

Chairman's address to the AGM

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Good morning, ladies and gentlemen. I would like to welcome you to Southern Cross Electrical Engineering Limited's 2021 Annual General Meeting. My name is Derek Parkin. I am a Director and the Chairman of the Company and will be chairing today's meeting.

It gives me great pleasure to have the opportunity to address the Company's shareholders after another transformational year for the SCEE Group.

The acquisition of Trivantage in December 2020 further expanded the Group's capabilities and geographical footprint and has significantly strengthened our recurring, services and maintenance platform. The acquisition continues to exceed our expectations with all three of the Trivantage businesses outperforming their forecasts and earn out targets in 2021.

The 2021 financial year saw us continue to grow in a number of key areas:

- Full year revenue of \$370.2m included a record half year of revenue of \$234.8m in the second half. We are targeting revenue of over \$500m in the 2022 financial year;
- EBITDA of \$29.6m was up 37% and NPAT up 27% on the prior year;
- The fully franked 2021 dividend of 4 cents per share, to be paid on 9 November, represents a 33% increase in returns to shareholders; and
- Our workforce grew to over 1,800, another record for the Group.

With an order book of over \$400m and a strong opportunity pipeline across our sectors we are well placed to deliver organic growth in 2022. We also expect to derive further benefits from cross selling opportunities and synergies within the SCEE Group.

From 1 November 2021 all of our WA based businesses will be co-locating in our new Perth CBD head office which will encourage increased integration and collaboration between the businesses in targeting opportunities and delivering works.

The Board remains firmly committed to delivering growth for shareholders. We continue to evaluate opportunities for further acquisitions and maintain a strong balance sheet to support this strategy.

On behalf of the Board I would like to take this opportunity to thank you, our shareholders, for your ongoing support and also to acknowledge the significant contribution of management and staff to the SCEE Group's achievements in 2021. We look forward to achieving further successes together in the year ahead.

Authorised for release by Derek Parkin - Chairman

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