



Investor Presentation FY2020

Results Review



Agenda

1. FY2020 highlights – Tim Harris
2. Group financials – Arno Becker
3. Operational performance – Tim Harris/Arno Becker
4. Strategy update – Tim Harris
5. Outlook – Tim Harris

FY2020 Highlights



Architect's impression of Wynyard Place, Sydney – George Street view. Image courtesy of Multiplex Global.



Full Year Highlights

Robust financial results amidst challenging external environment



Strong Continuing Operations

- Record revenue and earnings within our Communications & Utility Infrastructure (previously Connect) and Fire Build divisions;
- EBITDA (reported) from continuing operations of **\$23.0m**; an increase of **5.5%** on prior comparative period (“pcp”);
- Operating cash conversion of **80%** (OCFBIT/EBITDA)*;
- Net cash of **\$32.7m**; and
- Fully franked final dividend of **0.5 cents** (DRP in place).



Organic Growth

- Evolved operational structure into two segments aligned to clients and markets:
 - BSA | Advanced Property Solutions (APS)
 - BSA | Communications & Utility Infrastructure (CUI);
- CUI: strong profitable growth resulting in EBITDA growth of **+8.8%**;
- APS achieved **+41.5%** EBITDA growth in Fire Build
- NorthConnex infrastructure project profitably completed by APS; and
- APS – temporarily impacted by deferred discretionary client spend in some sectors due to COVID-19.



Order Book

- Foxtel’s preferred single national delivery partner – 3 year contract as sole provider;
- Negotiating with nbn to extend OMMA contract 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.



Management Focus

New Management team (appointed March 2020) has focused on the following key priorities in Q4 FY2020:

COVID-19 Proactive management of people and Operations (refer slide 10) <i>on-going</i>	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 <i>advanced</i>	Investment in People Restructure and up-skilling of senior team to position for future growth in line with operational restructure <i>complete</i>	Business Development Refresh of business development structure, skillset and strategy to accelerate client diversification and push into complimentary markets <i>advanced</i>
Key contract renewals/extensions Renewal/extension of existing Foxtel and nbn OMMA contracts <i>advanced</i>	Organic growth National multi-service maintenance <i>new contracts secured despite challenging environment</i>	New market entry Entry into wireless market <i>advanced</i>	Strategy Refreshed and reprioritised at group and segment levels with actions progressed in many areas (refer slide 17) <i>on-going</i>



Financial Performance – Continuing Operations

Core business continues to generate annuity-style cash-backed profits and stable returns to shareholders

\$490.4m

Revenue
FY19 = \$469.8m

- Revenue of **\$490.4m**, up **4.4%** on pcp for continuing operational streams
- Proportion of recurring revenue of **80%** has substantially increased with the divestment of HVAC Build Major Projects division

\$23.0m

EBITDA (reported)
FY19 = \$21.8m

- Reported EBITDA up **5.5%** on pcp
- Underlying EBITDA of **\$25.9m** up **\$1.3m** on pcp
- Growth in CUI and APS Fire Build operational stream versus pcp
- Further investment into regional expansion, technology and people capability to set platform for next phase of growth

4.7%

EBITDA% increase 0.1%

- Reported EBITDA margin of **4.7%**; up **0.1 percentage point** on pcp not withstanding COVID-19 headwinds and investment in the APS Maintenance business
- Underlying EBITDA margin **5.3%** up by **0.1 percentage points**

\$7.8m

NPAT (reported)
FY19 = \$10.8m

- Reported NPAT down **27.8%** to **\$7.8m** due to technology/people investments for future growth and discretionary work deferral in some sectors due to COVID-19
- Underlying NPAT down **22.7%** to **\$9.9m** from **\$12.8m**

1.0 CPS

Dividend FY19 = 0.5 cps

- Final Dividend of **0.5 cents** per share (cps), fully franked, resulting in full year dividends of **1.0 cps** (fully franked)
- Represents a 100% increase on FY19 dividend amount of 0.5 cps

\$32.7m

Positive net cash

- Net cash of **\$32.7m**, up **\$16.4m** on pcp
- Operating Cashflow (OCFBIT/EBITDA*) conversion rate of 80%,
- No factoring has been applied to the balance sheet

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



Group Financials



Profitability – Continuing Operations

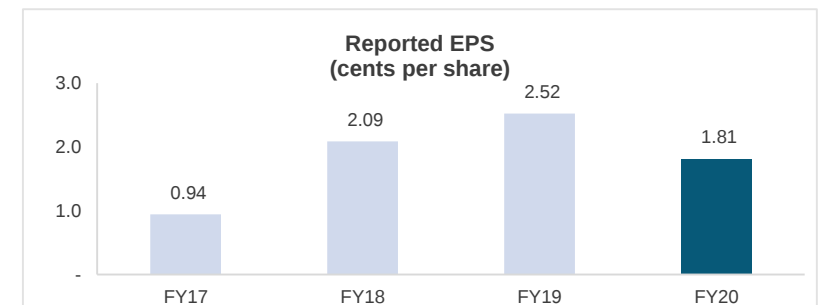
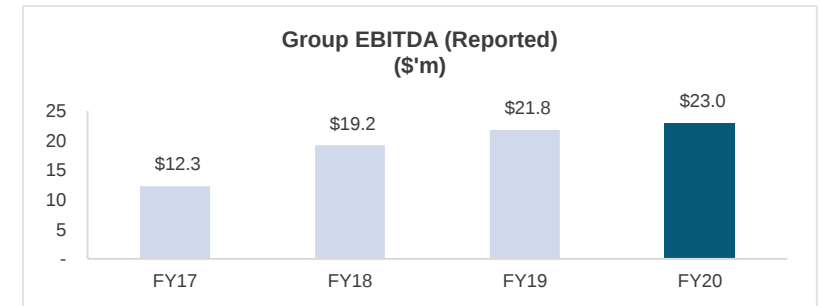
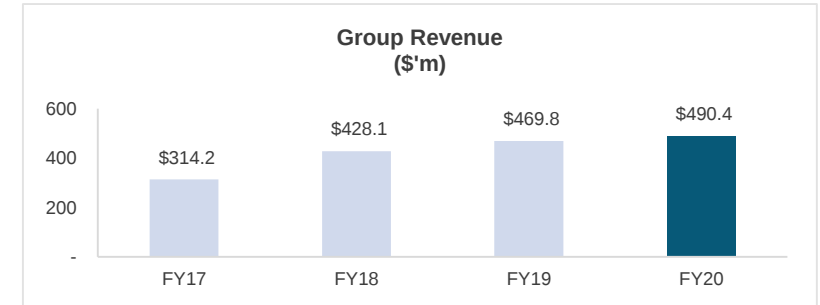
Strong conversion of revenue growth into Reported EBITDA, up 5.5% on pcp despite some COVID-19 headwinds

Summary (\$'m)	FY20	FY19	Change	Change %
Revenue	\$490.4	\$469.8	\$20.6	4.4%
EBITDA (underlying)	\$25.9	\$24.6	\$1.3	5.4%
EBITDA (underlying) %	5.3%	5.2%	0.1%	
Depreciation & Amortisation	(\$10.4)	(\$6.2)	(\$4.2)	67.7%
EBIT (underlying)	\$15.5	\$18.4	(\$2.9)	(15.6%)
Interest & Tax	(\$5.6)	(\$5.6)	(\$0.0)	0.7%
NPAT (underlying)	\$9.9	\$12.8	(\$2.9)	(22.7%)
NPAT (underlying) %	2.0%	2.7%	(0.7%)	
Earnings per share (cps)	2.29	2.99	(0.70)	(23.3%)
Significant Items	(\$2.9)	(\$2.8)	(\$0.1)	4.9%
Significant Items (net of tax)	(\$2.1)	(\$2.0)	(\$0.1)	5.0%
EBITDA (reported)	\$23.0	\$21.8	\$1.2	5.5%
EBITDA (reported) %	4.7%	4.6%	0.1%	
NPAT (reported)	\$7.8	\$10.8	(\$3.0)	(27.8%)
NPAT (reported) %	1.6%	2.3%	(0.7%)	
Earnings per share (cps)	1.81	2.52	(0.71)	(28.2%)

P&L impact from the adoption of AASB 16 is broadly net neutral on profit

EBITDA: increased by \$3.9m
 EBIT: increased by \$0.3m
 NPAT: decreased by \$0.2m

Significant items (\$2.9m) consist of non-operational legal costs and one-off restructuring costs



Cash Flow

Strong cash performance achieving 80% OCFBIT* conversion and increased net cash

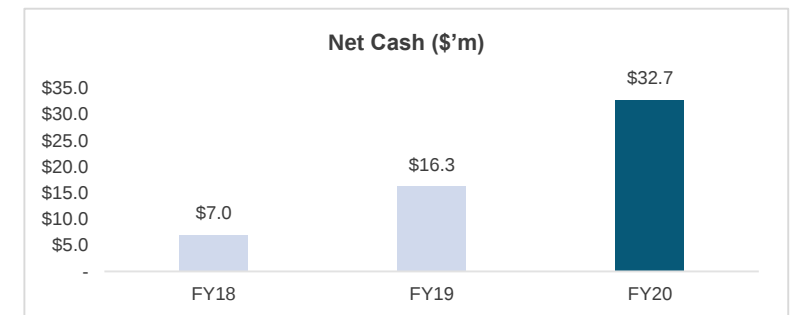
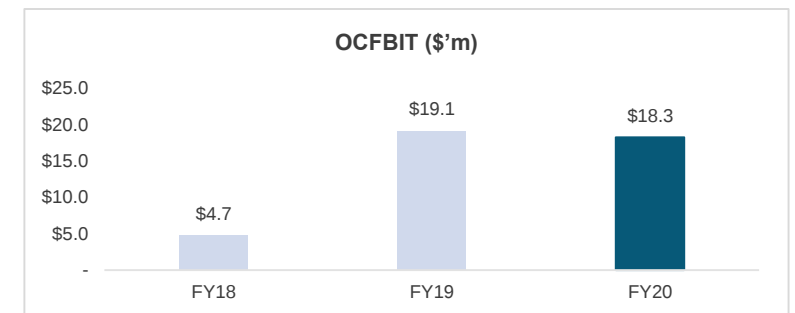
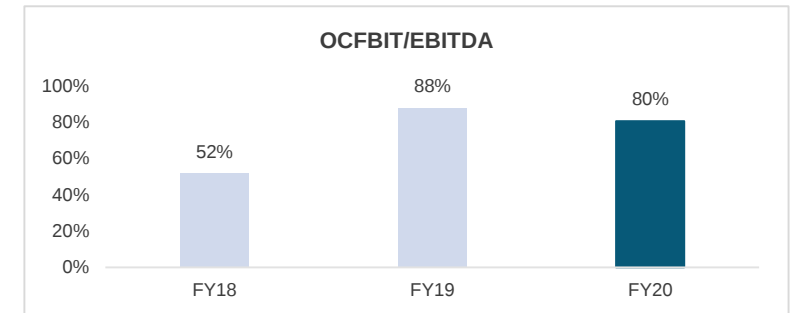
Cash flow results (\$'m)	FY20	FY19	Change
EBITDA (Group)	\$23.0	\$21.8	\$1.2
Non-cash & working capital	(\$4.7)	(\$2.7)	(\$2.0)
Operating Cash flow before interest and tax ("OCFBIT")*	\$18.3	\$19.1	(\$0.8)
EBITDA/OCFBIT Conversion %	80%	88%	(9%)
Onerous Leases/previously provided**	(\$2.5)	-	(\$2.5)
ATO Deferrals	\$14.3	-	\$14.3
Sydney Metro Lease Compensation	\$3.0	-	\$3.0
Interest & Tax	(\$1.8)	(\$0.8)	(\$1.0)
Cash flow from Operations	\$31.3	\$18.3	\$13.0
Net Proceeds from Divestment	\$4.4	-	\$4.4
Cash outflows relating to DO***	(\$4.4)	-	(\$4.4)
CAPEX	(\$10.3)	-	(\$10.3)
Free Cash flow	\$21.0	\$18.3	\$2.7
Dividends paid	(\$1.6)	-	(\$1.6)
Loan Repayment	\$0.7	-	\$0.7
Lease liability payments	(\$4.4)	-	(\$4.4)
Change in hire Purchase Facility	\$0.7	-	\$0.7
Movement in cash	\$16.4	\$18.3	(\$1.9)
Opening	\$16.3	-	\$16.3
Net Cash	\$32.7	\$16.3	\$16.4

Net Cash Reconciliation	FY20	FY19	Change
Cash & Cash Equivalents	\$37.7	\$21.9	\$15.8
Less Borrowings	(\$5.0)	(\$5.7)	\$0.7
Net Cash	\$32.7	\$16.3	\$16.4

Highlights

- Bank facilities refinanced with Commonwealth Bank of Australia with three year tenor (June 2020) on improved terms;
- +\$15.0m increase in working capital funding (cash);
- Covenant light;
- Facilities structured to leverage operations as noted below; and
- Operating cash flow includes short term deferrals including BAS related items in line with government guidelines.

Facility	FY20	FY19
Receivables/Working capital funding	\$37.5	\$12.5
Advance/Corporate market loan	\$6.0	\$20.0
Asset finance	\$4.0	\$8.0
Bank guarantees	\$56.5	\$56.5



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

** Material items include utilisation of prior period provision and onerous leases resulting from divestment of HVAC Major Projects.

*** DO = Discontinued Operations, includes true up of working capital, settlement costs and wind down of operations. (FY19 JV \$4.1m)

COVID-19



Proactive & effective response to current pandemic uncertainty

Group

People

- Rapid work from home mobilisation to ensure the safety of our staff
- Planned approach to safe work and return to work – aligned to government guidelines

Financial

- Temporary remuneration & working arrangements (incl Board & Senior Mgmt) – proactive
- Discretionary spend review across the group
- Access Government stimulus to maintain workforce in impacted areas
- Liquidity management to navigate near term uncertainty – utilisation of tax deferrals
- Market review to ensure BSA targets emerging future workflows from clients and government
- Well placed to take advantage of future opportunities supported by strong balance sheet

CUI

Current

- Key contracts deemed as essential services
- Increased demand on some platforms
- Minor productivity and cost impacts due to additional safety protocols
- Minor delay in some work types due to client reprioritisation and other restrictions
- Client deferrals of tender processes/outcomes

Outlook

- Solid customer base with consistent demand
- Demand for technology driven solutions to eliminate process inefficiency, reduce interactions and improve cost to serve likely to increase further – BSA well placed

APS

Current

- Construction sites remained functional albeit at restricted capacity, with minimal impact to BSA
- Maintenance stream significantly impacted through site access and client spend – triggering JobKeeper
- Temporary remuneration arrangements aligned to the demand in respective areas

Outlook

- Redeployment of technical staff to higher demand platforms
- Targeting shovel ready construction projects
- Monitoring government spend on infrastructure
- Products and services likely to be in high demand once certainty returns and client spend patterns return to normal levels

NorthConnex Tunnel
Construction 90 metres below
the surface. BSA installed over
18 kilometres of sprinkler deluge
– courtesy of NorthConnex.

Operational Performance

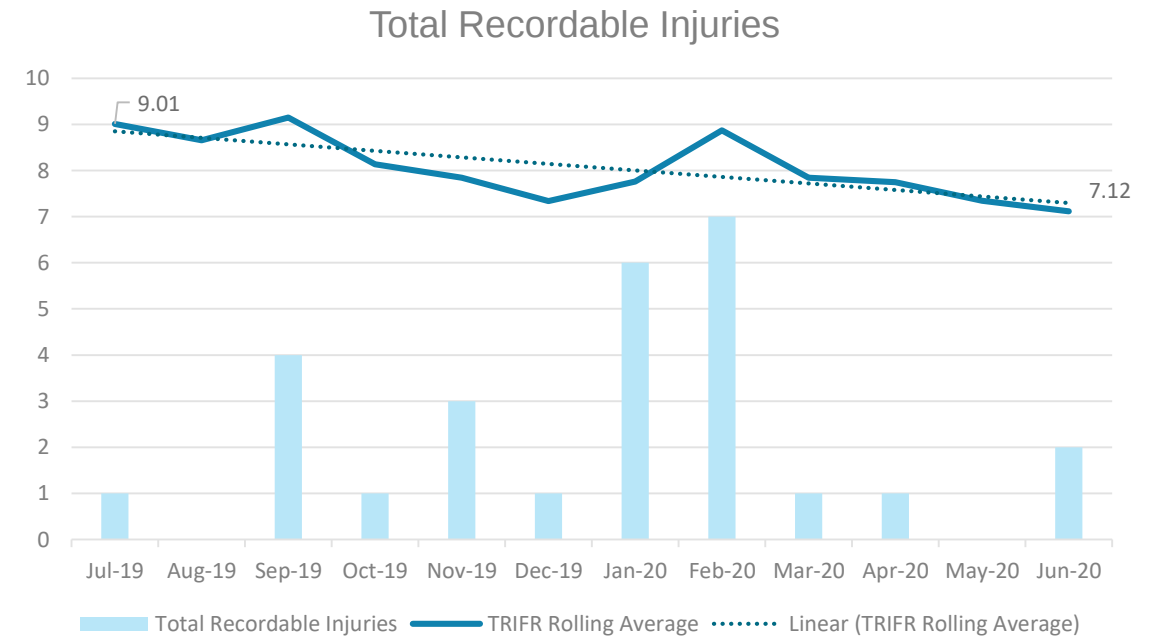
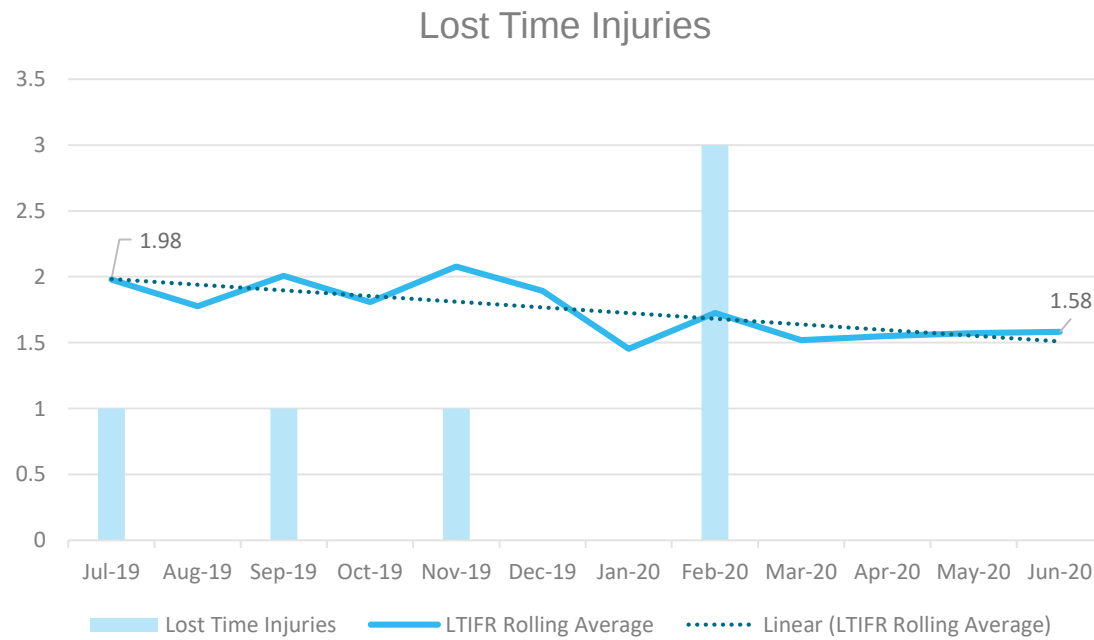




Health & Safety Performance

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





Segment Results – Continuing Operations

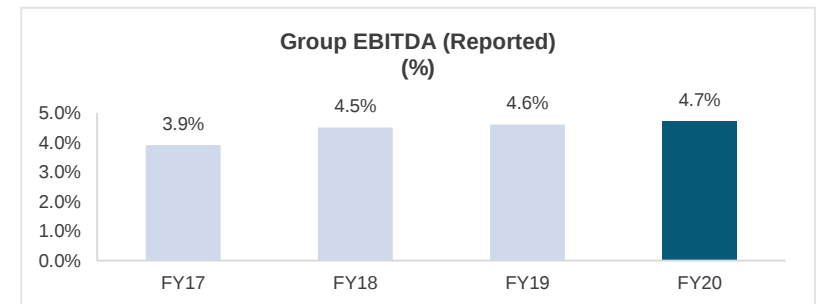
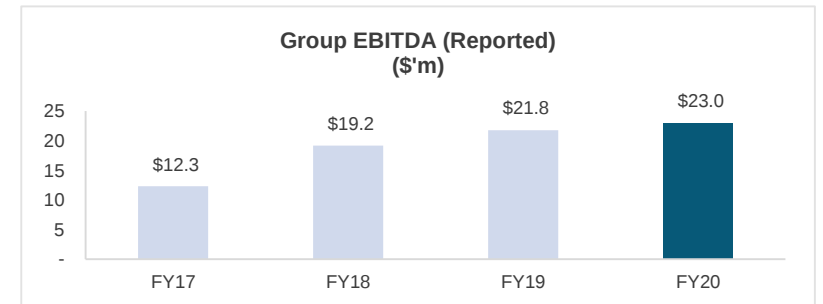
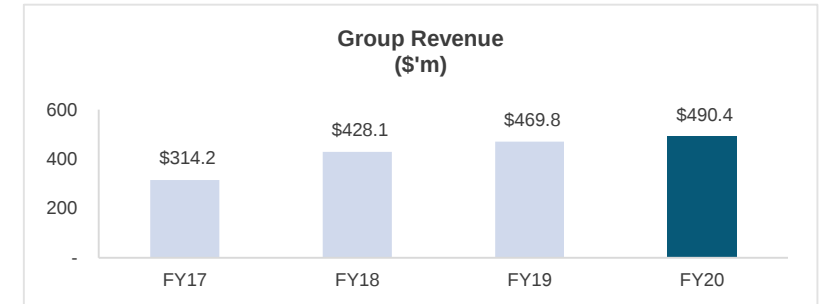
Stable core business reflecting reduced portfolio risk

Revenue (\$'m)	FY17	FY18	FY19	FY20	Mvt
CUI	\$186.5	\$249.4	\$251.5	\$272.9	● \$21.4
APS	\$127.7	\$178.7	\$218.3	\$217.5	● (\$0.8)
Total Revenue	\$314.2	\$428.1	\$469.8	\$490.4	● \$20.6

EBITDA (\$'m)	FY17	FY18	FY19	FY20	Mvt
CUI	\$9.5	\$18.5	\$19.3	\$21.0	● \$1.7
APS	\$7.3	\$6.9	\$9.5	\$8.6	● (\$0.9)
Corporate & Other	(\$4.5)	(\$6.2)	(\$7.0)	(\$6.6)	● \$0.4
Reported EBITDA	\$12.3	\$19.2	\$21.8	\$23.0	● \$1.2

EBITDA %	FY17	FY18	FY19	FY20	Mvt
CUI	5.1%	7.4%	7.7%	7.7%	● 0.0%
APS	5.7%	3.9%	4.4%	4.0%	● (0.4%)
Corporate & Other	(1.4%)	(1.4%)	(1.5%)	(1.3%)	● 0.2%
Reported EBITDA %	3.9%	4.5%	4.6%	4.7%	● 0.1%

Corporate includes significant items and the impact of AASB 16 for FY20





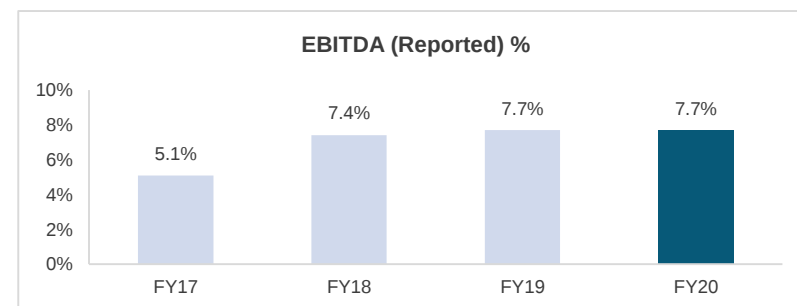
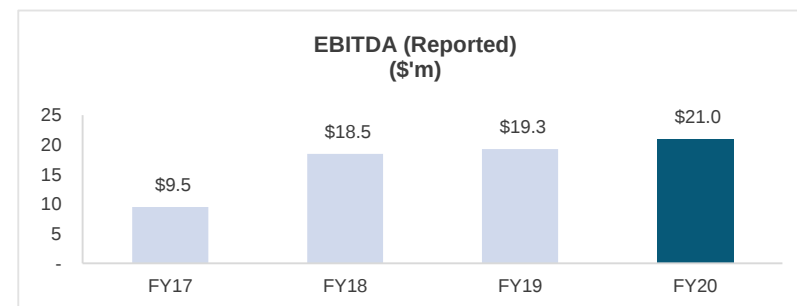
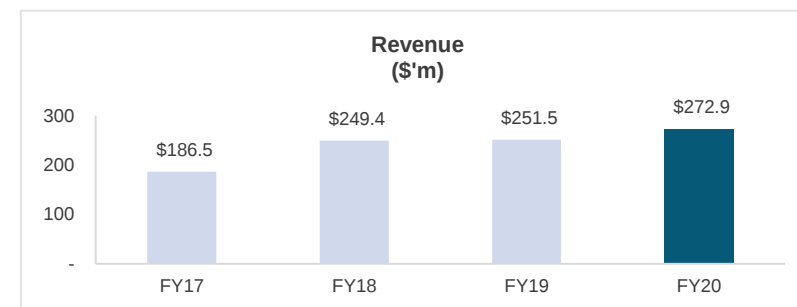
Business Performance

Communications & Utility Infrastructure (CUI)

Summary (\$'m)	FY20	FY19	Change	Change %
Revenue	\$272.9	\$251.5	\$21.4	8.5%
EBITDA (reported)	\$21.0	\$19.3	\$1.7	8.8%
EBITDA %	7.7%	7.7%	0.0%	0.0%

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)





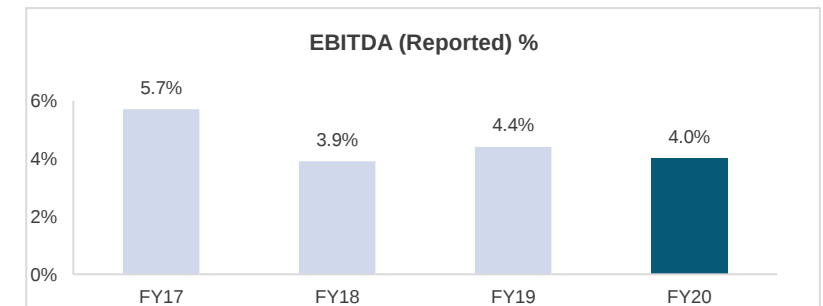
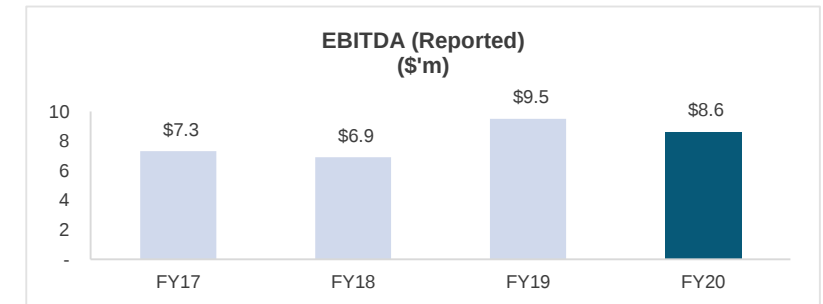
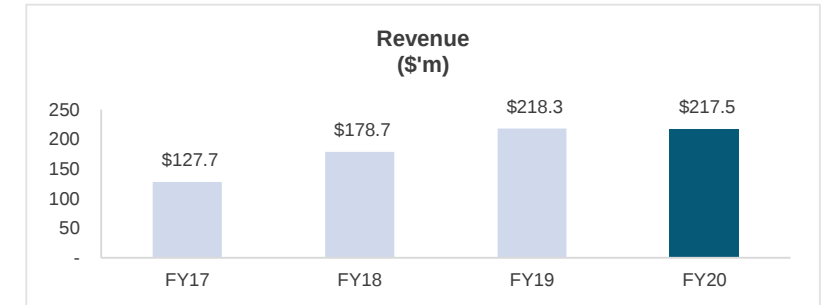
Business Performance

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%)
<i>EBITDA %</i>	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 & Outlook

Architect's impression of Wynyard Place,
Sydney courtesy of Multiplex Global.

Strategy Update



Strategy has been refreshed and reprioritised to build on solid foundation

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



Outlook

Market Conditions (external factors)

- We are well positioned as economies return to normal with majority of our services likely to be in high demand. There is a backlog of upgrades and project work to be completed as well as potential to benefit from Government stimulus work. Some of these positive impacts may flow into FY2022;
- Whilst demand for our core essential services remain robust, discretionary client spend in some sectors (e.g. Retail, Education) remains low and some uncertainty continues – globally and in the Australian market;
- Timing impacts – whilst majority of our current and prospective projects will go ahead, timing is being delayed in some areas and productivity is impacted by social distancing requirements in some sectors; and
- Our proven ability to innovate will be key in core markets where some margin pressure is emerging.

Robust Business Fundamentals (internal factors)

- Strong liquidity and balance sheet position to navigate environment – net cash position;
- Executive Leadership Team refreshed with new skills and experience to unlock next phase of growth;
- Strong base of essential services to maintain operations whilst uncertainty and subdued discretionary spend remains; and
- BSA is targeting profitability growth in FY2021 but is unable to provide guidance due to prevailing uncertainty in the current external economic environment.

Appendix

BSA technician running cable for Foxtel satellite dish installation.
Image courtesy of BSA Limited

Our Business



BSA is one of Australia's leading technical services and field solutions companies

Headquartered in Sydney, BSA is a publicly-listed company on the Australian Securities Exchange with over 1,200 employees and revenues of circa \$500 million.



1,200
Employees



2,000
Skilled Field
Resources



23
Offices &
Warehouses

**~\$500
Million**

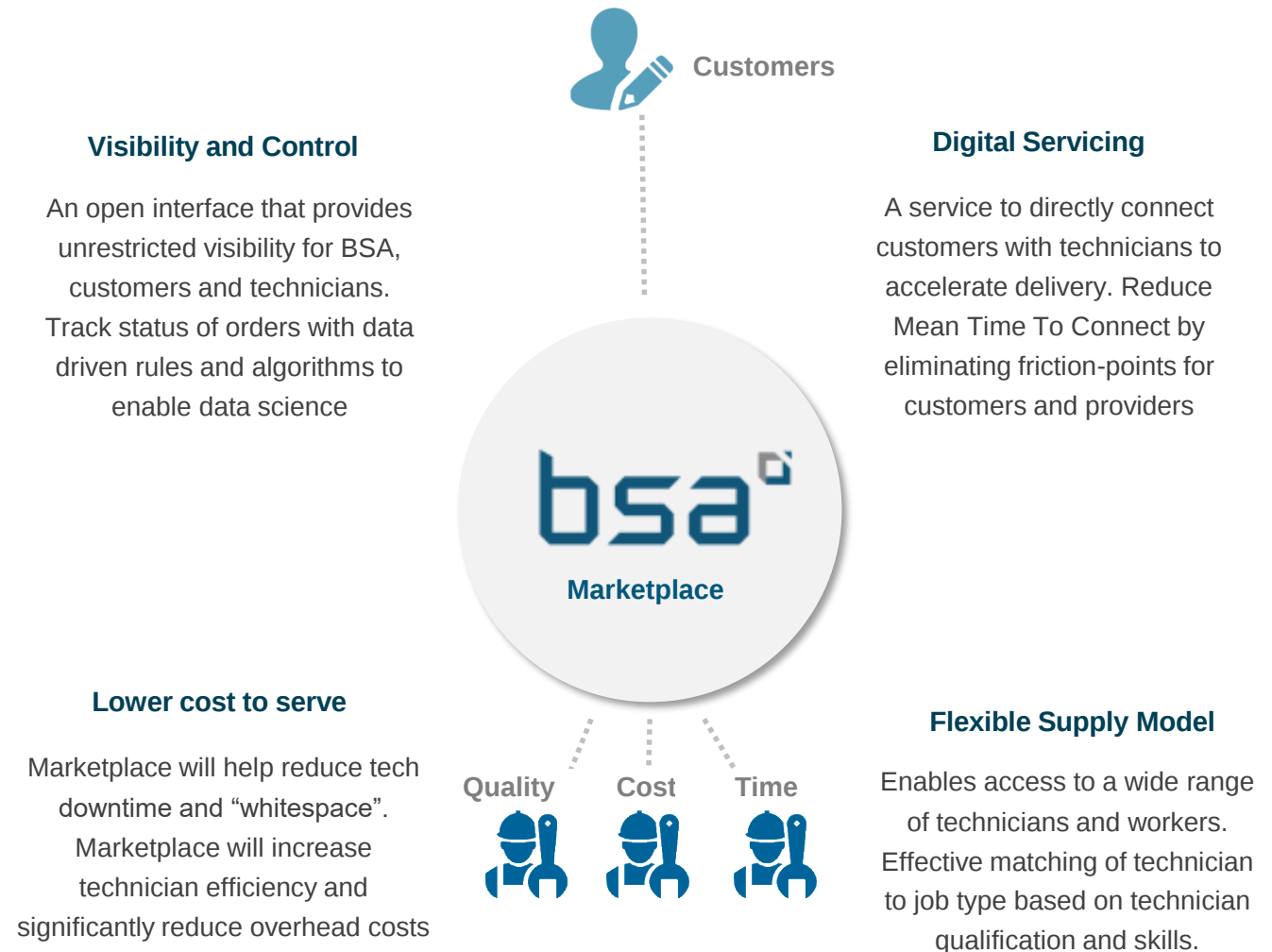
Annual
Revenues



Case Study 1

CUI – Technology

- Gartner “Future of Field Services” report states that operating models will move towards zero touch
- BSA shares this vision and has commenced investment and thought leadership in this space
- Model offers significant reduction in overall client cost and financial risk that cannot be matched through traditional delivery models
- Significant improvement in satisfaction and other key metrics throughout the supply chain – end user through to technician



Case Study 2

APS – Multi-Services

BSA provides a range of multi-service maintenance and minor works across all major sectors. We can tailor solutions across planned, reactive and corrective maintenance, minor CAPEX works and 24/7 emergency servicing. Our multi service capability includes HVAC, Fire, plumbing and general repairs and maintenance.

Services provided:

- Technology based asset solutions;
- Test and Tag of electrical equipment and RCD testing;
- Technical support service on a variety of Facility Management services;
- Pest control;
- Plumbing minor projects, building repairs, make good and fit outs;
- Cabling and wiring; and
- Variety of trade specific services including tiling, carpentry, painting, line marking and utilities.
- Roof servicing and cleaning.



7-Eleven



Managing National Portfolio



Scope: BSA APS National Accounts recently secured the 7-Eleven contract across QLD, NSW & VIC for the provision of Heating Ventilation, Air Conditioning & Refrigeration Maintenance Services.

Complements the recently secured ALDI Supermarket national account within the retail sector. One of Australia most recognised brands – over 500 stores nationally, 10,000 globally.



Case Study 3

APS – Fire Infrastructure

BSA provide recognised innovative solutions in the Fire Suppression Contracting Sector, minimising the work on site and providing flexibility to our Customers. Design and Engineering expertise allows tailored solutions to meet the needs and expectations of the customer. Exceptional Project Management teams deliver quality solutions with a Safety First ethos.

Features of our Solutions:

- Engineering design and development;
- Pre-fabrication and sourcing;
- Fire suppression and maintenance systems;
- Engineering compliance to global Standards
- Logistics and warehousing
- Installation methodologies reducing time on site.
- Data analytics to measure and report productivity on a daily basis
- World class commissioning Solutions.
- Fully compliant quality documentation including full traceability of materials certificates.



Westconnex 3A



Major Fire Infrastructure



Scope: Fire Suppression Package on Westconnex 3A (The M4-M5 Link Tunnels) spanning Haberfield via Pyrmont Bridge Road to St Peter's Interchange.

Project execution will be based on the platform provided by the successfully completed NorthConnex tunnel. This includes innovative client solutions based on pre-fabrication principles.





Group Financial Results – Continuing vs Discontinued

Continued growth in underlying business. Divested business completed in FY2020 with minimal financial impact in H2FY2020.

FY20 Financial Results (\$'m)	FY20 - CO	FY20 - DO	Group	FY19 - CO	PCP Δ - CO	Δ%
	<i>A</i>	<i>B</i>	<i>A+B</i>	<i>C</i>	<i>D=A-C</i>	<i>D/C</i>
Revenue	\$490.4	\$3.5	\$493.9	\$469.8	\$20.6	4.4%
EBITDA	\$23.0	(\$9.7)	\$13.3	\$21.8	\$1.2	5.5%
<i>EBITDA %</i>	<i>4.7%</i>		<i>2.7%</i>	<i>4.6%</i>	<i>0.1%</i>	
Depreciation & Amortisation	(\$10.4)	(\$1.2)	(\$11.6)	(\$6.2)	(\$4.2)	67.7%
EBIT	\$12.6	(\$10.9)	\$1.7	\$15.6	(\$3.0)	(19.2%)
Interest & Tax	(\$4.8)	\$2.1	(\$2.7)	(\$4.8)	-	0.0%
Net Profit After Tax	\$7.8	(\$8.8)	(\$1.0)	\$10.8	(\$3.0)	(27.8%)
<i>Net Profit After Tax %</i>	<i>1.6%</i>		<i>(0.2%)</i>	<i>2.3%</i>	<i>(0.7%)</i>	

Continuing Operations

- ✓ Revenue of **\$490.4m** (up **4.4%**)
- ✓ Reported EBITDA of **\$23.0m**
- ✓ Strong growth on a comparable basis despite COVID-19 related headwinds

Discontinued Operations

EBIT of **(\$10.9m)** comprises:

- Cash impact (incl \$4.4m receipt) (\$1.1m)
- Non cash accounting adjustments (incl Goodwill) (\$8.3m)
- Provisions for potential future cash items (\$1.5m)

DO – Discontinued Operations (HVAC Build major projects)

CO – Continuing Operations



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