

ersonal use only



Solution provider to the  
Australian electrical market

# FY24 Results

30 August

**20  
24**

# Important Notice & Disclaimer

## No Reliance

The information contained in this document is not investment or financial product advice and is not intended to be relied upon as the basis for an investment decision, and is not, and should not be assumed to be, complete. The information provided in this presentation may not be suitable for your specific needs and should not be relied upon by you in substitution for obtaining independent advice.

To the maximum extent permitted by law, neither the Company nor any other party guarantees or makes any representations or warranties, express or implied, as to, or takes responsibility for, the accuracy or reliability of the information contained in this document or as to any other matter, or takes any responsibility for any loss or damage suffered as a result of any inadequacy, incompleteness or inaccuracy in any statement or information in this document including, without limitation, any financial information, any estimate or projections or any other financial information.

Past performance information provided in this document may not be a reliable indication of future performance. No representation is being made that any investment will or is likely to achieve profits or losses similar to those achieved in the past, or that significant losses will be avoided. Statements contained in this document that are not historical facts are based on current expectations, estimates, projections, opinions, and beliefs of the Company. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon.

## Forward Looking Statements

This document contains certain forward-looking statements and comments about future events. Forward-looking statements involve known and unknown risks, significant uncertainties, assumptions, contingencies, and other factors, many of which are outside the control of the Company, are subject to change without notice, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct, and which may cause the actual results or performance of the Company to be materially different from any results or performance expressed or implied by such forward-looking statements. Such forward-looking statements speak only as of the date of this document. Forward looking statements should not be relied on as an indication or guarantee of future performance. No representation, warranty or undertaking is made that any projection, forecast, assumption or estimate contained in this document should or will be achieved. The Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements in this document to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any such statement is based.

## Miscellaneous

No person, especially those who do not have professional experience in matters relating to investments, may rely on the contents of this document. If you are in any doubt as to the matters contained in this document you should seek independent advice and/or consult your stockbroker, bank manager, solicitor, accountant, or other financial adviser.

A number of figures and calculations in this presentation are subject to the effects of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation. All dollar figures within this document represent Australian Dollars unless otherwise specifically stated.

# Presenters



**Michael Sainsbury**

Executive Director & CEO



**Jason Boschetti**

Chief Financial Officer



**Mohamed Yoosuff**

Executive Director  
Strategic Development

# What we'll share today

## FY24 Results

- Overview
- Financial Performance
- Market & Business Update
- Strategy & Outlook
- Q&A



## Our Vision

To help build a future where sustainable electrical infrastructure creates a better life for all.



## Our Mission

To enhance every aspect of infrastructure through energy efficiency, automation and secure connectivity while prioritising the safety and wellbeing of people.

# Overview

ersonal use only



# A Connected Group

Delivering customer value across the entire value chain



Power distribution, energy management and automation product distribution with complimentary custom assembly services



Complete electrical engineering services for high and low voltage projects with EV charging infrastructure specialisation



Specialists in the supply, modification, repair and design of hazardous area electrical equipment



Manufacturer and distributor of electrical cables and speciality plugs

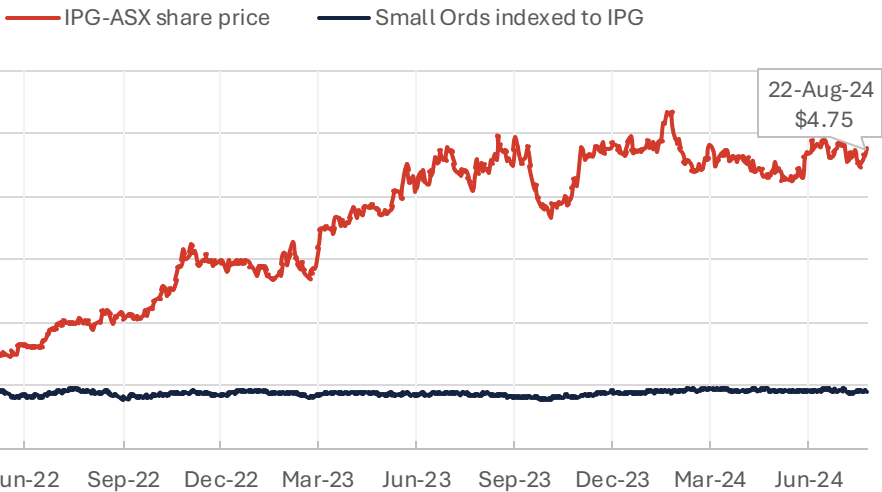


# Corporate Snapshot

## Capital Structure

ASX Code	IPG
ASX Share price	\$4.75 <sup>(1)</sup>
IPO Date	17 <sup>th</sup> December 2021
Shares on issue	103,380,078
Net Debt	\$8.8M <sup>(2)</sup>
Market capitalisation	\$491M <sup>(1)</sup>

## Share Price<sup>(1)</sup>

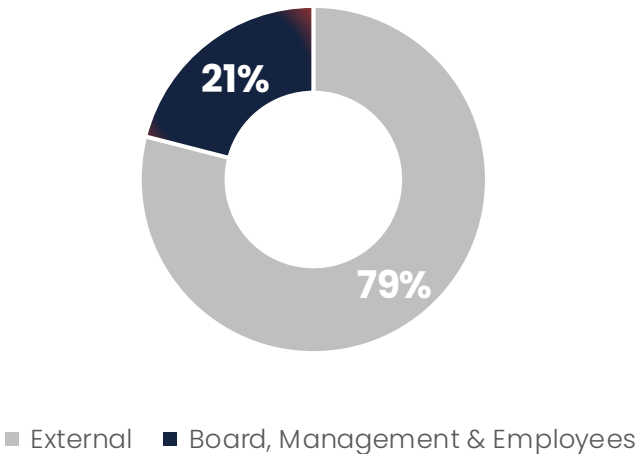


1. As at 22 August 2024  
2. As at 30 June 2024

## Board of Directors

David Rafter	Non-Executive Chair
Andrew Moffat	Non-Executive Director
Michael Sainsbury	Executive Director & CEO
Mohamed Yoosuff	Executive Director - Strategic Development

## Share Holder Breakdown<sup>(1)</sup>





# FY24 Results Overview

Continued growth exceeds top-end of earnings guidance

Revenue

**\$290.4m**



Up 28.0% (PCP \$226.9m)

Underlying<sup>(1)</sup> EBITDA

**\$40.1m**



Up 44.8% (PCP \$27.7m)

Underlying<sup>(1)</sup> EBIT

**\$34.3m**



Up 46.6% (PCP \$23.4m)

Underlying<sup>(1)</sup> NPAT

**\$23.3m**



Up 44.7% (PCP \$16.1m)

Underlying<sup>(1)</sup> EPS

**24.2 cents**



Up 30.1% (PCP 18.6cents)

Net Assets

**\$150.7m**

(\$72.9m as at 30 June 2023)

Net Debt<sup>(2)</sup>

**\$8.8m**

(\$31.1m of Borrowings as at 30 June 2024)

Capital Raised

**\$65.0m**

Successfully raised in Dec 2023

LTIFR<sup>(3)</sup>

**1.9 LTIFR**

Now over 400 days since last LTI

Total Dividends FY24

**10.8 cents**

Dividend per share fully franked  
50% payout ratio

1. Underlying EBITDA, EBIT and NPAT from ordinary activities is a non-IFRS measure reported to provide a greater understanding of business performance. Underlying EBITDA and EBIT have been arrived at by adding back acquisition related costs totalling \$1,221,000. Underlying NPAT from ordinary activities has been arrived at by adding back acquisition related costs after tax totalling \$855,000.

2. Net Debt excludes lease and tax liabilities.

3. Lost time injury frequency rate at 30 June 2024. LTIFR Average number of lost time injuries over the past 12 months for every 1,000,000 hours worked

# Financial Performance

# Financial Overview

## Record revenues & profits

### Acquisition of EX Engineering and CMI Operations delivers strong EBITDA, EBIT and NPAT growth.

- Record Revenue, EBITDA, EBIT and NPAT results for the Group drives earnings above the top end of guidance range.
- Underlying<sup>(1)</sup> NPAT growth of 44.7% on pcp.
- EX Engineering was acquired on the 21<sup>st</sup> of July 2023 and CMI Operations was acquired on the 31<sup>st</sup> January 2024. Both acquisitions have contributed to the Group's expanding EBITDA, EBIT and NPAT margins.
- CMI Operations lower operating gross profit margins will continue to have a dilutive impact on consolidated gross profit margins. However, CMI Operations higher EBITDA, EBIT and NPAT margins will continue to have an accretive impact on the consolidated Group.
- Underlying<sup>(1)</sup> EPS of 24.2 cents for FY24, up 30.1% on pcp.

\$m	Underlying <sup>(1)</sup> FY24	FY23	Movement % (vs last year)
Revenue	290.4	226.9	28.0%
Gross profit	107.8	86.8	24.2%
EBITDA	40.1	27.7	44.8%
EBIT	34.3	23.4	46.6%
NPAT	23.3	16.1	44.7%
EPS (cents per share) <sup>(2)</sup>	24.2	18.6	30.1%
Gross profit margin	37.1%	38.2%	(1.1%)
Operating expenses as % of revenue	23.6%	26.3%	(2.7%)
EBITDA margin	13.8%	12.2%	1.6%
EBIT margin	11.8%	10.3%	1.5%
NPAT margin	8.0%	7.1%	0.9%

1. Underlying EBITDA, EBIT and NPAT from ordinary activities is a non-IFRS measure reported to provide a greater understanding of business performance. Underlying EBITDA and EBIT have been arrived at by adding back acquisition related costs totalling \$1,221,000. Underlying NPAT from ordinary activities has been arrived at by adding back acquisition related costs after tax totalling \$855,000.

2. Weighted average number of ordinary shares used in the calculation of earnings per share of 96,039,605 (30 June 2023: 86,345,843)

# Sales & Earnings Growth

## Record revenues & profits

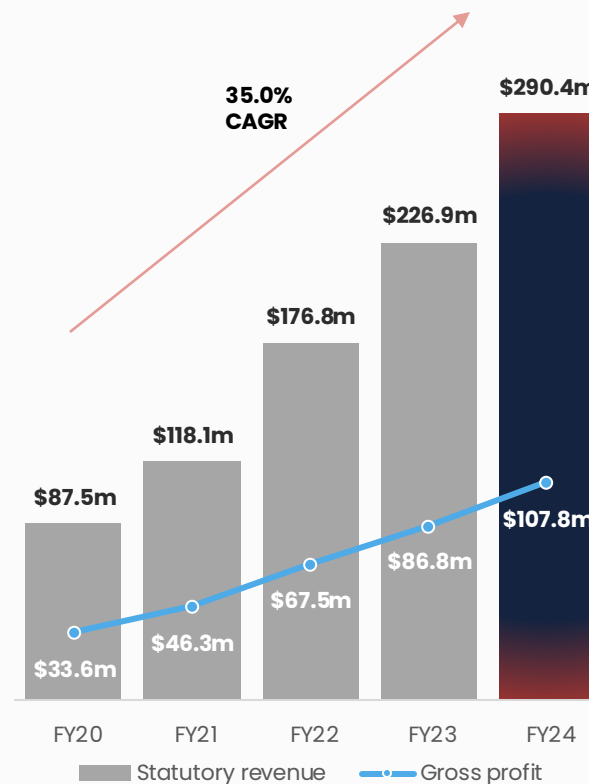
Revenue of \$290.4 million, up 28.0% on pcp

- The acquisitions of EX Engineering and CMI Operations have contributed to the Group's revenue growth.
- Strong continuing revenue growth displayed by 35.0% CAGR over the past five financial years.

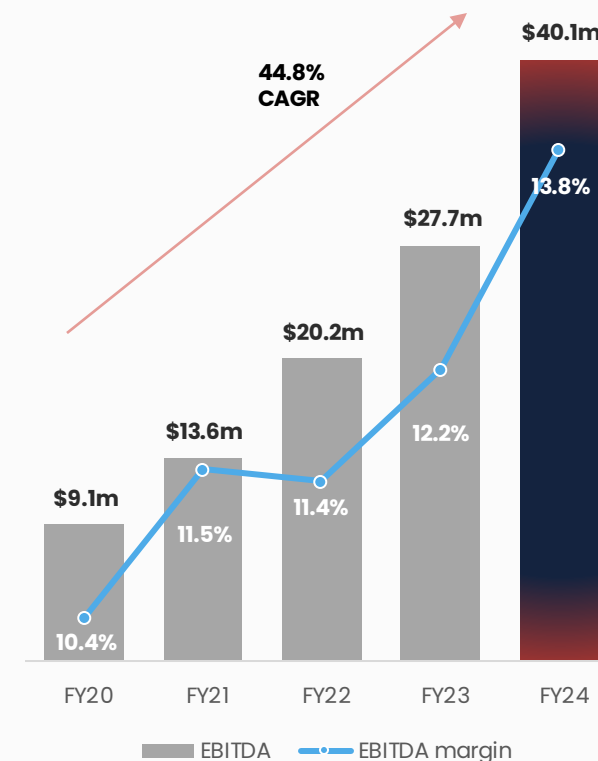
Underlying<sup>1</sup> EBITDA of \$40.1 million, up 44.8% on pcp

- Continued growth for the Group drives earnings above the top end of the guidance range.
- EX Engineering and CMI Operations higher EBITDA margins have contributed to the Group's results and expanding EBITDA margins.
- Strong underlying<sup>1</sup> EBITDA growth with a 44.8% CAGR over the past five financial years.
- EX Engineering and CMI Operations higher EBITDA, EBIT and NPAT margins will continue to have an accretive impact on the consolidated group.

### Revenue



### Underlying<sup>(1)</sup> EBITDA



1. Underlying EBITDA is a non-IFRS measure reported to provide a greater understanding of business performance. Underlying EBITDA has been arrived at by adding back acquisition related costs totalling \$1,221,000.

# Pro-forma Financial Performance

## Pro-forma sales & earnings

On a comparable pro forma basis, IPD delivers gross profit, EBITDA, EBIT and NPAT growth during FY24

- Pro-forma financials include the financial performance of EX Engineering and CMI Operations prior to acquisition and exclude acquisition-related costs.
- Strengthening gross profit, EBITDA, EBIT and NPAT margins
- Pro-forma<sup>(1)</sup> EPS of 28.5 cents for FY24.
- The traditional IPD business and EX Engineering achieved pro-forma<sup>(1)</sup> double-digit EBIT and NPAT growth during FY24.
- Whilst CMI Operations delivered revenue growth during FY24 there was a decline in Minto export sales due to the Indonesian governments temporary ban on mining exports, which ended late FY24. The resulting shift in sales mix, combined with one off relocation costs and new facility costs resulted in an EBIT and NPAT decline on FY23.

\$m	Pro-forma <sup>(1)</sup> FY24	Pro-forma <sup>(1)</sup> FY23	Movement %
Revenue	350.4	343.3	2.1%
Gross profit	124.1	120.2	3.2%
EBITDA	49.8	47.6	4.6%
EBIT	42.8	41.5	3.1%
NPAT	29.5	28.6	3.1%
Gross profit margin	35.4%	35.0%	0.4%
Operating expenses as % of revenue	21.3%	21.3%	0.0%
EBITDA margin	14.2%	13.9%	0.3%
EBIT margin	12.2%	12.1%	0.1%
NPAT margin	8.4%	8.3%	0.1%

1. IPD acquired EX Engineering on 21 July 2023 and CMI Operations on 31 January 2024. The Pro forma information presented includes the financial performance of EX Engineering and CMI Operations prior to acquisition and excludes acquisition related costs.

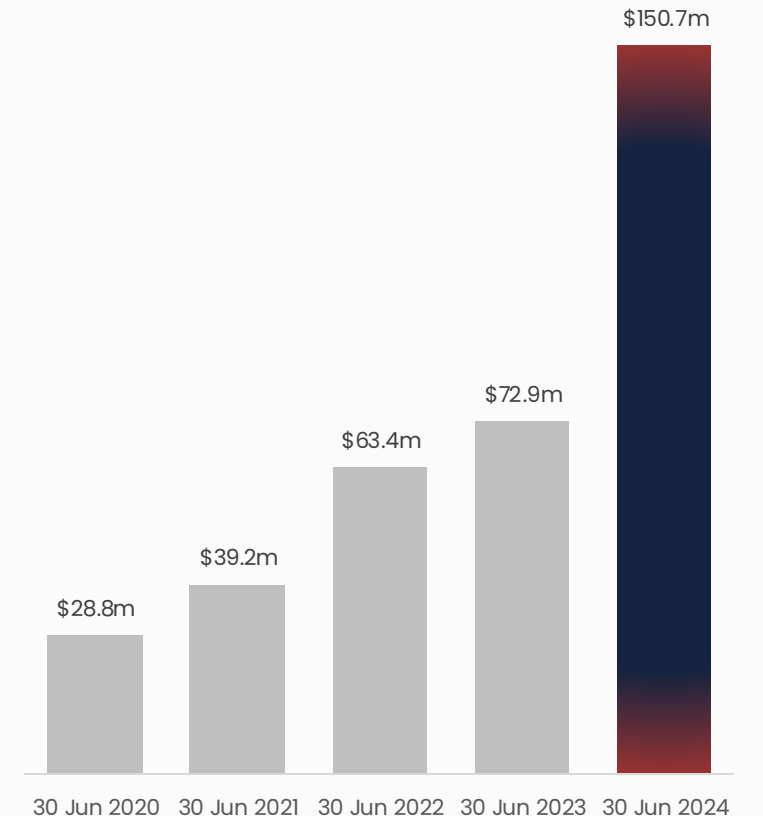
# Balance Sheet

Strong & flexible financial position

\$m	As at 30 Jun 2024	As at 30 Jun 2023
Total current assets	173.3	109.1
Total non-current assets	99.4	30.5
<b>Total assets</b>	<b>272.7</b>	<b>139.6</b>
Total current liabilities	80.4	55.0
Total non-current liabilities	41.6	11.7
<b>Total liabilities</b>	<b>122.0</b>	<b>66.7</b>
<b>Net assets</b>	<b>150.7</b>	<b>72.9</b>

- As at 30 June 2024, the Group has \$150.7 million of net assets on its balance sheet after the acquisition of CMI Operations Pty Ltd on 31 January 2024.
- On 31 January 2024 the group utilised \$31.1 million from the newly acquired \$40.0 million CBA acquisition debt facility to partly fund the acquisition of CMI Operations.
- As at 30 June 2024 the group has net debt of \$8.8m, with \$22.3m of cash and \$31.1 million in borrowings.

## Net Assets





# Net Working Capital & Dividend

Continued investment for future growth

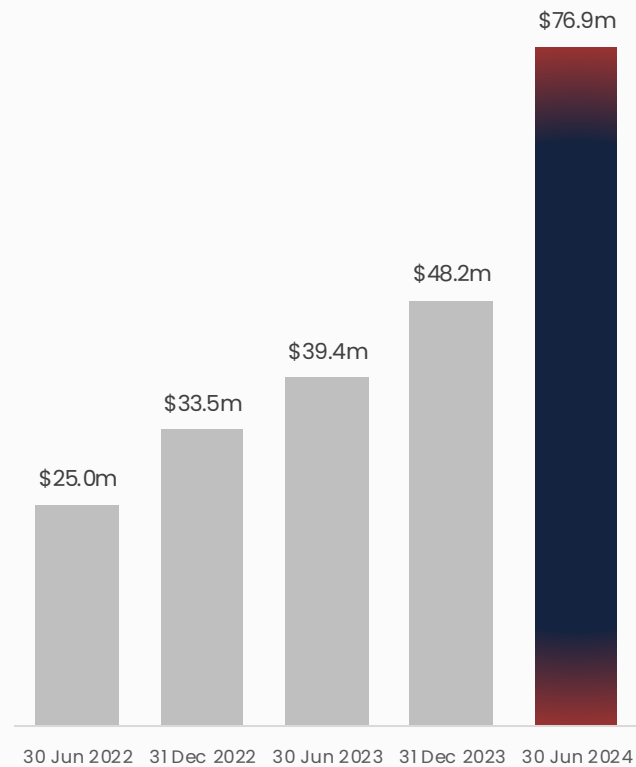
## Net working capital (NWC) of \$76.9 million

- Inventory increased by \$29.0 million on 31 December 2023, with \$28.9 million of this contributed by the addition of EX Engineering and CMI Operations.
- Operating free cash flow conversion (Operating cash flow before interest and tax outflows) rose 37ppt, from 51% in FY23 to 88% in FY24.

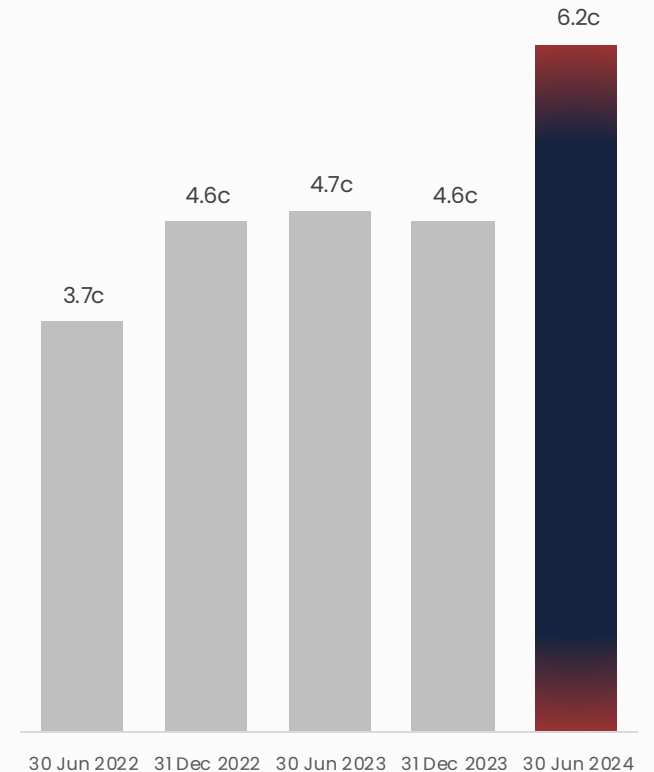
## Dividend of 6.2 cents/share

- \$22.4 million in NPAT from ordinary activities after acquisition costs, up 39.1% on pcip.
- Fully franked final dividend of 6.2 cents per share declared for the second half of FY24.
- Total dividends declared for FY24 were 10.8 cents per share (FY23 9.3 cents per share), equating to a payout of \$11.2 million and a payout ratio of 50%.

### Net Working Capital (NWC)



### Dividends

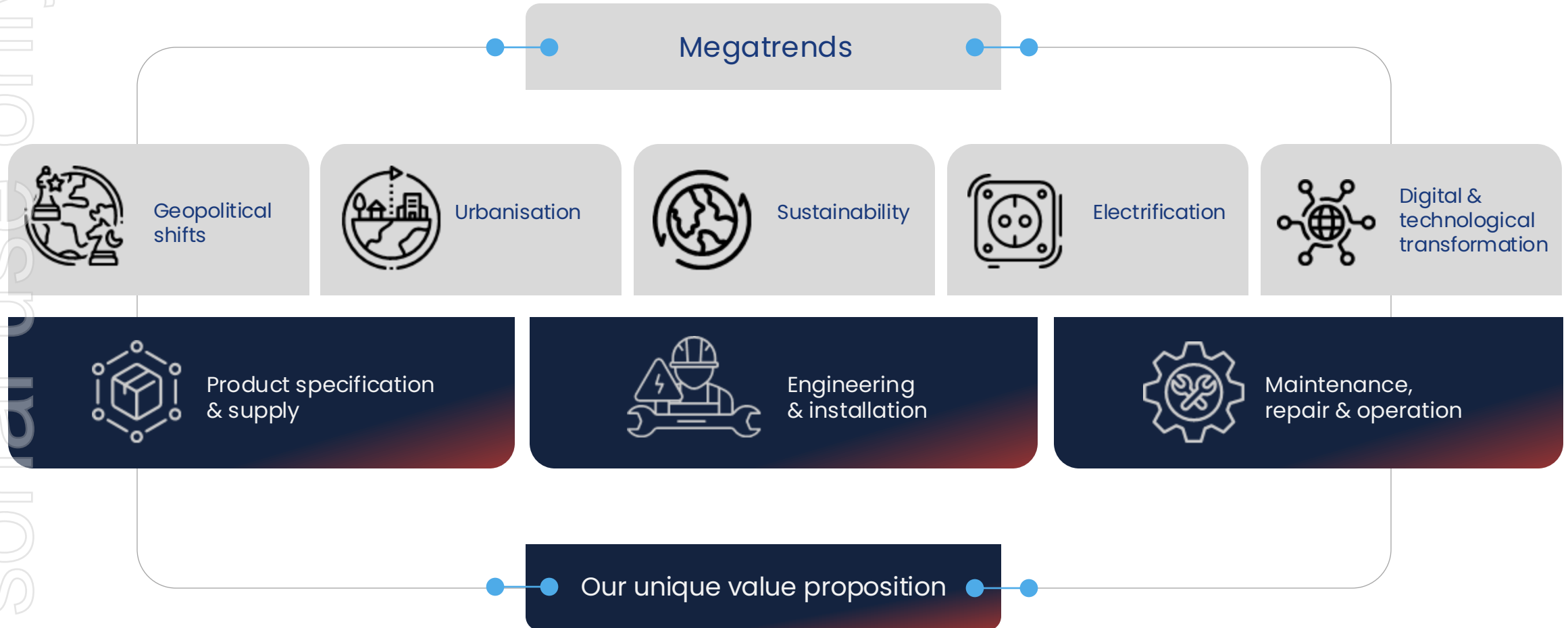


ersonal use only

# Market & Business Update

# Energy Transition Supporting Strong Fundamentals

Leveraging our unique value proposition to secure long term growth



# IPD Business Update



## Energy Efficiency & Automation Experts

### Initiatives & Highlights

**Demand Creation & Specification:** Building relationships through the Strategic Solutions Team, targeting key segments like Mining, Data Centres, water and wastewater.

**Collaborative Opportunities:** Partnering with ABB Electrification to capture key opportunities, especially in the Data Centre segment.

**Sales Organisation Restructuring:** Revamping the sales structure to support growth and better serve customers across Strategic Solutions, Buildings & Infrastructure, Industry, and Wholesale.

**ABB Motors Master Distributorship:** Strengthening and expanding the ABB Motors Master Distributorship.

**Improved Logistics:** Introduced a new provider with automated management, enhanced capacity, and advanced technology for faster, more reliable, and transparent deliveries.

### Major Projects

**Global Leader in Data Centres:** Secured large forward orders for the next 12 months; demand projected to increase by 25%.

**National Car Dealership Group:** Supplied EV chargers to LSH dealerships in Sydney, Melbourne, and Brisbane; providing customer EV charger solutions for SMART Electric Car buyers.

**Powerhouse Museum Parramatta:** Supplied ABB low voltage switchgear and distribution boards.

**Harbourside Darling Harbour:** Received order for busduct system supply.

**Renewables:** Goulburn River Solar, Bundaberg (Ewia) Solar Farm, and Melton Battery Farm, where we supplied Hirschmann Industrial Communications solutions.



# Addelec Business Update



## Driving Sustainable Electrical Infrastructure

### Initiatives & Highlights

#### **Integrated Brand and Expanded Reach:**

Integrated Gemtek into Addelec with new branding as of July 1; expanded services to QLD, now covering NSW, VIC, TAS, QLD, and WA.

#### **Turnkey Solutions and Market Leadership:**

Provides comprehensive turnkey EV charging solutions with a national footprint and is recognised as a leader in the EV infrastructure space.

**New Product Alliances:** Formed new partnerships with eLumina and Kempower, enhancing the range of best-in-class products.

**Strong Industry Relationships:** Connections with key industry players including NRMA, Everengi, RAC, Chargefox, Transit Systems, ABB, and BGIS.

**Strategic Ambition:** Expanding our market position in EV charging solutions by leveraging our established expertise in data centers and high-voltage systems, positioning us as a market leader in Australia.

### Major Projects

#### **PTA / Programmed FM** – Malaga Bus Depot:

Awarded contract to provide EV charging; project to be delivered and invoiced within the fiscal year.

**NRMA:** Received 21 POs for site engineering and construction across multiple States.

**eLumina:** Secured sale of 14 eLumina battery backed high power chargers to NRMA for deployment across Australia.

#### **University of Wollongong P8 Carpark**

**Charging Station:** Awarded grant for 3 super-fast EV chargers; project includes installation of ABB Terra chargers and related works.

**Cloud Carrier:** Completed HV reticulation design and construction for Cloud Centre data centre.





# Ex Engineering Business Update

Trusted in Electrical Safety for Hazardous Areas



## Initiatives & Highlights

**Increased Workshop Demand:** Achieved a 21% increase in workshop builds compared to the previous year.

**Expansion to East Coast:** Expanded Ex Engineering to the East Coast, including the incorporation of the East Coast workshop.

**National Stock Management:** Reviewed and aligned stock management, margins, pricing, and sales structures on a national level.

**System and Process Alignment:** Aligned systems and processes around STAHL assembly, focusing on compliance and productivity.

**National Market Presence:** Enhanced national market presence while maintaining high customer service and compliance standards.

## Major Projects

**Global Energy Company Supply Contract:** Ongoing support with a recent contract extension.

**CBH Supply Contract:** Continued support with a recent contract extension.

**CBH Storage Upgrades:** Delivered storage upgrades and rail loading expansions.

**Callide Power Station Upgrades:** Provided equipment sourcing and customised equipment supply.





# CMI Operations Business Update

## Leaders in Safe & Reliable Power Connections

### Initiatives & Highlights

**Continued Expansion:** Expanding into Mongolia and Indonesia to tap into compatible markets.

**Sustainability Advancement:** Introducing an 11kV mining coupler to help the resource sector reduce fossil fuel use.

**Technological Innovation:** Enhancing Minto mining products through improved safety, reduced weight, and streamlined installation.

**Market Share Growth:** Expanding in Australia's electrical cable sector with new complementary products.

**Global Opportunities:** Exploring new international markets for the Minto mining plug range.

### Major Projects

**Western Sydney Harbour Tunnel:** Supplied high-voltage plugs and cable for critical infrastructure.

**HMAS Cairns:** Provided extensive cable supply for naval infrastructure upgrades.

**North Head Bio Solids:** Delivered specialised cable solutions for bio solids processing facilities.

**Chatswood Chase:** Supplied cables for major retail and commercial redevelopment.

**360 Queen Street:** Provided cable solutions for a high-rise commercial building project.

**North Goonyella Underground Mine:** Supplied mining plugs for underground operations, enhancing safety and efficiency.



# Voice of Our Customers

Commendable NPS Score

# 32.9%

## NPS Growth reflects strong customer satisfaction

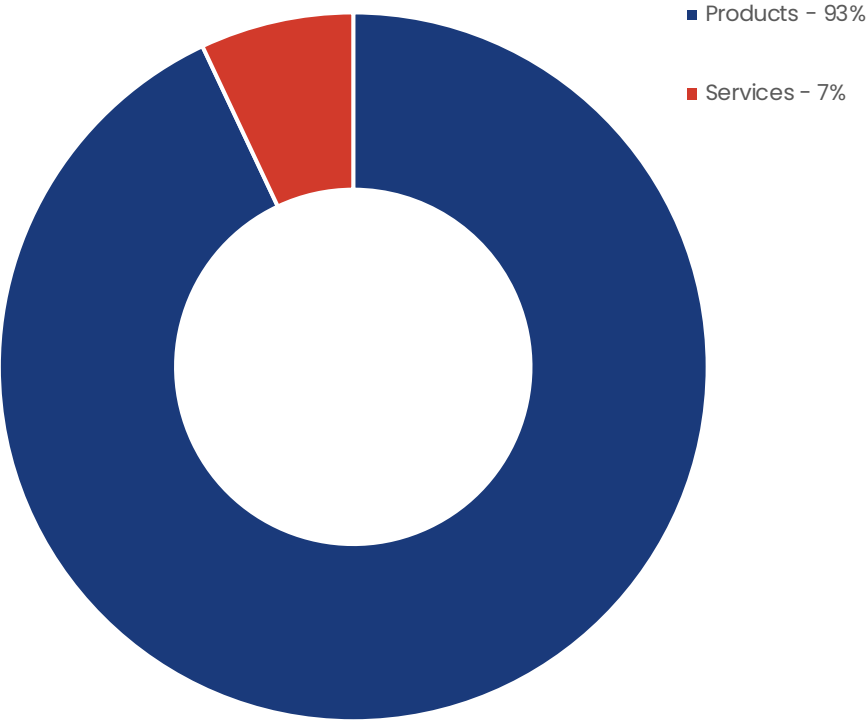
- NPS improved to 32.9% in FY24, up from 30.2% in FY23.
- Positive trend in customer satisfaction and engagement across all subsidiaries.
- In the B2B industry, an NPS score of 30–40% is considered strong.
- Indicates solid customer loyalty and highlights the success of our customer-focused strategies.



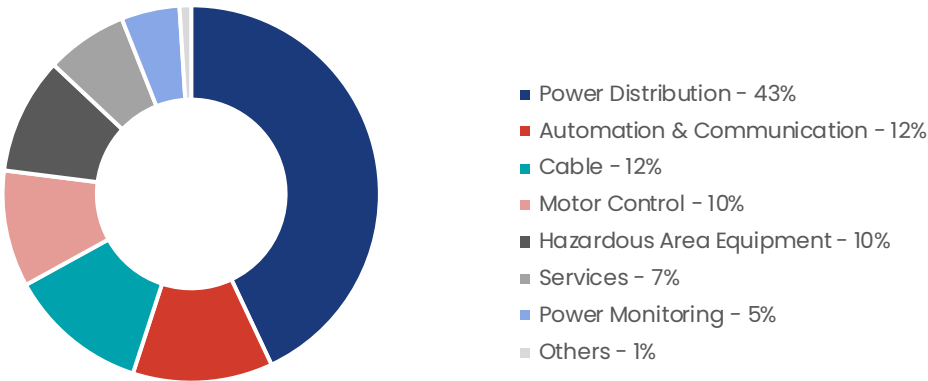
# Diversified Revenue

Multiple technologies for diverse markets and stable growth

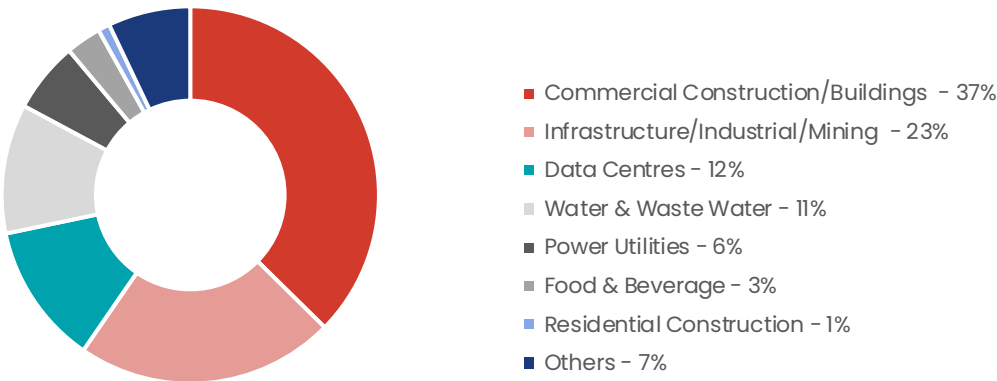
FY24 Revenue by Type



FY24 Revenue by Product Type



FY24 Revenue by End Market





# Product Vendor Relationships

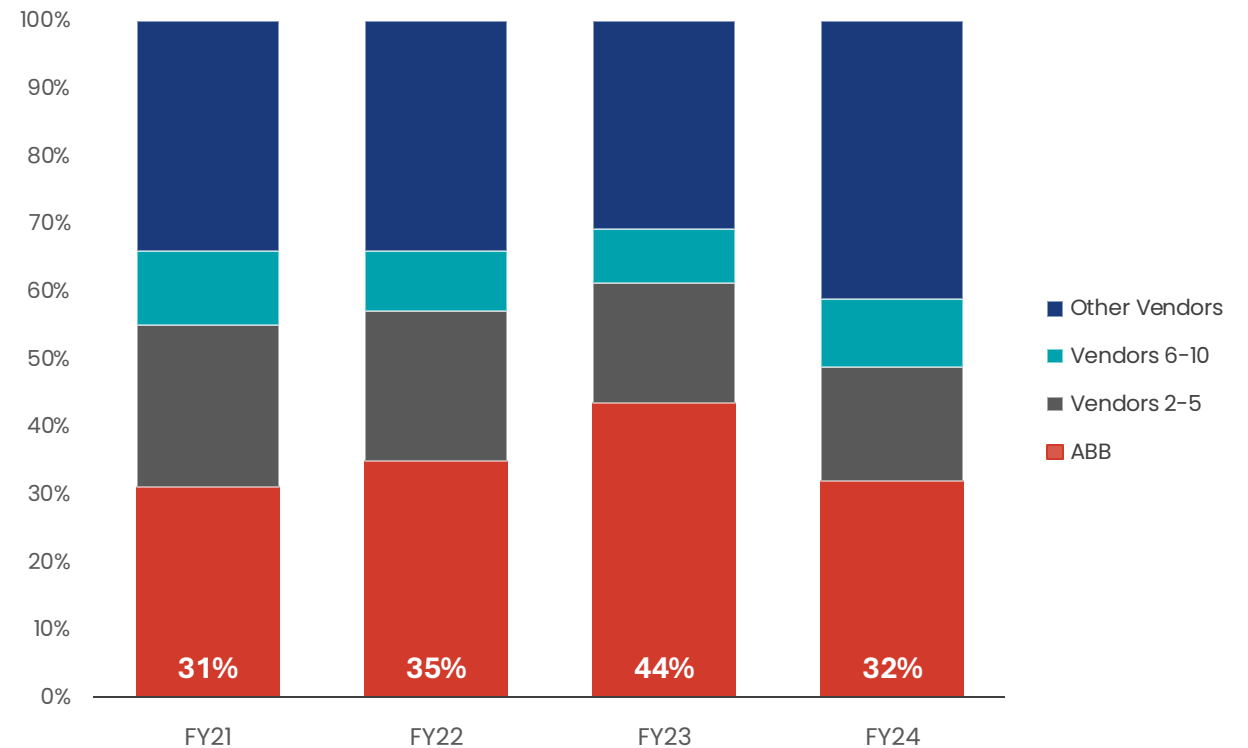
Broadening of vendor base increases diversification

Recent acquisitions of Ex Engineering and CMI Operations continue to support diversification.

Contribution of the top 5 vendors have decreased from 62% in FY23 to 49% in FY24 with the acquisitions of Ex Engineering and CMI Operations.

The company's diverse vendor and technology portfolios offset declines in some segments with growth in others.

Vendor Revenue Concentration



# Creating a positive imprint

Progress in sustainability, focusing on responsibility



Our people are not just the heart of IPD Group, they are the driving force behind our success.

664

Employees

35%

Employee NPS score – strong result well above industry benchmarks indicating a healthy, positive work environment.

1.9

Lost time injury frequency rate (LTIFR)

400

Now over 400 days since last LTI

## Environmental, Social & Governance

- Repurposed timber for Australian flooring production.
- Replaced polystyrene packing with corrugated cardboard, eliminating 160m<sup>3</sup> of landfill waste.
- Use 100% recycled paper for packing.
- Switched to reusable transport crates, reducing single-use void fill.
- Support for employee-selected charities, including cancer research and The Salvation Army.
- On-going commitment to Employee Assistance Program (EAP).
- Released ESG Policy and goals.
- Phased out single-use plastics; using recycled shrink wrap.
- Installed EV charging stations at key sites with expansion plans.
- Installed LED lighting at six sites.
- Released the second Modern Slavery Statement.

# Strategy & Outlook



# Strategic Priorities

## Delivering growth, efficiency and sustainability

### Business Growth

#### Customer Value & Market Expansion

- Enhance customer experiences by leveraging our strong brand portfolio.
- Drive growth at double the market rate by expanding into new and underserved markets.

#### Accelerate Growth

- Prioritise capital investments that enhance earnings and market position.
- Pursue strategic acquisitions to expand our customer value and growth potential.

### Operational Efficiency

#### Scalable Operations

- Leverage the Group's integrated shared services model to achieve cost savings.
- Enhance operational effectiveness by maximising economies of scale across the organisation.

#### Synergies & Emerging Technologies

- Leverage internal and external synergies to boost value creation.
- Early identification of emerging technologies to stay ahead of market trends and capture new opportunities.

### Sustainability

#### Sustainable & Responsible Impact

- Focus on responsibility, compliance, and sustainability to ensure a positive impact.
- Align growth and innovation initiatives with long-term environmental and social goals.

#### One Team with Purpose-Driven Culture

- Cultivate a highly engaged team that lives the company's values.
- Foster a purpose-driven culture that supports strategic goals and drives collective success.

- The outlook for our markets remains buoyant, driven by the transition to renewable energy, increasing demand from data centres and their energy requirements, the growing number of EV chargers, and a supportive legislative environment.
- IPD's experienced senior management, best-in-class customer service, diverse product range, strong balance sheet, and strategic focus on M&A uniquely position us for continued growth.
- The Board will provide an update on Q1 trading performance at the IPD Group Limited AGM on the 26 November 2024.

# Q&A

ersonal use only

# Thank you