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BSA AGM 2024 Chair and Joint CEO Addresses

BSA Limited (ASX:BSA) - Attached are the Addresses to be delivered by the Chairman, Nicholas Yates and Joint CEO's Arno Becker and Richard Bartley at BSA Limited AGM to be held at 2.00pm on Thursday 24 October 2024.

This announcement is authorised for release to the ASX by the Board



Annual General Meeting

24 October 2024

Chair Address

Introduction

This year has been marked by notable achievements, laying a strong foundation for BSA Limited's future. The group has now practically completed the closure of the Fire business – the last step in our rebuilding of a more robust business platform. The focus is now on the growth in our telecommunications and supplementary businesses and on building on the success of FY2024. Our key areas of focus that have contributed to our performance are People, Safety, Financial, and Operations and I will talk to these in turn.

People

BSA participated in the Great Place to Work survey for the first time, receiving overall positive results. This accomplishment is testament to the hard work and dedication of our employees who are the cornerstone of our success. The Company remains committed to fostering a supportive work culture, and will continue to focus on employee development, recognition, well-being, and work-life balance.

Health and Safety

We are proud of the continued focus on workplace health and safety. During the year we made significant improvements which have been reflected in our health and safety metrics. Our priority remains on proactive measures with key lead indicators to ensure a safe work environment for employees and the community.

Financial

From a financial perspective, BSA has delivered a transformative result in FY2024. The results, which our Joint-CEO's will provide more commentary on shortly, delivered significant year-on-year financial growth at a continuing operations level. This momentum has carried into FY2025 with the Group's first quarter trading increasing our run-rate further and strengthening the Group's balance sheet at the same time. The Group's ongoing discipline in financial performance should allow the Board more capital flexibility going forward as the Group forecasts a net cash position before the end of the FY 2025 financial year.

Operations

The Company continues to support key customers whilst exploring new market opportunities. The successful turnaround under the leadership of Joint-CEOs Arno Becker and Richard Bartley has set the stage for further progress and success despite an economy that is impacted by inflation and cost-of-living pressures. There continue to be opportunities in adjacent markets and we are actively exploring those.

Looking ahead, BSA is confident in its ability to navigate the challenges and opportunities that lie ahead and deliver sustainable value, backed by a strong team and financial position. On behalf of the Board, I would like to express my gratitude to our employees, shareholders and stakeholders. I would also like to thank my fellow Directors for their ongoing support and commitment to the Company .

I look forward to updating shareholders on our progress next year.

I will now hand over to our Joint CEOs, Arno Becker and Richard Bartley.



Annual General Meeting

24 October 2024

Joint Chief Executive Officers Address

Arno Becker CFO & Joint CEO

Financial Update

Good afternoon everyone and welcome to the BSA Limited Annual General Meeting. It is our pleasure to present an overview of the Group's operations and performance for the financial year 2024. We will also provide an update on the significant developments and expectations in the year ahead.

The financial year 2024 has been pivotal in the Group's transformation. We continued to focus on our core businesses in the telecommunications and smart energy sectors, while continuing the wind down of non-core operations. Notably, we progressed with the closure of our APS Fire business, a necessary step to focus the Group. Despite the challenges and costs associated with the closure, our core business performance has strengthened as we continue to deliver on our three-horizon strategy: stability, focus, and transformation.

Our financial performance for FY2024 delivered material improvements. The Group's total revenue for FY2024 was \$267.2 million, compared to \$363.8 million in the prior year. This decline in revenue was attributable to the inclusion of discontinued operations in FY2023. Revenue in our continuing operations increased to \$255.5 million from \$239.8 million in the year prior. The Group's overall profitability improved significantly during FY2024. EBITDA from continuing operations was \$22.2 million representing 36.7% year-on-year growth. This increase reflects our focus on higher-margin activities, operational discipline and better reflecting the value of our services. Continuing operations delivered a net profit after tax of \$18.8 million as compared to \$5.9 million in the prior year. The focus remains on higher margin work streams and ensuring that all service platforms within the business generate appropriate margin.

At the bottom line, the Group recorded a net profit after tax of \$10.6 million compared with a \$3.0 million loss in FY2023. These results underscore the positive impact of our strategic focus on core businesses and enhanced operational efficiencies.

Our balance sheet has also strengthened as we delivered stronger financial results. Net debt as at 30 June 2024 was \$6.5 million, however the FY 2024 year included a \$9 million payment to complete our legacy class action payment obligations. FY 2024 represented a year where many legacy liabilities were paid and the Group enters into FY 2025 with the ability to generate free cash flow. In September 2024, the Group extended its financing facilities with CBA for a further 12 months to 30 September 2025. Pleasingly, these include an overall increase in facilities to meet our recent growth. We thank CBA for their ongoing partnership with us.

As announced on 18 October 2024 in a trading update, first quarter trading performance for FY 2025 exceeded expectations. The Group delivered revenue of \$76.9m with an EBITDA of \$6.5m, exceeding the FY 2024 quarterly run-rate. Given the positive earnings and limited legacy cost provisions, the Group's closing net debt at 30 September 2024 was \$3.0m. The Group is optimistic that the first quarter FY2025 revenue and EBITDA run rate is sustainable for the remainder of the upcoming financial year based on current client volume estimates.

We are incredibly proud of what the team has achieved and this is testament to our commitment to long-term growth and profitability. I will now hand over to Richard to provide a more detailed update in our continuing operations.

Richard Bartley COO & Joint CEO

Thanks Arno and good afternoon all.

Operational Update

Our existing contract with nbn, Unify Services has been a critical contributor to BSA's success in FY2024, consistently delivering strong volumes throughout the year. The deployment of X2P, which migrates Fibre to Node, Fibre to Basement and Fibre to Curb across to Fibre to premises technology played a pivotal role in driving our EBITDA growth. We also benefited from

favourable margin mix in terms of work types as complex work order volumes significantly increased throughout the year.

In June 2024, we also secured an early renewal of our Foxtel partnership, extending the contract until 2027, with an option for further extension to 2029. Despite the ongoing shift in consumer preferences towards streaming and reduced revenue for this contract, our focus on cost control and pricing strategies have ensured that our EBITDA margins remain reflective of the high quality work which we carry out.

In the smart metering sector, our partnerships with Intellihub and Bluecurrent delivered robust results, and we anticipate continued opportunities as the shift to smart energy solutions accelerates as state governments mandate the roll out of Smart Meters. We are also positioning ourselves for future growth in the electric vehicle (EV) market, an emerging sector that holds significant long-term potential. Our capabilities cover the end-to-end services on site acquisition, design, installation and maintenance of EV charging infrastructure and will play a critical role as the market matures.

In Wireless, BSA refreshed its senior leadership during FY2024 with the intention to grow this business over the next few years. In June 2024, the NSW Telco Authority award to BSA as the preferred supplier for Design and Installation services for the Microwave Link rationalisation project is an early sign of positive momentum.

Safety & Community

Let's now turn to the area of workplace safety, where we continued our strong commitment to the health, safety and wellbeing of our workforce and the community. Furthermore, our Lost Time Injury Frequency Rate (LTIFR) decreased significantly from 2.92 to 0.86, and our Total Recordable Injury Frequency Rate (TRIFR) fell from 5.48 to 2.59. These are industry leading figures and reflect our commitment to the safety and well-being of our employees, the key priority for the Group.

The group has also focused on continually developing a sustainability roadmap to create a healthier environment, more positively impacting our people and the community, and act in an ethical and moral manner.

In terms of community engagement and diversity, we continued our focus on inclusive growth. Our first Reconciliation Action Plan (RAP) was endorsed in March 2023, and in 2024, we published our Indigenous Procurement Policy, demonstrating our dedication to working with First Nations businesses. Additionally, we maintained female representation in senior leadership positions and are setting ambitious targets for further progress.

Looking forward

While FY2024 continued the re-focus of the Group towards Telecommunications and Smart Energy Markets, FY2025 will allow the Group to continue growing the business in core and adjacent markets.

BSA's current Unified Field Operations agreement with nbn Co expires in January 2025 and is set for re-tender. In September 2024, BSA announced that it has teamed with UGL to bid for the nbn Field Services Contract, which will combine BSA and UGL's complementary strengths and capabilities to provide a holistic solution for nbn.

BSA has delivered services for nbn over the last 9 years which includes the roll out and maintenance of the nbn network. BSA has been fully aligned with the nbn strategy to drive a better digital future for Australia. In doing so, BSA has built great expertise and service excellence in delivering service/network activation, assurance, and maintenance activities. UGL, a member of the CIMIC Group, has a track record in delivering nbn Fixed Wireless, satellite and complex build works. Current estimated timelines indicate that the nbn Field Services contract will not commence before September 2025 and therefore this tender process is not expected to materially impact BSA's FY2025 forecasts and expectations. BSA expects the current Unified Field Operations agreement to be extended and align with the tender timeline.

Conclusion

In conclusion, we are privileged to lead the Company, and we thank our people, shareholders and Board of Directors for entrusting us to do so. We look forward to reporting back next year with more progress.

I will now hand back to our Chairman.