



H1 F21 HALF YEAR RESULTS

08 April 2021

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H1 F21 PERFORMANCE SNAPSHOT

REVENUE

 \$104.5M

+5% | H1 F20 \$99.0M ▲
-6% | H1 F19 \$111.4M ▼

MARGIN PERCENTAGE

 23%

+28% | H1 F20 18% ▲
+15% | H1 F19 20% ▲

EBITDA

 \$11.2M

+192% | H1 F20 (\$12.2M) ▲
+7% | H1 F19 \$10.4M ▲

FORWARD WORK *

 SYSTEMS \$87M PRODUCTS \$24M SERVICE \$4M

H2 F20 ▲

▲

▼

REVENUE MIX

SYSTEMS PRODUCTS SERVICE
55/30/15

STRATEGY 40/30/30

DIVIDENDS PER SHARE (Cents)

H1 F21 2.0 | H1 F20 nil

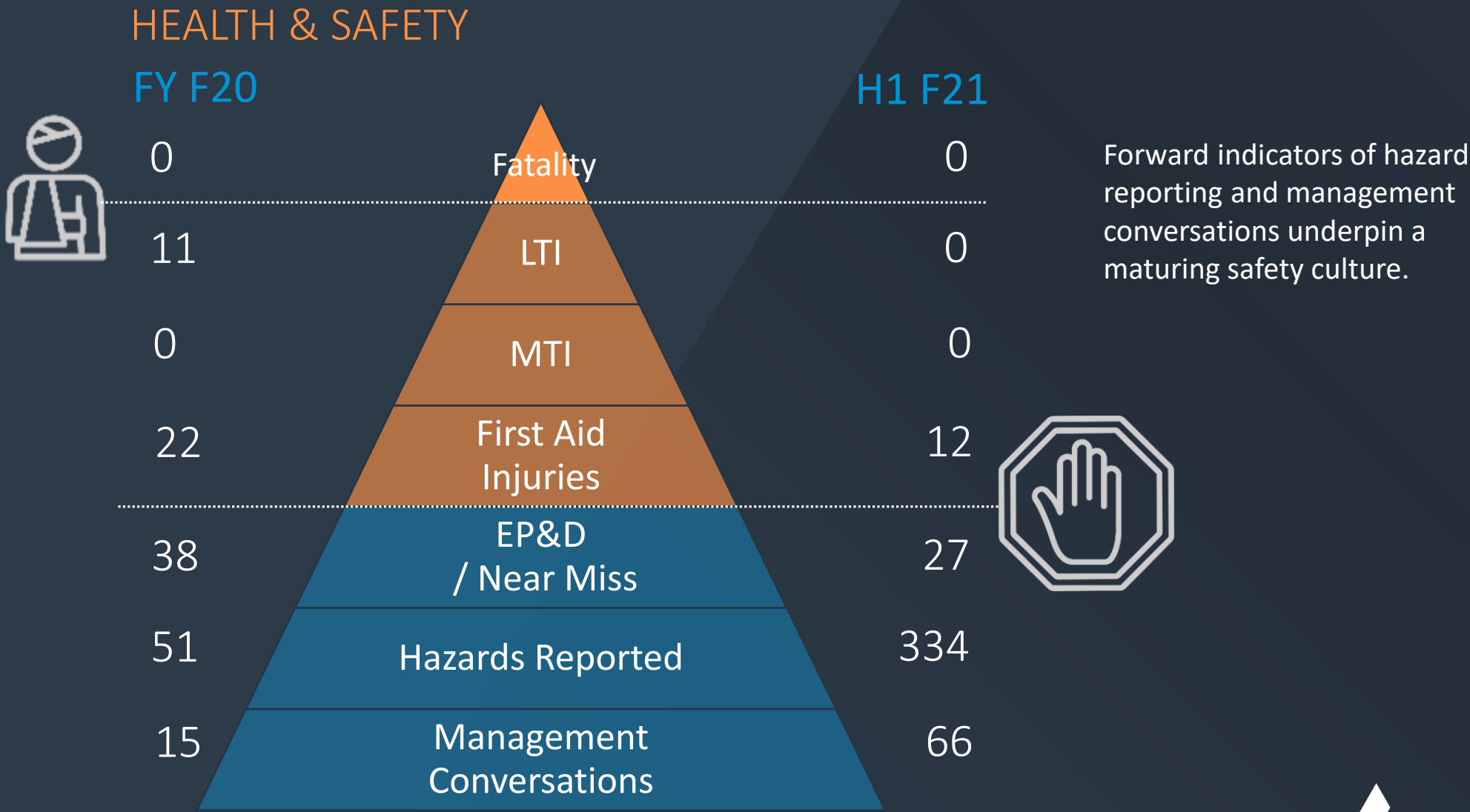
EARNINGS PER SHARE (Cents)

H1 F21 6.1 | H1 F20 (17.8)

Note:

- Comparison vs H1 F20: COVID-19 / Scott Right-sizing
- Comparison vs H1 F19: Business as usual
- * 'Forward Work' represents contracted activity. It is not an indicator of revenue over a set period of time

H1 F21 PERFORMANCE SNAPSHOT



H1 F21 OPERATING ENVIRONMENT

- **Multiple large contract wins** signal strong post COVID-19 recovery. New European MHL contract, Alliance, Bosch
- Strong **Rocklabs** and **BladeStop** product business showing continued growth and positive margin performance.
- **Streamlined operating cost structure** following last years restructuring is contributing to increased margins.
- As **global demand for automation continues** to grow strongly, the key priority for our team is to remain focused and committed to our core areas of proven expertise, avoiding unknown areas of risk. This is the central underlying theme of *Scott 2025*.
- The **new Executive Team** has quickly and effectively settled down and managed the business through the unprecedented disruptions of the global pandemic.
- **Focus on Health & Safety** across the group continues to build positive momentum which is reflected in a large decrease in lost time injuries.
- **COVID-19** and associated travel restrictions has challenged how Scott operates, resulting in new, agile ways of working and commissioning projects.

H1 F21 RESULTS SUMMARY TABLE

| | Results Snapshot \$M | | |
|-------------------------|----------------------|--------|--------|
| | H1 F21 | H1 F20 | H1 F19 |
| Revenue | 104.5 | 99.0 | 111.4 |
| EBITDA | 11.2 | (12.2) | 10.4 |
| Non-trading adjustments | (1.4) ¹ | (11.8) | 0.0 |
| Normalised EBITDA | 9.8 | (0.4) | 10.4 |
| Net Profit After Tax | 4.7 | (13.7) | 5.2 |
| Net Cash / (Debt) | (2.9) | (20.2) | (12.9) |
| Operating Cash Flow | 5.3 | 0.9 | (6.4) |

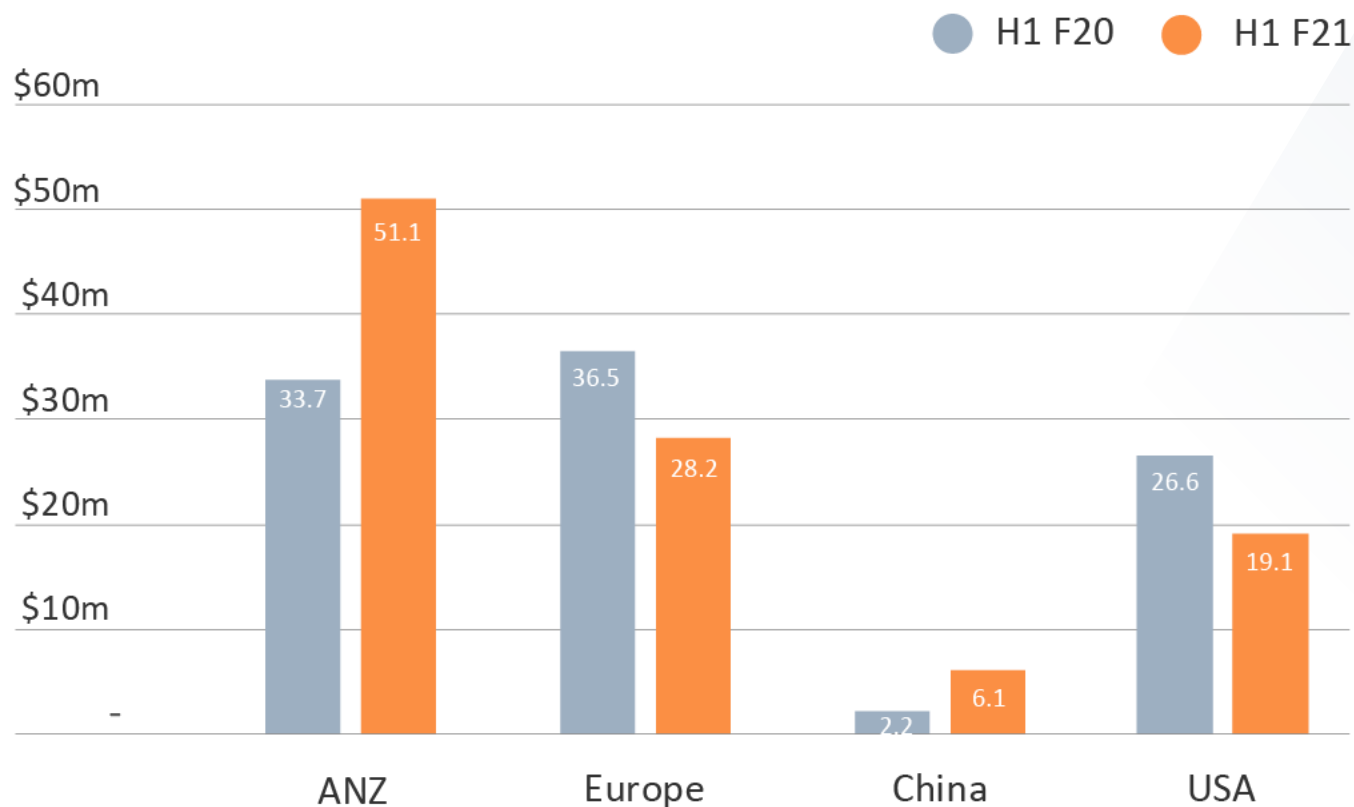
1: Non trading adjustments related to receipt of the wage subsidy

H1 F21 RESULTS SUMMARY

- Revenue has increased by 5% compared to the prior comparative period (pcp). The increase is driven by the ANZ and China regions, with revenues from the USA and Europe regions down on pcp, due to the impacts of COVID-19 in both regions and also Brexit in Europe.
- EBITDA at \$11.2m recovered to exceed the pre COVID-19 performance of \$10.4m from H1 F19.
- Margins increased from the previous high of 20% in H1 F19 to 23%.
- The right sizing program also meant Overhead cost reductions of \$4.1m contributed to the growth in EBITDA and represents a tightening of 25% versus H1 F20.
- Operating Cash Flow of \$5.3m is \$4.4m ahead of H1 F20. The Group had cash in the bank of \$6.2m as at 28 February 2021.
- At \$2.9m our Net Debt remained stable relative to our FY20 year-end position. As the business grows our working capital requirements will increase. To further support our growth we have recently concluded an upgraded Bank Facility with our existing provider.

REVENUE BY OPERATING REGION

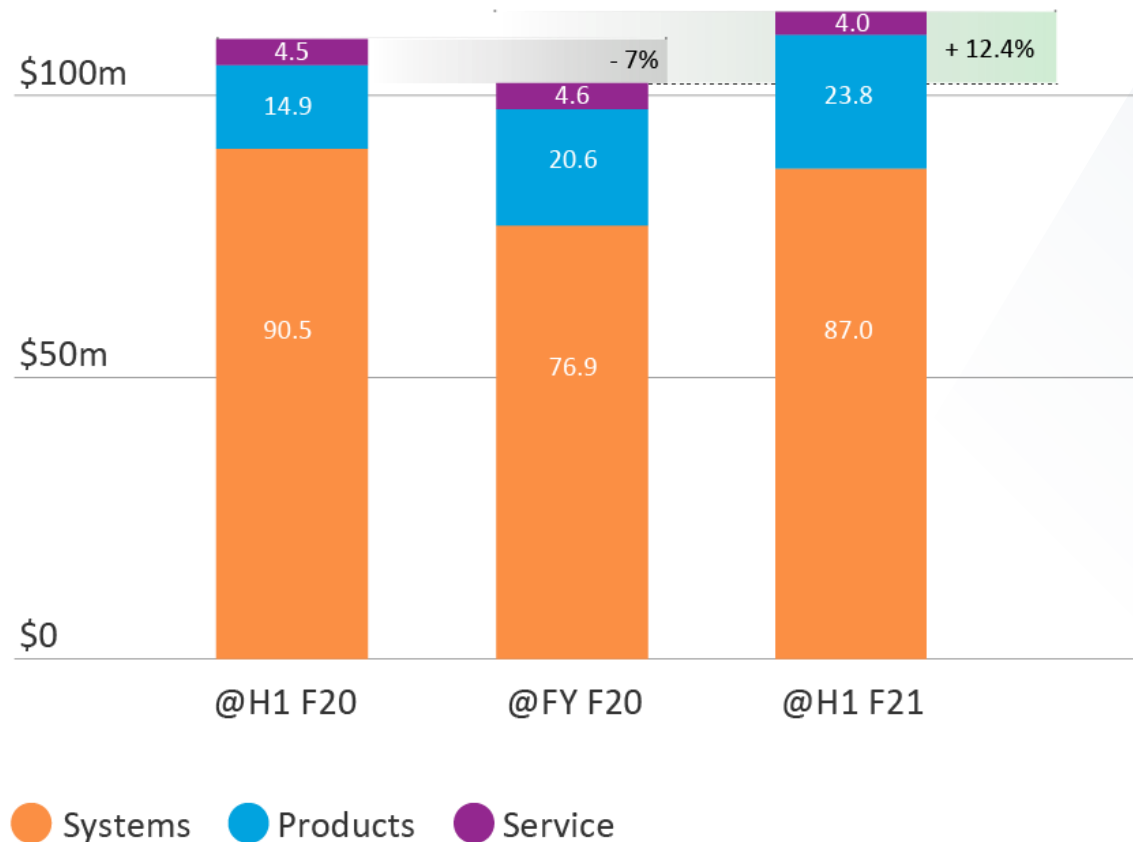
OPERATING REVENUE \$M



- Strong rebuild in the ANZ work program, largely driven by mining and meat sectors.
- Europe extended the declines of the prior years, however, promising rebuild of forward work underway.
- China is experiencing strong demand in appliance systems.
- USA lead-indicators of inbound interest and recent contracts starting to show turnaround.

FORWARD WORK TREND

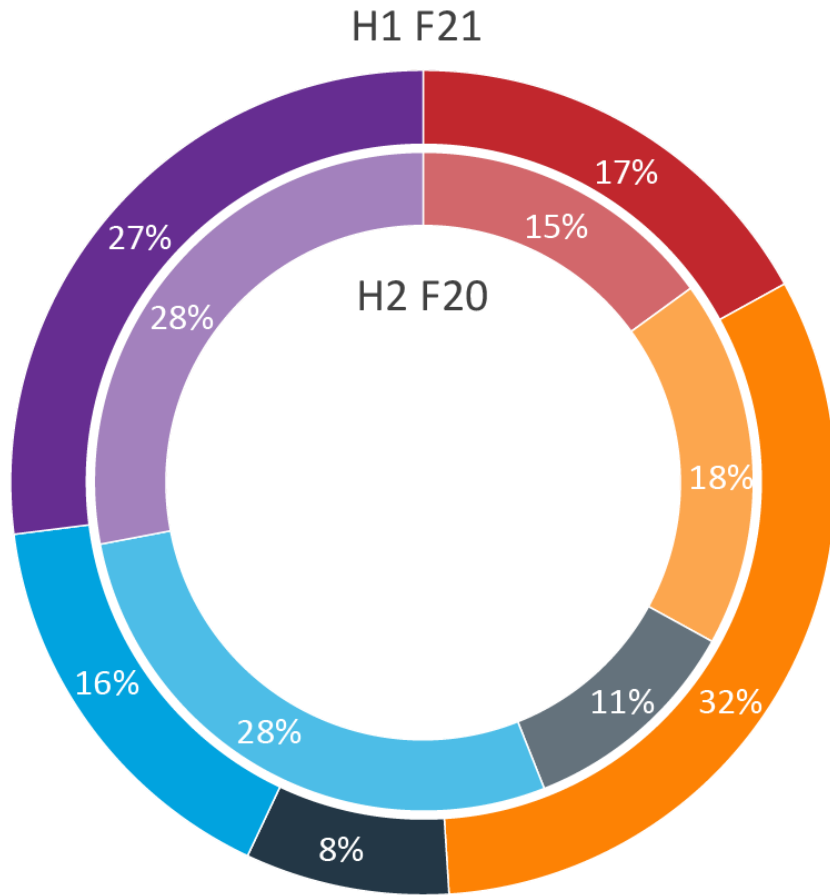
FORWARD WORK \$M



Positive recovery in forward work despite an uncertain global investment environment.

INDUSTRY OUTLOOK

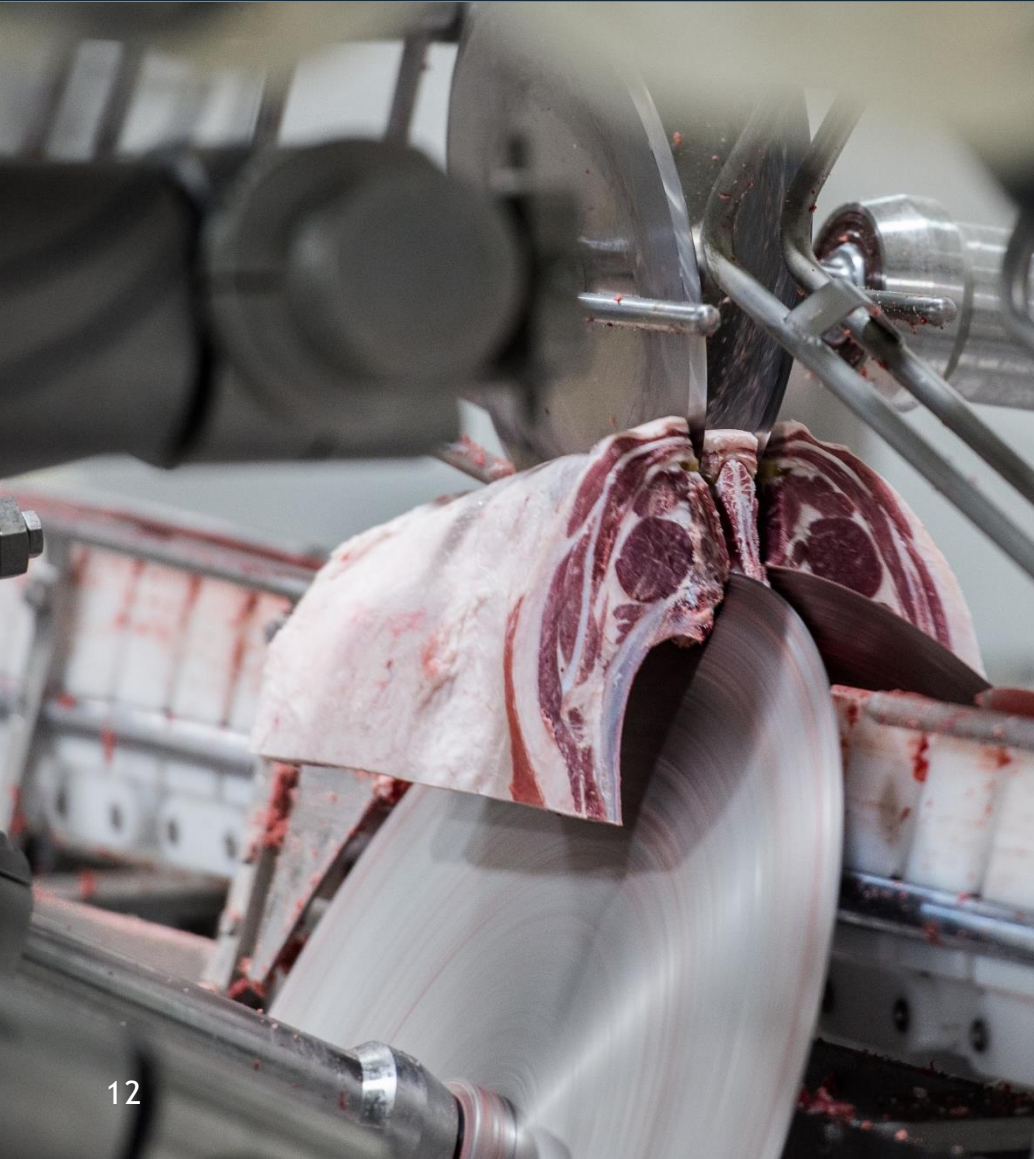
REVENUE BY INDUSTRY



Significant growth in mining systems and product revenues replaces a reduction in industrial automation projects.

- Meat Processing
- Mining
- Appliances
- Industrial Automation
- Materials Handling & Logistics

INDUSTRY OUTLOOK



Meat:

Strong ongoing demand for our BladeStop safety-saw product and automation and robotic systems.

In the system space our primary focus will continue to be on selling lamb primal systems into the ANZ meat sector, and rolling out the new poultry trussing systems across Pilgrims in the US and across other relevant markets (UK and Australia most notably).

INDUSTRY OUTLOOK

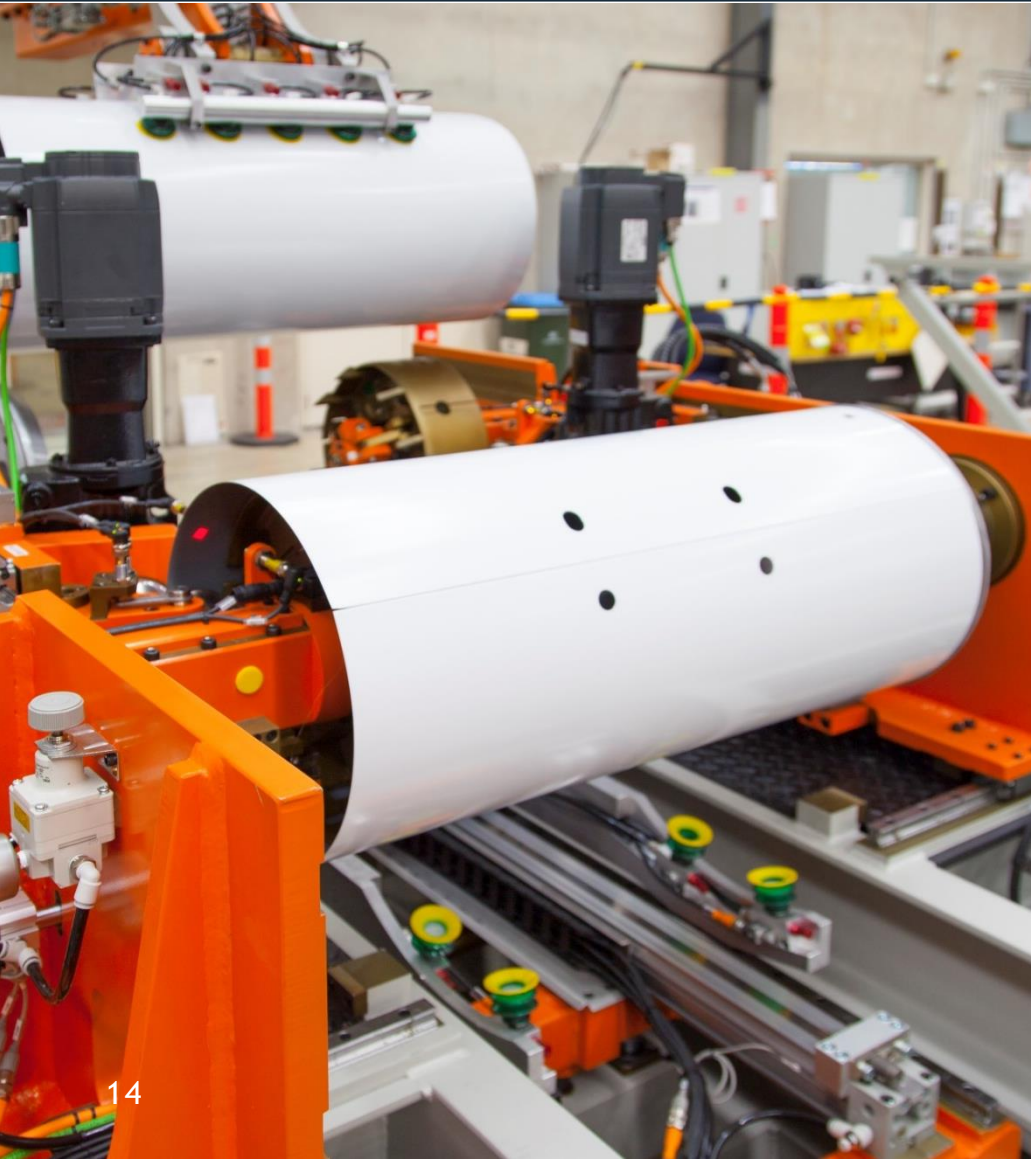


Mining:

The continuation of strong global precious metal prices is underpinning ongoing investment in mining capacity globally (West Australia, Russia, North America and West Africa). We expect this activity will continue to support ongoing demand for our mining parts business, exporting to the global mining sector from our facility in Auckland, New Zealand.

Our mining laboratory design and build business will build on our reputation and strengths around the 'semi-automated' end of the standalone-product-to-fully-automated continuum.

INDUSTRY OUTLOOK



Appliances:

While this sector is seeing positive investment in capacity from the world's largest white goods manufacturers, we are experiencing increasing competition from the automation solution providers from the likes of Italy.

Our focus will remain on providing quality design options towards the premium-end of the market, while driving for competitive pricing without exposing Scott to unacceptable risk.

Our China business will continue to drive local growth from our competitive design and build platform in Qingdao, China.

INDUSTRY OUTLOOK



Material handling and logistics:

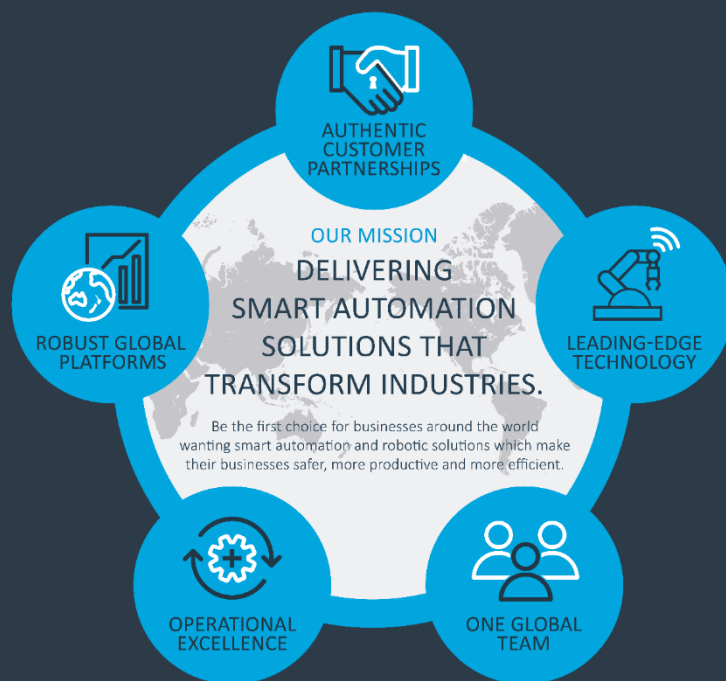
Positive opportunities continue to emerge for this important part of our European business which remains the centre of excellence for our materials handling business.

At the same time we are making positive, but still early inroads, into our *Scott 2025* strategy of taking this technology out of Europe and into North America and Australasia. The Alliance NZ contract is the first example of this while focus is growing on identifying and securing a large installation of this technology in the US together with our joint venture partner Savoye.

SCOTT 2025 STRATEGY UPDATE

ENGINEERING SCOTT TO HIGH PERFORMANCE

Scott 2025



OUR PROGRESS

- **Authentic Customer Partnerships:** Secured significant repeat business across all sectors e.g. Rio Tinto, Alliance, Little Swan, Bosch, Candy Haier, McCain. **\$104.5m revenue in H1 F21.**
- **Operational Excellence:** Delivered sustainable margin improvement across all regions **28% increase on H1 F20.**
- **Leading Edge Technology:** **Positive growth across all standard products.**
- **One Global Team:** Significant decrease in lost time injuries, and continued focus on employee retention, development and wellness reduction in lost time injuries from **11 in FY F20 to 0 in H1 F21.**
- **Robust Global Platforms:** **Forward work of \$115m at H1 F21.**



























OUR VISION

- **Sector Expertise** – We operate across targeted sectors where we have extensive expertise and experience.
- **Global Platform** – Head office in New Zealand with regional offices around the world.
- **Centres of Excellence** – Each site has a specific focus on a product or industry sector.
- **Experienced Leadership Team** – Refreshed and expanded team established in last 12 months.
- **Customer partnerships** – We work with more than 100 businesses and organisations around the world.
- **Skilled and Passionate Team** – 600+ employees.
- **Strong Board and Governance** – Experienced Directors with diverse knowledge & skills.
- **Supportive Majority Shareholder** – JBS, the second largest food company in the world.

To be the first choice for businesses around the world wanting smart automation and robotic solutions which make their businesses safer, more productive and more efficient.

GROWTH STRATEGY

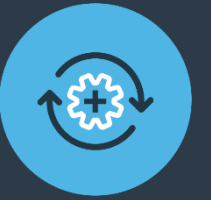


| | ANZ  | EU  | US  | CN  |
|-----------------------|--|--|--|--|
| MEAT PROCESSING | GROW    | - | LAUNCH   | - |
| | | | GROW  | |
| MINING | MAINTAIN   | - | GROW  | - |
| MATERIALS HANDLING | LAUNCH  | GROW   | LAUNCH   | - |
| APPLIANCES | MAINTAIN  | LAUNCH  | GROW   | GROW  |
| INDUSTRIAL AUTOMATION | GROW   | - | GROW  | - |

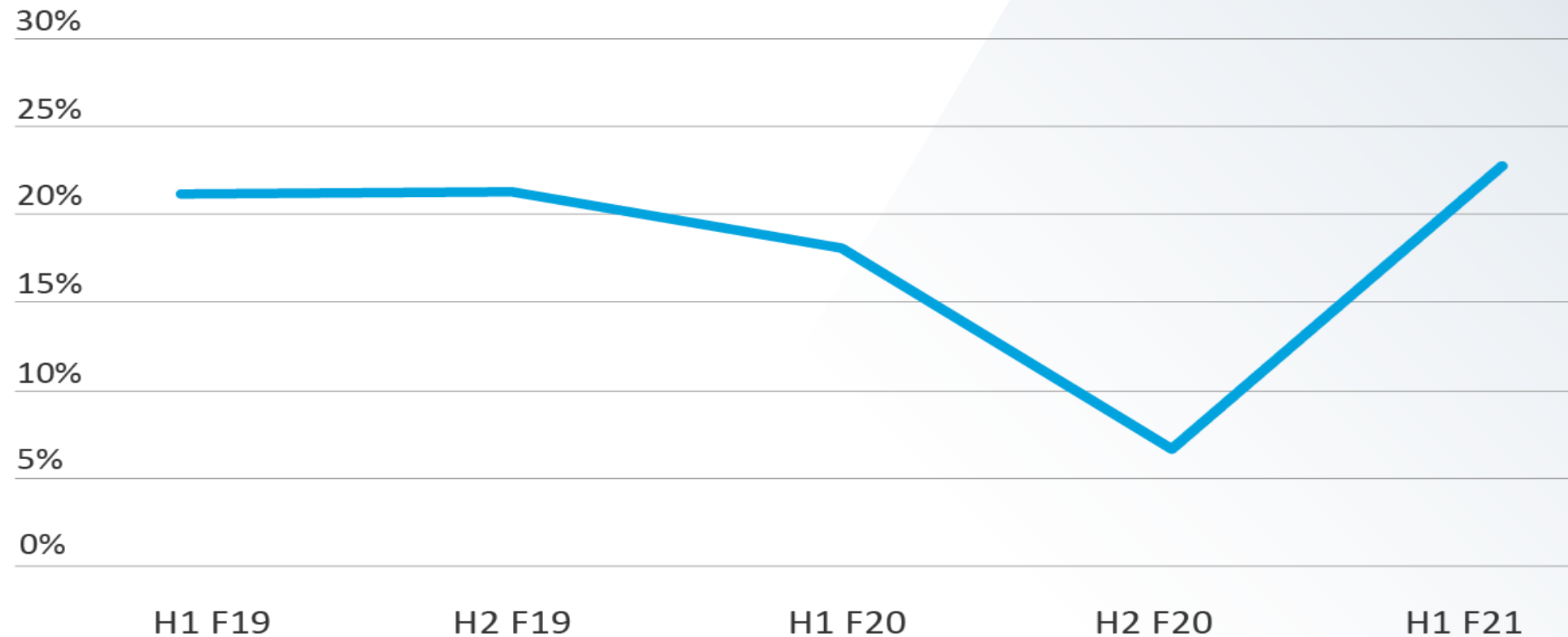
LIFE CYCLE: Launch, Grow, Maintain, Exit

 Centre of Excellence
  System
  Product
  Service

OPERATIONAL EXCELLENCE



TOTAL GROUP GROSS MARGIN %



CONTINUED IMPACT OF COVID-19



- Our first priority remains the safety and wellbeing of our teams. Long periods of staff isolation during lock-downs and pressures while commissioning systems in remote locations remain our key watch areas.
- Strong focus on protecting employees during travel as the world slowly begins to open up to international travel.
- Increased interest in automated solutions specifically in the meat processing and food and beverage sectors.
- Deferred capital investment is resuming, signalling a strong recovery in several of our regions.
- Travel restrictions continue to impact how we commission and install projects.
- Day to day operations continue to be affected for our teams in Europe.

H2 F21 OUTLOOK



- Forward work continues to solidify.
- Product business has firm order books at healthy margins.
- Continued focus on maintaining efficient cost structures that resulted from last years right sizing.
- New business continues to be sourced with improved margin.
- Improved ability to service and commission projects pending progress with vaccines.



THANK YOU

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