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FOR IMMEDIATE RELEASE

General Manager
ASX Market Announcements
Australian Securities Exchange Limited
PO Box H224
Australia Square
Sydney NSW 1215

BSA Limited: Annual General Meeting – Chairman’s and Chief Executive Officer’s Addresses to the Meeting

Chairman’s Address

Good afternoon shareholders, Board and management. I am pre-recording this address in Melbourne, whilst our state borders remain closed. No doubt we all remain very hopeful for a re-energised and open Australian economy in 2021.

Financial year 2020 was a positive year for BSA despite the significant disruption caused by the pandemic. The BSA business model and team, proved resilient. We delivered a solid financial result and made significant progress against a number of our strategic growth priorities, which I will touch on shortly.

At the onset of the pandemic we positioned BSA as an essential service provider, wherever practical to do so. This enabled us to continue to trade, particularly in support of our telco clients such as NBN, Optus and Foxtel.

On the flip side, our facility maintenance business, servicing the commercial, education and industrial sectors had a number of quieter trading months due to the mandatory working from home directives.

Fortunately with this spread of customers across differing market sectors, BSA was still able to deliver a satisfactory financial result, and a particularly pleasing net cash closing position.

All this was achieved whilst we were undergoing a period of significant renewal at a leadership level. For our new CEO, Tim Harris, who took over in March this year, it was quite a baptism. I congratulate Tim and his new executive team for the calm, steady and deliberate approach to navigating the pandemic crisis.

On the subject of renewal, I wish to advise that Mark Lowe will be retiring from the Board after this AGM. On behalf of the Board, I would like to acknowledge Marks’ tremendous contribution to BSA. He has held leadership roles for over 13 years, both as a senior executive, and more recently, as a valued NED. Best wishes Mark in your future pursuits.

It is also timely to once again acknowledge Nick Yates’ tenure and leadership as CEO over the past 5 years. He can be very proud of his achievements, including the recruitment of his immediate successor Tim. The CEO transition was exceptionally well handled which is a credit to both gentlemen.

I would like to touch on some other important milestones achieved in FY20. The divestment of the HVAC Build Business, reached financial completion. This was fundamental to our strategy of focusing on more predictable, annuity style business streams.



During the year, we also changed financiers, appointing CBA on improved terms. The refreshed financing arrangement better reflects our working capital requirements post the HVAC build divestment. We look forward to a long and mutually beneficial partnership with CBA moving forward.

On the topic of capital management, the BSA Board announced in June this year our dividend policy and subsequently declared a full year dividend in line with that policy. We also recently announced a share buyback under the 10/12 rule, commencing on 18 November 2020 for a period of 12 months.

Looking back, 2020 was a stressful time for Australian workers and their families. BSA, with such a significant work force and contractor base, was not immune. BSA leadership immediately marshalled a cross-divisional working group primarily focused on the physical and mental well-being of our staff, while at the same time relocating the vast majority of our office based teams to working from home, in line with government guidelines. Quite a technological and logistics feat. I would like to thank our staff for demonstrating flexibility and patience during these testing times.

Whilst many staff continue to have flexible work arrangements as we adjust to the new COVID norms, BSA took the opportunity to rethink and simplify our organisational design.

We now have two reporting segments, being Communications and Utilities Infrastructure (CUI), headed by Richard Bartley, and Advanced Property Services (APS), led by Mark Dunn.

Together with Tim Harris' appointment as CEO and Arno Becker as CFO, we have a refreshed and talented leadership team which the Board has great confidence in.

We have also made significant changes to our business development structures and go-to-market strategy to accelerate delivery of our growth objectives moving forward.

BSA completed the acquisition of Catalyst One in October this year. Catalyst One is a pivotal addition which will accelerate our entry into the wireless (including 5G) telecommunications market. Tim will expand further on this in his presentation.

So in summary it's been a time of unparalleled change. Yet, as you can see from the list of achievements, a time where BSA has remain forward looking and very focused.

In closing, I would like to again thank the Board and shareholders for their ongoing support, and the Executive team, our staff and contractors for their continued hard work and dedication.

I look forward to next year, when hopefully, we can all be together in person.

Thank you.

Michael Givoni
Chairman

Management Focus



COVID 19

COVID-19 Protocol and safety refresh

On-going

Operational structures

Consolidated into 2 segments (CUI and APS) to better align with future client needs, facilitate greater cross-sell opportunities and drive cost efficiency

complete

Investment in People

Restructure and up-skilling of senior team to position for future growth in line with operational restructure



complete

Business Development

Refresh of business development structure, skillset and strategy to accelerate client diversification and push into complimentary markets

advanced

Key contract renewals/extensions

Renewal/extension of existing Foxtel and nbn OMMA contracts



complete

Organic growth

National multi-service maintenance

new contracts secured despite challenging environment

New market entry

Entry into wireless market



complete

Strategy

Refreshed and reprioritised at group and segment levels with actions progressed in many areas

on-going



Chief Executive Officer's Address

Thank you Nick and once again welcome to all shareholders.

Safety:

I want to start with safety as keeping our people safe each & every day will always be our top priority. With that in mind, it's very pleasing to see our key metrics have once again improved year on year as we continue our focus on operational safety.

From a compliance point of view, BSA has maintained certification on Quality, Environment and Health & Safety (ASNZ 9001, ISO 14001 and ASNZ 4801 respectively) and we are currently transitioning to International Standard of Health and Safety, ISO 45001 accreditation.

Other initiatives undertaken during the year included a variety of Executive led programs during the Australia Stop for Safety month in October including our annual stop for safety day.

We also proactively participated in the national "Are you ok" initiative to raise awareness and address the psychological wellbeing of our workforce particularly in the current climate.

As a company, we continue to innovate and adapt our safety protocols and invest in our key pillars of: Systems, Risk Management, Safety Capability and Health and Wellbeing.

Safety is and remains our number one priority and we are proud to have a strong embedded safety culture across the Group.

Full Year Results:

Financially, we were pleased to report a robust result for FY20 despite the headwinds and uncertainty in the economy caused by COVID19.

Group revenue from continuing operations increased year on year by 4.4% to \$490.4 million whilst EBITDA increased by 5.5% to \$23million.

Cash performance was very strong. Operational cash conversion was a very healthy 80%, and this combined with government backed tax deferrals, resulted in a net cash position of \$32.7m at balance date representing a 101% cash increase to prior comparative period. We also refinanced our debt facilities with CBA in the year securing better terms and products more suited to our new operating business post the divestment of our HVAC major projects construction business. This strong balance sheet positions us well to deliver on our growth aspirations in the medium term.

As a result, I am pleased to note that the board approved a final dividend of 0.5 cents per share taking total dividends for the full year to 1 cent per share, which was double the dividends declared the year before.

Our growth has been supported by our refreshed operational structures, which have now been in place for 12 months and focus on client demand and delivery.

We continue to invest in talent within the divisions and developing our leadership base.

Operationally, APS Fire Build had a very successful year with exceptional financial results and a strong pipeline of work ahead of it.

APS Maintain was impacted by COVID-19 as clients erred on the side of conservatism. Our underlying preventative maintenance contracts showed growth whilst reactive and minor works contracted due to tightening discretionary spend.

We are however confident that the pipeline of work remains and will have to be addressed as and when client confidence returns.

CUI operations remained stable with strong demand driven by the essential service nature of the business. CUI Tender activity is strong and the division is currently firming up its go to market wireless strategy post our acquisition of Catalyst One.



In terms of order book, the pipeline remains extremely strong in all our key markets and sectors.

In CUI we have successfully secured the national installation and maintenance field services contract for Foxtel increasing our share of the contract from 50% to 100%.

We also extended our nbn OMMA contract up to 30 Jun 2021 with a further 6 month extension at NBN's discretion and are actively tendering a variety of other work packages in this space.

In APS Fire, we are currently engaged on the WestConnex 3A delivery and targeting several other large infrastructure projects leveraging our market leading position in Fire suppression, innovative delivery solutions and exceptional track record .

APS Maintain has secured National maintenance contracts in ALDI and 7/11 and is actively pursuing a number of other contracts in this space.

Business Performance - CUI:

In terms of financial performance for the FY20 year, CUI continued its strong performance delivering record revenue of \$273m and EBITDA \$21m fueled by continued strong on the ground performance within our core platforms as well as growth within our smart metering portfolio.

The division was somewhat impacted by the continued softening of the subscription television market due to competing streaming services. This was offset with strong demand for fixed line services specifically during early government restrictions between March and May 2020.

Post year end we announced the acquisition of Catalyst 1 as well as the successful Foxtel single vendor tender outcome positioning us well to leverage our existing capability and track record of innovative delivery and client solutions into complimentary buoyant markets.

Business Performance - APS:

The APS segment includes our Fire Build and core Maintenance portfolios which are now consolidated.

The division delivered revenues slightly below prior year at \$217.5m and EBITDA of \$8.6m. APS Fire Build delivered a record year in both revenue and EBITDA driven by strong performance on the NorthConnex tunnel project as well as efficient and effective delivery in our core markets of NSW and QLD.

COVID-19 has marginally affected this part of the business through uncertainty around timing of new work as well as reduced site productivity due to additional site protocols.

Within the Maintain division, the returns are well below our internal targets.

In the second half of the financial year the division was impacted by significant delays to client discretionary spend as many sectors including retail and education curtailed spend due to uncertainty and suppressed demand.

These discretionary projects tend to attract higher margins than routine essential maintenance therefore impacting average margins as well as overall revenue and profitability.

As markets recover and confidence returns, we anticipate there will be high demand for our services over the medium term to address the backlog of upgrades and remedial works. We also believe that maintenance services will be at a higher premium as customers target more cost efficient asset maintenance.

Strategy Update:

Moving to our strategy, I'm pleased to report significant tangible progress against the priority areas highlighted at our FY20 results briefing in August.

The acquisition of Catalyst 1 is in line with our strategy to pursue inorganic growth in growing complimentary markets and in particular to enter the wireless telecommunications space.

We also highlighted technology as a key priority to ensure we are positioned well to prosper as our core markets evolve into the future. This strategic theme has also been significantly advanced since year end with the roll out of Salesforce Field Service Lightning technology across our entire Maintain platform.



I would like to give a bit more detail around these 2 strategic themes.

BSA Telecommunication Strategy:

Starting with our wireless entry strategy & I am pleased to note that Phase 1 is now complete through the acquisition of Catalyst One.

Catalyst One provides integrated project solutions and infrastructure services across the Wireless Telecommunications market with an outstanding reputation for delivery. This acquisition has provided BSA with a strategic entry point, which strongly complements our existing fixed line Telecommunications platform. We are currently transitioning the teams and aligning our overall strategies.

We are also actively working on execution of phase 2 which seeks to develop our service offering enabling us to offer end to end services to the market.

Technology:

In terms of technology, our market leading Salesforce Field Service Lightning investment has now been rolled out across many of our services platforms. This technology solution underpins our future vision for workforce management and data driven asset management.

Over time it will significantly disrupt historic delivery models by reducing interface time, increasing efficiency and optimising work order management.

Conceptually it provides transparency between our workforce and customers, enabling them to track status of work orders in real time and ultimately assist customers in optimising their end consumer experience. The model will also allow increased flexibility and match technicians through job type, qualification and skills requirements. Overall this will reduce downtime, increase insight and improve customer engagement at significantly lower costs. This technology was successfully rolled out across our entire Maintain business during Nov 2020.

The next phase underpins the strategic initiative of Data Driven Asset Management which moves asset management from a reactive service to a completely automated and proactive approach. The result will be reduced cost to serve for BSA, while at the same time providing our customers the benefits of reduced operating costs including reduced energy use, increased uptime, fewer breakdowns/reactive service calls, and increased tenant satisfaction.

To further compliment this strategy of using technology to drive growth and performance, BSA is partnering with Software AG – a German software company and global leader in IoT solutions.

BSA is working with software AG in developing a market leading IoT based building management solution using our knowledge of in building asset management coupled with the leading technology and vast development capability of Software AG.

The result will be a cost effective solution for providing optimisation of our clients' assets and how we maintain them moving forward.

Our investment and focus on technology was also a key win theme for the recent Foxtel national tender – our new delivery model includes a number of innovative technology driven solutions that improve end-customer satisfaction and key client KPIs as well as significantly reduce cost to serve.

This would not have been achievable using historic delivery methods and positions us well to leverage this thinking and model into other clients, sectors and markets.

Outlook:

In terms of current trading, our business continues to show resilience with our strong base in critical services positioning us well. Spend remains subdued in some sectors which continues to impact our core Maintain business within APS, but we expect that to rebound strongly once confidence returns and client spend patterns return to normal levels.



Growth opportunities exist across all markets, albeit with timing delays in some areas as the COVID19 impacts have continued in the first half of FY21.

Government spend, specifically new work programs announced by nbn and the potential fast tracking of major construction projects will be targeted through our refreshed Business Development functions.

Moving forward we will continue to execute on our strategic themes outlined earlier and drive into complimentary markets and geographies where our expertise and reputation for strong delivery can be leveraged.

Before I open to questions, I would like to thank my Executive team and the whole BSA workforce – both our own employees and our wide sub contractor workforce for their drive and dedication in what has been a very testing time for us all in both our personal and professional lives – it is truly appreciated by myself and the Board.

Thank you

Tim Harris
Chief Executive Officer



CEO Address

Tim Harris



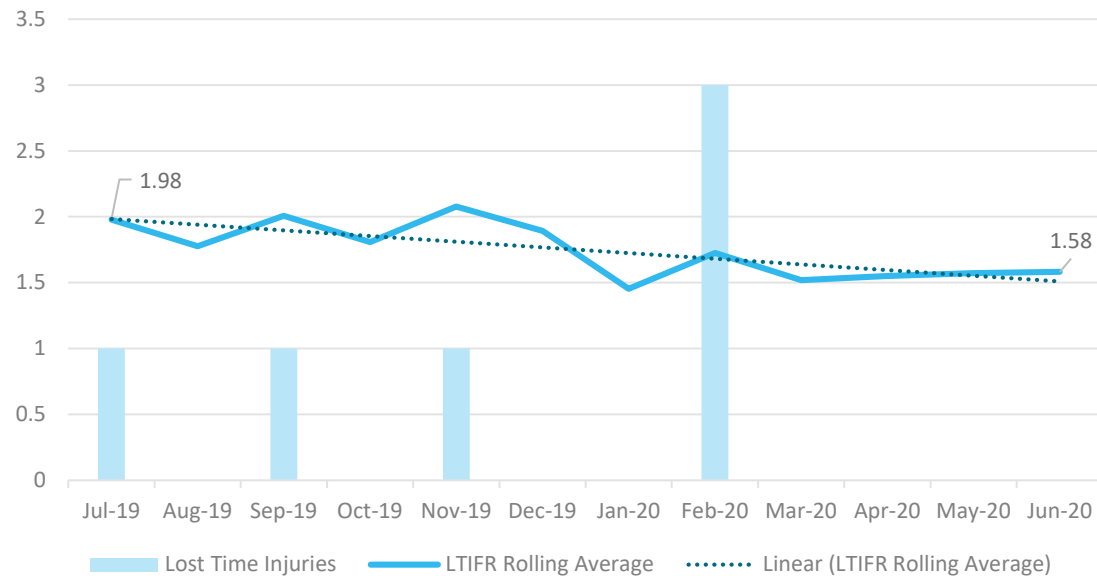


Health & Safety Performance

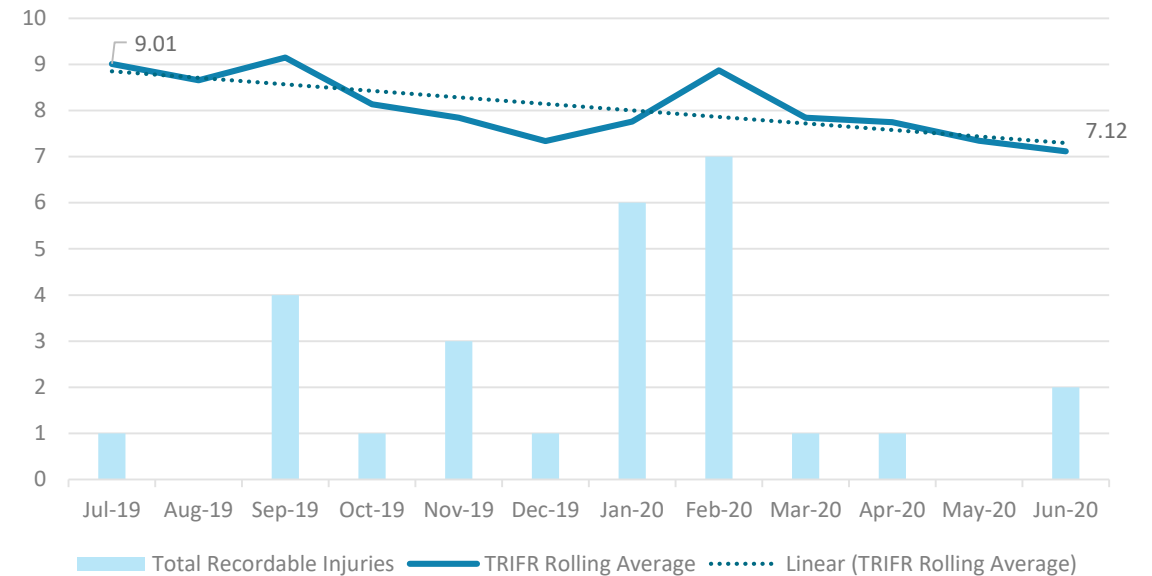
Investment into programs to drive continuous improvement in health and safety performance

- Long term performance of frequency rates continue to trend down for both Lost Time Injuries and Total Recordable Injuries. During FY2020, LTIFR reduced from 1.98 to 1.58 and TRIFR reduced from 9.01 to 7.12
- During FY2020 the BSA High Risk Activity Program was rolled out which centred around the BSA Absolutes, Stop Work Authority, HSEQ Consequence Management and Critical Control Checks
- Key focus for FY2021 is to drive further integration of BSA Safety Absolutes across the organisation

Lost Time Injuries



Total Recordable Injuries





Full Year Highlights

Robust financial results amidst challenging external environment



Financial Results

- Record revenue and earnings within our Communications & Utility Infrastructure (previously Connect) and Fire Build divisions;
- Revenue **\$490.4m** ↑ **4.4%**
- EBITDA (reported) from continuing operations of **\$23.0m** ↑ **5.5%**
- EBITDA Margin **4.7%** ↑ **0.1%**
- Operating cash conversion of **80%** (OCFBIT/EBITDA)*;
- Net cash of **\$32.7m** ↑ **101%**
- Final dividend **1.0 cents** ↑ **100%**.



Growth

- Evolved operational structure into two segments aligned to clients and markets:
 - BSA | Advanced Property Solutions (APS)
 - BSA | Communications & Utility Infrastructure (CUI);
- APS Fire - NorthConnex infrastructure project profitably completed by APS; and
- APS Maintain – temporarily impacted by deferred discretionary client spend in some sectors due to COVID-19.
- CUI - Strong demand, acquisition of Catalyst One post year end



Order Book

- Foxtel's preferred single national delivery partner – 3 year contract as sole provider;
- nbn OMMA contract extension through to June 2021 (with further 6 month nbn option);
- Fire Build – strong order book with a number of contract wins in the period including WestConnex link 3A, Sydney Football Stadium, Gold Coast Airport and Sydney Metro; and
- National maintenance contract awards for Aldi and 7-Eleven with strong forward demand.

* Operating Cash Flows Before Interest and Tax (OCFBIT) as a percentage of EBITDA (continuing operations)

Subject to rounding



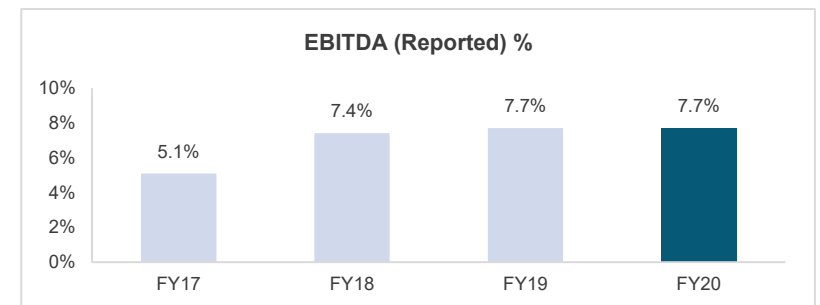
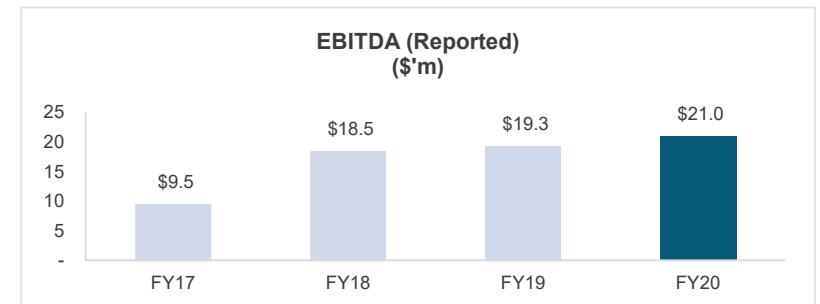
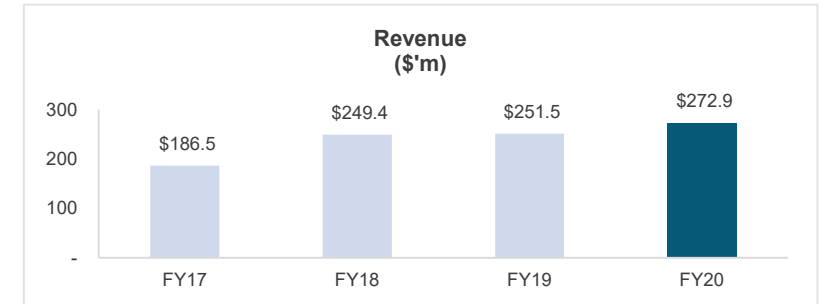
Business Performance

Communications & Utility Infrastructure (CUI)

Summary (\$'m)	FY20	FY19	Change	Change %
Revenue	#VALUE!	\$251.5	#VALUE!	#VALUE!
EBITDA (reported)	#VALUE!	\$19.3	#VALUE!	#VALUE!
EBITDA %	#VALUE!	7.7%	#VALUE!	#VALUE!

Highlights

- Record revenue and EBITDA fuelled by strong performance across major platforms;
- Growth into smart metering sector continues with **51%** year-on-year revenue growth;
- Structural changes to business development to accelerate move into new revenue streams;
- Opportunities for strategic expansion of our product/services offering and client base being actively assessed – particularly in the wireless sector (end-to-end)





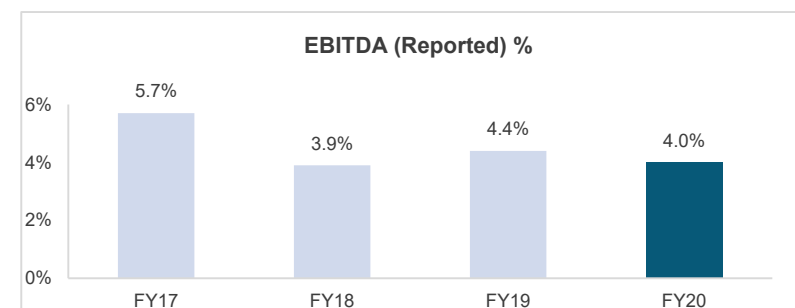
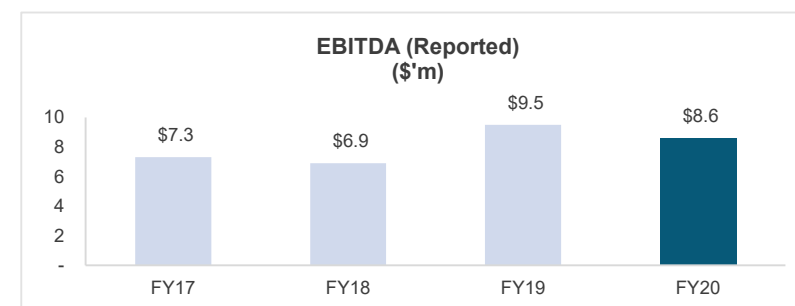
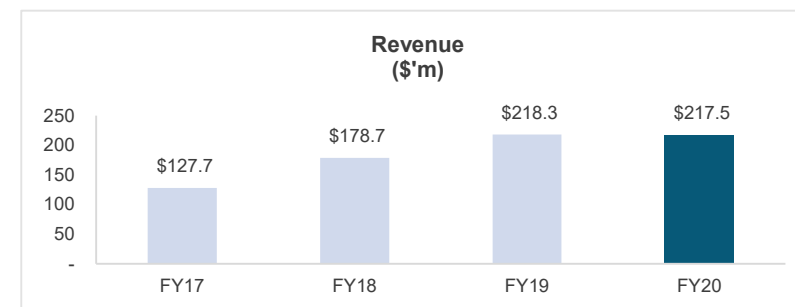
Business Performance

Advanced Property Solutions (APS)

Summary (\$'m)	FY20	FY19	Change	Change %
Revenue	\$217.5	\$218.3	(\$0.8)	(0.4%)
<i>Fire Build</i>	\$94.2	\$66.0	\$28.2	42.7%
<i>Maintain</i>	\$123.3	\$152.3	(\$29.0)	(19.0%)
EBITDA (reported)	\$8.6	\$9.5	(\$0.9)	(9.5%)
<i>Fire Build</i>	\$7.5	\$5.3	\$2.2	41.5%
<i>Maintain</i>	\$1.1	\$4.2	(\$3.1)	(73.8%)
EBITDA %	4.0%	4.4%	(0.4%)	(9.1%)

Highlights

- Strong profitable growth in Fire Build driven by successful execution of a number of projects in the period (e.g. NorthConnex, Grafton prison);
- Service revenue impacted in final quarter due to COVID-19, primarily in the Tertiary Education and Retail sectors;
- Strong organic growth in stable sectors (Health and Defence) driving annuity revenue;
- Conversion of Fire Build constructed facilities to ongoing maintenance contracts in Defence, high-end Residential, and Banking sectors.





Strategy Update

Strategy has been refreshed and reprioritised to build on solid foundation with tangible progress since year end

Vision	To be our clients' indispensable partner to design, deliver and manage innovative asset solutions			
	Grow	Diversify	Optimise	Innovate
Advanced Property Solutions	Complete geographic footprint expansion (including regional)	Accelerate multi-service growth – new & complementary technical disciplines	Implement data driven asset management platform	Integrated energy solutions expansion including Building controls / BMS
	Capitalise on increased national infrastructure spend	Grow end-to-end energy solutions (one stop shop)	Technology rollout (FY21) and further up-skilling of workforce	Leverage smart client solutions e.g. prefabrication / modularisation to win profitable work and reduce delivery risk
Communications & Utilities Infrastructure	Continue growth of our market leading Fixed line Telecommunications offering	Enter Wireless Telecommunications field services market ✓	Accelerate deployment of new Field Service Management technology (reduce costs and increase quality) ✓	Develop tailored Workforce management solutions into adjacent sectors & markets
	Further develop Smart Metering portfolio & flow on opportunities	Expand client outsource offerings and full managed services		
Group	Acquisition strategy – actively pursue complementary & strategic opportunities ✓		Leverage new Executive team expertise and technology to streamline operational delivery – efficiency and scalability	End-to-end delivery – identify and pursue opportunities to use advisory and delivery capability across APS & CUI
	Realise cross sell opportunities identified as part of operational and executive team restructures	Utilise refreshed BD team and structure to drive growth into complementary clients/markets	Bid selection criteria strengthened and ongoing risk management focus across all businesses	Evolve technology solutions to drive efficiencies for clients



BSA Telecommunication Strategy

Combining Catalyst One's wireless expertise and reputation with BSA's existing capability and market position





Fixed Broadband Experts

+



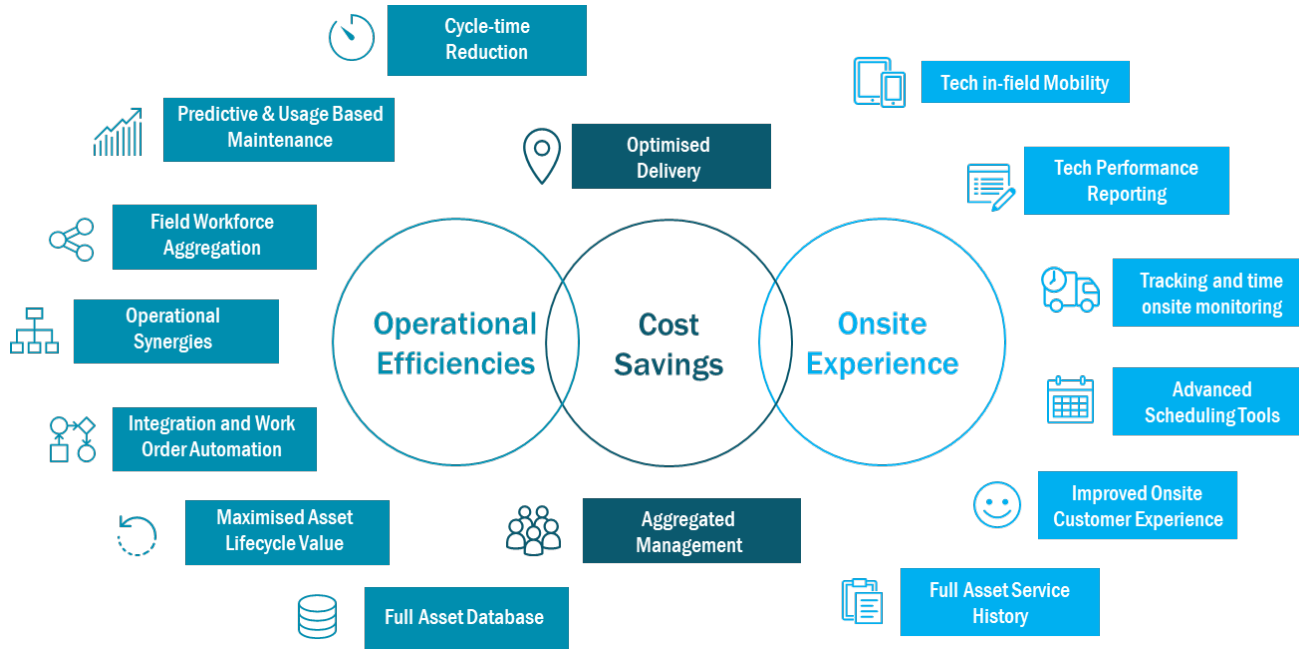


Wireless Experts

Technology



Asset Management and field force optimization with Field Service Lightning



Smart buildings and analytics through internal development and partnerships

BSA & Software AG partner to develop IoT Building Management Solution

bsa

Connect sites, assets and data to discover business intelligence that puts you in complete control of your facilities. Reduce energy and operating costs while preserving occupant comfort levels with BSA's scalable, cloud-based IoT building management solution.



Software AG notes that the global smart building market size projected to reach [A\\$150.22 billion by 2026](#)



Trading Update

- Group remains in a strong financial position with robust balance sheet and core revenue base in critical infrastructure and services
- COVID 19 restrictions continue to impact some sectors/markets - particularly APS Maintain
- Strong tender activity;
- Financial performance will likely be weighted toward the second half reflecting 1H COVID19 impacts as well as ramp up of certain work programs and projects in 2H

FY21

- Integrate Catalyst 1 & build out wireless strategy;
- Secure significant tenders/organic growth;
- Continue targeted inorganic growth;
- Optimise technology investment;
- Cost optimisation;
- Talent development; and
- Targeting Government / Infrastructure spend

Future

- Disciplined proactive delivery against strategic priorities (refer earlier slides) to facilitate growth
- Continue to expand into complimentary markets and geographies
- Capital management – optimise shareholder returns.



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