
29 October 2024

Chairman's Annual General Meeting Address

Good morning ladies and gentlemen. I would like to welcome you to Southern Cross Electrical Engineering Limited's 2024 Annual General Meeting. My name is Karl Paganin. I am the independent non-executive chairman of the Company and will be chairing today's meeting.

I am delighted to be addressing the Company's shareholders after a second consecutive year of record results for the SCEE Group including;

- record EBITDA of \$40.1m, up 5% on the prior year's record and exceeding guidance;
- EBIT of \$32.7m and NPAT of \$21.9m were also both records, up 10.4% and 9.1% respectively on the prior year;
- a record cash balance of \$84.1m; and
- a record order book of \$720m which included the largest initial contract award in our history at the Collie Battery Energy Storage System project in Western Australia.

These record results allowed us to increase our total declared fully franked dividends for the 2024 financial year to 6.0 cents per share, up from 5.0 cents per share in the prior year.

It was also very pleasing to see the share price increase by 158% in the year from \$0.67 at 30 June 2023 to \$1.73 at 30 June 2024. Delivering strong returns to our shareholders is a key priority for the Board.

As a diversified national electrical contractor we expect the three structural tailwinds of Data Centres, electrification and decarbonisation, and infrastructure to fuel our continued growth. We are forecasting an increase in EBITDA in FY25 of over 30% to at least \$53m with expectations of further growth in the following years. Graeme Dunn will talk more about these tailwinds in his presentation at the end of the meeting.

Our ability to identify and integrate highly accretive acquisitions has been a key pillar of our growth and diversification in recent years. In May we completed the acquisition of MDE Group, a Sydney based communications specialist. The Board remains committed to our strategy of pursuing further acquisitions offering increased geographic diversification and new capabilities.



Derek Parkin, my predecessor as Chair, retired from the Board on 1 September. Derek is here with us today and I would like to take this opportunity to acknowledge the valued contribution Derek made to SCEE during his 13 years as a director, including 8 years as Chair of the Company. It was always a pleasure to work with Derek and on behalf of the Board I wish him well in his retirement.

The Board was pleased to be able to attract a candidate of the calibre of Michael McNulty to replace Derek as an Independent Non-Executive Director and Chair of the Audit and Risk Committee. Michael is a former office managing partner at a big four accounting firm, with a consulting background across a range of industries and many years of board experience.

On behalf of the Board, I would like to thank all SCEE shareholders, clients, and other stakeholders for your continued support. We remain committed to enhancing shareholder value and look forward to delivering further growth in the years ahead.

Finally, I would like to acknowledge the executives, managers and employees across the group whose dedication and expertise is central to SCEE's continued success.

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

Authorised for release by Karl Paganin – Independent Non-Executive Chairman

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