



26 July 2024

Trading update, Quarterly Activities Report and ASX Appendix 4C For the Quarter Ended 30 June 2024

Sydney, 26 July 2024: BSA Ltd (Company) is pleased to publish the quarterly activities report, trading update and the related Appendix 4C statement of cashflows for the quarter ending 30 June 2024 (Q4 FY2024):

Highlights:

- BSA Group achieves key financial metrics for continuing operations with FY24 Revenue of \$255.5m and EBITDA of \$22.2m. Q4 performance was marginally ahead on previous quarters and the pcp.
- Full year continuing operations results showed significant improvement to pcp (Revenue up 6.5% and EBITDA up 37%) as the group continues to target double digit EBITDA margins.
- 3-year contract renewal with Foxtel that extends our strategic partnership to 2027. In addition, Foxtel has two 1+1 year extension options beyond 2027.
- Net debt of \$6.4m as at 30 June 2024, and the significant reduction of the Group's liabilities post the final class action settlement payment of \$9.0m in June 2024.
- Adjusted Q4 positive operating cashflow (excluding Shine settlement payment but including discontinued operations) of \$2.7m indicative of stable cash flow conversion in comparison to the previous quarter.

Trading update:

BSA is also pleased to release an unaudited trading update for the year ended 30 June 2024 for continuing operations:

Financial Performance \$'m	Q4 FY2024	Q4 FY2023	Var	FY2024	FY2023	Var
Revenue	68.4	58.2	10.2	255.5	239.8	15.7
EBITDA	6.3	5.9	0.4	22.2	16.2	6.0

- Q4 FY2024 revenue of \$68.4 million, up by 17.5% vs. prior comparative period (pcp). Mix of work continues to favourably impact results.
- Q4 FY2024 EBITDA of \$6.3 million (up \$0.4 million, or 6.8% improvement on pcp) driven by the higher margin work on Fixed Line platforms.

Commenting on the performance for Q4 FY2024, the Joint CEO's Arno Becker and Richard Bartley said:
"The group has delivered another strong quarter and significant year on year improvement in results with strong positive momentum building throughout FY24. We are extremely proud of what the BSA team has achieved this year and expect this positive momentum to continue into FY25 as we target double digit EBITDA margins."



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Key Customer Developments

Foxtel

The Group is pleased to announce the signing of a significant three-plus-two year contract renewal with Foxtel.

The initial renewal term of the agreement will expire in 2027. Additionally, Foxtel will have an option to extend the contract for a further two years until 2029.

The terms of the renewal will be broadly in line with the previous contract that was set to expire 30 November 2024. The Group will continue to operate as the single field service Foxtel delivery partner across its national footprint.

BSA commenced providing residential and commercial satellite installation and maintenance services to Foxtel customers in 1998 and the signing of this contract renewal serves to further extend BSA's strategic relationship with Foxtel to 29 years.

Richard Bartley, Chief Executive Officer and Chief Operating Officer of BSA commented: *"BSA is delighted to be continuing our strong strategic partnership with one of Australia's most progressive and dynamic media companies. Throughout our partnership BSA have continued to transform our customer operating model to exceed Foxtel's expectations and our customer KPIs continue to achieve best in class results. We are very proud that Foxtel has consistently recognised BSA's service excellence over the past three decades"*

NSW Telco Authority

The NSW Telco Authority have awarded BSA's wireless division as the preferred supplier for Design and Installation services for the Microwave Link Rationalisation at 42 sites to support the Public Safety Network. Work has commenced and is forecast to be complete by the end of 2025.



Total Group Performance

Financial Performance \$'m	Q4 FY2024	Q4 FY2023 ¹	Var	FY2024	FY2023 ¹	Var
Revenue:						
Continuing Operations	68.4	58.2	10.2	255.5	239.8	15.7
Discontinued Operations ¹	4.4	5.3	(0.9)	11.7	124.0	(112.3)
Group Revenue	72.8	63.5	9.3	267.2	363.8	(96.6)
EBITDA:						
Continuing Operations	6.3	5.9	0.4	22.2	16.2	6.0
Discontinued Operations ¹	(1.2)	(2.3)	1.1	(4.2)	(7.8)	3.6
EBITDA pre-significant Items	5.1	3.6	1.5	18.0	8.4	9.6
Significant items:						
Restructure Costs	0.0	0.0	0.0	(3.8)	0.0	(3.8)

¹ FY2023 includes both APS Maintain and APS Fire Queensland (both divested). Results from APS Maintain included up to 3 February 2023. Result for APS Fire Build Queensland included up to 31 May 2023.

Discontinued Operations

BSA has substantially completed the closure of APS Fire NSW, with remaining project expected to receive practical completion in early FY25. The focus will remain on finalising warranty and defect liabilities over the terms of the contracts.



Financial Position

Net Debt* \$'m	Jun-24	Mar-24
Cash	1.6	0.5
Borrowings	(8.0)	-
Net Debt	(6.4)	0.5

*Net Debt excludes Insurance Funding

The Group has \$8.5m of undrawn financing facilities as at 30 June 2024 relating to its borrowing base facility. BSA secured the use of an additional temporary facility of \$1.5m from its financier during the quarter (Total Borrowing Base Facility is \$16.5m).

Cashflow Performance

Cashflow \$'m	Q4 FY2024	FY2024
Receipts from customers	79.3	292.7
Payments to suppliers	(85.3)	(292.2)
Interest	(0.3)	(1.4)
Net cash used in operations	(6.3)	(1.0)
Net payments for equipment and software	(0.3)	(0.6)
Net payments relating to contingent consideration (Catalyst ONE)	-	(0.9)
Net cash used in investing activities	(0.3)	(1.5)
Net repayments of borrowings	8.0	4.0
Lease payments	(0.3)	(1.9)
Net cash from financing activities	7.7	2.1
Net Cashflow for the period	1.1	(0.4)

Subject to rounding

The Group cashflow performance includes continuing and discontinued operations. Operating cash flow for the period was \$6.3 million cash outflow, inclusive of the final Shine settlement payment of \$9.0m made prior to June 2024. Adjusting for this amount, in Q4 FY2024 BSA achieved \$2.7 million in operating cash flows and in FY2024 generated \$8.0 million of operating cash flows.

BSA continues to closely manage its cash flows and net working capital balances.



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BSA Limited (ASX:BSA) expects to release its 30 June 2024 full year results on Friday 23 August 2024 prior to market opening.

Arno Becker, Joint CEO and CFO, and Richard Bartley, Joint CEO and COO will hold an investor briefing to discuss the full year results for FY2024 at 2.00pm (AEST) on 23 August 2024.

The audio briefing will be streamed live at this time. Access via the BSA Limited company page on the Open Briefing website:

<https://webcast.openbriefing.com/bsa-fyr-2024/>

The presentation slides will also be available through the link.

Participants will need to pre-register for the call at the link below:

<https://s1.c-conf.com/diamondpass/10040259-jh8y76.html>

Once registered, participants will receive a calendar invite and a unique code, which is to be quoted when dialling into the call. To ask question participants will need to dial “*1” (star, 1) on their telephone keypad.

Conference ID: 10040259

The webcast will open 15 minutes prior to the start of the presentation.

Authorised for release by the Board of Directors.

Investors:

Arno Becker and Richard Bartley
Joint Chief Executive Officers
BSA Limited
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About BSA

BSA (ASX: BSA) is an Australian-owned and operated ASX-listed company with over 25 years' experience delivering fixed-line and wireless Telco services, smart metering services and premium EV charging solutions. BSA provides services to Australia's household brands, including nbn, Foxtel and Telstra. The BSA team is comprised of over 300 employees and over 1000 skilled field technicians focused on building strong, long-term relationships with customers and partners in the Telco, Smart Energy and EV sectors. <https://www.bsa.com.au/>

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

BSA Limited

ABN

50 088 412 748

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	79,325	292,735
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(57,921)	(217,522)
	(c) advertising and marketing	(52)	(96)
	(d) leased assets (disclosed in section 3.9)	-	-
	(e) staff costs	(10,129)	(38,689)
	(f) administration and corporate costs	(8,236)	(27,049)
	(g) legal settlements	(9,000)	(9,000)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(332)	(1,432)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(6,345)	(1,053)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	(912)
	(c) property, plant and equipment	(315)	(548)
	(d) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(315)	(1,460)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	8,000	10,500
3.6	Repayment of borrowings	-	(6,500)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (lease repayments)	(307)	(1,878)
3.10	Net cash from / (used in) financing activities	7,693	2,122
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	535	1,959
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(6,345)	(1,053)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(315)	(1,460)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,693	2,122
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,568	1,568

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,568	535
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,568	535

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	64
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

The payments to Related Parties shown at Section 6.1 in the Appendix 4C related to fee payments to directors in the normal course of business during the quarter.

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000										
7.1 Loan facilities	16,500	8,000										
7.2 Credit standby arrangements	-	-										
7.3 Other (please specify)	-	-										
7.4 Total financing facilities	16,500	8,000										
7.5 Unused financing facilities available at quarter end		8,500										
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.												
<table border="1"> <thead> <tr> <th style="text-align: left;">Facility</th> <th style="text-align: center;">Facility Limit</th> <th style="text-align: center;">Drawn</th> <th style="text-align: center;">Interest Rate</th> </tr> </thead> <tbody> <tr> <td rowspan="2">CBA Borrowing Base</td> <td rowspan="2" style="text-align: center;">\$16.5m</td> <td style="text-align: center;">\$4.5m</td> <td style="text-align: center;">5.6450%</td> </tr> <tr> <td style="text-align: center;">\$3.5m</td> <td style="text-align: center;">5.7275%</td> </tr> </tbody> </table>			Facility	Facility Limit	Drawn	Interest Rate	CBA Borrowing Base	\$16.5m	\$4.5m	5.6450%	\$3.5m	5.7275%
Facility	Facility Limit	Drawn	Interest Rate									
CBA Borrowing Base	\$16.5m	\$4.5m	5.6450%									
		\$3.5m	5.7275%									

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(6,345)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,568
8.3 Unused finance facilities available at quarter end (item 7.5)	8,500
8.4 Total available funding (item 8.2 + item 8.3)	10,068
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.59
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Result for 8.1 due to non-recurring \$9m payment of legal settlement. Excluding this item, cashflow from operations was positive.	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Not applicable – see answer to 8.6.1	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Yes – please see answer to 8.6.1

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 26 July 2024

Authorised by: the Board