



Announcement Summary

Entity name

SOUTHERN CROSS ELECTRICAL ENGINEERING LTD

Announcement Type

New announcement

Date of this announcement

Tuesday November 17, 2020

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
SXE	ORDINARY FULLY PAID	11,956,522

Proposed +issue date

Monday September 20, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

SOUTHERN CROSS ELECTRICAL ENGINEERING LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

92009307046

1.3 ASX issuer code

SXE

1.4 The announcement is

New announcement

1.5 Date of this announcement

Tuesday November 17, 2020

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

 Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
Other (please specify in comment section)	Monday September 13, 2021	<input checked="" type="checkbox"/> Estimated	

Comments

The proposed issue of ordinary shares subject to this Appendix 3B forms part of the contingent consideration payable to the vendors of Trivantage Holdings Pty Ltd ("Trivantage") under the terms of the Share Purchase Agreement for the acquisition of Trivantage by Southern Cross Electrical Engineering Limited as announced to the ASX on 18 November 2020.

The issues of the ordinary shares, up to a maximum value of AUD5.5m, is contingent on confirmation of Trivantage's EBIT for the 2021 financial year with the full entitlement to ordinary shares achieved on EBIT of AUD10.1m and reducing on a pro-rata basis to nil at EBIT of AUD4.0m.

Completion under the Share Purchase Agreement is conditional on there being no material adverse change in relation to Trivantage during the period ending immediately prior to the date of Completion which is currently expected to occur in mid-December 2020.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

 Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

 No

Details of +securities proposed to be issued



ASX +security code and description

SXE : ORDINARY FULLY PAID

Number of +securities proposed to be issued

11,956,522

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

The proposed issue of ordinary shares subject to this Appendix 3B forms part of the contingent consideration payable to the vendors of Trivantage Holdings Pty Ltd ("Trivantage") under the terms of the Share Purchase Agreement for the acquisition of Trivantage by Southern Cross Electrical Engineering Limited as announced to the ASX on 18 November 2020.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

5,500,000.000000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Part 7C - Timetable

7C.1 Proposed +issue date

Monday September 20, 2021

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

11,956,522



7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

No

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

Yes

7D.4a Please enter the number and +class of the +securities subject to +voluntary escrow and the date from which they will cease to be subject to +voluntary escrow

50% of the issued ordinary shares will be subject to voluntary escrow for 12 months from the completion date of the acquisition of Trivantage by the Company.

50% of the issued ordinary shares will be subject to voluntary escrow for 24 months from the completion date of the acquisition of Trivantage by the Company.

Completion is expected to occur in mid-December 2020.

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

No

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Nil

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

The proposed issue of ordinary shares subject to this Appendix 3B forms part of the contingent consideration payable under the terms of the Share Purchase Agreement for the acquisition of Trivantage by Southern Cross Electrical Engineering Limited.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No



7F.2 Any other information the entity wishes to provide about the proposed issue

The issue of the ordinary shares is contingent on Trivantage achieving certain FY21 EBIT targets as set out in Part 7A of this Appendix 3B.

The issue price of the ordinary shares will be calculated by reference to the VWAP of SCEE Shares over the 10 trading day period commencing on the day that is 5 trading days before the date of the announcement of the acquisition (being 18 November 2020) and ending on the fifth trading day following the date of the announcement.

For the purposes of calculating the estimated number of shares to be issued as disclosed in Part 7B of this form an indicative issue price of \$0.46 per share has been used, being the last traded price of the Company's shares prior to the release of this Appendix 3B.