



Solution provider to the
Australian electrical market

AGM 2024

26 November

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CEO's Address

Michael Sainsbury

What we'll share today

Agenda

- Our Strategy & Market
- Financial Review
- FY25 Update
- Q&A

Our Strategy & Market

IPD Group delivers end-to-end solutions through Addelec, IPD, CMI Electrical, and Ex Engineering, supporting our customers' shift to more sustainable operations.



Our purpose

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.

With 650+ team members, we're committed to building sustainable electrical infrastructure for a safer, better future for all Australians.

Industry Scale:

Operating one of the largest electrical product distribution networks for the commercial and industrial sectors.

Trusted Brands:

Our extensive product portfolio features some of the world's most recognised and valued brands.

Expert Solutions:

Our deep customer and technical knowledge enable us to deliver reliable, compliant electrical solutions and guide customers through complex regulations confidently.

Custom Solutions:

Our leading in-house manufacturing provides flexible, tailored solutions with fast turnaround, meeting unique project needs and enhancing customer experiences.

Commitment to

Compliance and Safety: Built on a legacy in regulated markets, we prioritise compliance and safety to deliver sustainable, industry leading solutions

Our results:
**Sustainable
shareholder value
creation**



Our Pillars

Our four strategic pillars drive strong returns by leveraging our subsidiaries' expertise and industry partnerships to build energy efficient, automated, and secure infrastructure with safety at the heart.



Business Growth

Focused on customer value, market expansion, and accelerating growth.

Customer Value & Market Expansion: Use strong brands and expertise to deliver tailored, reliable solutions and grow into new markets.

Accelerate Growth: Focus on investments and acquisitions to boost earnings, market share, and sector reach.



Operational Efficiency

Building scalable operations, leveraging our synergies, and emerging technologies.

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

Synergies & Emerging Technologies: Utilise partnerships and emerging tech to create innovative, adaptable solutions that drive value and growth.



Sustainability

Committed to responsible environmental and social impact.

Reducing Environmental Footprint: Minimising reliance on grid energy, transitioning to an electric/hybrid fleet, and emphasising circularity to reduce waste and maximise product and material lifecycles.

Making a Lasting Social Impact: Supporting charitable causes, industry initiatives, and educational programs to strengthen our 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.



Our Connected Group

We are well-positioned in the energy transition, backed by strong fundamentals and alignment with key megatrends. Our interconnected businesses deliver unique value across the entire value chain, creating synergy that drives long-term, sustainable growth.



Megatrends



Geopolitical shifts

With global reach and local adaptability IPD can quickly respond to changing regulations and regional energy demands.



Urbanisation

IPD's smart solutions and energy-efficient systems provide scalable infrastructure to support the growth of urban areas.



Sustainability

Aligned with the global push for greener operations, IPD is driving sustainable energy management and supporting the shift toward net-zero carbon.



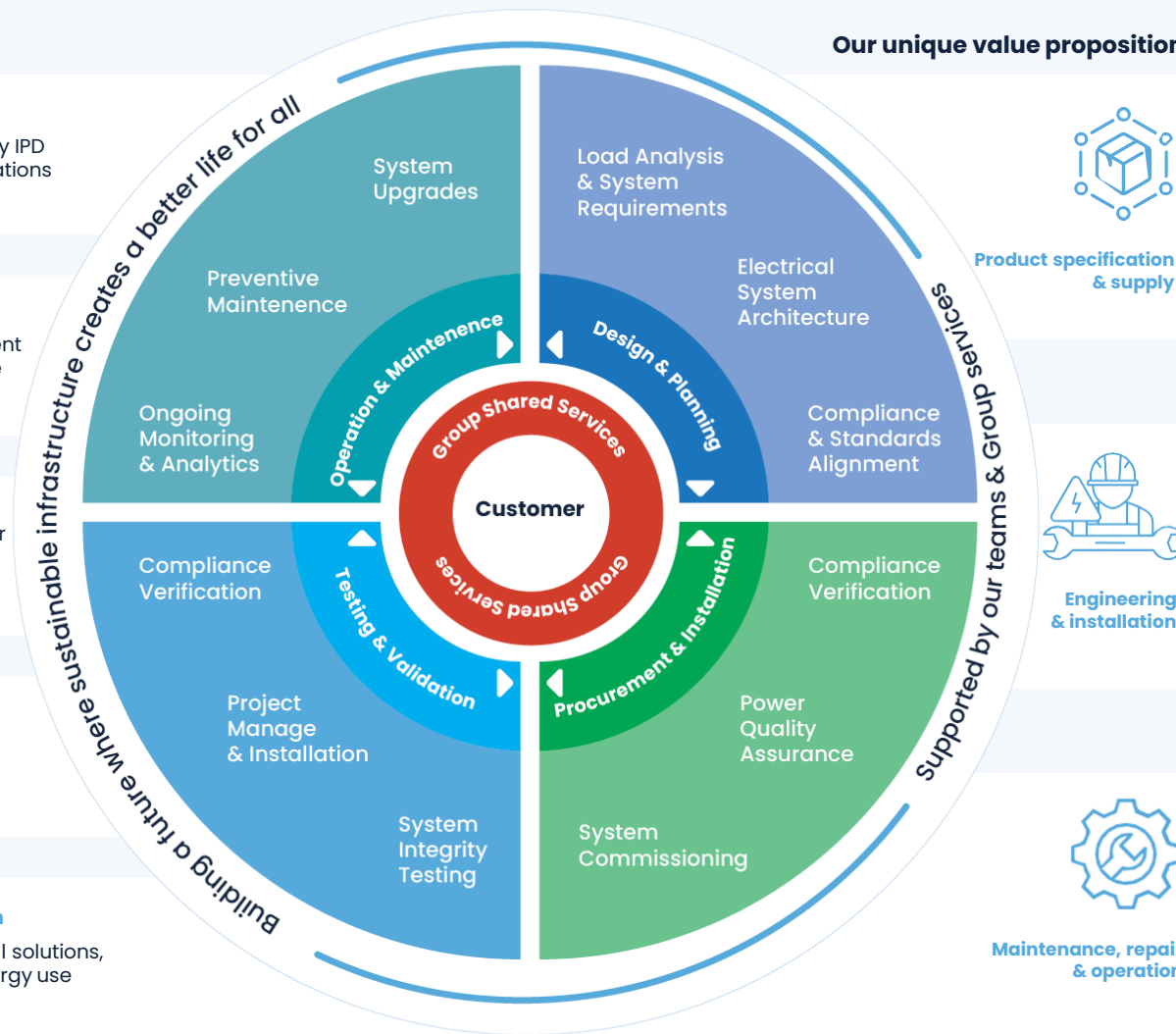
Electrification

IPD's innovative solution will accelerate the shift from fossil fuels to renewable electric energy in industries and infrastructure.



Digital & technological transformation

With expertise in automation and digital solutions, IPD is leading the way in optimising energy use and operational efficiency.



Our Connected Group

Voice of Our Customers

Commendable NPS Score

32.9%

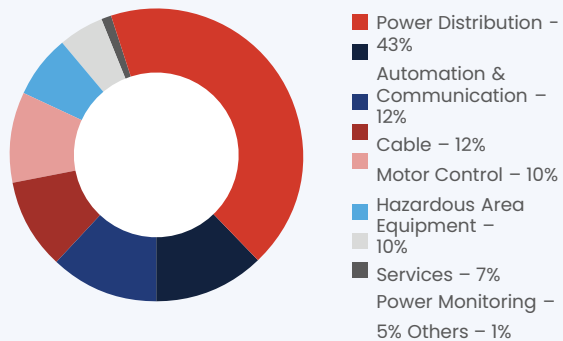
NPS Growth reflects strong customer satisfaction

In FY24, our Net Promoter Score (NPS) improved to 32.9%, a significant rise from 30.2% in FY23. This positive trend in customer satisfaction and engagement spans all our subsidiaries, underscoring the effectiveness of our customer-centric strategies. In the B2B industry, an NPS between 30-40% is regarded as strong, indicative of solid customer loyalty and validating our approach to prioritising customer relationships.

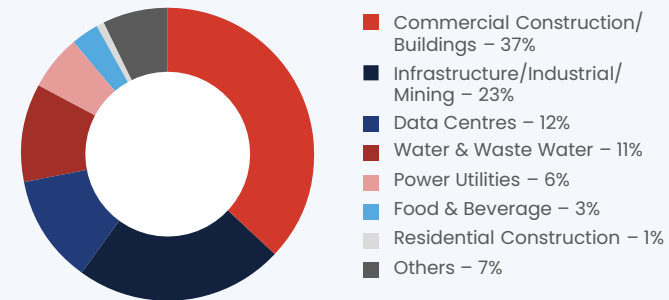
Diversified Revenue

Our diverse technology portfolio has strengthened Group performance across targeted sectors. We are actively expanding our offerings to meet the demands of digital transformation and mitigate market risks. This approach ensures stable growth by catering to various markets with multiple technologies.

FY24 Revenue by Product Type



FY24 Revenue by End Market



Our People & Sustainability

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

EMPLOYEES

664

Employees

SCORE OF

35%

Employee NPS score

LTIFR⁽²⁾

0

Lost time injury frequency rate

LOST TIME INJURY

470

Over 470 days since our last LTI



One of the many ways we are creating a positive imprint

Commitment to Sustainability: IPD and ABB focus on circularity, minimising waste by extending product and material lifecycles

Collaborative Approach: Partnered with ABB to reduce, reuse, and recycle packaging, cutting waste significant

Reusable Crates: Switched to reusable plastic crates for deliveries, reducing disposable materials and saving time.

Efficiency Gains: Flat-packed crates return to ABB for reuse, reducing cartons and tape by 20%.

Expanding Initiatives: Replaced plastic void fill with 100% recyclable paper to further enhance sustainable packaging efforts.

2. Lost time injury frequency rate at 26 November 2024. LTIFR Average number of lost time injuries over the past 12 months for every 1,000,000 hours worked.

Australia's Data Centre Capacity to Double by 2030 with AI & Cloud Growth

Our end-to-end solutions position us to meet rising data centre demands.

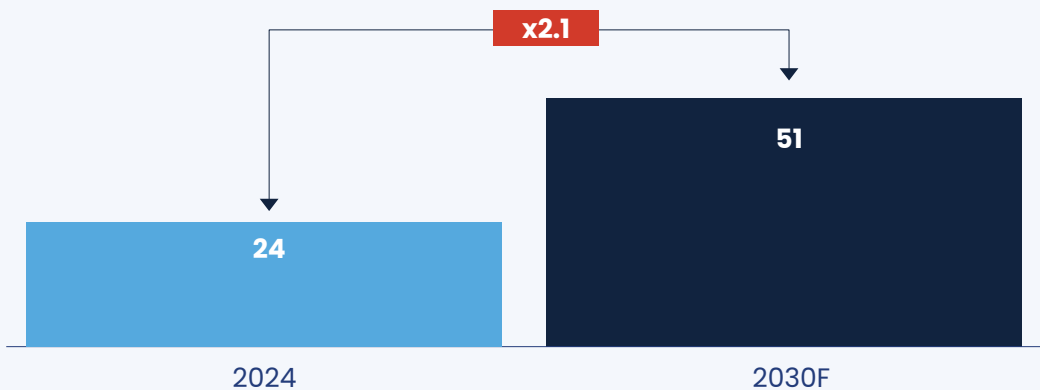


Data centres contributed 12% of revenue in FY24, with expected growth of 25% in FY25.

Growing demand for digital services will double the deployable capacity of data centres in Australia to 3,100 megawatts by 2030

Internet-Connected Devices in Australian Households

Average devices per household, 2024-2030F⁽³⁾

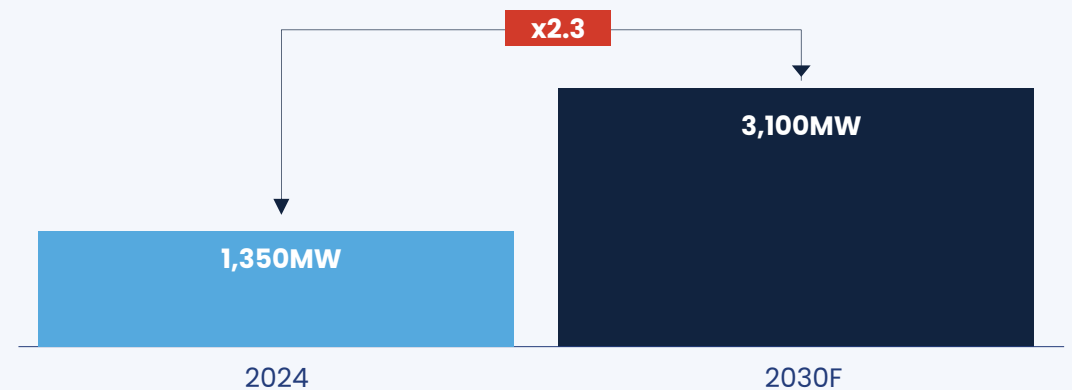


Growing demand

Australians could have up to 2.1x more internet-connected devices in the home by 2030

Data Centre Deployable Capacity in Australia⁽⁴⁾

Megawatt (MW), 2024-2030F



+AU\$26 billion

Infrastructure investment


Investment of \$26 billion is required to construct the additional data centre capacity by 2030

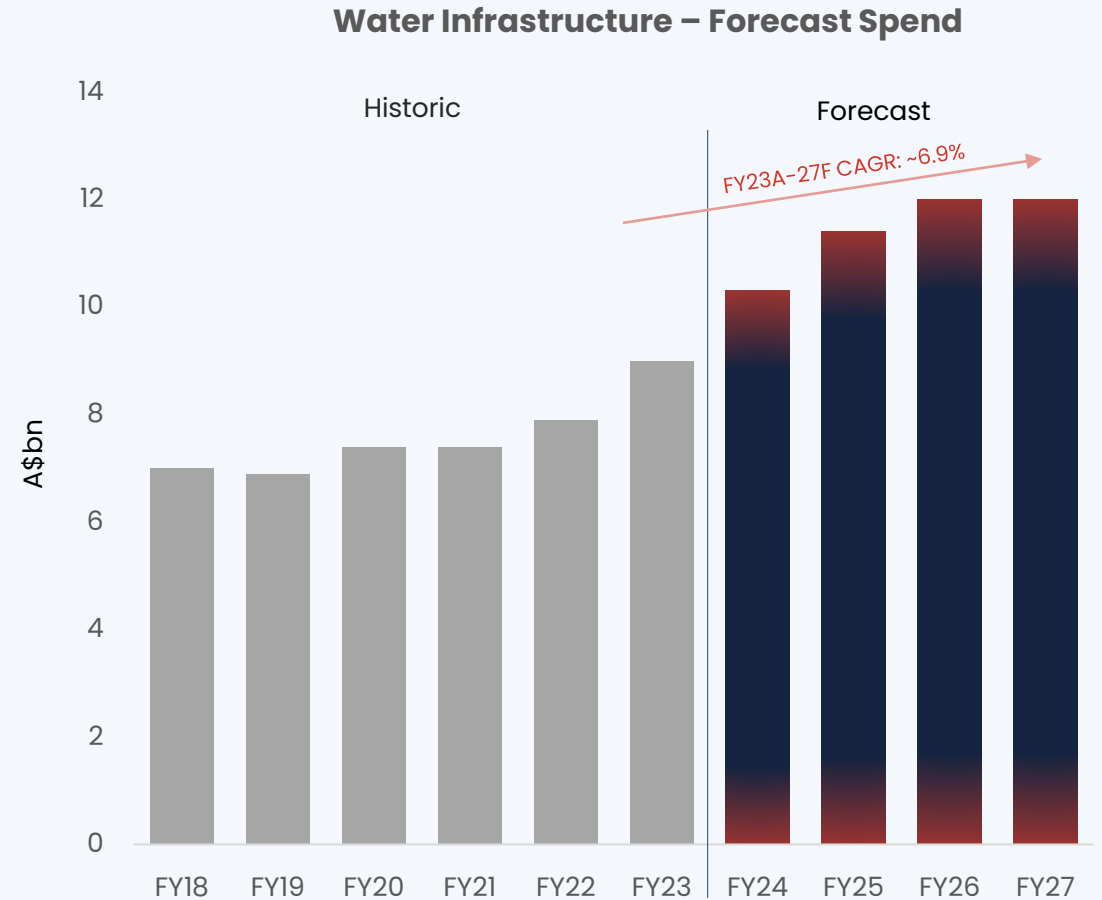
3. Forecasts are based on the expected growth between 2021 and 2025.
 4. Excludes on-premise servers, telecommunication, and government data centres.

Source: Morgan Stanley (2024) Australia – Data Centre Handbook; NBN (2024) Australian feel the need, the need for speed; Statista (2023) Australia: Average number of internet-connected devices per household; Telsyte (2024) Australia's smart home market set to crack \$2.5B, driven by AI, energy savings and security; Datacentremap; Data from select data centre operators; Expert interviews; Mandala analysis.

Our Markets

Increased Water Infrastructure Investment Driven by Population & Climate Needs

 <p>Population Growth</p>	 <p>Urbanisation & Congestion Management</p>	 <p>Climate Change & Water Security</p>
 <p>Technological Advancements in Water Management</p>	 <p>Aging Infrastructure Asset Base</p>	 <p>Government Investments & Incentives</p>



Source: ACIF (June 2024)

Financial Review

FY24 Results Overview

Record Results Driven by Demand for Electrification

Revenue

\$290.4m

↑ Up 28.0% (PCP \$226.9m)

Underlying⁽⁶⁾ EBITDA

\$40.1m

↑ Up 44.8% (PCP \$27.7m)

Underlying⁽⁶⁾ EBIT

\$34.3m

↑ Up 46.6% (PCP \$23.4m)

Underlying⁽⁶⁾ NPAT

\$23.3m

↑ Up 44.7% (PCP \$16.1m)

Underlying⁽⁶⁾ EPS

24.2 cents

↑ Up 30.1% (PCP 18.6cents)

Net Assets

\$150.7m

(\$72.9m as at 30 June 2023)

Net Debt⁽⁷⁾

\$8.8m

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

Capital Raised

\$65.0m

Successfully raised in Dec 2023

LTIFR⁽⁸⁾

0 LTIFR

Over 470 days since last LTI

Total Dividends FY24

10.8 cents

Dividend per share fully franked
50% payout ratio

6. 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 totaling \$1,221,000. Underlying NPAT from ordinary activities has been arrived at by adding back acquisition related costs after tax totaling \$855,000.

7. Net Debt excludes lease and tax liabilities.

8. 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 Overview

Strategic Growth Drives Strong Returns & Long-Term Value

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

- **Revenue Growth:** \$290.4M, up 28% YoY, with a 35% annualised growth rate over 5 years.
- **Gross Profit:** \$107.8M at a 37.1% margin, reflecting strong core and acquired business performance.
- **EBITDA:** Reached \$40.1M, up 44.8% YoY, exceeding market guidance.
- **Strategic Investments:** Expanded teams, strengthened key partnerships, integrated EV solutions nationwide, increased workshop capacity, and broadened international reach with CMI Operations.
- **Net Assets:** More than doubled to \$150.7M, with a strong balance sheet focus.
- **Working Capital:** Increased to \$76.9M, supporting revenue growth and acquisitions.
- **Cash Flow:** Operating free cash flow conversion up significantly to 88%.

\$m	Underlying ⁽⁹⁾ 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) ⁽¹⁰⁾	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%

9. 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 totaling \$1,221,000. Underlying NPAT from ordinary activities has been arrived at by adding back acquisition related costs after tax totaling \$855,000.

10. 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

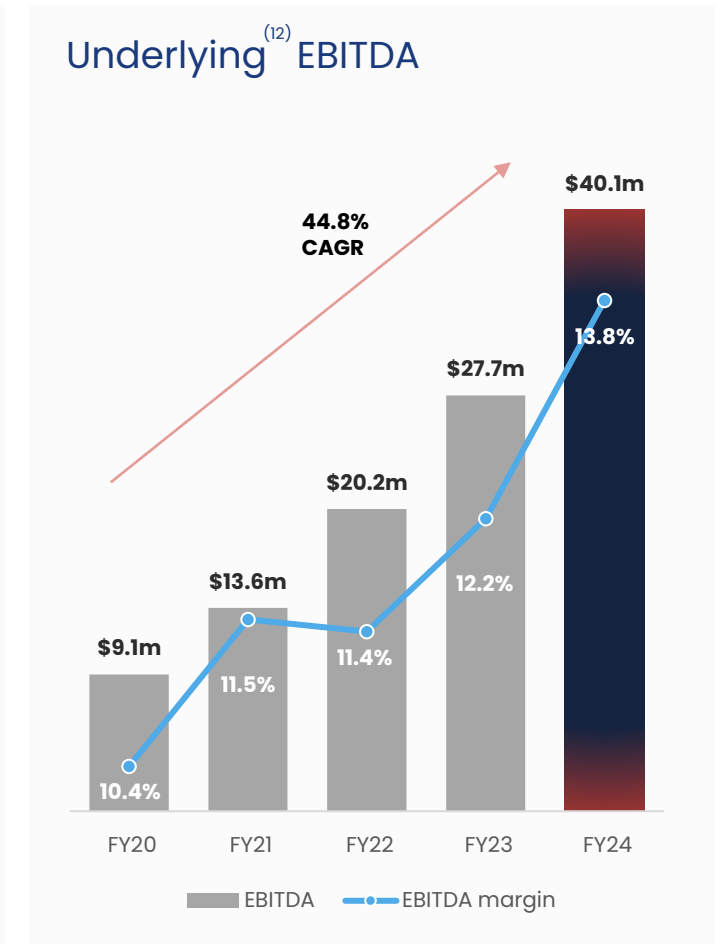
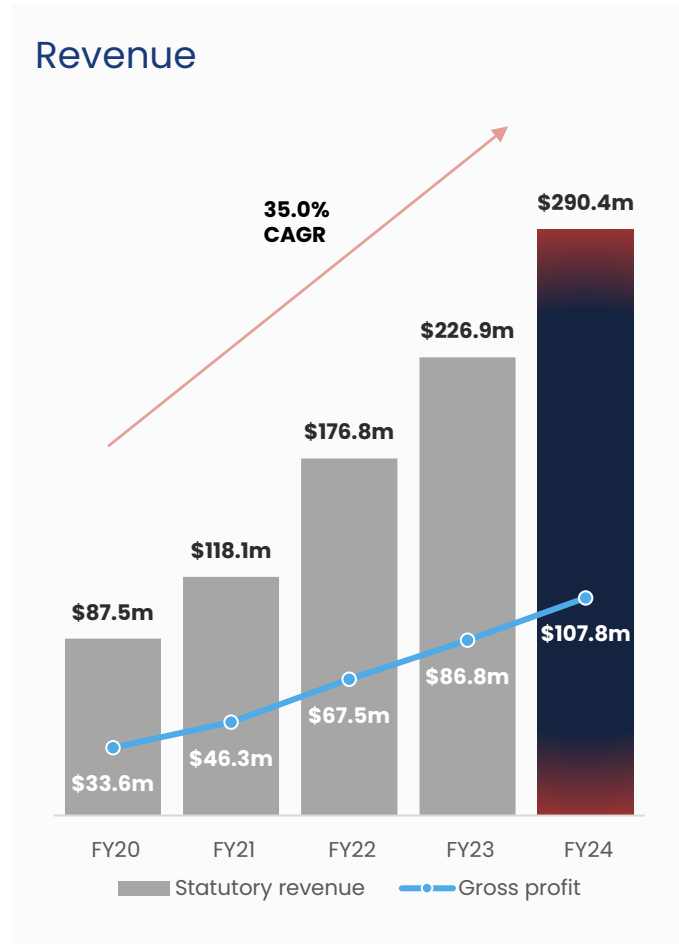
Record Revenue & EBITDA Growth Driven by Strategic Acquisitions

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⁽¹²⁾ 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⁽¹²⁾ 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.



12. 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 totaling \$1,221,000.

FY25 Update

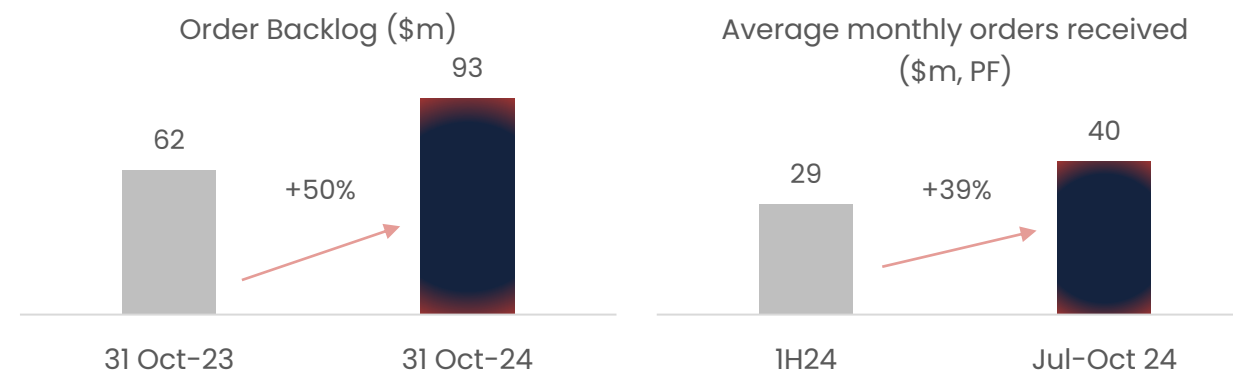
Trading Update & Outlook

Earnings Guidance Provided 25 November 2024

Guidance is based on unaudited results for the first four months of FY25 and management forecasts for November and December.

- During the first four months of FY25 IPD Group has observed a 39% increase in average monthly orders received (vs 1H24 Pro Forma⁽¹³⁾), alongside a 50% increase in the Order Backlog (vs pcp Pro Forma) to \$93.1m as at end-October 2024.
- This has been driven by a transition in the order book from daily trade toward larger and more complex orders, which typically have longer lead times and less certainty around delivery timing.
- While Revenue for 1H25 is forecast to exceed the pcp (Pro Forma), a proportion of orders that would previously have already become invoiced Revenue are now sitting in the Order Backlog. Additional investments into the operating cost base to generate and deliver these additional orders will impact margins for 1H25, **albeit with the operating cost base now well placed to service future growth.**

\$m	1H FY24 Statutory Result	1H FY24 ⁽¹³⁾ Pro Forma	1H FY25 Guidance Range
EBITDA	16.1	24.8	22.5 – 23.1
EBIT	13.7	21.4	19.2 – 19.8



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.

13. 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.

Q&A

Thank you