



2021 Annual Shareholder Meeting

25 November 2021



CONTENTS



Chairs Presentation	3-6
Strategy Update	8
FY21 Results Summary	9 -11
Revenue by Operating Region	12
Forward Work Trend	13
Service Revenue Growth Strategy	14
Industry Outlook	15 - 19
Our People & Planet	20-22
Thank You	23

PRESENTED BY



Stuart McLauchlan
Chairman



John Kippenberger
Chief Executive Officer



Cameron Mathewson
Chief Financial Officer



Casey Jenkins
*Director – Marketing
& People*

“A year into the new strategy, and 18 months into the pandemic, Scott Technology, one of New Zealand’s few truly global companies begins to soar.”

John Kippenberger
Chief Executive Officer



CHAIRS PRESENTATION

Stuart McLauchlan
Independent Chair



BOARD REPORT FOR FY21



- Continued impact of COVID-19 still being felt deeply across the group
- Continued focus on driving a high performance Safety & Wellbeing culture
- Strong return to profitability with revenue up 16%, record EBITDA of \$22.1m and net profit after tax of \$9.5m.
- Ongoing momentum of Scott 2025 Strategy as we focus on core areas of proven expertise and improved performance.
- Development of Sustainability Strategy as we pursue a long term sustainable future together with our customers, suppliers, shareholders and communities.
- Strong forward work as we secure new system design and build contracts in each of our regions.
- Total annual dividend of 6 cents declared.

CONTINUED IMPACT OF COVID-19



- Our **first priority remains the safety and wellbeing of our teams**. Long periods of employee 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.

Employee vaccination rates

	Fully Vaccinated	Partially Vaccinated
Czech Republic	56%	-
Belgium	95%	-
Germany	65%	-
France	73%	-
America	32%	-
China	94%	-
New Zealand	57%	88%
Australia	73%	90%



- **Forward work continues to solidify.**
- Product business has firm order books at healthy margins (BladeStop / Rocklabs).
- Continued focus on maintaining efficient cost structures that resulted from last years right sizing.
- New business continues to be sourced with improved margin and in line with strategy.
- Improved ability to service and commission projects pending progress with vaccines.
- Significant opportunity to increase service revenue on the existing equipment installed base.
- Industry dynamics in all sectors and geographies continue to be strong.



CEO PRESENTATION

John Kippenberger
Chief Executive Officer





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, Whirlpool. *\$216.2m revenue in FY21.*
- **Operational Excellence:** Delivered sustainable margin improvement across all regions *+190% increase on FY20.*
- **Leading Edge Technology:** *Strong growth across all standard products. Initial development of our service strategy.*
- **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 FY20 to 4 in FY21.*
- **Robust Global Platforms:** The centre of excellence (COE) strategy is helping build clarity and confidence across the Group. *Forward work of \$128m.*

FY21 PERFORMANCE SNAPSHOT



REVENUE



+16% | FY20 \$186.0M ▲
- 4% | FY19 \$225.1M ▼

MARGIN PERCENTAGE



+190% | FY20 8% ▲
+9% | FY19 21% ▲

EBITDA



+289% | FY20 (\$11.6M) ▲
+10.3% | FY19 \$20.0M ▲

FORWARD WORK*



REVENUE MIX



DIVIDENDS PER SHARE (Cents)

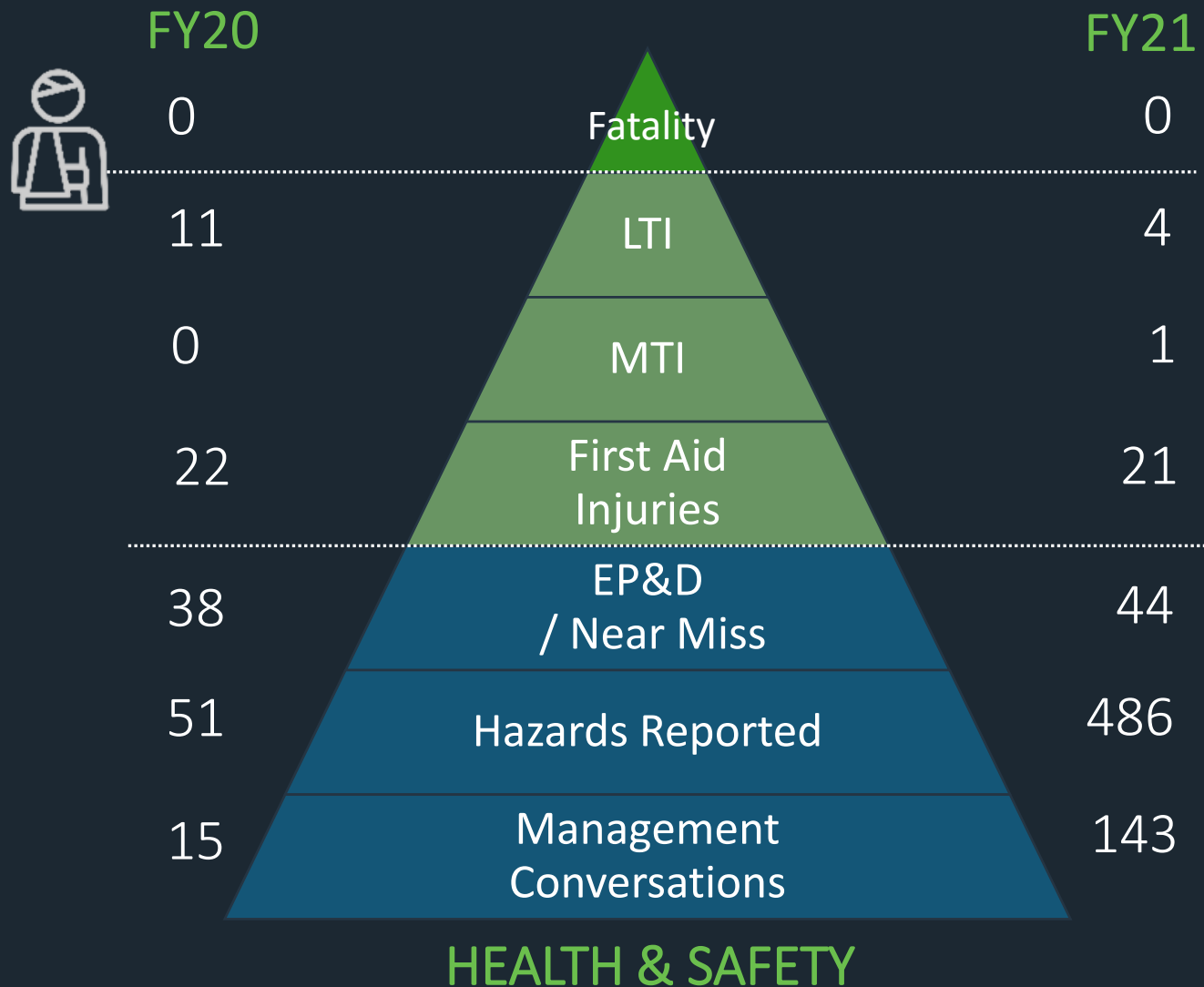
FY21 6.0 | FY20 nil | FY19 8.0

EARNINGS PER SHARE (Cents)

FY21 12.3 | FY20 (22.2) | FY19 11.3

* 'Forward Work' represents contracted activity. It is not an indicator of revenue over a set period of time

FY21 HEALTH & SAFETY PERFORMANCE



Forward indicators of hazard reporting and management conversations underpin a maturing safety culture.

FY21 RESULTS SUMMARY TABLE



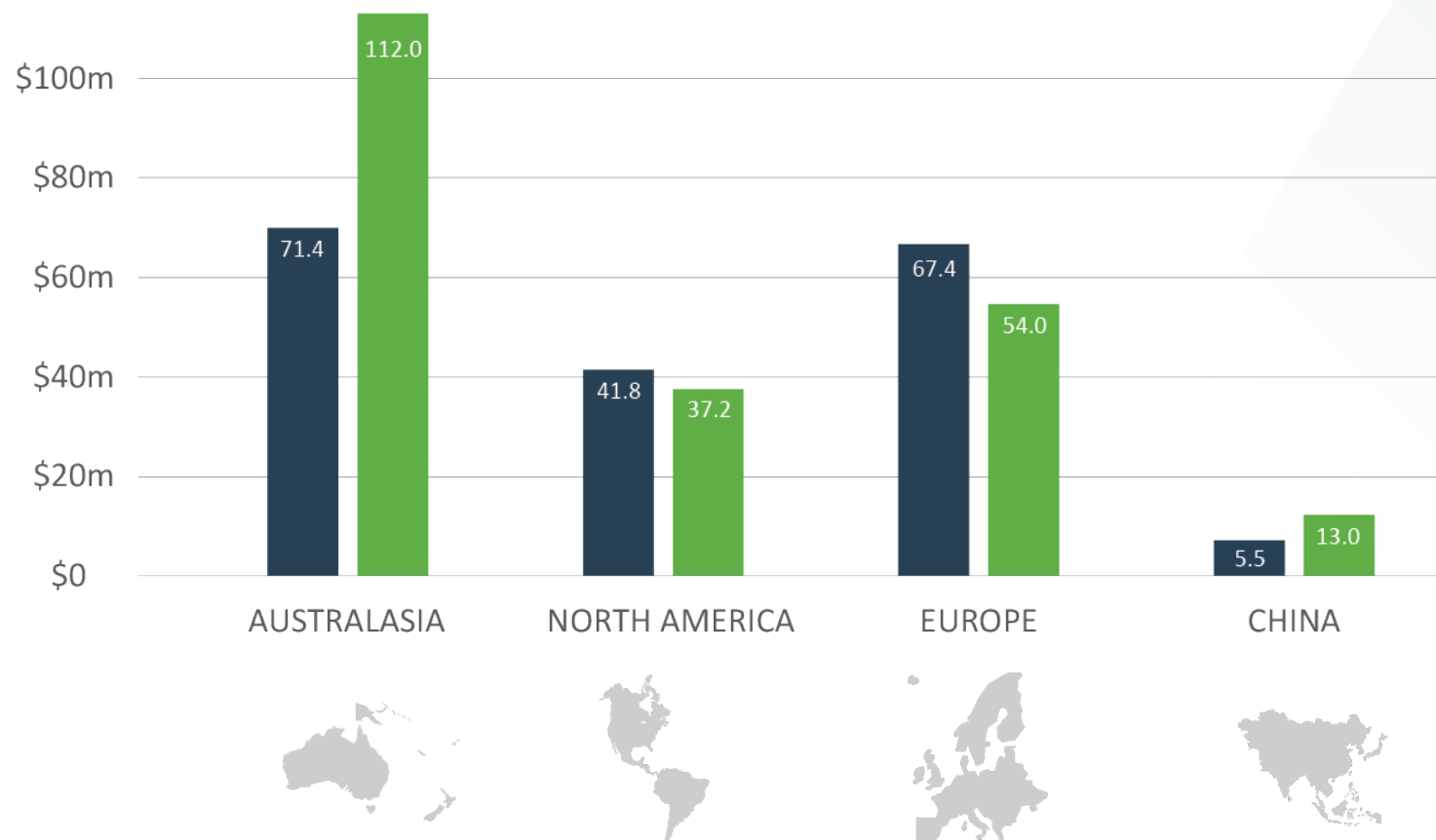
	Results Snapshot \$M		
	FY21	FY20	FY19
Revenue	216.2	186.1	225.1
EBITDA	22.1	(11.6)	20.0
Non-trading adjustments	0.0	11.9*	0.0
Normalised EBITDA	22.1	0.2	20.0
Net Profit After Tax	9.5	(17.5)	8.6
Net Cash / (Debt)	1.3	(3.4)	(16.4)
Net Cash / (Overdraft)	12.2	7.7	(4.7)
Bank Loans	(10.9)	(11.2)	(11.7)
Operating Cash Flow	13.4	19.6	0.7

* FY20 Non trading adjustments related to restructuring and impairments

REVENUE BY OPERATING REGION



OPERATING REVENUE \$M

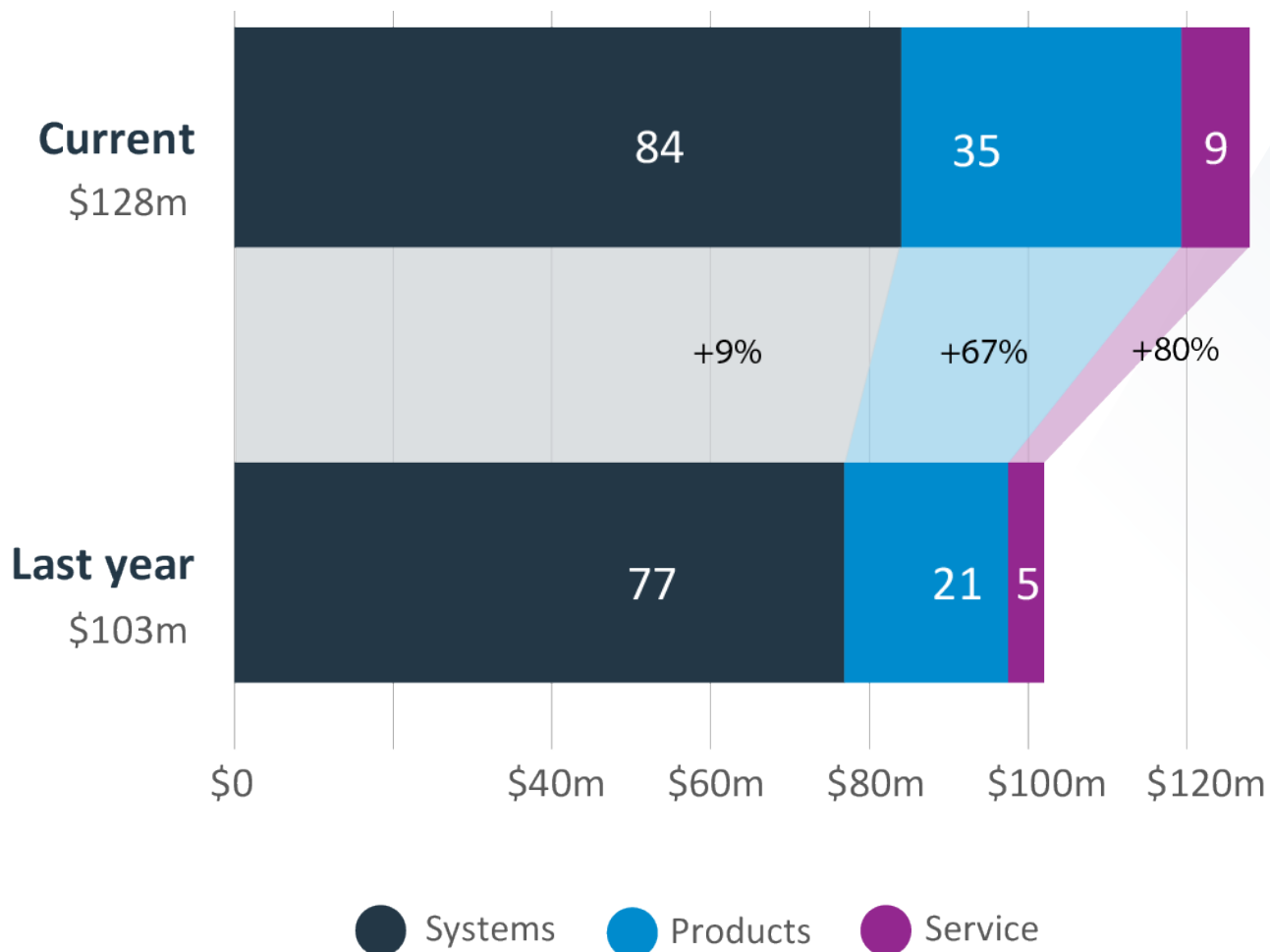


- **Strong rebuild in the Australasia** work program, largely driven by mining and meat sectors.
- **North America lead-indicators of inbound interest** and recent contracts starting to show turnaround.
- **Europe constrained by COVID-19** restrictions, however, promising rebuild of forward work underway.
- **China is experiencing strong demand** in appliance systems.

FORWARD WORK TREND

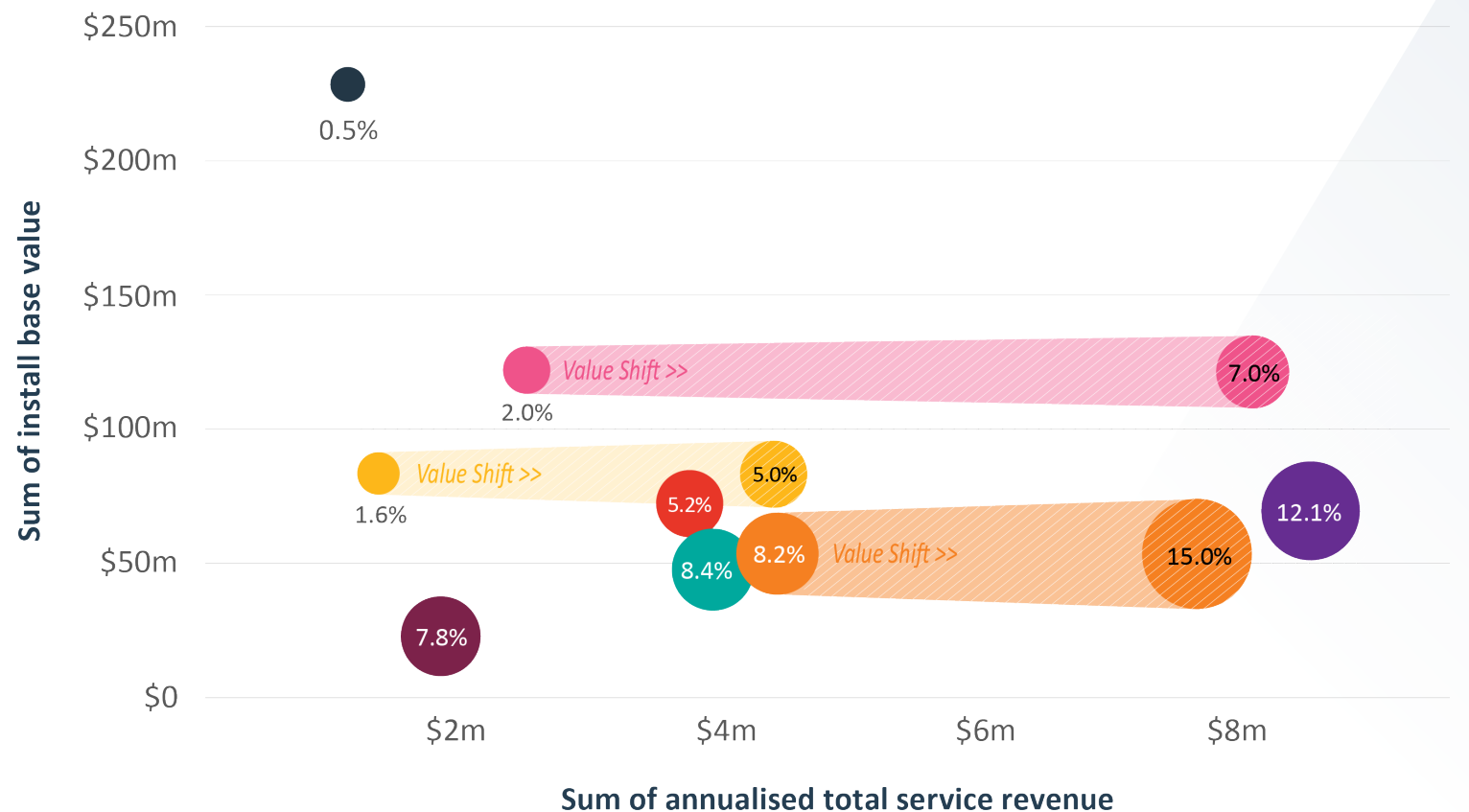


FORWARD WORK \$M



- **Mix evolving towards products and service in line with our Scott 2025 Strategy.**
- This shift towards repeatable products and increased services will see subsequent drive in margin growth
- 24% uplift in forward work compared to prior year ✓

SERVICE REVENUE GROWTH STRATEGY



- Annual service revenue as a percentage of installed machine base.
- Focusing on three key service growth areas, lamb automation, mining and BladeStop, we can see the additional delivery of +\$13m revenue per annum.

BladeStop Lamb automation Mining - Systems Rocklabs Appliances Industrial automation Robotworx Transbotics



INDUSTRY OUTLOOK



MEAT

- Strong, ongoing demand for our industry leading BladeStop safety saw product continues, and have now sold over 1200 units globally.
- In the system space, we remain focused on selling more 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).
- Global labour shortages, combined with social distancing creating issues in many production environments, are factors also driving the demand for automation solutions.
- Today Scott is thrilled to announce the expansion of its meat automation business with the signing of a new AUD\$18 million contract to design, build and commission a world-leading automated beef boning system.

INDUSTRY OUTLOOK



MINING

- Our mining products business Rocklabs and Reference Materials continue to trade well across virtually all of its global markets.
- This strength in demand is a testament to the global reputation of the Rocklabs brand, a talented production and sales team, combined with the continuing strong global precious metal prices driving capacity globally.
- The systems-end continues to focus on strategically and thoughtfully expanding the **semi-automated** offering of our laboratory range to bring speed and efficiency to mine operators and independent laboratory managers.
- We are also making sound progress in the rollout of our Scott Robofuel systems.

INDUSTRY OUTLOOK



MATERIALS HANDLING & LOGISTICS

- We have seen ongoing pressure on global distribution and supply chains as a result of COVID-19 and believe this will continue in its aftermath.
- This in turn drives the ongoing demand for material handling equipment offered by Scott and is particularly prevalent in areas such as the **e-commerce** and essential **grocery goods** sectors.
- In the AGV part of the sector, the automotive industry continues to be one of the largest adopters of unmanned fork-trucks, due to the autonomy and efficiency they bring to daily operations.
- With our strong relationships amongst the global tyre manufacturers, as an example, we see a positive future for our United States based AGV business, Transbotics.



OUR PEOPLE & PLANET

LEADING A SUSTAINABLE FUTURE



- **Passionate about pursuing a long-term sustainable future together with our customers, shareholders and wider stakeholders.**
- We recognise that our collective responsibility extends beyond commercial outcomes, and includes our relationship with the planet, and our people.
- We are committing to a series of long term Environmental, Social and Governance (ESG) goals. The foundations of our strategy are People, Place and Purpose.

“Our focus on Sustainability ensures that Scott is partnering with employees, customers, and suppliers that share our values.”

Aaron Vanwalleghem
Regional Director - Europe

LEADING A SUSTAINABLE FUTURE



OUR SUSTAINABILITY FRAMEWORK



PEOPLE

Executive Lead
Casey Jenkins

WHAT DOES THIS LOOK LIKE?

Employee retention
Global recruitment
Employee health and safety
Gender diversity



PURPOSE

Executive Lead
Cameron Mathewson

WHAT DOES THIS LOOK LIKE?

Customer satisfaction
Financial performance



PLACE

Executive Lead
Aaron Vanwalleghem

WHAT DOES THIS LOOK LIKE?

Sustainable procurement
Environmental management

- **People is about building an engaged, diverse, and talented workforce.** It focuses on retention and recruitment which is a priority for our people-led business. This is supported by a commitment to maintaining a safe and inclusive working environment for all our people.
- **Purpose refers to the recipients of our solutions and services** – Scott's customers and shareholders. It covers the importance of building meaningful customer relationships, and highlights Scott's commitment to growing a profitable business focused on long term growth and positive shareholder return.
- **Place outlines the organisation's commitment to the environment** and ensures it develops and encourages sustainable business practices



“A CLEAR AND COMPELLING STRATEGY, COMBINES WITH A GREAT TEAM AT SCOTT TOGETHER WITH STRONG ONGOING MARKET DYNAMICS TO PRESENT A BRIGHT FUTURE”.

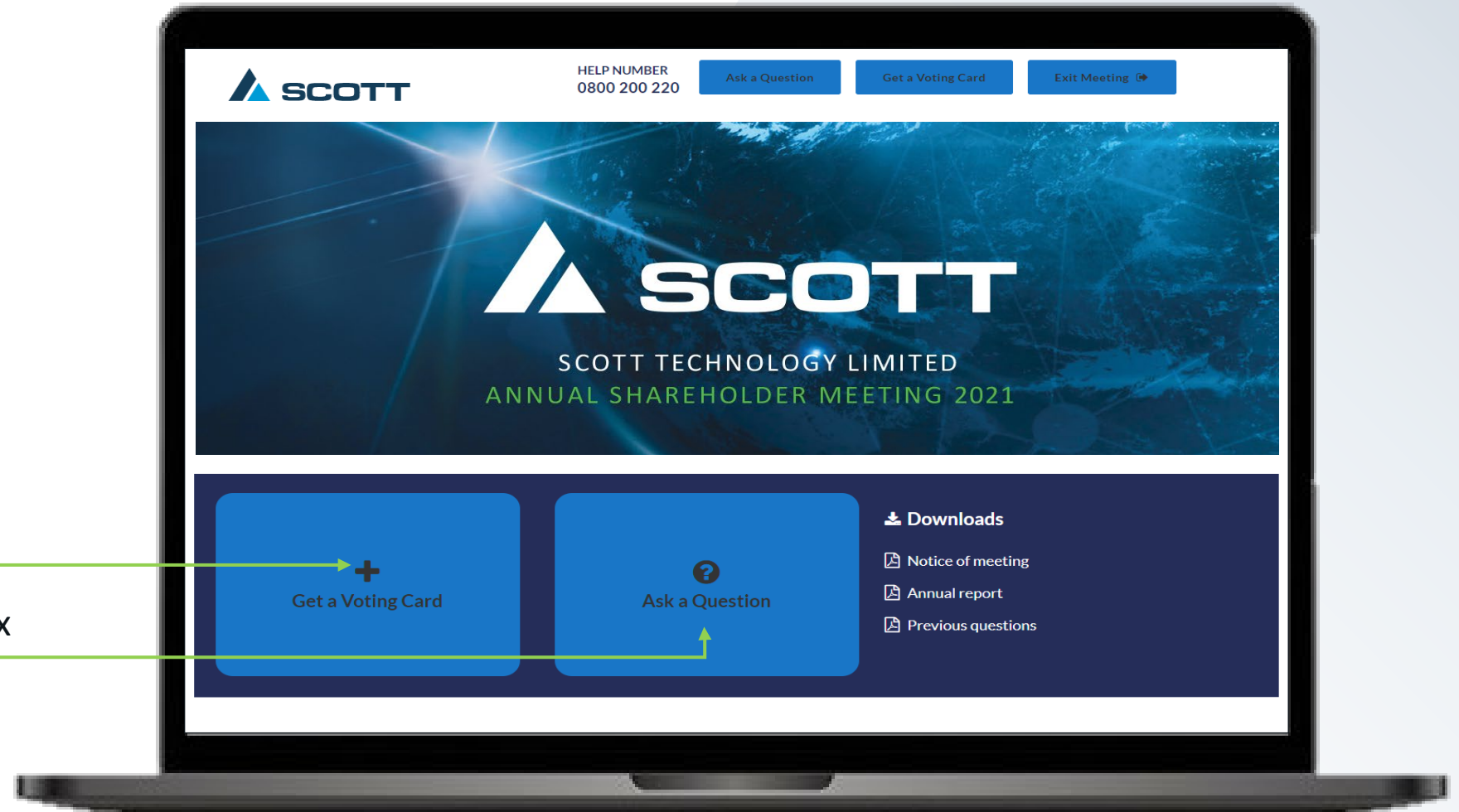
John Kippenberger - CEO

VOTING & ASKING QUESTIONS



Voting Card

Question Box





RESOLUTIONS

RESOLUTIONS



Resolution 1: Re-Election of Director – John Thorman

That John Thorman, who retires as a Director and, being eligible, offers himself for re-election by shareholders, be re-elected as a Director.

Resolution 2: Re-Election of Director – Edison Alvares

That Edison Alvares, who retires as a Director and, being eligible, offers himself for re-election by shareholders, be re-elected as a Director

Resolution 3: Re-Election of Director – Brent Eastwood

That Brent Eastwood, who retires as a Director and, being eligible, offers himself for re-election by shareholders, be re-elected as a Director.

Resolution 4: Director Remuneration

That, for the purposes of NZX Listing Rule 2.11.1, the maximum aggregate amount of remuneration payable by the Company to its Directors (in their capacity as Directors of the Company) be increased by \$100,000 per annum (plus GST, where applicable) from \$300,000 per annum to \$400,000 per annum (plus GST where applicable), with effect on and from 25 November 2021, to be paid and allocated to the Directors as the Board considers appropriate.

Resolution 5: Auditor

To record the reappointment of Deloitte as auditor of the Company and to authorise the Directors to fix the auditor's remuneration.



GENERAL BUSINESS / QUESTIONS