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FY25 Half Year Results

Presentation

20
25

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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

Agenda

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

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Overview



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.

Our Connected Group

Driving sustainable growth through the energy transition & synergies



Complete electrical engineering services for high and low voltage projects, specialising in EV charging infrastructure.



Manufacturer and distributor of electrical cables, specialty plugs, couplers, and receptacles for industrial applications.



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



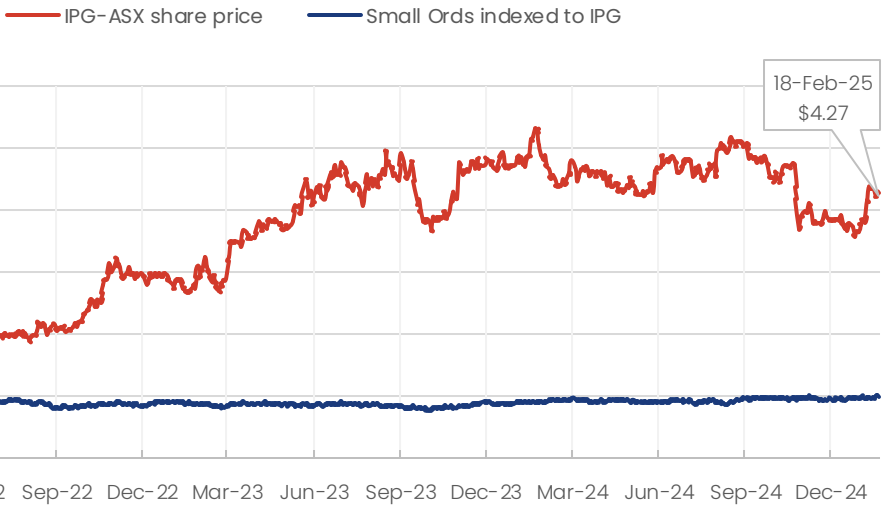
Power distribution, energy management, and automation product distribution with custom assembly services.

Corporate Snapshot

Capital Structure

ASX Code	IPG
ASX Share price	\$4.27 ⁽¹⁾
IPO Date	17 th December 2021
Shares on issue	103,693,582
Net Debt	\$2.2M ⁽²⁾
Market capitalisation	\$443M ⁽¹⁾

Share Price⁽¹⁾

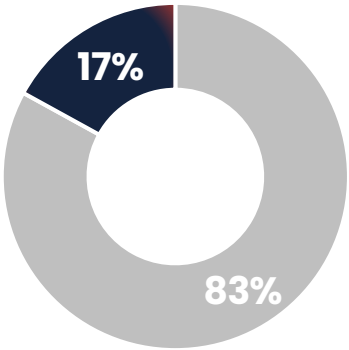


1. As at 18 February 2025
2. As at 31 December 2024

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⁽¹⁾



■ External ■ Board, Management & Employees

HY25 Results Overview

Continued growth exceeds top-end of earnings guidance

Revenue

\$176.9m



Up 46.6% (PCP \$120.7m)

EBITDA

\$23.6m



Up 46.6% (PCP \$16.1m)

EBIT

\$20.2m



Up 47.4% (PCP \$13.7m)

NPAT

\$13.3m



Up 40.0% (PCP \$9.5m)

EPS

12.9 cents



Up 19.4% (PCP 10.8cents)

Operating free Cash Flow⁽¹⁾

\$25.3m

Operating Cash Flow⁽¹⁾
Conversion of 107.6%

Net Debt⁽²⁾

\$2.2m

(\$8.8m as at 30 June 2024)

Order Backlog

\$92.7m

(49.2% growth 1H FY25 Vs 1H FY24
Pro Forma⁽⁴⁾)

LTIFR⁽³⁾

Zero

0.0 LTIFR

Interim Dividend

6.4 cents



Up 39.1% (PCP 4.6cents)

1. Operating free cash flow (before interest and tax outflows)

2. Net Debt excludes lease and tax liabilities.

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

4. 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

Financial Performance

Financial Overview

Record revenues & profits

Continued growth exceeds top-end of earnings guidance

- Record revenue, EBITDA, EBIT and NPAT results for the Group drives earnings above the top end of guidance range.
- Revenue and EBITDA growth of 46.6% on pcp.
- CMI Operations was acquired in 2H FY24. On a 1H comparative basis CMI Operations lower operating gross profit margins have had a dilutive impact on the 1H FY25 consolidated gross profit margins.
- Operating expenses as % of revenue decreased by 4.9% which ensured that EBITDA and EBIT margins have held at 13.3% and 11.4% respectively.
- With a full 6 months of EX Engineering and CMI Operations contributing to the group results, EPS⁽¹⁾ grew 19.4% to 12.9 cents per share for the half year ended 30 December 2024.
- This earnings per share growth demonstrates the success of accretive acquisitions made in FY24.

\$m	1H FY25	1H FY24	Movement % (vs last year)
Revenue	176.9	120.7	46.6%
Gross profit	62.3	48.2	29.3%
EBITDA	23.6	16.1	46.6%
EBIT	20.2	13.7	47.4%
NPAT	13.3	9.5	40.0%
EPS (cents per share) ⁽¹⁾	12.9	10.8	19.4%
Gross profit margin	35.2%	40.0%	(4.7%)
Operating expenses as % of revenue	22.1%	27.0%	(4.9%)
EBITDA margin	13.3%	13.3%	0.0%
EBIT margin	11.4%	11.4%	0.0%
NPAT margin	7.5%	7.9%	(0.4%)

1. Weighted average number of ordinary shares used in the calculation of earnings per share of 103,538,533 (31 December 2023: 88778,919)

Sales & Earnings Growth

Record revenues & profits

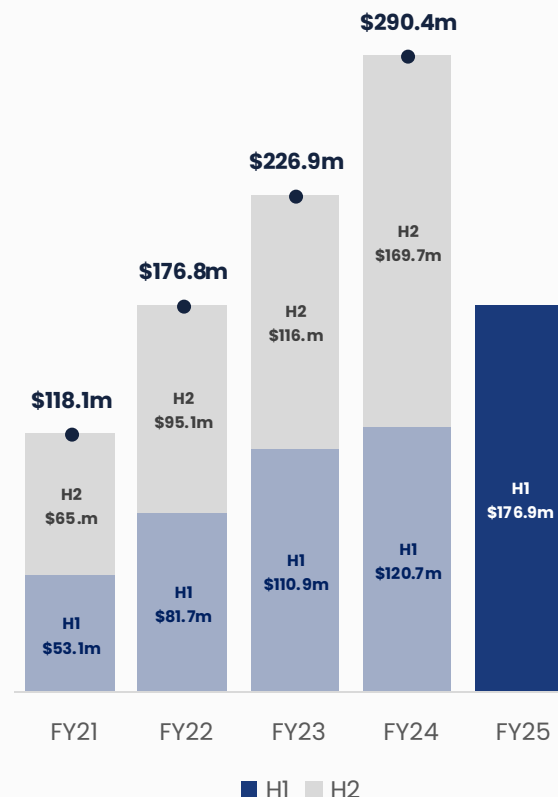
Revenue of \$176.9 million, up 46.6% on pcp

- The acquisitions of EX Engineering and CMI Operations last financial year have contributed to the Group's revenue growth.
- IPD's diverse product range has enabled IPD to pivot towards growing industries such as Data centres and Water and Waste Water.
- As expected, CMI Operations' lower operating gross profit margins have had a dilutive impact on consolidated gross profit margins.

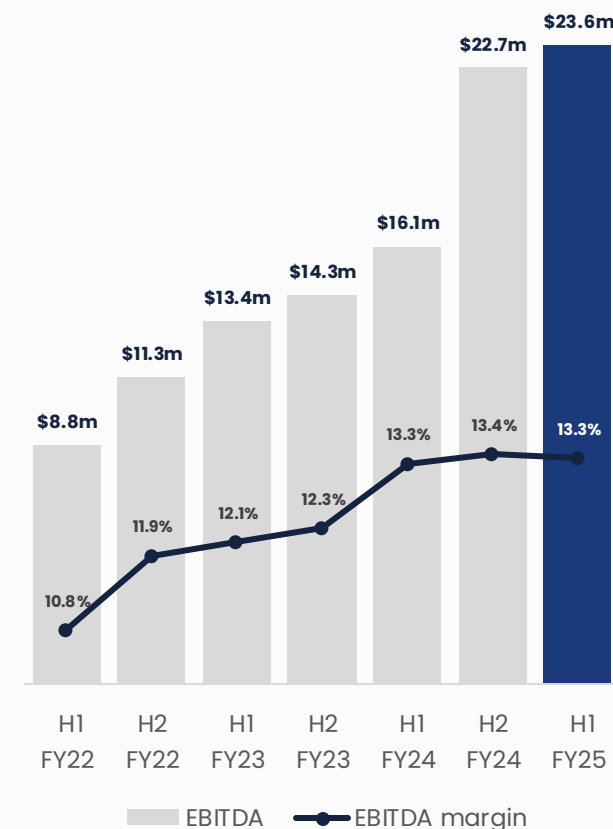
EBITDA of \$23.6 million, up 46.6% on pcp

- Continued growth for the Group drives earnings above the top end of the guidance range.
- Stable EBITDA margins whilst investing into the operating cost base to generate a record orderbook

Revenue



EBITDA



Pro-forma⁽¹⁾ Financial Performance

Pro-forma⁽¹⁾ sales & earnings

Record Order book transitions from daily trade to larger and more complex orders

- Larger more complex orders typically have longer lead times and less certainty around delivery timing. This has resulted in a proportion of orders that would previously have already become invoiced Revenue now sitting in our Order Backlog.
- Amidst the wider macroeconomic challenges in the commercial construction sector, IPD group delivered a record order book and pro-forma⁽¹⁾ revenue growth of 2.3%.
- IPD's gross revenues for the core IPD business are up 5.2% on pro-forma⁽¹⁾ pcp as IPD's diverse product range has enabled IPD to pivot towards emerging markets.
- CMI Operations is largely attached to the Commercial Construction sector and gross revenues declined by 3.3% on pro-forma⁽¹⁾ pcp.
- Additional operating cost base investments were made to generate and deliver these additional orders, which have impacted margins for 1H FY25.

\$m	Pro-forma ⁽¹⁾ 1H FY25	Pro-forma ⁽¹⁾ 1H FY24	Movement %
Revenue	176.9	172.9	2.3%
Gross profit	62.3	62.1	0.3%
EBITDA	23.6	24.8	(4.8%)
EBIT	20.2	21.4	(5.6%)
NPAT	14.2	14.9	(4.7%)
Gross profit margin	35.2%	35.9%	(0.7%)
Operating expenses as % of revenue	22.1%	21.6%	0.5%
EBITDA margin	13.3%	14.3%	(1.0%)
EBIT margin	11.4%	12.4%	(1.0%)
NPAT margin	8.0%	8.6%	(0.6%)

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.

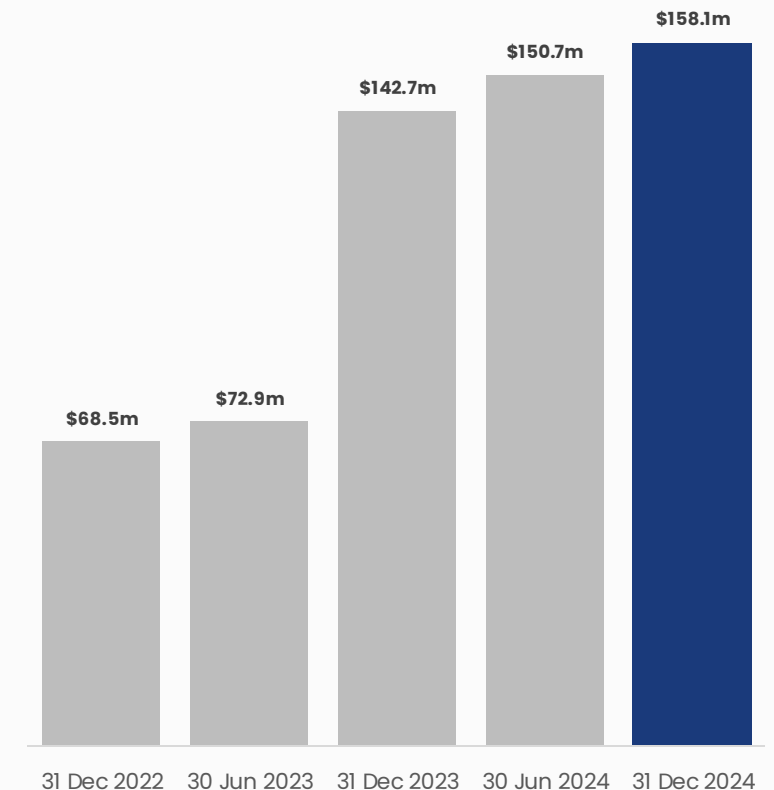
Balance Sheet

Strong & flexible financial position

\$m	As at 31 Dec 2024	As at 30 Jun 2024
Total current assets	171.7	173.3
Total non-current assets	105.6	99.4
Total assets	277.3	272.7
Total current liabilities	71.9	80.4
Total non-current liabilities	47.3	41.6
Total liabilities	119.2	122.0
Net assets	158.1	150.7

- As at 31 December 2024, the Group has \$158.1 million of net assets on its balance sheet after the acquisition of CMI Operations Pty Ltd on 31 January 2024.
- As at 31 December 2024 the group has net debt of \$2.2m (down from \$8.8 million at 30 June 2024) , with \$28.9 million of cash and \$31.1 million in borrowings.
- As a result of prudent cash management, subsequent to 31 December 2024 the Group has repaid \$10.0 million of core debt. As a result, the acquisition debt facility and associated non-current borrowings have been reduced to \$21.1 million.

Net Assets



Net Working Capital & Dividend

Continued investment for future growth

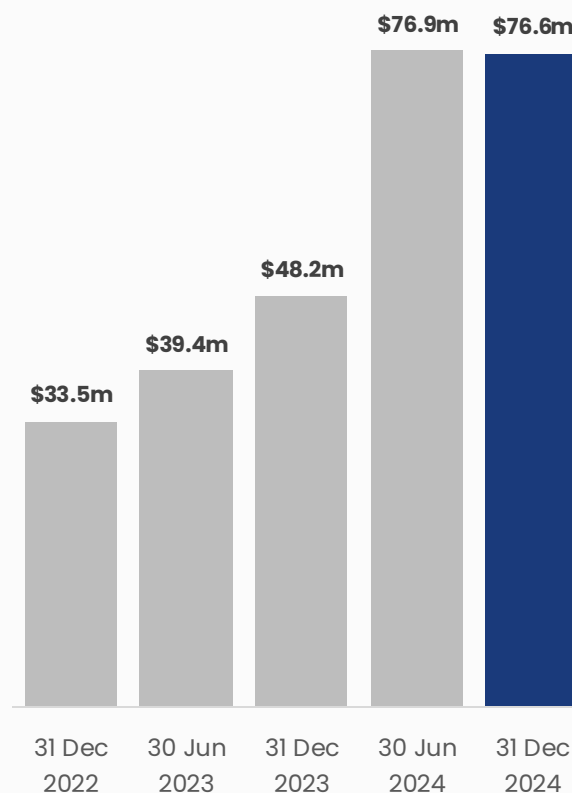
Net working capital (NWC) of \$76.6 million

- Inventory increased by \$1.2 million on 30 June 2024, whilst total net working capital decreased during the half year ended 31 December 2024.
- Operating free cash flow conversion (Operating cash flow before interest and tax outflows) rose to 107.6% in 1H FY25.
- Operating free cash flow of \$25.3 million for the half year ended 31 December 2024.

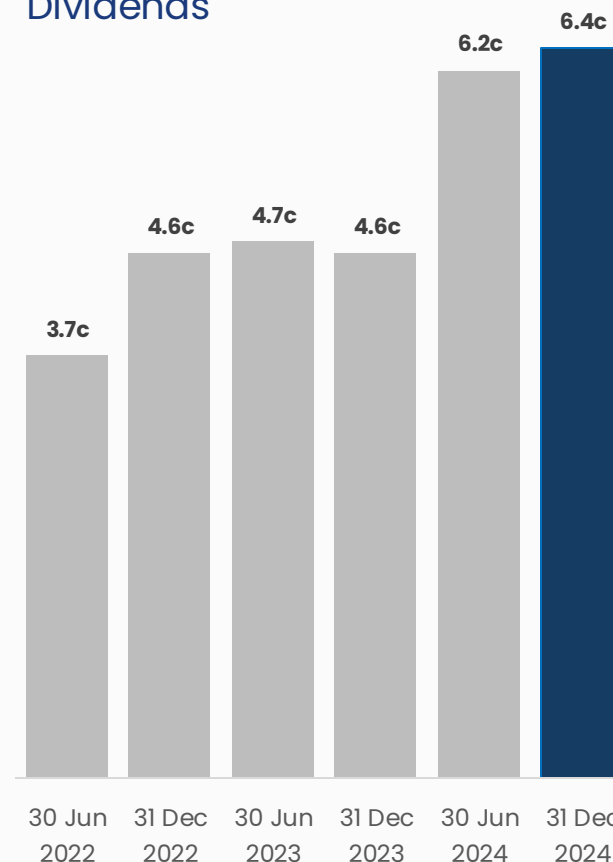
Dividend of 6.4 cents/share

- \$13.4 million in NPAT from ordinary activities, up 40.0% on pcp.
- Fully franked interim dividend of 6.4 cents per share declared for the first half of FY25 (1H FY24 4.6 cents per share).
- 6.4 cents per share equates to a payout of \$6.6 million and a payout ratio of 50%.

Net Working Capital (NWC)



Dividends



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Market & Business Update

Market Update

Growth, innovation & opportunity



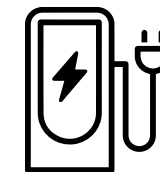
New markets & enhanced expertise

- **Our expanding market reach** – Growth into new regions, industries, and customer segments, unlocking fresh revenue opportunities.
- **Strategic solutions growth** – Strengthening expertise with UPS and Motors specialists to capitalise on high-demand sectors.



Data centre infrastructure

- **Continued Growth** – up 25% as a percentage of revenue on FY24.
- **Energy Efficiency Gains** – DeepSeek AI models use 10–40x less energy, but rising AI adoption may offset savings.
- **Sustained AI Investment** – Lower costs may increase AI deployment, potentially offsetting energy savings, while continued demand drives data centre expansion.



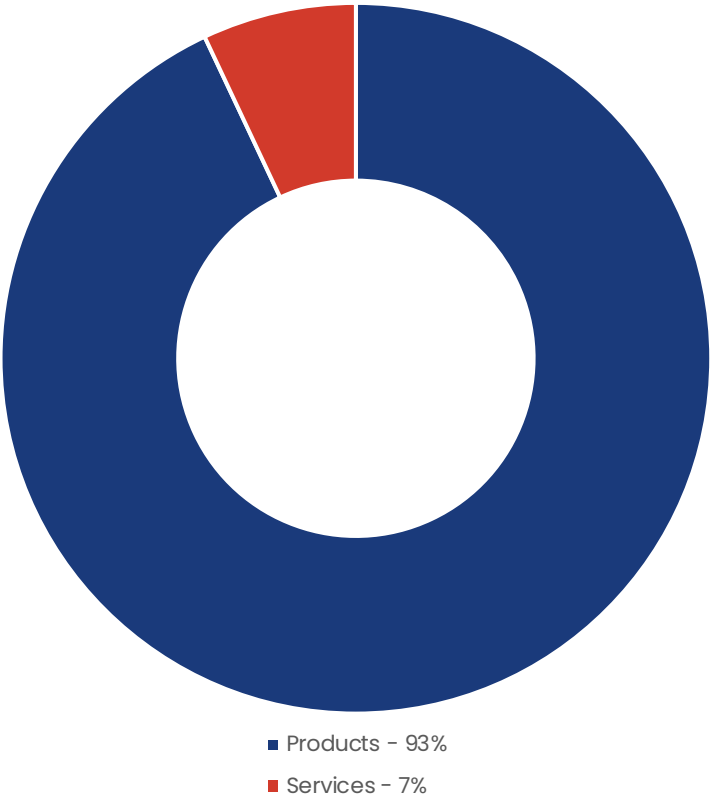
EV charging & infrastructure

- **Experiencing steady growth** – Driven by expansion in new developments and the National Construction Code (NCC) mandate for EV-ready buildings.
- **Rising investment in EV fleets** – Notable increase as companies electrify buses and trucks for cost and efficiency benefits, including lower maintenance, reduced downtime, and stable energy costs, leading to long-term savings and a competitive edge.

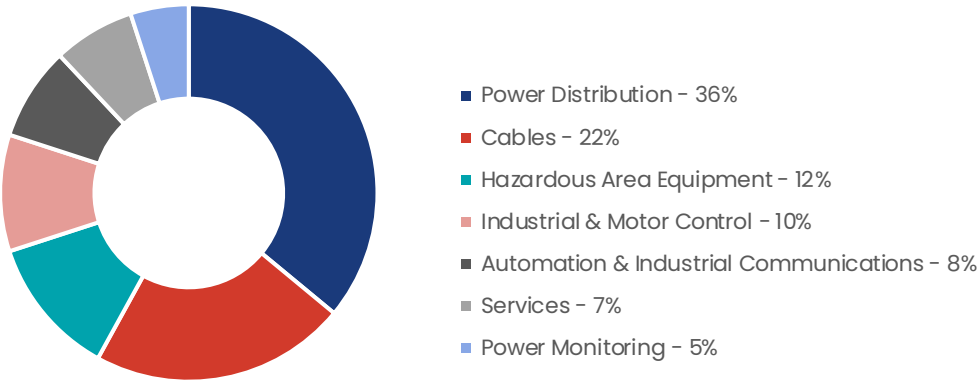
Diversified Revenue

Multiple technologies for diverse markets and stable growth

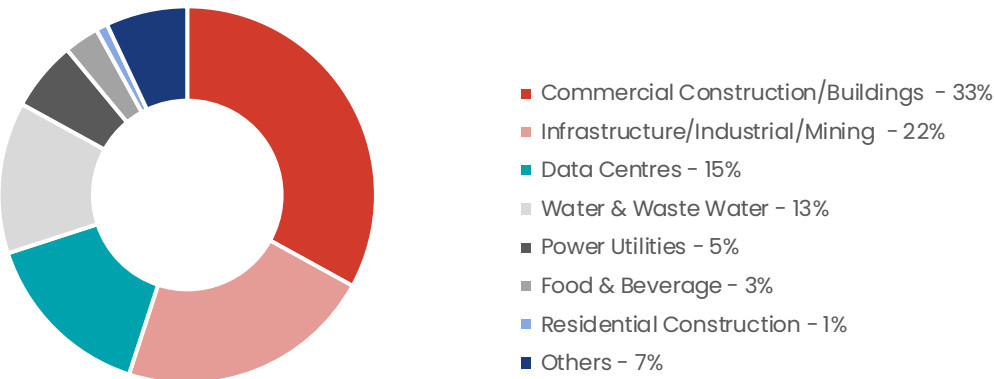
1H FY25 – Revenue by Type



1H FY25 – Revenue by Product



1H FY25 – Revenue by End Market



Business Highlights



Energy efficiency & automation experts

Business Growth

- **Strong Performance**
Driven by growth in Data Centres, Mining, HVACR, and strong demand across Wholesale markets.
- **Major Wins**
Secured key contracts, including software renewals, Busduct orders for major commercial projects (Atlassian HQ, One Circular Quay, Melbourne Quarter Tower), ongoing Amazon supply, and infrastructure projects with Woolworths, Yarra Trams, & Transgrid.
- **Market Expansion**
Data Centre Team in partnership with ABB, switchboard testing to AS/NZS 61439 for two new manufacturing partners, and the expansion of the Wholesale Stockist Program.



Partnerships & Innovation

- **Technology & Digital Transformation**
Utilising external consulting services to accelerate digitization, enhance software tools, and improve operational efficiency.
- **Industry Partnerships**
Strengthened engagement with NESMA and Engineers Australia, positioning the company as a leader in industry innovation and compliance.
- **Sustainability & Future Growth**
Increased focus on energy management solutions and electrification initiatives, aligning with global trends and market demand for sustainable infrastructure.



Enhancements

- **Portfolio Expansion**
Launched ABB Motors Offer and Modular Switchboard System to penetrate new markets.
- **Operational Efficiencies**
Improved customer segmentation, digital engagement, and warehouse automation with a vertical lift system.
- **Customer Experience Investments**
Upgraded phone systems and digital tools to enhance communication and service levels.



Business Highlights



Trusted in electrical safety for hazardous areas

Strong Demand

- **Continued Market Demand**
Strong demand for specialist knowledge and customised hazardous area solutions, particularly across Oil & Gas, Manufacturing, and LNG industries.
- **DEXEN Product & IECEx Repair Growth**
Increasing orders for DEXEN dust enclosures and IECEx-certified repair services, with demand expected to rise further in H2.
- **Expanding Custom Solutions & Compliance**
Strengthening custom engineering capabilities and local certification processes to ensure compliance and meet evolving industry needs.



Industry Leadership

- **Scaling Custom Solutions & Certification Capabilities**
Focused on expanding custom-built hazardous area solutions and strengthening local certification processes in H2.
- **Enhancing Engineering & Compliance Expertise**
Investing in technical expertise, IECEx-certified modifications, and regulatory compliance to improve service quality and industry leadership.



Expansion & Major Wins

- **Strategic East Coast Growth**
Expansion is progressing, with critical hires and pricing structures in place, ensuring better service coverage and market penetration.
- **Major Oil & Gas Contracts Secured**
Received significant shutdown and expansion project orders for delivery in H2, reinforcing expertise in high-risk environments.
- **Building Infrastructure & Service Capacity**
Enhancing stock availability, workshop capabilities, and fast turnaround services to support industry growth.



Business Highlights



Driving sustainable electrical infrastructure

Performance

- **Strong sales performance** across multiple regions in H1, with further growth anticipated in H2 as project timelines advance.
- **Key contract renewals secured**, including Powercor & CitiPower (\$3M per annum), a critical long-term contract for zone substation testing and calibration services.
- **Significant project pipeline**, with \$10M+ including Public Transport Authority of WA (\$10.9M) and NRMA (\$3.65M).
- **Growing demand** for EV and public transport electrification, positioning Addelec as a key player in the sector.



Future Opportunities

- **Rising demand for bus and truck electrification**, with increased government investment in zero-emission transport. Addelec is well-positioned to capitalise on this sector, having already secured multiple depot projects.
- **Expansion into heavy vehicle and freight charging**, Addelec consulting on a new truck and Heavy Goods Vehicle (HGV) depot in NSW to support fleet electrification and the shift toward sustainable logistics.
- **Scaling EV infrastructure expertise**, focusing on long-term fleet charging contracts to support public and private sector electrification.



Major Wins & Growth

- **Strengthened partnerships**, particularly with Charge Hub and Kempower, driving success in EV charging infrastructure.
- **Innovation in service delivery**, developing a nationwide EV maintenance and diagnostics platform with a major facilities management company.
- **Expansion of the NSW Government Kingsgrove Bus Depot project**, securing additional scope for high-voltage infrastructure upgrades and further solidifying Addelec's role in fleet electrification.



Business Highlights

Leaders in safe & reliable power connections

Sales & Market Performance

- **Strong Performance**
Western Australia exceeding targets, Queensland on track, with steady growth in key markets.
- **Challenging Conditions**
New South Wales and Victoria impacted by tough market conditions, but a strong order backlog supports future recovery.
- **Positive H2 Outlook**
Opportunities for growth across all regions, supported by market demand and strategic initiatives.



Product & Compliance Advancements

- **Product Innovation**
Enhanced Minto 800A 11kV coupler with improved non-contact voltage presence test point.
- **Testing & Quality**
New environmental chamber enables in-house testing beyond compliance standards.
- **Regulatory Milestones**
EX certification secured for 300A-425A Stainless Steel Restrained Plugs due to launch in H2.



Expansion & Major Wins

- **New Market Growth**
Continued expansion in Mongolia and Indonesia through strategic partnerships.
- **Growing International Presence**
Strengthening relationships in key regions to support long-term market penetration.
- **Significant Project Wins**
Supplying cables to Woodford Youth Correctional Centre, Rio Tinto Iron Ore, and NEXT DC Data Centre.



Strategy & Outlook

Our Strategic Pillars

Committed to shareholder value creation



Business Growth

Customer value & market expansion – Leverage strong brands and expertise to deliver tailored, reliable solutions and expand into new markets.

Accelerating growth – Invest in strategic acquisitions to increase earnings, market share, and sector reach.



Operational Efficiency

Scalable Operations – Leverage shared services and economies of scale to streamline processes, reduce costs, and expand industry reach.

Synergies & Emerging Technologies – Use partnerships and emerging tech to develop innovative, adaptable solutions that drive value and growth.



Sustainability

Reducing Environmental Footprint – Cutting grid energy reliance, transitioning to electric/hybrid fleets, and promoting circularity to minimise waste and extend product lifecycles.

Making a Lasting Social Impact – Supporting charities, industry initiatives, and education programs to strengthen the electrical industry.



People

Our success depends on a strong, engaged, and diverse workforce, essential for sustainable growth.

Employee Wellbeing & Development: Enhancing satisfaction, engagement, and safety while fostering an inclusive and supportive workplace.

Talent Attraction & Retention: Attracting, retaining, and developing diverse talent to strengthen our team and uphold high standards.

Outlook

Sustaining strong results

Growth Drivers

Despite challenges in some end markets, IPD is capitalising on growth areas driven by the transition to renewable energy, rising demand from data centres, the expansion of EV chargers, public transport electrification, and a supportive legislative environment.

Strategic Focus

Management remains committed to executing strategic priorities, creating long-term value, and adapting to evolving market conditions.

Sustainable Growth

The company continues to prioritise sustainable growth while navigating market dynamics and leveraging new opportunities.

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Thank you