



# Mayfield Group Holdings Ltd (ASX:MYG)

CEO Report to the Annual General Meeting

24 October 2023



# Who we Are

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A dominant manufacturer of custom electrical switchboards, kiosks and transportable switchrooms, and supplier of related services, for critical electrical infrastructure. Owner of Moducell® IP and licensee for Leistung Energie, Magellan Power, Schneider-Okken technologies.

A niche provider of wireless telecommunications and power quality solutions. End-to-end capabilities in engineering, integration, construction, project management and whole-of-life support services. Owner of Socius battery management IP.

Supplying renewables, mining, oil & gas, infrastructure, defence, utilities & essential services

Technology-driven with a national reach:

ATI Australia Pty Ltd: Telecoms & Power Quality.

Head quartered in Sydney with facilities in Sydney NSW, Brisbane QLD and Melbourne Vic.

Mayfield Industries Pty Ltd: Electrical Infrastructure.

Head quartered in Adelaide SA with facilities in Adelaide SA and Perth WA.



# 2023 Performance



## Key Metrics (2023 Annual Report)

Safety LTIFR = 0 and TRIFR = 2.18 Improvement from 7.72 in FY22

## Statement of Income

Strong earnings growth driven by margins

		FY23	FY22
Revenue	✘	\$77,815,290	\$82,325,382
Income tax benefit	✓	\$1,892,459	\$793,150
NPAT	✓	\$5,797,122	-\$1,813,597
NPAT%	✓	7.45%	-2.20%

## Statement of Cashflows

Diligent cash management

		FY23	FY22
Net Increase in Cash	✓	\$2,306,373	\$1,248,590
Cash on hand	✓	\$4,945,788	\$2,639,415
Borrowings	✓	\$2,052,374	\$5,809,819



# 2023 Performance (continued)



## Statement of Financial Position

Increased equity, strong liquidity, reduced borrowings with future stream of tax benefits

		FY23	FY22
Equity (Net Assets)	✓	\$29,804,242	\$21,343,785
Current Ratio	-	1.52	1.54
Deferred Tax Asset	✓	\$5,253,064	\$4,775,483
Unused Tax Losses (@30%)	✓	\$3,204,603	\$3,171,888

## Investor

		FY23	FY22
Earnings/Share	✓	\$0.064	
Total Dividend/Share - fully franked	✓	\$0.017	
Incl. \$0.010 in July 2023			
Dividend Yield	✓	4.17%	
Franking Credits after July dividend	✓	\$9,368,806	
Share Price - 30 June	✓	\$0.41	\$0.36
Number of shares	✓	90,567,620	
Return on Equity (ROI)	✓	19.5%	



deliver on our promise.

# Delivery on our FY2023 Promises

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The Group remained committed to providing products and services for critical electrical and telecommunications infrastructure nation-wide.

## Key themes

1. Focused on quality revenue, but weather impacted telecommunications projects in H1
2. Returned Services to profitability through rationalisation of facilities and a focus on own and licensed IP
3. Continued investment in manufacturing capability – 3D design, parts washing, busbar machining
4. Invested in tooling and resources in WA manufacturing
5. Integrated Power Parameters into ATI to obtain scale and ‘service mindset’ in Melbourne facility
6. Closed NATA lab and refocused on OEM (Baur, Chroma and Hioki) power quality test equipment support and UPS supply and service.

# Strategy FY2024



The Group remains committed to providing Australian-made products and services for critical electrical and telecommunications infrastructure nation-wide.

## Key themes

1. Growing awareness in our carbon footprint
2. Retain focus on quality revenue, but looking for growth
3. Electrical Services growing in WA and Telecoms/Power Quality services in Vic
4. Continue to invest in manufacturing capability
5. Committed to growing WA manufacturing
6. Grow capability in community battery storage systems
7. Develop markets for our battery management products



# Strategy FY2024 (continued)

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We are low energy-intensity, non-emitting business. However

- We wish to be an authentic and informed in combatting climate change
- We are inspired by the contribution of our products and services; and
- Looking to develop new products in battery energy storage and battery management.

We are being thoughtful about how we attract and retain staff: Committed to inclusivity, diversity and career development (apprentice schemes and study support).

The Board successfully focused the return of Mayfield Services to profitability, and the merger of the power quality business into ATI, and will now focus on:

- Acquisition targets in telecoms and power
- New, engineered products in electrical infrastructure
- New license agreements for complementary products.



# Outlook



Q1 has seen a positive start to the 2024 financial year driven by strong order book, higher activity and continuing margins.

- A strong work-in-hand of \$41.6m with healthy mix of clients and market sectors
- New license agreement with critical power equipment supplier Magellan Power and renewed 3yr agreement with MV equipment supplier Leistung Energie
- Strong pipeline in Lithium, Data Centres, Rare Earths, Renewables, Essential Services and Defence

## Risks include

- Wet weather holding back remote area telecoms project activity
- Recruitment and retention of staff
- Supply chain disruptions

