



ServiceStream

20 February 2025

Office of Company Secretary

Level 5, 655 Collins Street
DOCKLANDS VIC 3008
AUSTRALIA
Phone: (03) 9677 8888
Fax: (03) 9677 8877

Company Announcements
Australian Securities Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000
AUSTRALIA

Dear Sir/Madam

RE: Service Stream releases FY25 Half Year results

In accordance with the Listing Rules, I attach a market release/announcement, for release to the market.

Yours faithfully,

Chris Chapman
Company Secretary
Service Stream Limited



ServiceStream

ASX Announcement

20 February 2025

Service Stream 1H25 Results Announcement

Leading essential network service provider Service Stream Limited (ASX: SSM) today released its financial results for the half-year ended 31 December 2024 (1H25).

Group Highlights

- **Total Revenue of \$1,267 million, up 7.9% on 1H24**
- **Underlying EBITDA from Operations¹ of \$73.6 million, up 16.4% on 1H24**
- **NPATA of \$37.7 million, up 49.9% on 1H24**
- **EBITDA to OCFBIT² cash conversion of 126.3%**
- **Balance sheet strengthened to hold a net cash position of \$55.4 million**
- **Secured in excess of \$1.1 billion of contracted works, supporting an improved work-in-hand pipeline of \$5.9 billion, excluding contract extension options**
- **Interim dividend of 2.5 cps (fully-franked), an increase of 25% on 1H24**
- **Group on target to deliver solid earnings growth in FY25**

	1H FY25	1H FY24	Change	
Total Revenue	\$1,267m	\$1,174m	\$92.9m	▲ 7.9%
EBITDA-A	\$73.6m	\$63.3m	\$10.3m	▲ 16.4%
NPAT-A	\$37.7m	\$25.2m	\$12.5m	▲ 49.9%
EBITDA Margin	5.8%	5.4%	0.4%	▲ 7.4%
Earnings Per Share (EPS-A)	6.1 cps	4.1 cps	2.0 cps	▲ 48.8%
Dividends Per Share (DPS) per share	2.5 cents	2.0 cents	0.5 cent	▲ 25%

1. Underlying EBITDA from Operations excludes costs associated with the Queensland Project in FY24
2. Operating cash flow before interest, tax and non-operational items

Service Stream Limited ABN 46 072 369 870

HEAD OFFICE Level 5, 655 Collins Street, Docklands VIC 3008 | Mailing Address: PO Box 14570, Melbourne VIC 8001
T +61 3 9677 8888 | F +61 3 9677 8877 | E CompanySecretary@servicestream.com.au | www.servicestream.com.au



ServiceStream

Commenting on the Group's result, Managing Director, Leigh Mackender said:

"First half performance reflected another period of disciplined execution against Service Stream's value creation strategy and delivery on our commitments.

These positive results were headlined by strong increases in revenue, earnings and profit, coupled with exceptional cashflow generation which has further strengthened the Group's balance sheet.

Continued demand for infrastructure focussed maintenance and upgrades across Service Stream's core markets positions the business well to deliver against its full-year outlook."

Performance & Market Conditions

H1 FY25 delivered another period of improved financial and operational performance, supported by solid demand associated with the maintenance and upgrade of critical infrastructure, particularly across the Telecommunications and Utilities markets.

Group Revenue of \$1,267 million was up \$92.9 million or 7.9% on 1H24, and EBITDA of \$73.6 million was up 16.4% on pcp. The Group's EBITDA margin improved by 40 basis points from 5.4% to 5.8% due predominantly to enhancements delivered across Utility operations which were ahead of expectations.

Service Stream successfully secured more than \$1.1 billion of contracted works during 1H25, bolstering work-in-hand by 17% on 1H24 to \$5.9 billion, excluding contract extension options. The business holds a high-quality, diversified forward order book which has a strong bias towards lower risk, annuity-style operation and maintenance revenues.

Market conditions remain positive and the Group expects a steady pipeline of opportunities to continue to present across core markets associated with ageing infrastructure, population growth, digitalisation and the energy transition.

Safety Performance

The business continued to deliver industry leading safety performance, with improvements achieved across all major lag indicators, reflecting Service Stream's commitment to maintaining a strong safety culture. The Groups' results were headlined by a material reduction in Total Recordable Injury Frequency Rates (TRIFR) incident rates of 20%, compared to the prior period.

Cashflow and Balance Sheet

Service Stream generated \$90.6 million of OCFBIT in the first half, up on the \$67.5 million generated in 1H24. The Group's constant focus on driving improvements across its work-to-cash cycle supported an EBITDA to OCFBIT conversion rate of 126.3%.

The Group further strengthened its balance sheet, closing 31 December 2024 with an improved net cash position \$55.4 million, up \$47.5 million on the immediate prior period ending 30 June 2024.



ServiceStream

Dividend

Service Stream has declared an interim dividend for the half-year of 2.5 cents per share (fully-franked), reflecting a 25% increase on the interim dividend for the prior half-year.

Key dates for the final dividend are:	Ex-dividend date	20 March 2025
	Record date	21 March 2025
	Payment date	4 April 2025

Service Stream's Chairman, Brett Gallagher, said:

"The Board is delighted to report another period marking significant improvements in Service Stream's financial and operational performance.

We recognise and congratulate the Management team and all of our valued staff for their hard work and dedication during the half-year.

Following a period of solid cash performance, and aligned to the business's commitment to maintain sustainable dividends for our Shareholders, the Board is pleased to declare a fully-franked interim dividend of 2.5 cents per share."

Outlook

In respect of the outlook for the business, Leigh Mackender said:

"Following a positive first-half, the Group is on target to deliver solid earnings growth and improved quality of earnings in FY25. Performance will be supported by a strong order book, improved balance sheet and favourable market conditions."

Results Webcast

Service Stream Managing Director, Leigh Mackender and Chief Financial Officer, Linda Kow, will host an on-line Results Briefing at 10am (AEDT) on 20 February 2025.

The briefing will be webcast live, as well as archived on the Service Stream website, for the convenience of shareholders. To access the webcast, visit: <https://edge.media-server.com/mmc/p/3kx3556n>



ServiceStream

For further information on this announcement, please contact:

Service Stream Limited

Leigh Mackender

Managing Director

Tel: +61 3 9937 6350

E: leigh.mackender@servicestream.com.au

Service Stream Limited

Linda Kow

Chief Financial Officer

Tel: +61 3 9937 6350

E: linda.kow@servicestream.com.au

About Service Stream Limited:

Service Stream is a public company listed on the Australian Securities Exchange (Code: SSM). The Service Stream Group is a provider of essential network services, operating across all States and Territories. For more information visit www.servicestream.com.au