SCOTT TECHNOLOGY LIMITED

HY25 RESULTS

INVESTOR PRESENTATION

16 April 2025

HY25 Half Year Results

Mike Christman
Chief Executive Officer

Mark O'Malley
Chief Financial Officer

Anthony Wesney
Director of Transformation

AGENDA

Key messages

- **Strategy refresh:** focusing on the customer and intimately understanding their needs
- **Revenue slow down across sectors:** driven by the lag impact of slow order in-take throughout FY24
- **Cash flow positive:** focus on working capital and normalising cash following some large anomalies
- **Forward work now up:** higher blended margin, positive for 2H25
- **Outlook:** momentum heading into 2H25 with recent large project wins. Uncertainty around global economy

Watch the result review and message from the CEO: HY25 CEO Message Video

IMPRESSIONS FROM THE CEO

Impressions from the CEO

- **Market leading technology** with a truly global opportunity
- **Highly skilled and passionate people**
- **Margin expansion and modular approach** provide positive momentum
- **R&D** has been project-to-project rather than a strategically integrated roadmap
- **Sales have plateaued**, an issue that we need to structurally address
- **Clear need to deepen customer proximity** through key account management

What has changed when looking back five years

		HY20	HY25	Change	CAGR	Comment
Net Margin %	▲	18%	29%	*+11 p.p*		Focus on cost out, scalable solutions and higher margin projects
Service revenue *($m)*	▲	$23	$37	*+61%*	*+10%*	Improved service penetration – further opportunity exists
Net Cash/(Debt) *($m)*	▲	($20)	($13)	*-34%*	*-8%*	Focus on capital management provided resilience to balance sheet
Operating cashflow *($m)*	▲	$0.9	$14.5	*+1511%*	*+74%*	Improved operating cashflow after some lumpy periods
Onerous Contracts *($m)*	▲	$6.5	$0.0	*-100%*		Significant improvement in onerous contracts and reducing risk
Footprint sqm*	▲	47,843	54,989	*+15%*	*3%*	Targeted investment in facilities with capacity for future growth
Revenue *($m)*	▬	$99	$122	*+20%*	*+4%*	Revenue plateaued, not in-line with growth aspirations
Forward work *($m)*	▬	$110	$165	*+50%*	*+8%*	Increased levels of forward work but a need to grow this further
Total Assets *($m)*	▬	$197	$244	*+24%*	*+4%*	Increase in working capital and investment in facilities
Employees	▬	748	629	*-16%*	*-3%*	Changes following Covid and restructuring to align to core sectors
Share price	▼	$2.00	$2.00**	*0%*	*0%*	Share price stagnant despite improvement across key metrics

**Excludes RobotWorx which ceased to operate in 2022.*
*** As at 10th April 2025*

2030 strategy refresh

Finalise group 2030 strategy refresh including detailed market analysis, customer focused solutions and establish a collaborative culture:

- **Customers First:** intimately understanding and solving our customers needs
- **One Scott:** culture shift required to unlock potential and foundation for sustainable growth globally
- **Leading Edge Technology:** through deep market understanding, delivering transformative, scalable and modular solutions
- **High Performing Global Team:** we take action that supports long term goals.

More detail on strategy to be provided at our upcoming Investor day

HY25 PERFORMANCE

HY25 Business Highlights

Strong Q2 provides momentum for the next six months – Q2 saw key project wins, return to net cash positive and posted two-thirds of HY25's EBITDA.

A proactive safety culture continues to drive engagement and improvement with an **83% increase in safety conversations** in HY25.

The Scott executive team met to review and align on long term strategy, targeting a new **2030 strategy, details to be presented at Investor Day.**

Strong growth runway fueled by innovative products and scalable solutions, the launch of NexBot, BladeStop T300 & K800 and progressed key developments in Beef and Lamb modules.

Forward work remains positive with $165m comprising a spread across all sectors and at a higher margin mix than the prior year.

The Directors have recommended an **interim dividend of 3.0 cents per share** (unimputed). The dividend reinvestment plan will apply.

HY25 Performance Snapshot

HY25 Revenue

$122M - 14%

HY24 $141M +11% | **HY23** $127M +11%

Group Margin Performance

29% +3 PTS

HY24 26% +0 PTS | **HY23** 26% + 4 PTS

Reported EBITDA*

$12M - 14%

HY24* $14M - 3% | **HY23*** $15M + 20%

Service Revenue Contribution

31% +5 PTS

HY24 26% +4 PTS | **HY23** 26% +2 PTS

Forward Work**

$165M +2%

HY24 $161M - 13% | **HY23** $184M + 39%

Underlying Earnings Per Share (Cents)***

5.4 cents

HY24 8.5
HY23 9.8

Dividends Per Share (Cents)

3.0 cents

HY24 5.0
HY23 4.0

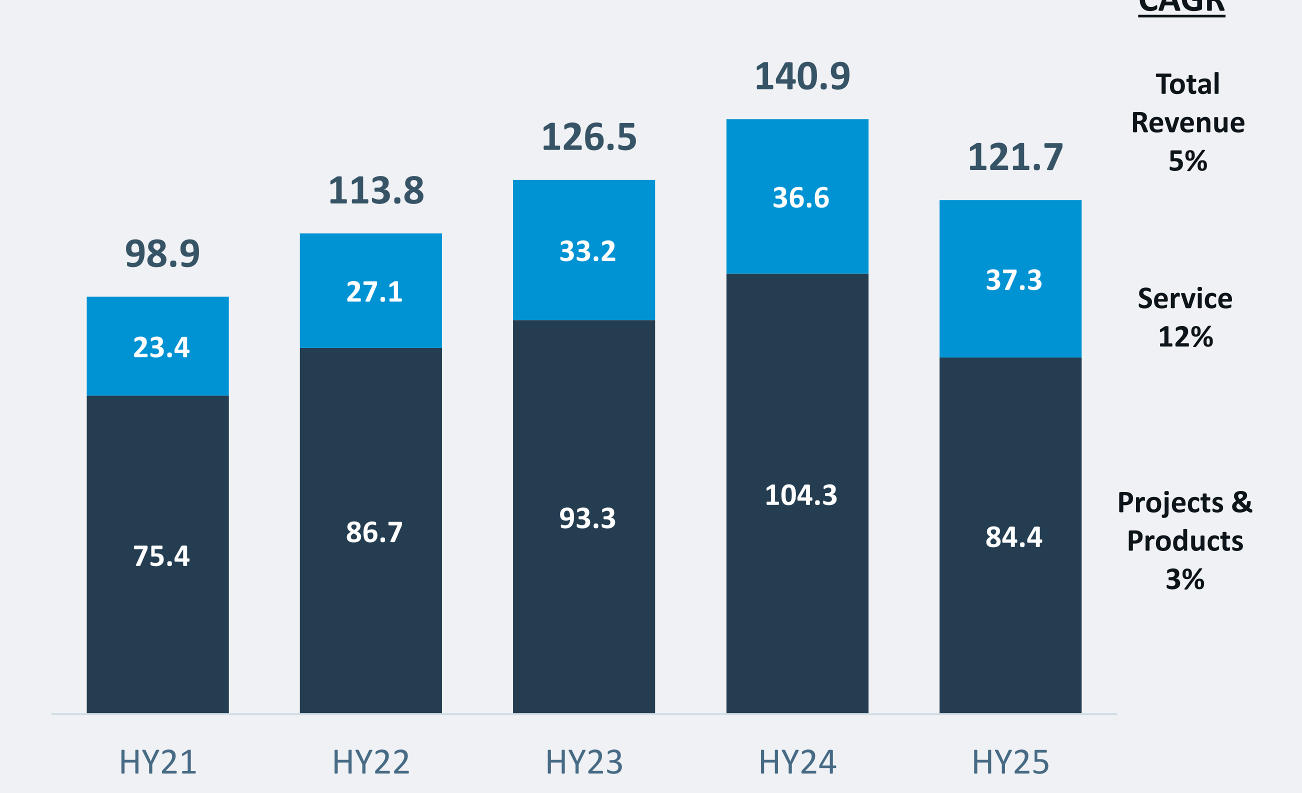
* *HY24 operating EBITDA (excl. non-recurring costs) was $17m. HY25 & HY23 was $12m and $15m respectively, same as reported EBITDA.*

** *Forward Work represents contracted activity. It is not an indicator of revenue over a set period of time.*

*** *Underlying Earnings Per Share excludes non-recurring costs*

Revenue down on market conditions and soft order in-take through FY24

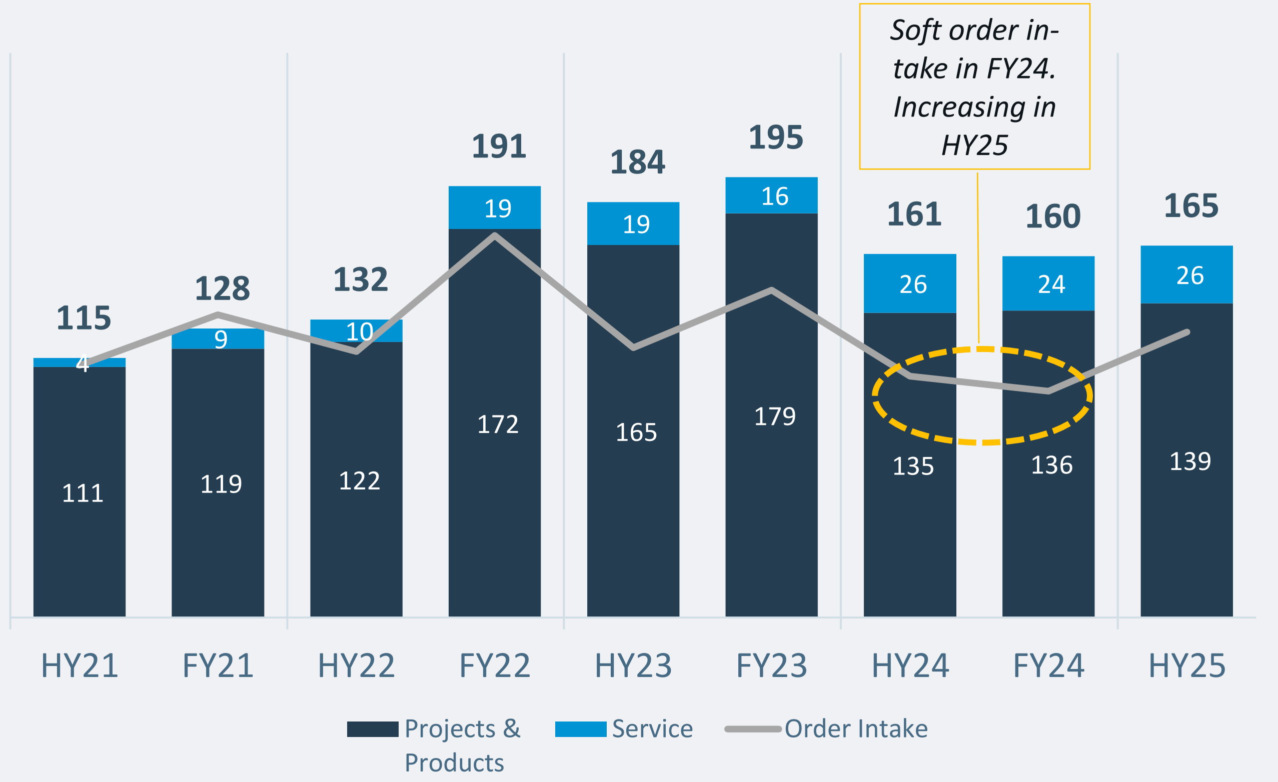
5 year Revenue



- Revenue of $122m for HY25 in a challenging market and timing of major projects and order in-take in prior periods
- Lag impact of lower orders and failure to sell enough through FY24 primary driver for lower HY25 revenue
- Strong Q2 following securing recent new orders provides momentum into 2H25
- Solid base of Service providing recurring revenue

Improved forward work but low orders in FY24 provided headwinds in HY25

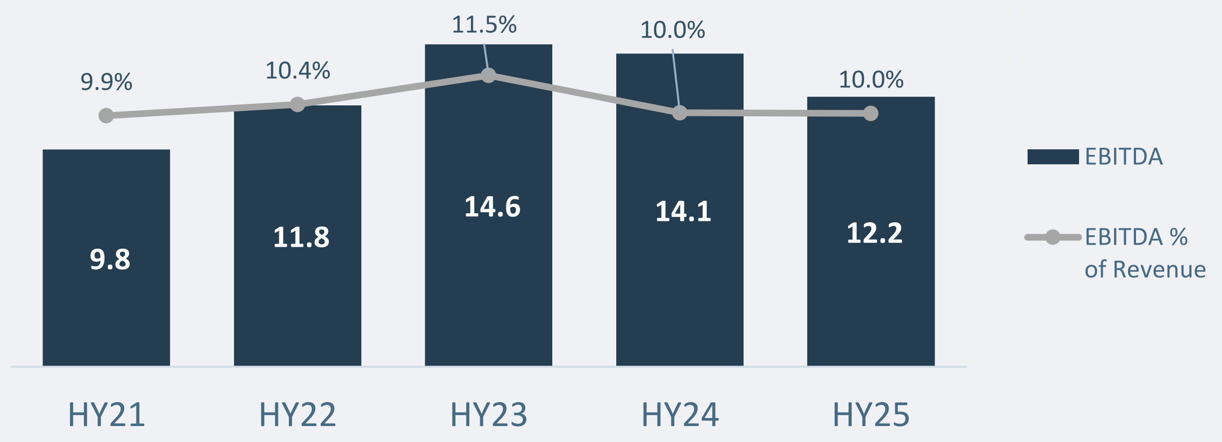
Forward work



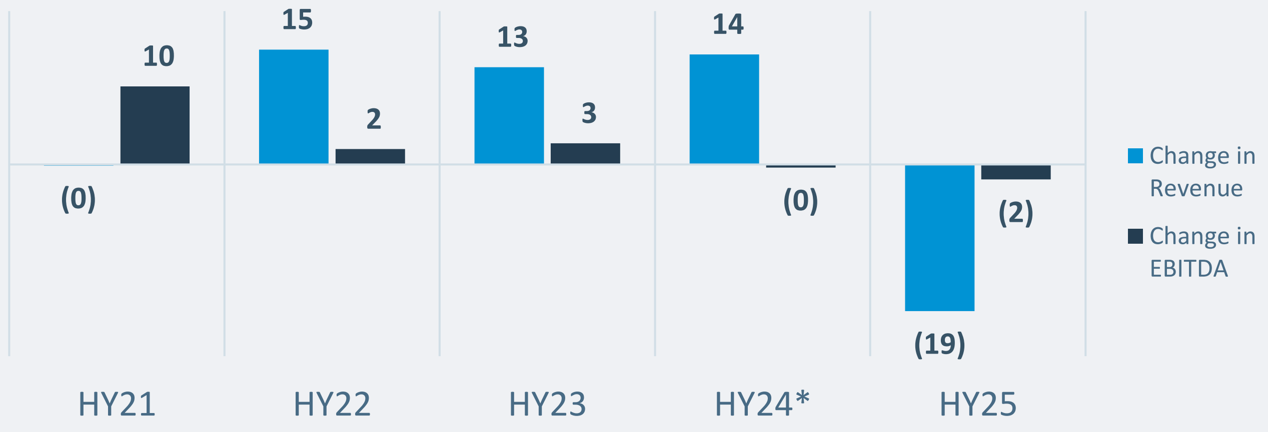
- Soft order in-take across FY24 and start of HY25 provided primary challenges to revenue in the half
- Momentum returns to forward work with key contract wins in HY25
- Improving order in-take in HY25 results in good levels of utilization leading into 2H25
- Current forward work comprises a mix of higher margin work

EBITDA performance over time

Reported EBITDA



Revenue & EBITDA YoY Change



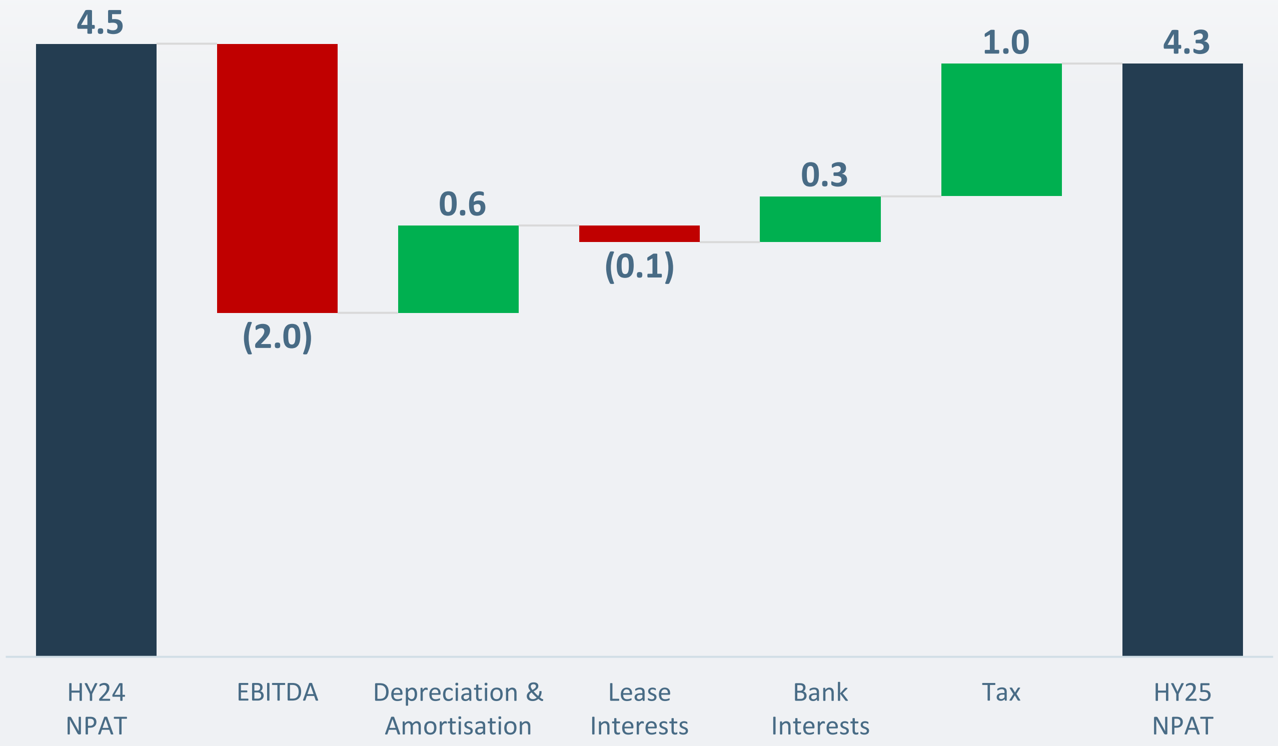
- Reduced EBITDA driven by top-line revenue, partly offset by net margin improvement
- Upside of $0.4m from net change in total overheads (includes a change in non-recurring costs)
- Cost controls in place while carefully investing in foundational elements like a new ERP
- In July 2024, we exited Industrial Automation (loss making) and restructured Appliances
- Going forward, we expect profits to improve as revenue grows, with improved operating leverage (due to restructured cost base and modular approach)

Note: HY21 was cycling loss making projects in HY20

** HY24 includes $2.5m of non-recurring costs related to the strategic review meaning underlying EBITDA of $16.6m, resulting in HY25 being $4.4m lower on a like for like basis*

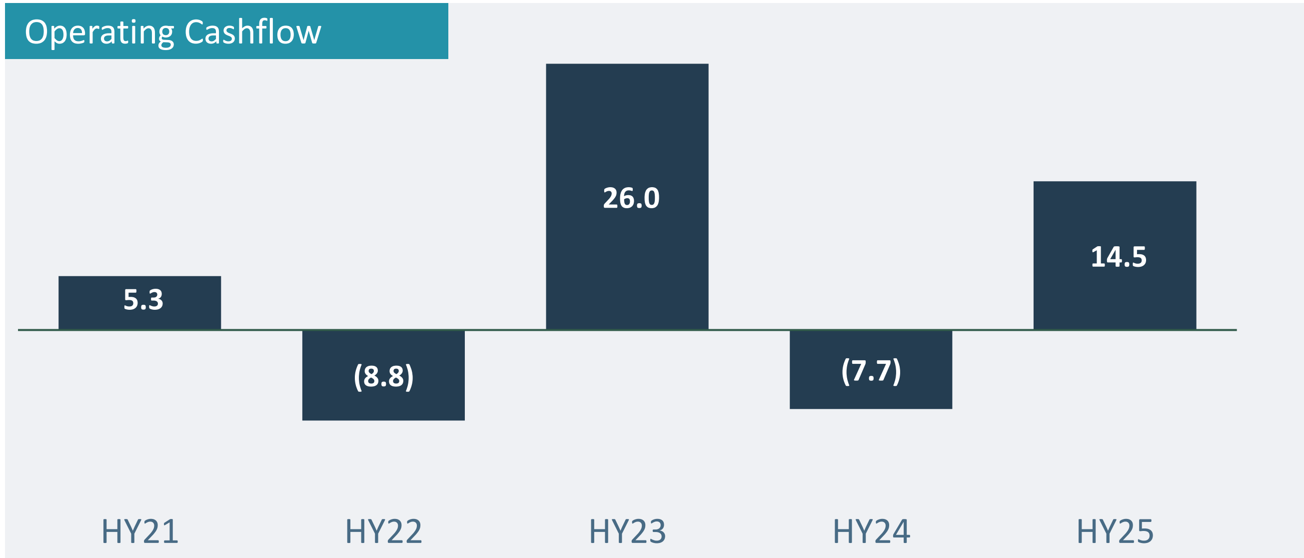
NPAT remains in-line despite the downside in EBITDA

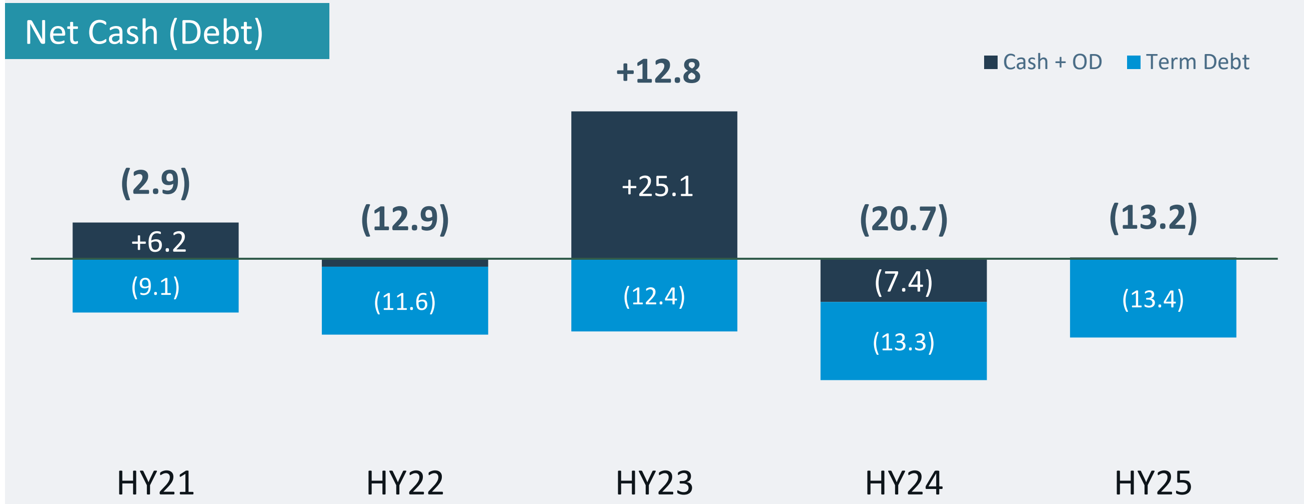
Net Profit After Tax (NPAT)



- A -14% decline in revenue was mitigated through improved net margins and positive impacts below the line
- Depreciation & Amortisation decrease as a result of lower amortisation on intangible assets
- Lower tax as a result of lower net profit before tax and a varying mix of regional profit generation

Significant cashflow improvement in the half following volatility





Normalising operating cash position

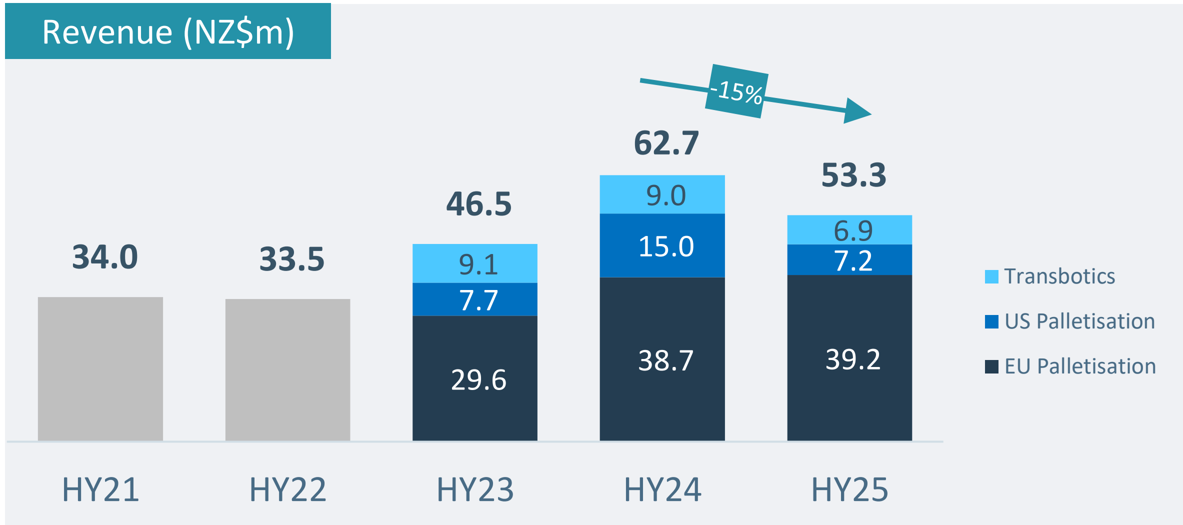
- Significantly improved operating cash after cycling large cash receipts and timing of builds in prior periods
- Capital management needs to take a long-term view due to volatility that can occur with project timings
- A focus on controlling working capital and project cash flows

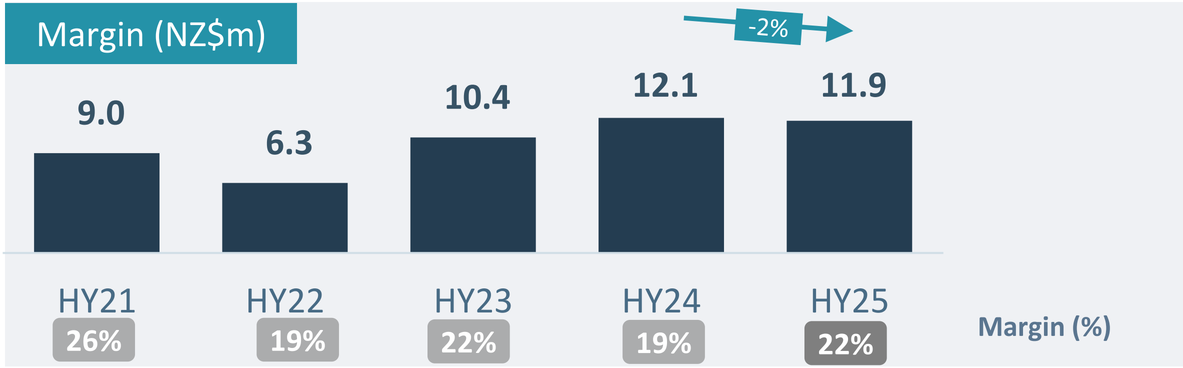
Improved total net debt position

- FY24 saw elevated investment in plant, equipment and facilities to position for growth – lower levels planned in FY25
- Reduced bank interest with improved cash position and cash paid in dividends

SECTOR HIGHLIGHTS

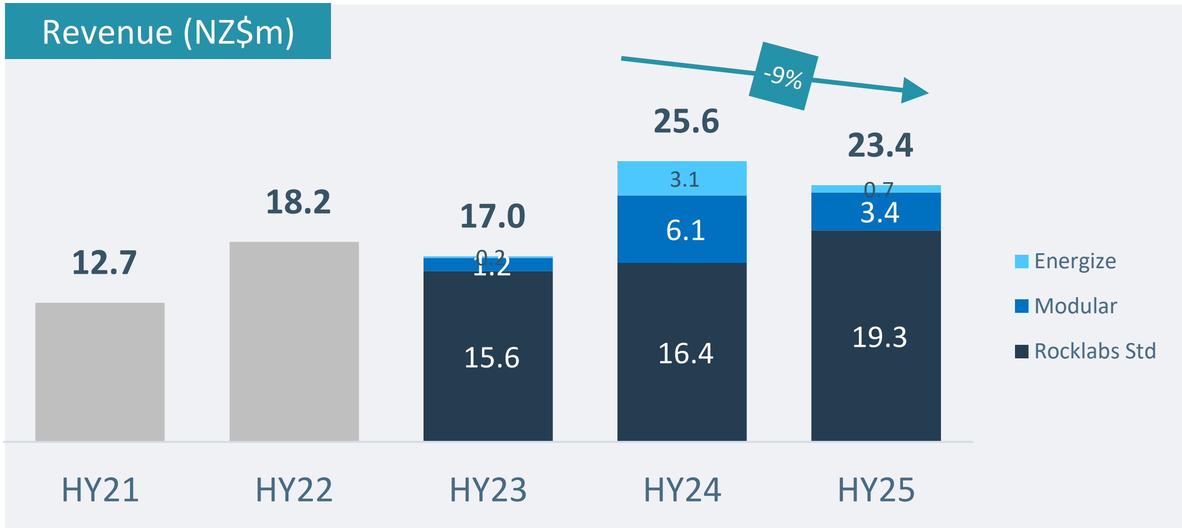
Timing of key North American projects impacting top-line

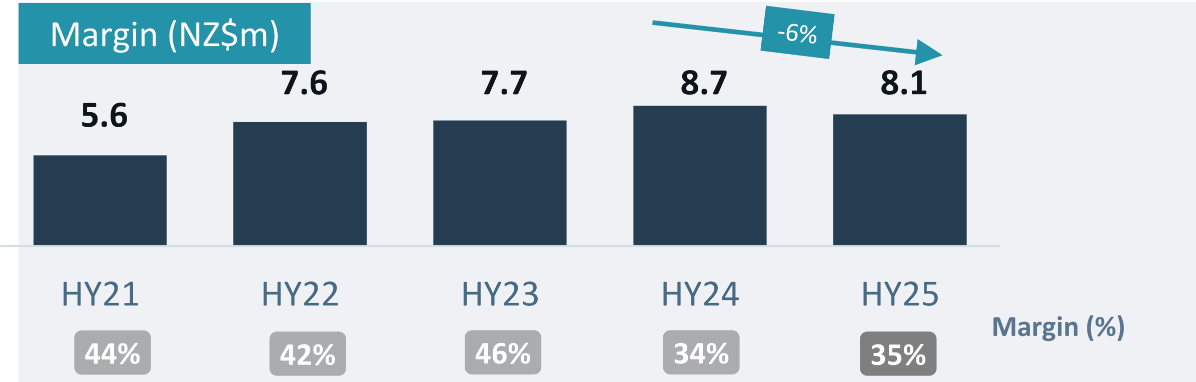




- **Overall:** revenue driven by the timing of large projects offset by improved margin
- **Europe & North America:** Strong period in Europe partnering with key customers for +50 projects. Timing of projects impacted North America
- **Transbotics:** softer orders with customers delaying spend. Officially launched NexBot in Mar-25 with positive feedback
- **Margin %:** improved margin performance due to good manufacturing efficiencies and improved service mix
- **Forward work** remains strong at $88m, with ~$20m of JBS Brooks is still to be recognize across FY25 / FY26

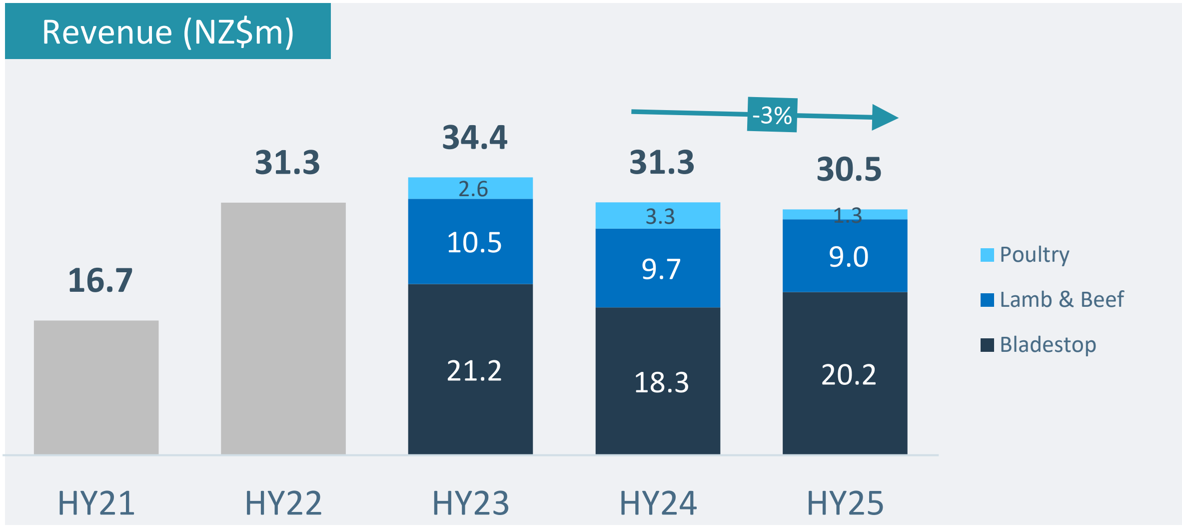
Strong growth in standard products offset by softer Modular revenue

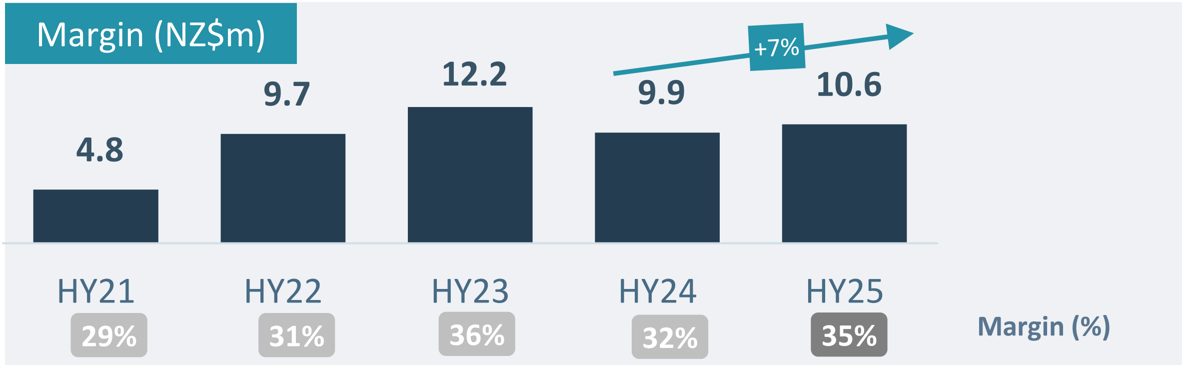




- **Overall:** A decline of -9% in revenue following record period in HY24
- **Rocklabs standard:** strong unit sales for crushers & pulverisers, continued growth is expected as orders for parts increase
- **Modular:** HY25 cycling MRL project and timing of securing new orders. Strategic key wins for Kinross (Alaska) and Rio Tinto (Australia) provides momentum into 2H25
- **Energize:** Completion of the first phase of automated energy transfer systems (AETS) for Caterpillar
- **Margin %:** improvement due to a mix of standard products. The target is for margins to trend back towards 40%

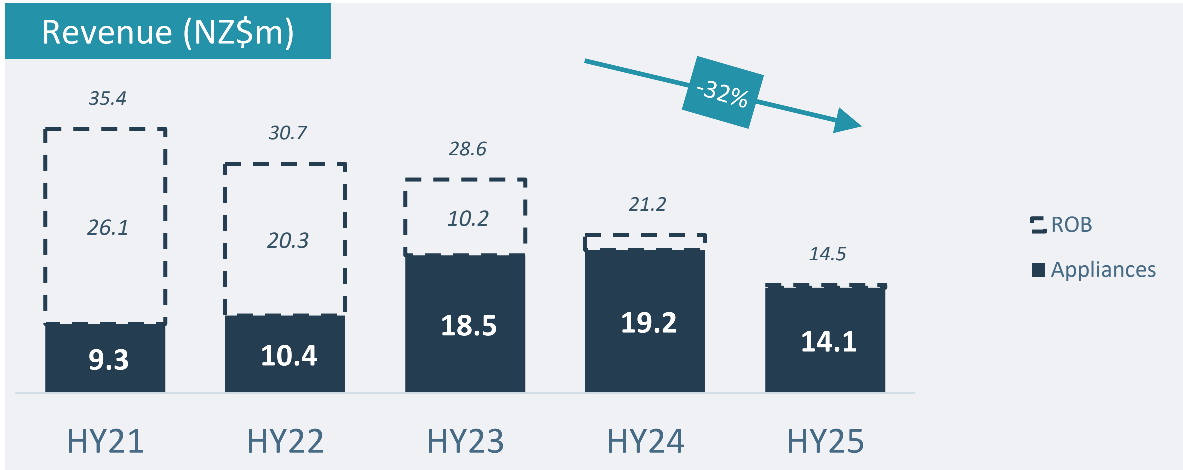
Momentum into 2H25 despite global macroeconomics challenges

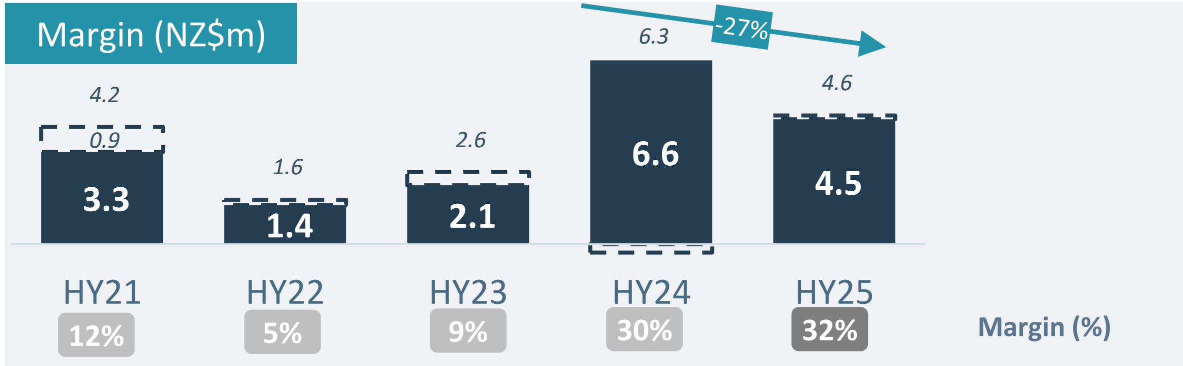




- **Overall:** largely flat revenue in a challenging environment. Strong margin improvement & momentum of orders heading into 2H25
- **BladeStop:** revenue is up +10% HY24 on higher service and parts revenue due to increase services penetration and installed base
- **Lamb & Beef:** slow start due to timing of orders but secured JBS Cobram Leap Primal system and 3 x Loin Deboners
- **Poultry:** completion of CostCo units during the period, challenging market conditions slow new orders
- **Margin %:** reflects execution on projects and increase mix of service and parts

Focus on proven technology delivers solid margin contribution at





- **Overall:** quality of earnings has improved over time following the successful exit of legacy businesses and focus on providing proven technologies with lower risk to blue-chip customers
- **Appliances:** Prior years included large projects for Sub-Zero and GE Appliances. HY25 includes the final stages of Sub-Zero and the start of the record setting $20m Midea project in China
- **Forward work:** Of +$20m provides good base for 2H25
- **ROB:** included industrial automation (IA) and legacy mining systems. Exited in stages, with final exit of IA in Australia in July
- **Margin %:** significant margin improvement over time attributable to strategy and several key projects executed well

BOSCH GE APPLIANCES LittleSwan Midea SUB-ZERO Vaillant

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

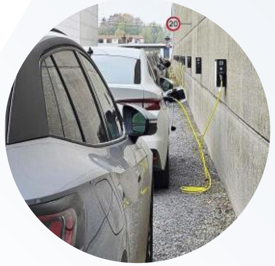
Sustainability Update

First **Sustainability Report** published in November, our inaugural report outlines key ESG initiatives and sets a 30% carbon reduction target by 2030.

Record **Employee Engagement** An 85% survey participation rate reflects strong employee involvement.

Peer Recognition on the rise as Values Awards and SafeMate safety program saw a surge in nominations.

Third year for **Scott Women in Engineering scholarship**, applications now open.



Double Materiality supports alignment of our sustainability focus with what matters most across our stakeholders.

ESG Priorities

- Employee Retention & Engagement
- Employee Safety & Wellbeing
- Diversity & Inclusion
- Governance
- Customer Experience
- GHG Emissions
- Climate Change
- Sustainable Procurement
- Product Innovation

People - Building an engaged, diverse, and talented workforce.

Purpose - Growing profitable business focused on long-term growth.

Place - Committed to promoting sustainable practices for a better environment.

Proactive engagement drives high performance safety culture

Health, Safety & Wellbeing Performance

FY24	HY24		HY25
0	0	Fatality	0
0	0	LTI	1
2	1	MTI	0
65	30	First Aid Injuries	36
32	21	EP&D / Near Miss	16
948	468	Hazards Reported	370
282	115	Management Conversations	210

- **Proactive Engagement:** 83% increase in safety conversations and Site Safety Walks, reflecting a strong safety-first mindset.
- **Global Collaboration:** Continued progress in critical risk management through cross-regional bowtie workshops with Subject Matter Experts.
- **Low Incident Rate:** Low LTI and MTI incidents reported in the last six months.
- **Global Stop for Safety Event:** 4th Stop for Safety held worldwide, celebrating achievements and launching Critical Controls for Mobile Plant.
- **Employee Recognition:** 32 nominations through the Safe Mate Program in HY25, reinforcing a culture of safety and peer recognition.

CLOSING COMMENTS

Outlook

- Solid momentum heading into 2H25 following a strong Q2, recent large project wins* and increasing standard product sales.
- The recent announcements on tariffs are expected to have a limited direct impact on Scott for FY25 however the more significant impact is the increasing uncertainty this will create and impact on businesses' willingness to invest in capital equipment.
- The global shift towards nearshoring and regionalized supply chains is closely aligned with Scott's strengths. We are well-positioned to help customers build resilient, secure, and efficient supply chains through automation providing the capital is available.

On a sector level:

- **Materials handling** – Focus on the food industry delivers a solid pipeline of opportunities into H2 for palletising in both Europe and North America, despite the economic challenges. JBS Brooks commissioning and installation is to begin in 2H25.
- **Minerals** – Greenfield exploration remains constrained but Scott's technology is well-placed to provide efficiency gains for existing sites. Rio Tinto and Kinross modular projects progressing well with most of the build work to be completed in 2H25.
- **Protein** – ANZ beef & lamb market is growing confidence with outlook positive for 2025 / 2026. North American beef supply is forecast to be soft - this could impact capital purchases in region. Solid order book for lamb portfolio, BladeStop unit sales remain soft but T300 to provide potential upside.
- **Appliances** – The recent Midea project worth in total $20m continues with ex-works due in H2 and commissioning into FY26

** Recent large project wins include JBS Cobram (Protein), Rio-Tinto (Minerals), Kinross (Minerals), Midea (Appliances), McCain, Ecofrost & Altho (MHL)*

Strategy refresh required

Revenue has plateaued: an issue that we need to structurally address

Market leading technology: with a truly global opportunity

Culture shift required: to unlock potential and foundation for sustainable growth globally

Customer first: intimately understanding and solving our Customers needs

2030 strategy refresh: More detail on strategy to be provided at an Investor day

Outlook: Positive momentum heading into 2H25 despite near-term global economic uncertainty

THANK YOU