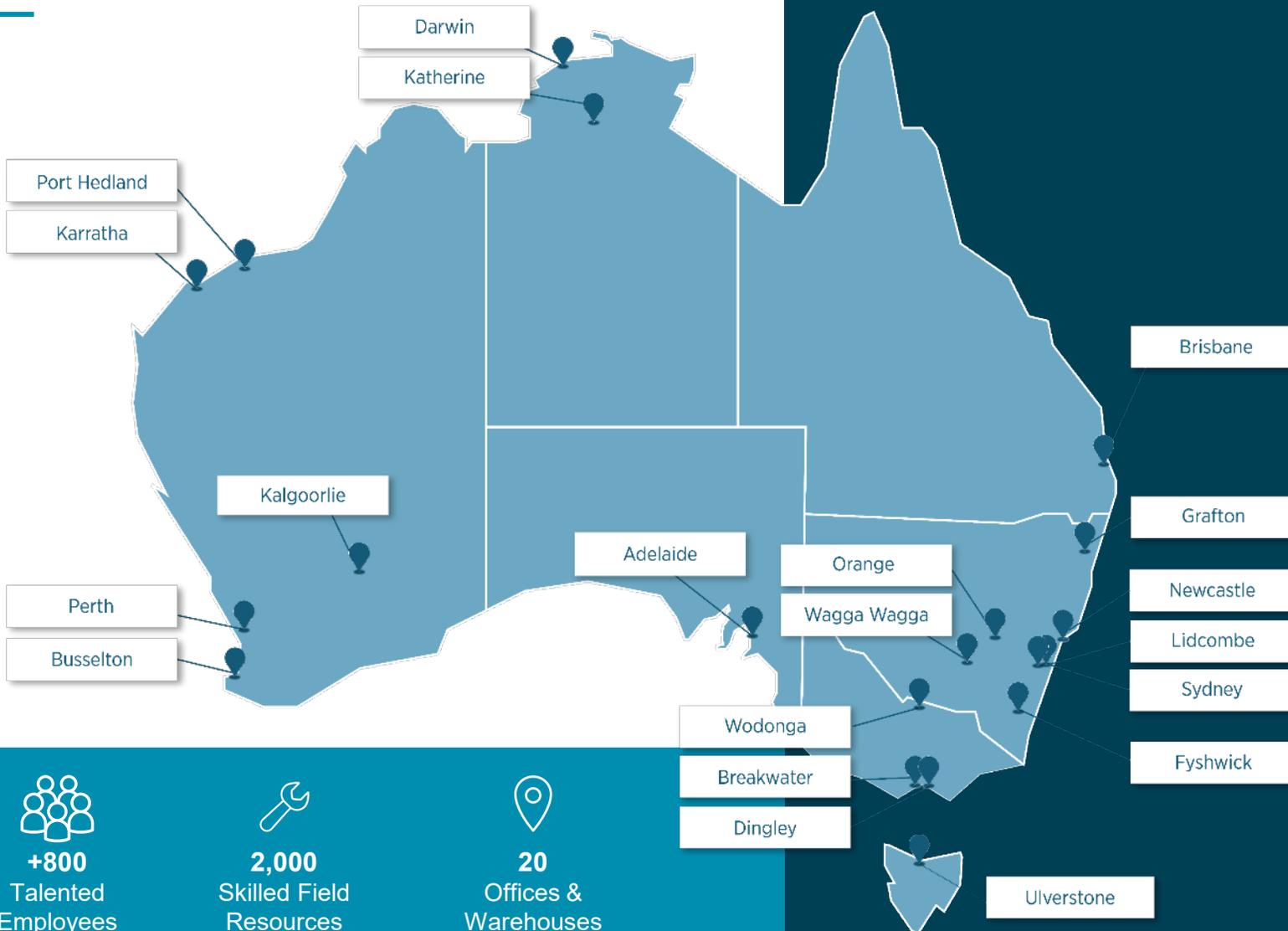
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CEO Address

*Image of the Sydney Modern Project as produced by
Kazuyo Sejima + Rye Nishizawa / SANAA (c) Art
Gallery of New South Wales, 2021*

Our Business




+800
Talented
Employees


2,000
Skilled Field
Resources


20
Offices &
Warehouses



Health & Safety

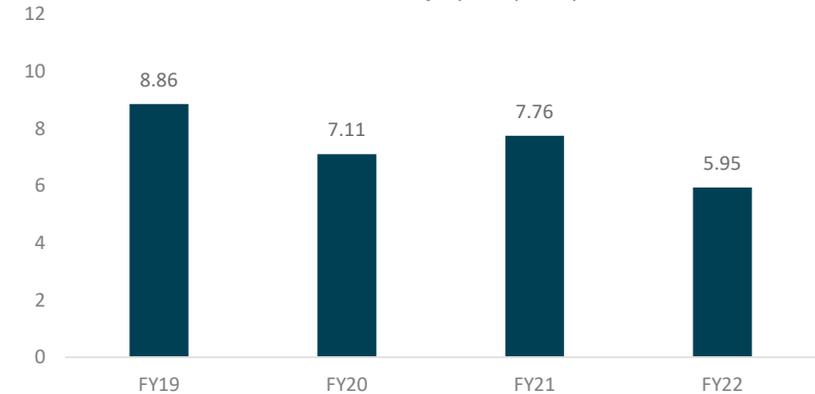
We work safe and go home safe

- Rollout of **Safety Leadership Training and Pathway** with training partners Safety Dimensions.
- Strong and continued focus on our HSE pillars of **Risk & Systems, Leadership, Health & Wellness, and Engagement**
- Continued implementation of a consolidated **Group HSE and Risk Management System Platform (Doc Hub)** to improve alignment in systems and processes.
- **TRIFR** continues to decrease towards industry leading performance whilst we transition our focus to lead performance indicators.

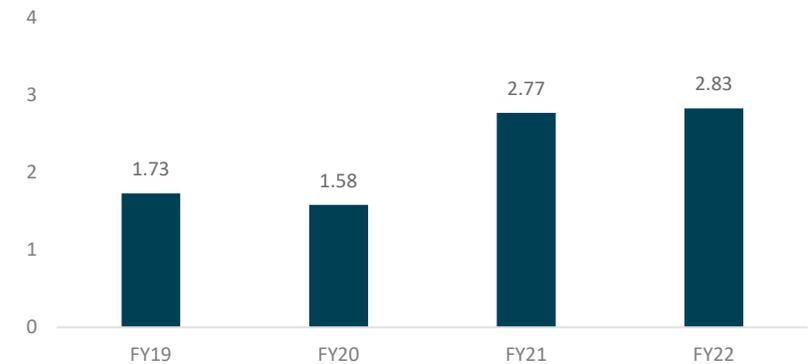


“ THIS DOESN'T HAPPEN TO ME!.... THAT WAS WHAT WENT THROUGH MY HEAD WHEN THE DOCTOR TOLD ME I HAD BROKEN MY BACK & DAMAGED MY SPINAL CORD. ”

Total Recordable Injury Frequency Rate



Lost Time Injury Frequency Rate



Full Year Highlights



Three horizon approach with emphasis on stability, profitability and growth

Financial Performance

Highlights FY22:

- Revenue growth ↑\$43.9m \$466.4m
- EBITDA ↓\$20m \$0.1m
- NLAT ↓\$42.2m \$42.2m
- Net Cash ↓\$12.8m \$1.9m
- Capital Raise (before costs) \$13.5m
- Significant Items \$43.1m
- Class Action settlement (before costs) \$20.0m

Operational Highlights

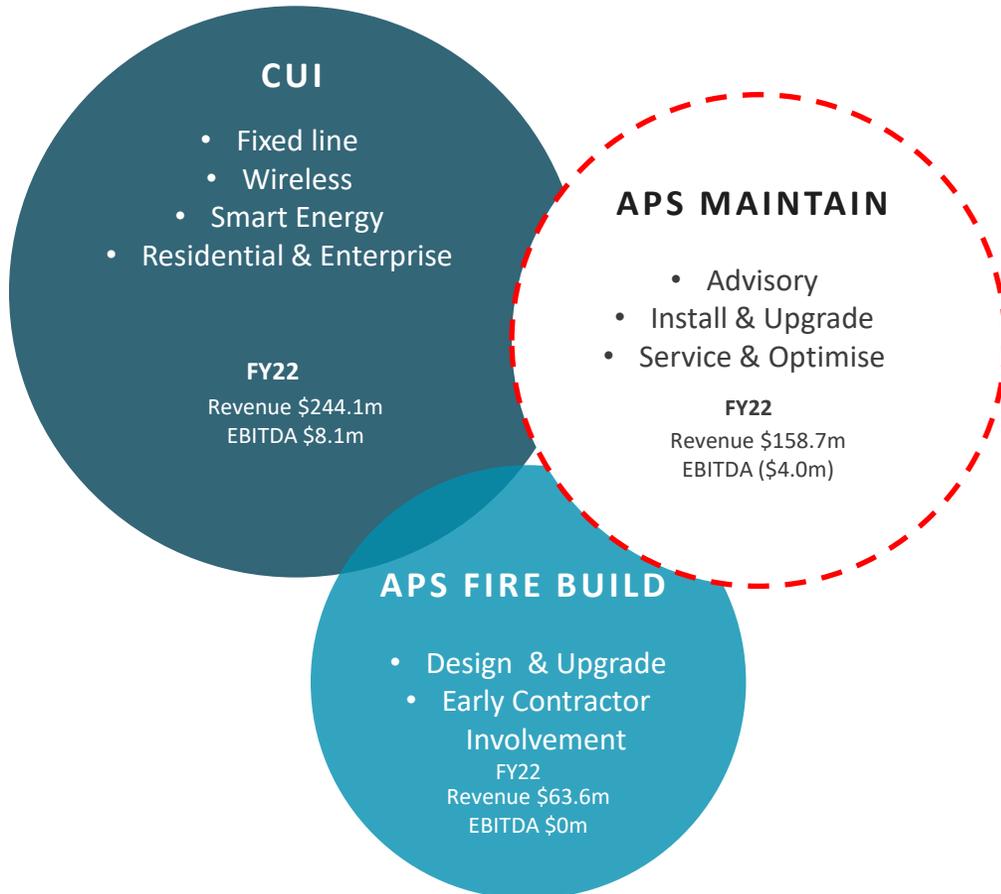
Highlights FY22:

- COVID-19 navigation
- Restructure completed
- Order book
 - **Honeywell** – Mechanical & Fire for corrections facilities (VIC, NSW);
 - **ALDI** – Building Management Control Systems; and
 - Wireless expansion with key clients including **Axicom, TPG/Vodafone, American Towers.**
 - **Intellihub**- Smart metering expansion.



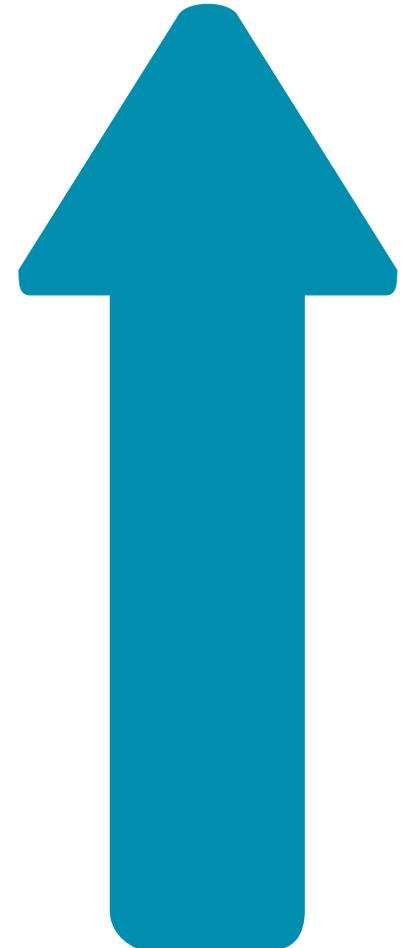
FY23 – APS Maintain Divestment

Stabilise & Focus



Highlights:

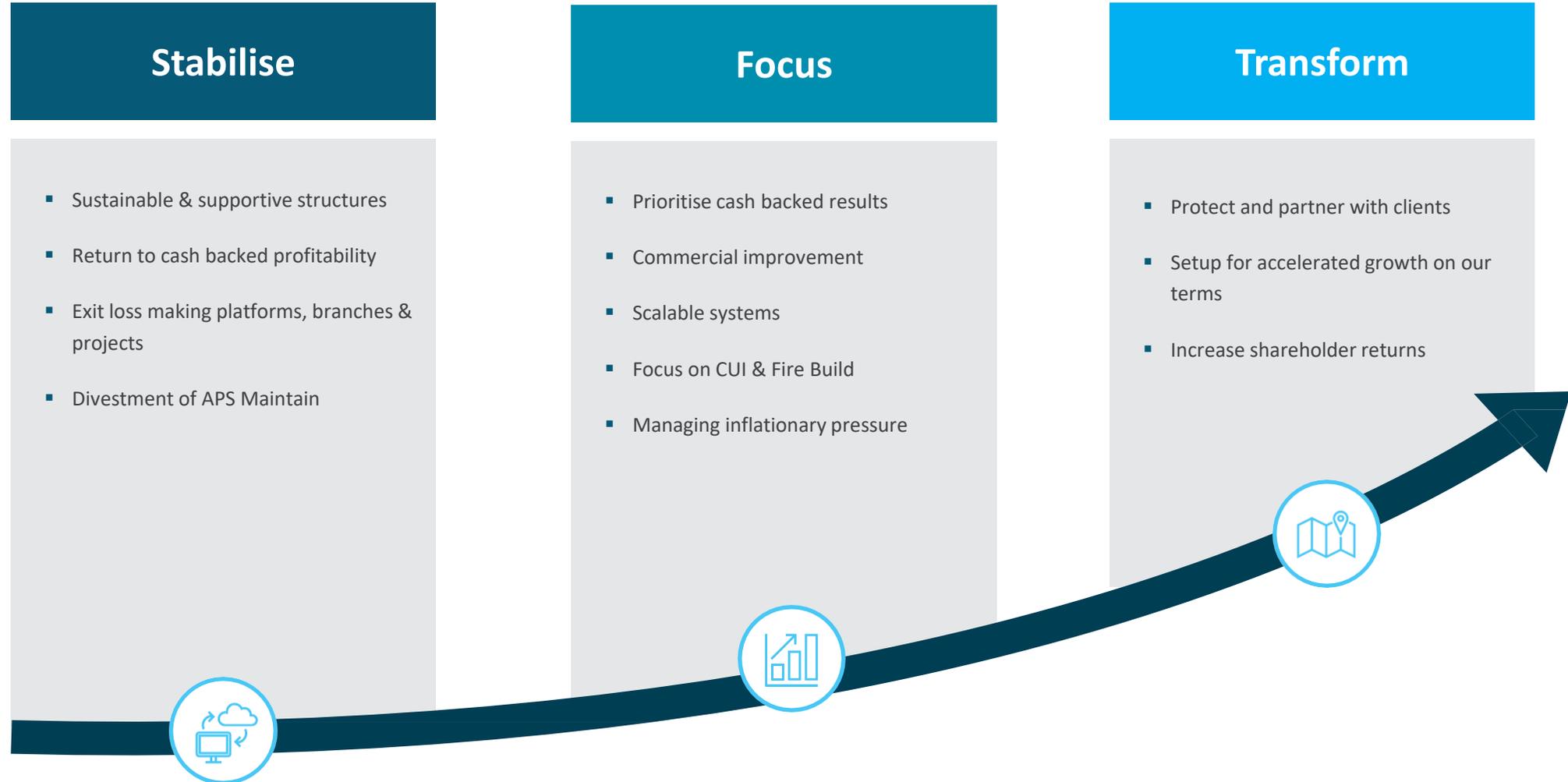
- On 23 November 22 BSA entered into an agreement with CBRE for the sale of the APS Maintain business for \$20m before costs and adjustments;
- The transaction will be transformational for both parties and is a great outcome for both our people and our customers;
- APS Maintain will continue to deliver world class services to its customers;
- Targeting completion by 28 Feb 23 with transition over 9-12 months;
- 30 September 22 Net Debt (\$7.7m); and
- Funds used to increase working capital to meet operational costs, thus strengthening the balance sheet.





FY23 – Strategic Direction

Three horizon approach with emphasis on stability, profitability and growth





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