

ANNUAL GENERAL MEETING 2022

Excelsior Capital Limited

Thursday, 10 November 2022

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Agenda

Chairman's Opening Comments

Introductions and Formalities

Items of Business

Presentation

Chairman

Danny Herceg



Danny re-joined the Board in April 2021 having previously served on the board as a Director of the company from 2007 to 2014 and 2019 and to 2022.

Danny is a senior corporate and commercial lawyer. Danny's practice is focused on initial public offerings, secondary market capital raisings, capital market divestments, public and private M&A, strategic divestments and restructures, demergers / spin-offs, takeover defences and commercial negotiations. He has been advising Australian and international enterprises for almost 30 years.

Danny has been a partner in several major Australian law firms, as well as working as a foreign lawyer in the head office of an international law firm in Chicago, gaining experience in US capital markets. He now leads his own boutique firm. Danny has been on the board of several ASX listed companies.

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Annual General Meeting Items of Business

Financial Statements and Reports



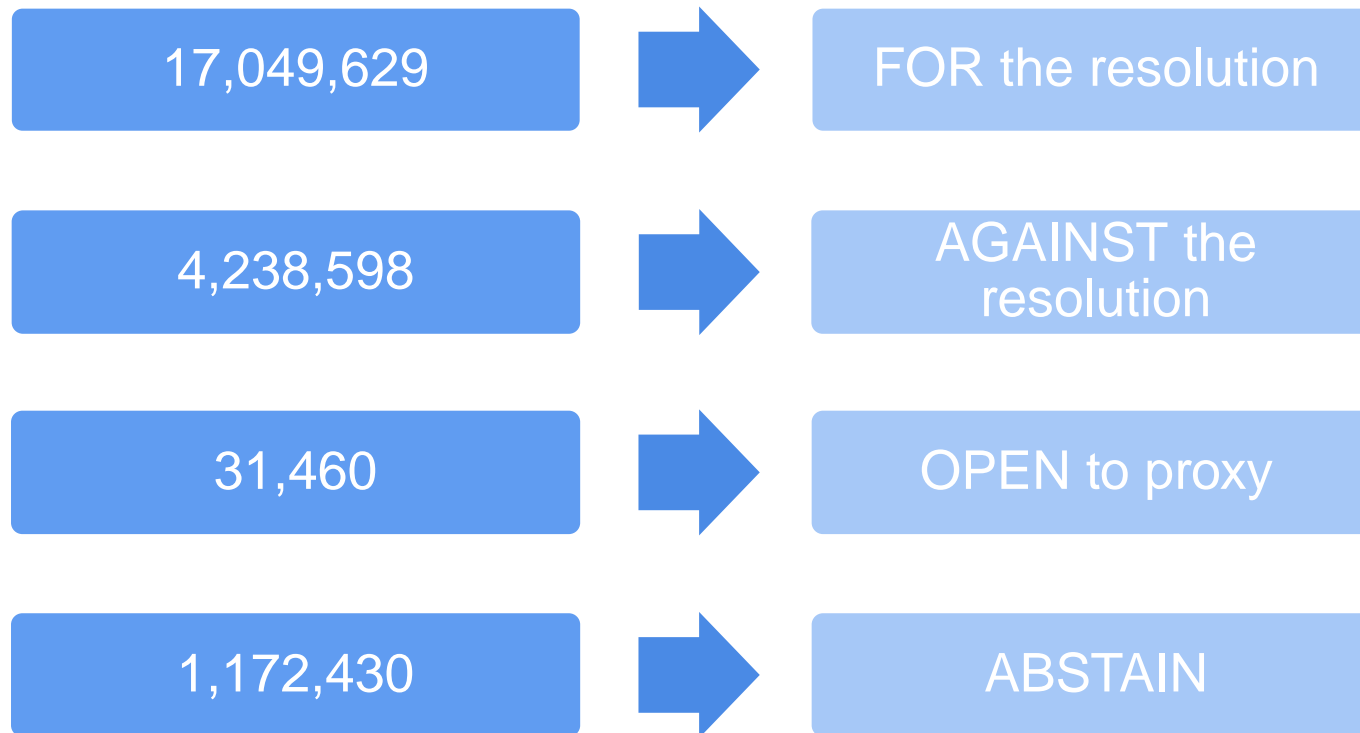
To receive and consider the Directors' Report, Independent Auditor's Report and the financial statements of the Company for the year ended 30 June 2022.

Neither the Corporations Act 2021 (Cth) nor the Company's constitution requires a vote of shareholders on the reports or statements. However, shareholders will be given the opportunity to ask questions or make comments on the reports and statements at the meeting.

Resolution 1 Election of Mr Ryan Mount as a Director

To consider and, if thought fit, to pass the following as a non-binding **Ordinary Resolution**

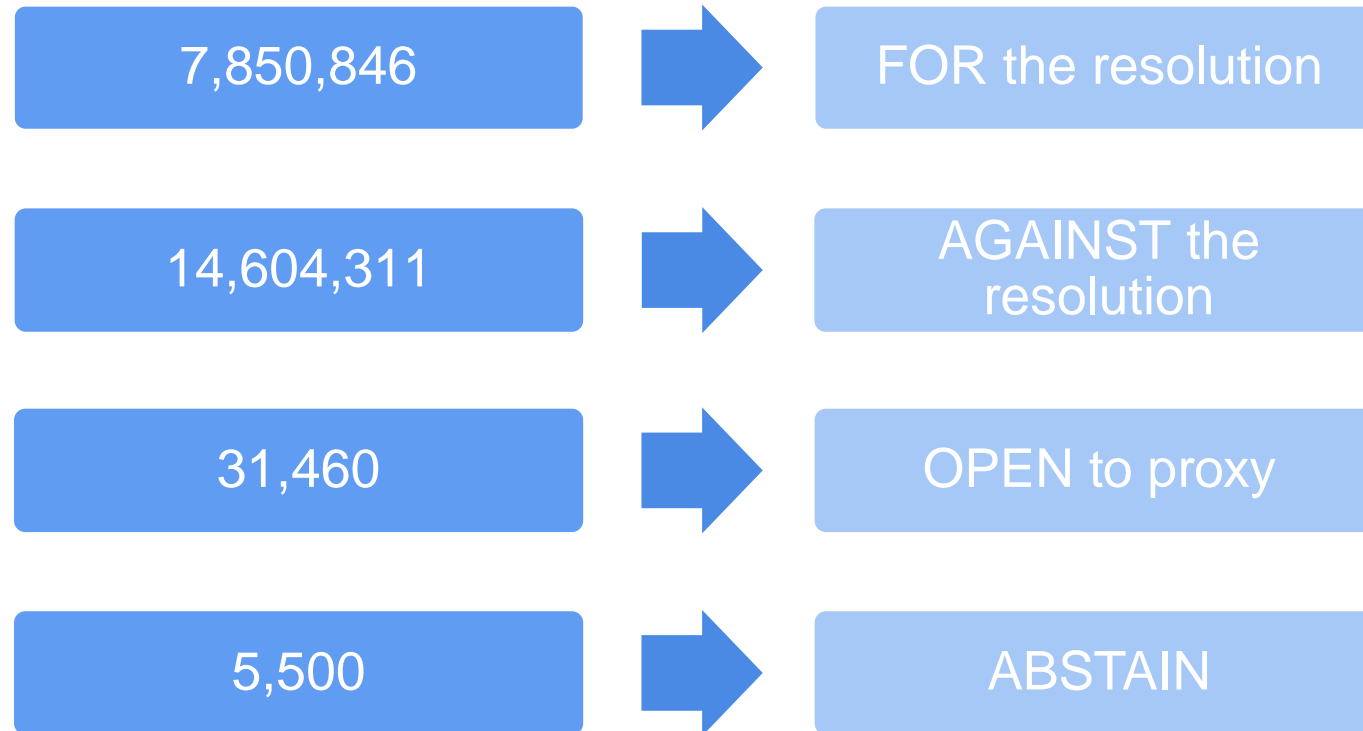
The total of valid proxies received for Resolution 1 is 21,319,687 being:



Resolution 2 Election of Mr Warwick Sauer as a Director

To consider and, if thought fit, to pass the following as a non-binding **Ordinary Resolution**

The total of valid proxies received for Resolution 2 is 22,486,617 being:

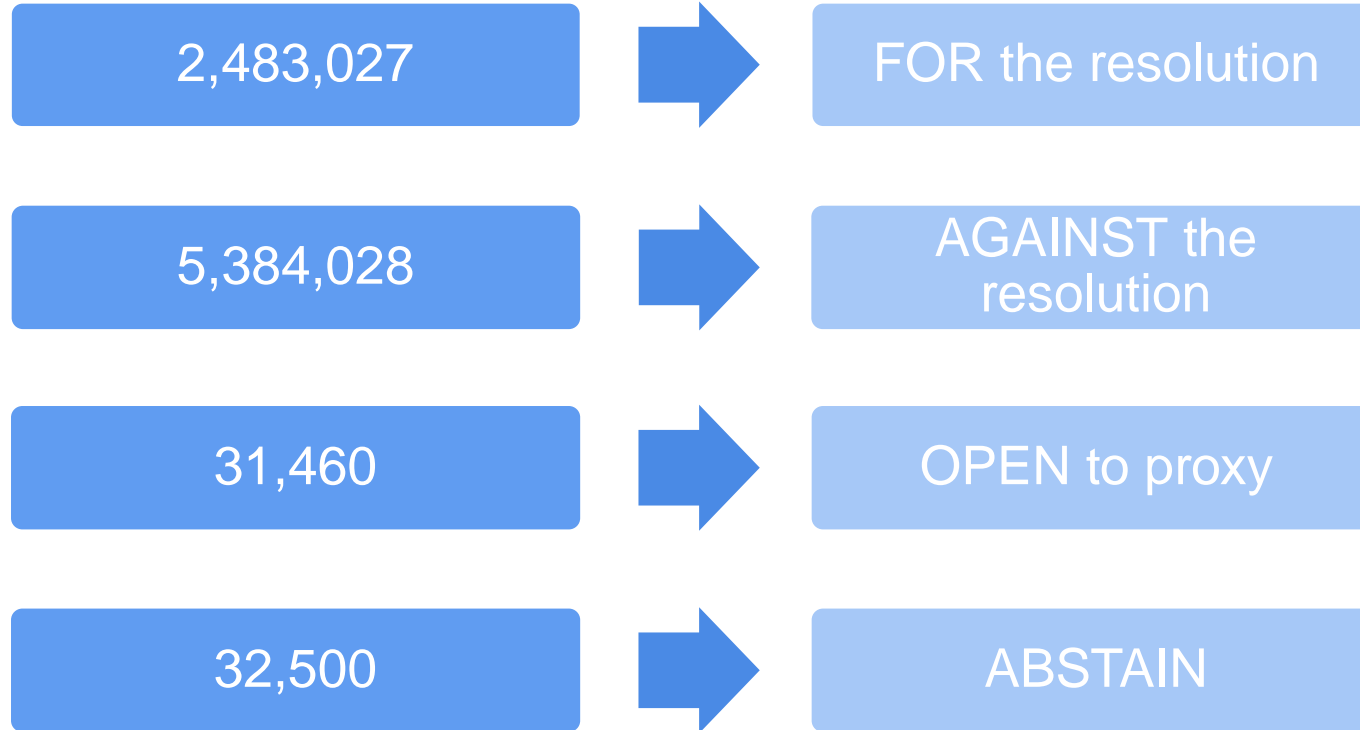


Resolution 3

Remuneration Report

To consider and, if thought fit, to pass the following as a non-binding **Ordinary Resolution**:

The total of valid proxies received for Resolution 3 is 7,898,515 being:



SHAREHOLDER PRESENTATION

- 2022 ANNUAL GENERAL MEETING

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Company Profile



Company Profile

Excelsior Capital Limited (ASX:ECL) is a listed investment company made up of two major business units, a Listed Investment Fund and CMI Electrical Operations.

The Listed Investment Fund at 30 June had a majority of its investments held in cash, managed investment trusts and a small holding of listed and unlisted equities. Total funds under management (FUM) totalled \$21.4m at year end.

The company used external managers and advisors throughout the year in relation to management of its investments within the managed portfolio.



CMI Electrical Operations specialises in the manufacture and distribution and design of specialty high value plugs and couplers, electrical cables, sourcing and supply of niche electrical cable applications, high voltage cables, flexible cables and flameproof junction boxes.

The coupler and receptacle products are used in infrastructure, construction and mining applications. CMI also exports its plugs and couplers to supply mining sectors both domestically and overseas

Major Product Brands



XLPE CABLE MINTO COUPLE AFLEX CABLE HARTLAND CABLE

Servicing Industries



MINING CONSTRUCTION INFRASTRUCTURE INDUSTRIAL



CUSTOMERS 478+

DISTRIBUTION
Direct to wholesales – 80%
Direct to customers – 20%

Excelsior Capital Limited Group Summary

At 30 June 2022

Employees	→	65
Cash & Equivalents	→	\$17.9m
Net Assets	→	\$60m

At 1 November 2022

Market Capitalisation	→	\$57.98m*
Number of issued shares	→	28.994m

* Market capital was calculated as at 31 October 2022 with 28,994,469 on issue at \$2.00 per share

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FY 22 Financial Performance



Financial Performance (Group)

Period Ended 30 June

			FY22	FY21	CHANGE
Revenue*	\$m	↑	93.5	75.3	24%
EBITDA	\$m	↑	13.3	9.6	39%
EBITDA Margin	%	↑	14.0	13.0	1pp
NPAT	\$m	↑	8.0	5.5	45%
NPAT Margin	%	↑	8.6	7.2	1.4pp
EPS	cps	↑	28.0	18.0	10cps
ROE	%	↑	13.4	10.1	3.3pp
Cost to Income Ratio	%	↑	14.6	15.9	(1.3pp)

* Revenue net of rebates and includes other income

Financial results for FY22 and the prior comparable period include the adoption of AASB 16 Leases.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

CMI Electrical Operations results

Period Ended 30 June

			FY22	FY21	CHANGE
Revenue (Gross)	↑	\$m	103.7	83.5	24%
Revenue (Net)	↑	\$m	93.3	75.2	24%
EBITDA	↑	\$m	14.8 ¹	10.8	37%
EBITDA Margin	↑	%	15.9	14.3	1.6pp
Profit Before Tax	↑	\$m	12.8 ²	8.8	45%
Gross Margin Ratio	↑	%	26.4	25.7	0.7pp
Cost to Income Ratio	↑	%	12.7	14.0	(1.3pp)

1. Included in EBITDA for FY22 is \$1.4m of Depreciation and interest of \$134k as a result of AASB16 Accounting for Leases
 2. The adoption of AASB16 Accounting for Leases resulted in an decrease to Net Profit Before Tax of \$95k

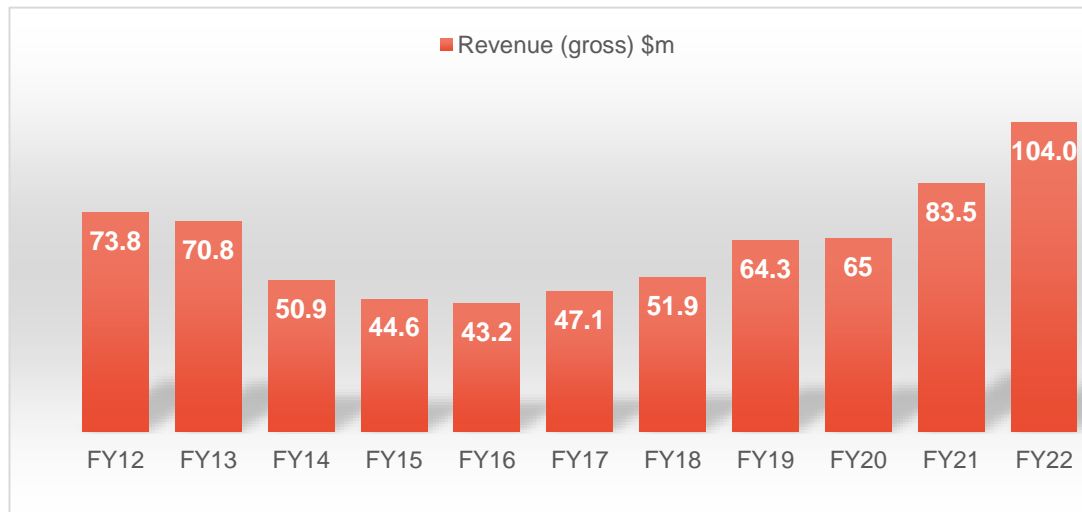


Chart above shows gross revenue over last 11 years in line with mining and construction industry growth cycle

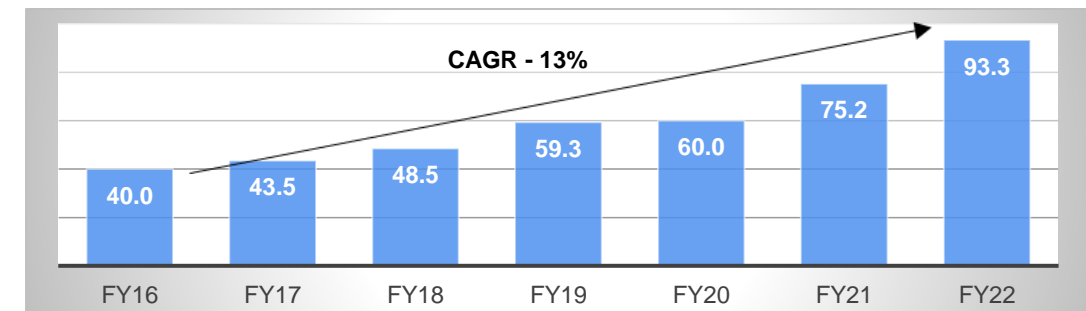
FY22 results continued strong sales and earnings growth across both divisions of the CMI business.

- Cable sales of \$85.7m (FY21, \$70.5m) up 22% as a result of new customers and industry expansion due to government and private infrastructure and construction spending.
- Coupler/glands sales of \$18m (FY21, \$13m) up 38% which outperformed in comparison to prior year as a result of increased mining sector growth both domestically and overseas.

CMI Electrical continues to be well placed to take advantage of significant government stimulus commitments across the country on infrastructure, construction, industry and state and federal public infrastructure project spending.

Growth opportunities for FY23:

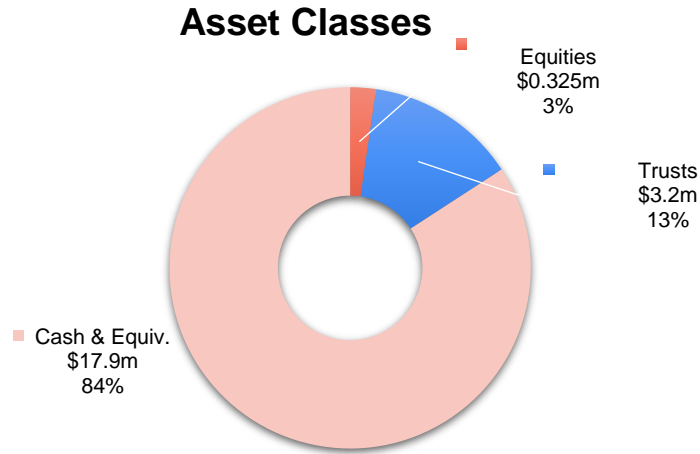
- CMI Minto range expected to continue to grow through out FY23 due to increased domestic and overseas sales and strong mining activity.
- Continued government and private sector activity, including large infrastructure and construction projects throughout Australia.



Compound Annual Growth Rate for Net Sales over 7 years of 13%

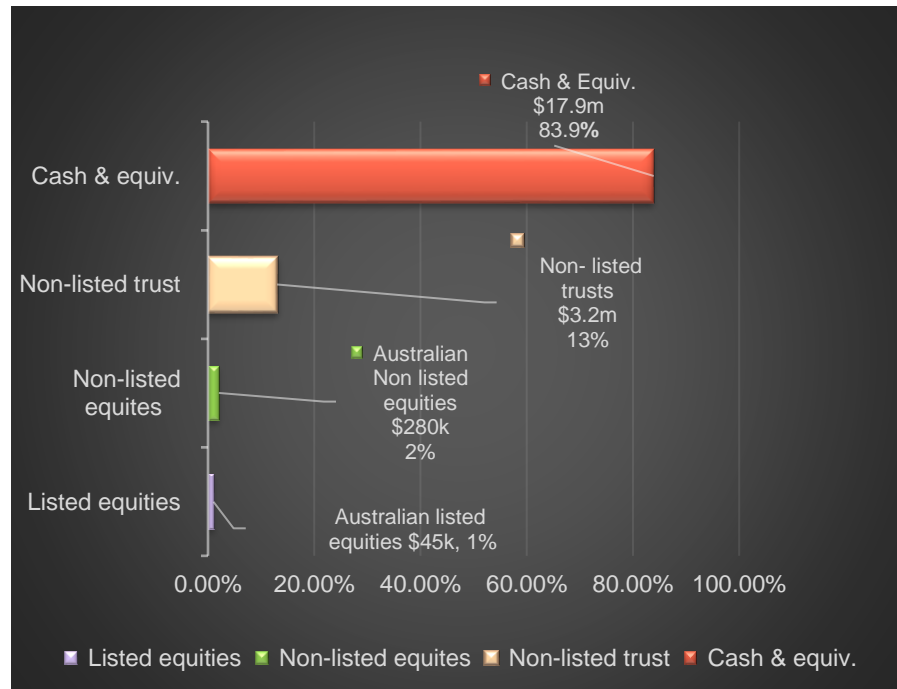
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Investment Portfolio holdings



- At 30 June 2022 the Investment Portfolio held a total of \$21.4m at 30 June 2022 including:

- \$280k in unlisted equities;
- \$45k in listed equities;
- \$3.2m in unlisted investment trusts; and
- \$17.9m in cash and equivalents



- The investment fund also performed well relative to Australian equity markets, delivering a near flat return for the year vs a 11% fall in the S&P ASX 200. The fund had exposure to several diversified, non-market correlated investment funds during FY22 but predominately remained in cash ensuring the ability to support CMI with expansion capital including for inventory required for increasing forward order book of sales.
- During FY22, the fund has reinvested circa \$6m after tax cash proceeds back into CMI Electrical business which was used to fund the acquisition of additional inventory, receivables and working capital to fund a significantly increased order book.
- The EBITDA margin return on this additional investment was at circa 14%.

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Performance To Date and Outlook

Performance Year to Date and Outlook

CMI Electrical Operations Results to September 22 (unaudited)

		Sept'22 YTD	Sept'21 YTD	CHANGE
Revenue (Gross)	↑	\$m 30.3	22.7	33%
Revenue (Net)	↑	\$m 27.7	20.4	36%
EBITDA	↑	\$m 3.9 ¹	2.7	44%
EBITDA Margin	↑	% 14.0	13.2	0.8pp
Profit Before Tax	↑	\$m 3.9	2.6	50%
Gross Margin Ratio	↑	% 26.2	25.8	0.4pp
Cost to Income Ratio	↑	% 12.2	12.4	(0.2pp)

1. Financial results normalised YTD (July to Sept'22 vs July to Sept'21) ignoring any impacts as a result of AASB 16 Leases.
Due to rounding, numbers presented throughout this document may not add up precisely to the totals.

- FY23, Sept'22 YTD results has continued in the same trajectory from FY22.
- Cable sales have continued to grow due to on-going infrastructure and construction projects and an expansion of CMI customer base.
- Minto plug sales have commenced FY23 strongly with new customers overseas and domestically in mines and infrastructure.
- New above ground coupler product range expected to boost sales in FY23 and diversify the already existing range of plugs and expand the business customer base.

Listed Investment Portfolio

- The investment fund has continued to re-invest funds back into the Electrical Business to fund sales growth which has demonstrated to have been a success and contributed to the net return before tax of circa 14%.
- Portfolio Fund continues to investment a percentage of funds into a diversified portfolio of non-correlated investment funds. Returns on funds invested of \$3.4m are approximately 8% in comparison to the ASX All Ordinaries which was down 1% for the same quarter ended 30 September 22.

Mining Sector Outlook

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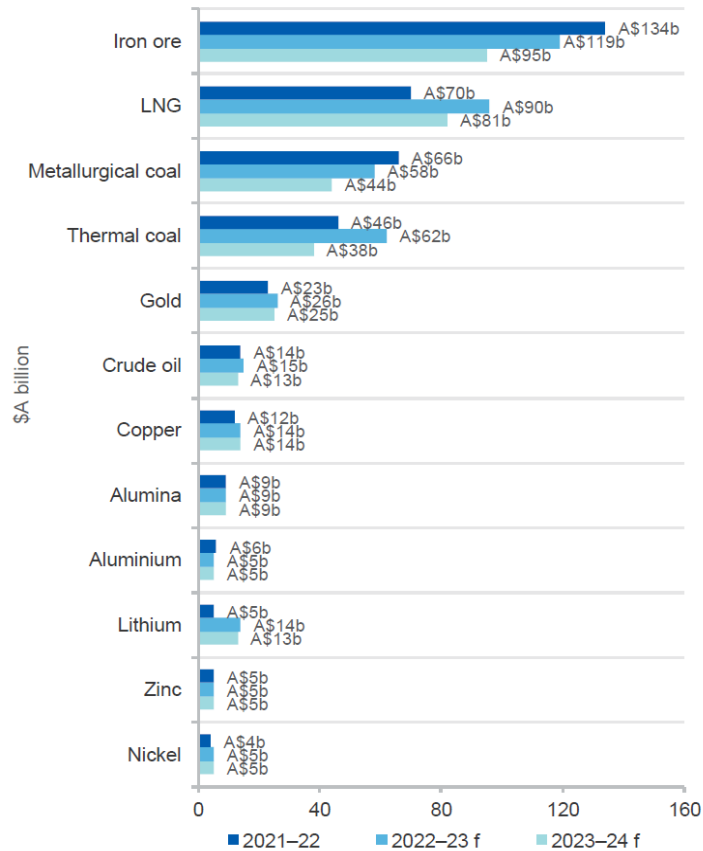


Chart above forecast major resources and energy commodity exports to 2024.

Australia’s resource and energy exports are forecast to reach \$450 billion in 2022-23, surpassing last year’s record of \$422 billion in 2021-22. Driving the current surge in resource and energy is a spike in commodity prices and Australian dollar weakness to US dollar. Since June 2022 metallurgical coal prices have declined however thermal coal and other energy resources remain high.

Australia is well placed in the global push towards low emission and transition technologies: export of metals used intensively in low emission technologies (namely copper, nickel and lithium) are expected to more than double in 2022-2023

Excelsior sales of couplers and glands in particular are aligned to the mining and infrastructure sectors both of which have performed well through 2022 and forecast to continue to grow in 2023. It’s mining customers who purchase underground plugs used in thermal and metallurgical coal, copper and gold miners operating underground its expected to remain robust. The new hybrid couplers in FY2022-2023 will expand plug sales into the open-cut above ground mine sector.

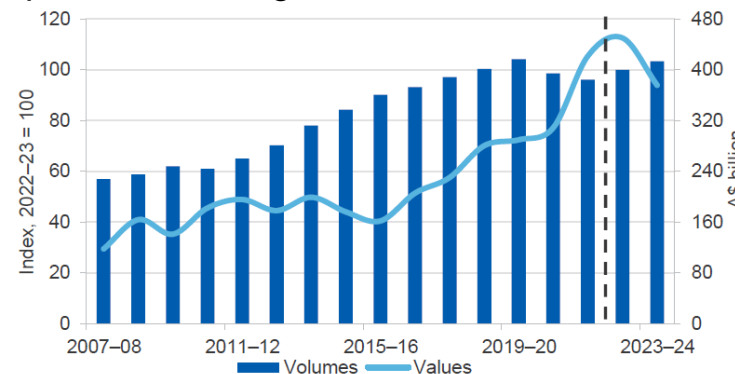


Chart above provided by Resource and Energy, September 2022 quarter shows Australia’s resource and energy export values / volumes out to 2024



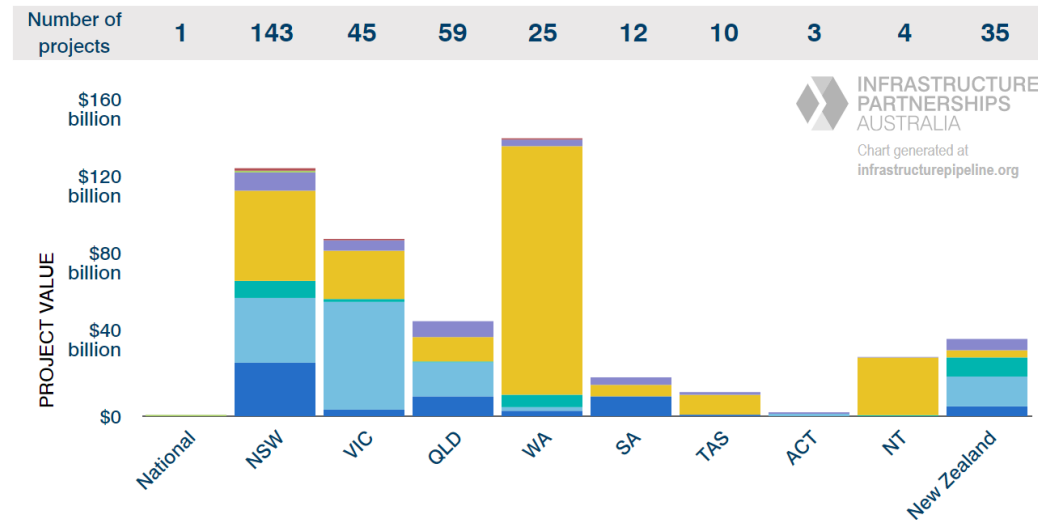
Source of data –ABS 2022 Department of Industry, science, energy and resources Resources and Energy Quarterly Report September 2022

Infrastructure Project Spending Outlook

Excelsior is positioned to benefit from the Australian Government’s record levels of large scale infrastructure and development projects in energy, roads, rail, tunnels, construction and renewable applications. Cable, couplers and components are used widely in large scale industrial projects.

The Federal Government stated in its final Budget that infrastructure funding contributed towards a record \$120 billion 10-year infrastructure investment pipeline which has been supported by the new Albanese Government commitment of investment in transport infrastructure projects. This record investment creates new opportunities for company's like CMI Electrical with the government rolling out large infrastructure projects to 2036.

BY PROJECT LOCATION



Some of these projects include high-speed rail in NSW, suburban rail projects in VIC, high-way upgrade program in QLD and TAS as well as light-rail in ACT.



SECTOR

- Road
- Rail
- Other Transport
- Energy
- Water & Sewerage
- Waste & Recycling
- Social
- Telecom
- Other

Source – “Infrastructure Australia – Australian Government”

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SHAREHOLDER QUESTIONS

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