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**8 November 2013**

## **ASX RELEASE**

### **AGM Presentation**

Please find attached a presentation to be given by the Managing Director and CEO to the Annual General Meeting today.

#### **About Site Group International Limited**

Site Group International (ASX: SIT "Site") is an ASX listed company providing Australian accredited and non-accredited training programs that are specifically tailored to employer needs. Training is delivered through high quality facilities in the Philippines (Clark Freeport Zone) and in Australia through Site Skills Training. Site Skills Training has major training facilities in Perth, Gladstone, Darwin and Landsborough. At these locations our experienced team assesses, up-skills and trains industry experienced candidates in the mining & processing, oil & gas, construction, camp services, hospitality and logistic sectors.

In addition, Site delivers on-site training for clients and major projects throughout Australia and countries such as PNG, Indonesia, Singapore, China, UAE, Azerbaijan and others.

The strategic location of our 300,000m<sup>2</sup> facility at Clark Freeport Zone in the Philippines allows the company to deliver Australian standard training in a low cost and controlled environment. This facility has the capacity to complete large scale residential training programs customised to meet client specific requirements. The facility is currently delivering training and assessment services to a multi-national oil and gas company under a long term contract with a specific focus on health and safety. All vocational training is delivered with tailored job specific English language and cultural sensitivity training. In addition vocational training in areas such as fabrication, heavy diesel maintenance and refrigeration mechanics is delivered.

Site also delivers workforce planning solutions through Site WorkReady. Site WorkReady achieves "ready to work" international employees through an end to end "Source-Train-Deploy" service utilising the training and assessment facility at Clark Freeport Zone. Working closely with their clients the Site WorkReady team identifies workers, completes assessment services and develops appropriate training. Employment candidates receive instruction in English, workplace health and safety systems as well as employer orientation training to support their transition to employment.

Site Group International is an emerging Australian company with a strategic business model run by an experienced board and management team.

**- Ends -**

#### **For further information contact**

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# **SITEGROUP** **International**

## **AGM Presentation**

**8 November 2013**



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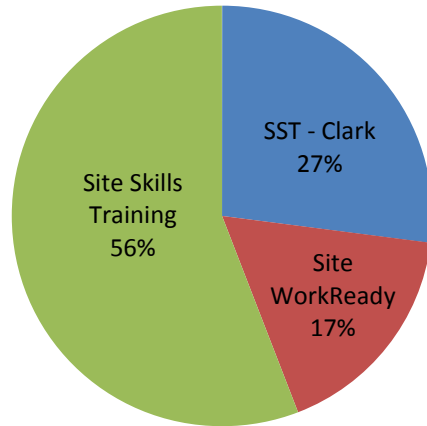
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# Site Group International

- Publicly listed (ASX:SIT)
- Significant investment into facilities:
  - Belmont (WA)
  - Gladstone (QLD)
  - Darwin (NT)
  - Landsborough (QLD)
  - Clark (Philippines)
- Leading industry trainer in High Risk licencing
- Workforce planning and skilled worker procurement
- Established and expanding blue chip client base
- Established platform and capability
- Seeking to acquire / expand organically
- Seeking to establish position in funded markets:
  - Australia (Federal and State)
  - International (Governments, Aid agencies and Industry)
- Building quality, Management Systems and online delivery capability

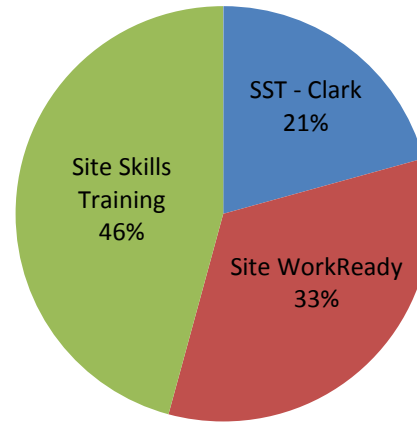
# Site Revenue Split By Segment

30 June 2013



Revenue \$13.5m

30 June 2012

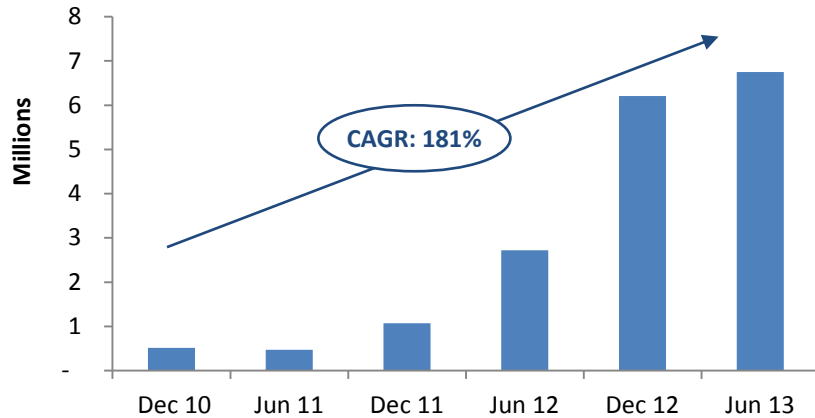


Revenue \$5.0m

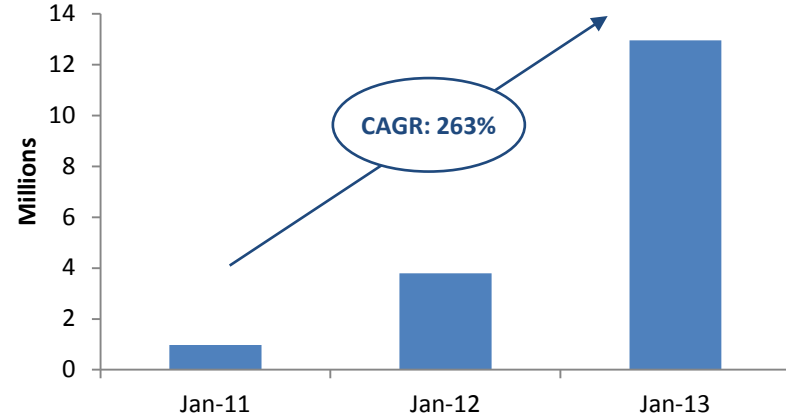
- SST – Clark
  - 3 year contract with Shell, Chevron and PNOG for Malampaya HSE Training
  - Pilot courses conducted for Camp Services and Weld testing
  - IPATAS program starting in FY14
- Site Skills Training - Australia
  - 4 Major training facilities in Perth, Darwin, Landsborough and Gladstone
- Site Workready
  - International Placement Business

# 6 Monthly and Yearly Revenue & EBITDA

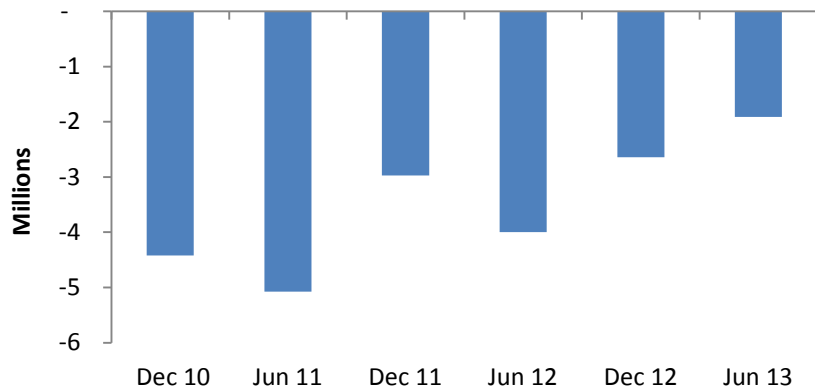
## 6 Monthly Revenue



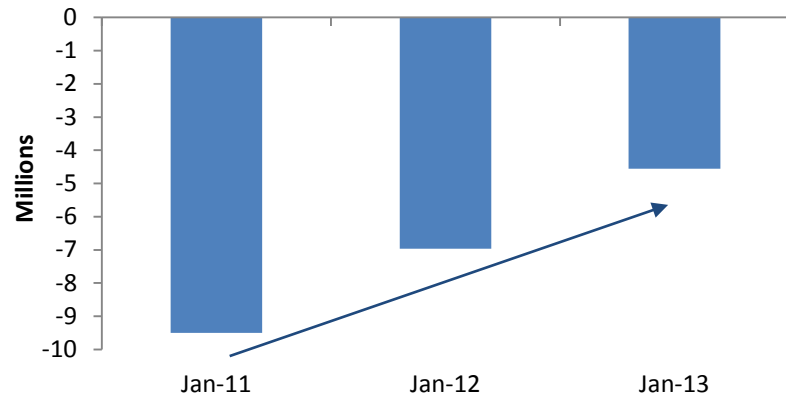
## Yearly Revenue



## 6 Monthly EBITDA



## Yearly EBITDA



# Australian Vocational Education and Training: A Substantial Opportunity

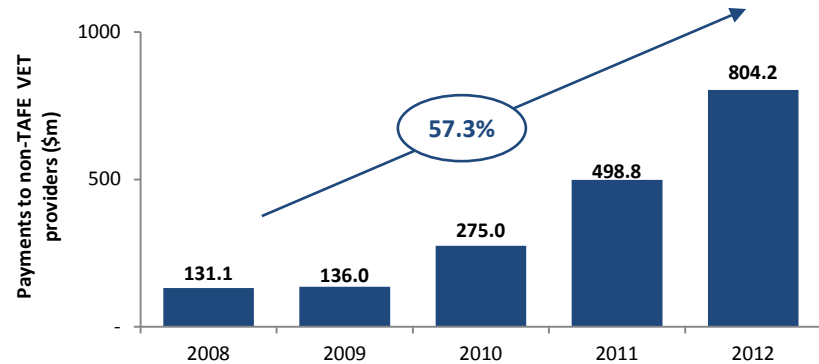
## Australian Vocational Education and Training sector opportunity

- Adoption of demand driven funding models (also known as “contestable funding”) by state governments across Australia
- Extension of Higher Education Loan Program (“FEE-HELP”) to approved Vocational Education and Training (“VET”) providers
- Highly fragmented industry with over 5,000 RTOs, including long tail of small, private VET providers
- VET providers of scale are highly favoured by industry, due to broad course offering and large geographic footprint
- Anticipated continued skills shortages in key occupations, such as trades

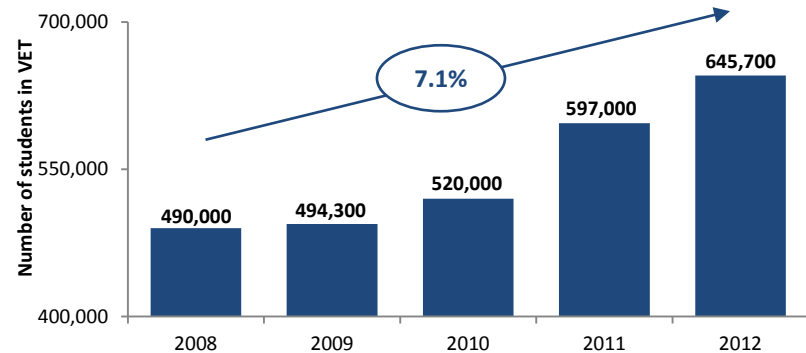
## Victoria: case study

- Victoria was the first state to adopt the demand driven VET funding model
- Since commencement, government funding to private, non-TAFE RTOs and student numbers in Victoria have rapidly increased
- Further expansion of VET sector is anticipated following Australia-wide adoption of contestable funding

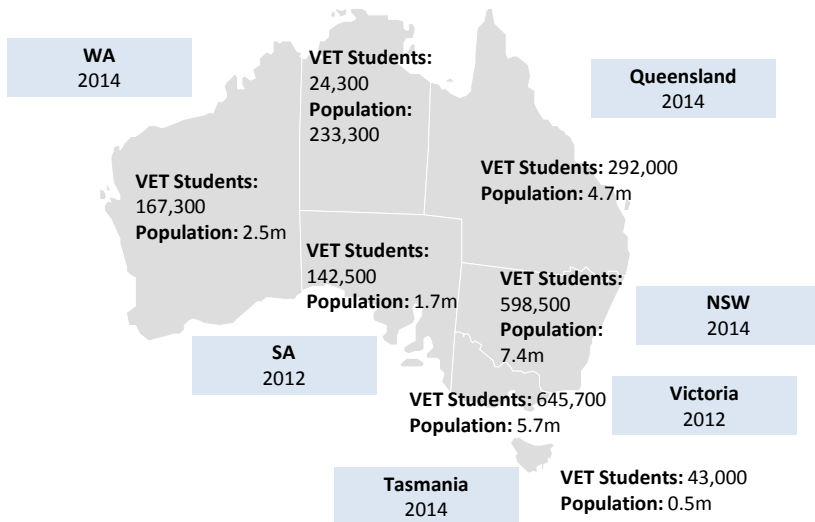
## Payments to non-TAFE VET providers



## VET student enrolments



## Australia-wide adoption of contestable funding models



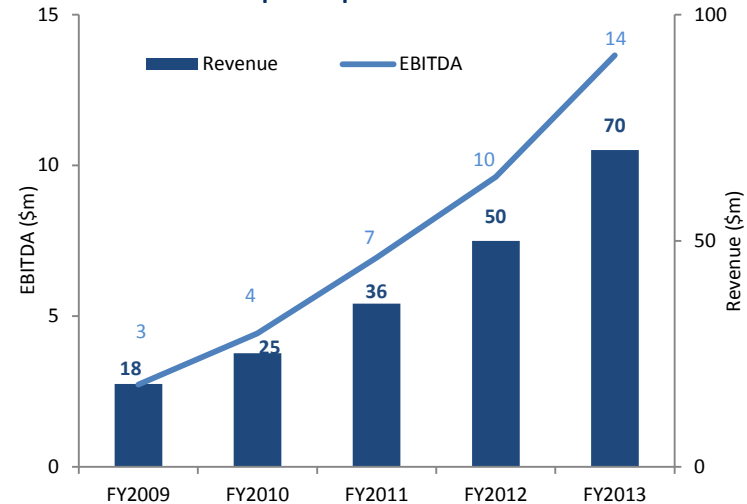
# A Team Experienced in VET

## Previous VET Ventures

Key Site Executives have a track record of successful investment in Australian VET

- Site's Managing Director, Vern Wills founded CAG, and together with Site's Chairman, Darryl Somerville, other Board and CAG executives developed and grew CAG into Australia's leading private provider of vocational training,
- CAG now has over 10,000 enrolled students across 16 Australian campuses and online
- CAG focused on high-growth sectors: health and nursing, trades and construction, and professional services
- Achieving VFH status was a significant milestone in CAG's history
- Currently a provider of over 150 nationally recognised pre-employment programs, short courses, apprenticeships, traineeships, certificates and diploma programs
- CAG is a large beneficiary of government funded programs
- Control of CAG passed to White Cloud at an implied value of c.\$112m in 2013

## Careers Australia Group Example



## Key Takeaways from CAG

- Diversified Business Model
  - Mix of VFH, apprentice and commercial students
  - A strong student, employer and government value proposition
- Effective Engagement with Government
  - Leverage programs that capitalise on Government loans
- Scaling of Platform
  - Established online campus expanding the reach of all programs
- Efficient Business Operations
  - Quality student management system
- Brand/Track Record
  - Quality brand supports premium pricing

**SITEGROUP**  
International



# Australian VET: Growth Plan

Site intends to expand its Australian VET business both organically and through prudent M&A, with a view to further diversify funding sources, course/program offerings and to capture multiple benefits of scale

1

## Diversify funding sources

- Commonwealth government
- State governments
- Fee-for-service
- Complementary international strategy

2

## Diversify course offerings

- Cover high growth sectors (energy, mining, construction, ageing population, workplace health and safety, wholesale transportation and logistics, food processing)
- Address skills shortages
- Multi-channel delivery (online, campus, onsite)

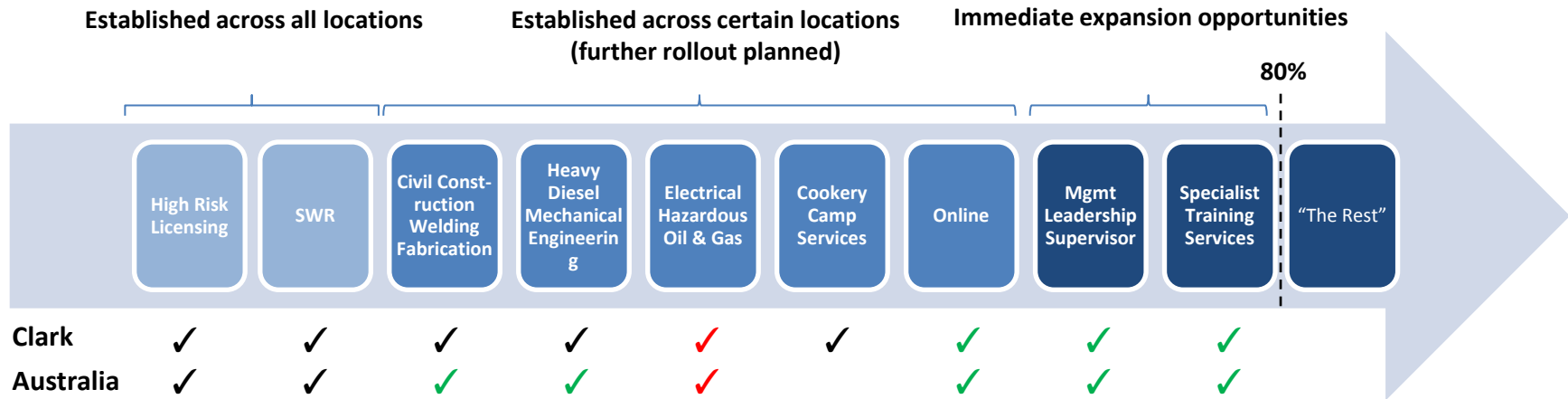
3

## Capture advantages of scale

- Strengthen brand (employability of graduates – outcome driven)
- Information systems advantages (track career outcomes)
- Leverage key customer relationships
- Geographic footprint

# Growth Plan: The Path

## Growth Plan



## Key

- ✓ Currently in operation
- ✓ Intention to offer through acquisition of Romea Training (expected completion Dec 2013)
- ✓ Intention to offer through further expansion

# Recently announced acquisition – Romea Training

- Romea Training is a Registered Training Organisation that provides training solutions to the energy industry, including the development of:
  - Training and operational procedures
  - Short course delivery
  - Cert IV - apprenticeship/traineeships
- Relevant to a wide range of industries, including chemical, fertilizer, hydrocarbon refining and production
- Tapering of the construction cycle – LNG projects are moving to production and require new skills
- The energy sector is specialised, safety critical, and attracts good margins
- LNG and gas transmission is relatively new to Australia – the training industry is playing catch up to meet their requirements
- Very few competitors: five other RTO's in Australia can issue UEG11 certificate qualifications
- The energy training industry is segmented, there is no comprehensive end to end training provider in Australia
- Energy sector is less dependent on economic growth and is not as cyclical in nature: unlike the construction industry, energy demand is constantly growing

# The Opportunity...

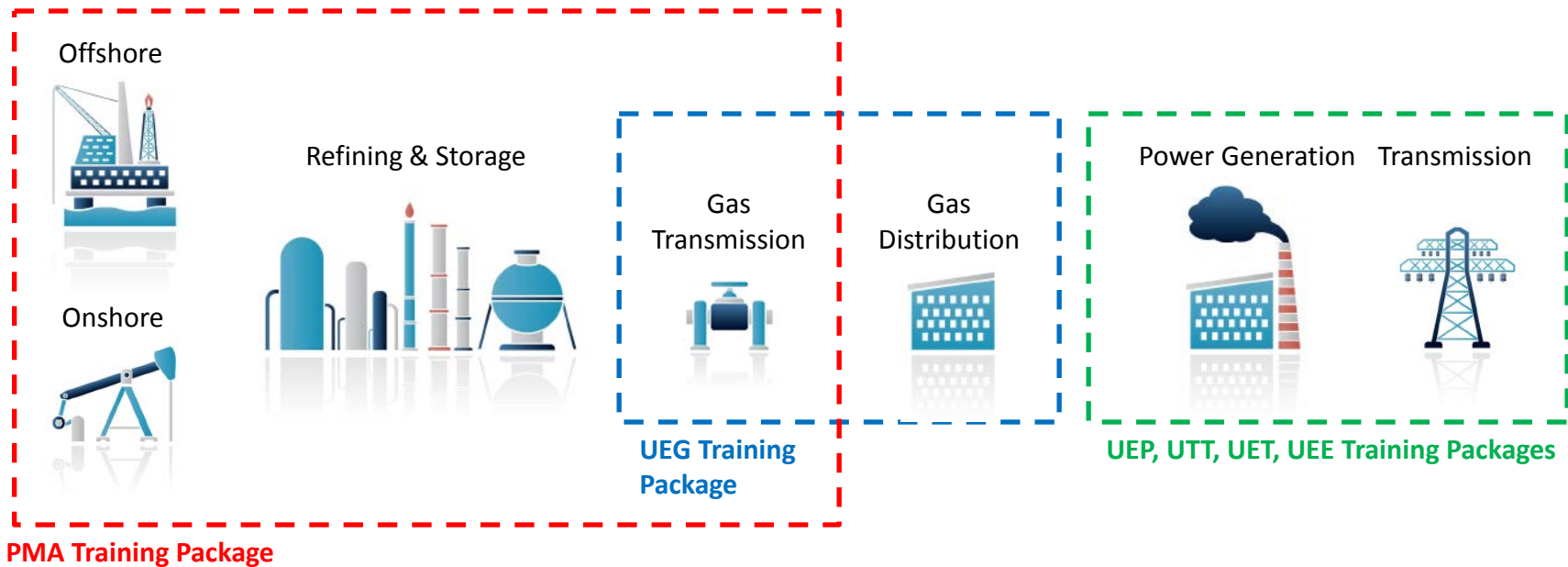
There is currently \$200 billion worth of LNG projects under construction in Australia and at various stages of development. This includes development of gas fields in Western Australia (Gorgon, Prelude, Wheatstone and Ichthys), and in Queensland (Queensland Curtis LNG, Gladstone Curtis LNG, Gladstone LNG, and Australia Pacific LNG).

Project	Project Owner	Description	Start Date	Production Capacity	CAPEX
Prelude	Shell	200km off the WA coast, worlds first Floating LNG project	2017	3.5M tonnes per annum	\$13B
Wheatstone	Chevron, Exxon mobil, Shell	Under construction near Onslow WA, Wheatstone will include a domestic gas plant	2016	8.9M tonnes per annum	\$29B
Gorgon	Chevron, Apache, KUFPEC, PE Wheatstone P/L	Gorgon area fields are believed to hold 35tcf of gas and believed to have a 60 year lifespan, Gorgon will include a domestic gas plant	2015	15M tonnes per annum	\$52B
Pluto	Woodside, Kansai Electric, Tokyo Gas	Pluto gas field discovered in 2005, first cargo shipped only seven years later.	2012	4.3M tonnes per annum	\$15.3
North West Shelf Venture	Woodside, BHP Billiton, Chevron, MIMI, Shell, BP	Australia first LNG project, now has 5 production trains	1989	16.3M tonnes per annum	\$50B
Ichthys	Inpex, Total	Pipes gas 800km from WA to Darwin plant, also includes 100,000 bpd of condensate	2016	8.4M tonnes per day	\$34B
Darwin LNG	Conocophillips, Inpex, Santos, Eni, Tokyo Gas, Tokyo Electric	Liquefies gas in the Timor Sea, located in the joint development zone with Australia and Timor Leste	2005	3.7M tonnes per annum	\$1.5B
Australia Pacific LNG	Origin Energy, Conocophillips, Sinopec	Largest of the three CSG-LNG projects in Gladstone	2015	9.0M tonnes per annum	\$24.7B
Queensland Curtis LNG	BG Group, CNOOC	The world's first CSG-LNG project when online	2014	8.5M tonnes per annum	\$20.4B
Gladstone LNG	Santos, Petronas, Total, Kogas	Pipes CSG from inland Queensland gas field to Gladstone for Liquefaction and export	2015	7.8M tonnes per annum	\$18.5B

Source: APPEA website

# **SITE Energy Training**

Site Energy Training is an end to end training provider to the Energy Sector, including upstream, midstream & downstream processing, through to power generation and transmission



# Summary

- Expansion of scope and services
- Leverage significant client base
- Organic growth
- Growth through prudent M & A
- Focus on funding mechanisms both Domestic and International
- Potential addition of strategically located training facilities
- Ongoing consideration to capital requirements

# Board of Directors

## **Darryl Somerville** Chairman

Mr Somerville was appointed Director of the company on 2 August 2011. Mr Somerville spent more than 19 years as a partner with PwC, including 8 years as Managing Partner, and was a member of the firm's National Board of Partners. Formerly, Mr Somerville held the positions of Chairman of Brisbane Broncos Ltd, Chairman of Brisbane based developer Devine Ltd and Director of CMI. He has chaired a number of QLD State Government Energy Review panels and was Chairman of the judging panel for the Premier of QLD's Awards for Export Achievement for 8 years.

## **Vernon Wills** Chief Executive Officer and Managing Director

Mr Wills was appointed Director of the company on 12 October 2010. Mr Wills has had an extensive involvement in the training & education sector and established one of Australia's largest private training providers, Careers Australia Group, which recently sold to UK fund managers White Cloud for circa AUD \$112 million. Prior to Site and Careers Australia Group, Mr Wills has had an extensive career in investment and finance as well as building start up and early stage companies such as GoTalk Ltd and Dark Blue Sea.

## **Nicasio Alcantara** Non-Executive Director

Mr Alcantara was appointed Director of the company on 12 October 2010 and has been a director of Site Group Holdings Pty Ltd since June 2009. Mr Alcantara is an experienced director with over 40 years' experience in both public and private companies and his diverse industry experience includes manufacturing, banking & finance, property, information technology, agriculture and power & energy.

## **Shaun Scott** Non-Executive Director

Mr Scott was appointed Director of the company on 2 August 2011. Mr Scott is a Chartered Accountant with over 25 years of upstream and downstream experience in the oil and gas and energy sectors in Australia, Asia and the United States. He was Chief Executive Officer of Arrow Energy, until its recent acquisition by Shell and Petro China.

# Senior Management

## **Craig Dawson** Chief Financial Officer

Mr Dawson brings extensive financial management experience gained in ASX listed entities with both local and international operations in a variety of industries including media, financial services, gaming and wagering and most recently in the rapidly growing online sector. Mr Dawson was CFO of Wotif.com for over 4 years as the group experienced rapid earnings growth, greatly extended its geographical reach and expanded its brands and products through both organic and acquisition growth.

## **Chris Gittens** Chief Commercial Officer

Mr Gittens prior to joining Site spent six years as the Managing Director of Australian Skills Training Group, a training group consisting of three entities delivering High Risk training throughout Australia, Singapore and Indonesia. Mr Gittens has spent over two decades working in sea and shore based mechanical engineering positions from an apprenticeship through to senior engineer roles through Australia and the Asia-Pacific.

## **Blake Wills** Chief Operating Officer

Mr Wills brings strong experience in corporate finance which includes the execution of acquisitions, exchange listing, capital raising, investor relations and financial modelling. Mr Wills also has capability in areas of Vocational Training, Contract Management, Human Resources and Project Management. The academic background of Mr Wills includes a Bachelor's degree in Finance and Economics and First Class Honours in Finance.

## **Brett McPhee** General Manager Site WorkReady

Mr McPhee was employed by Western Mining Corporation for 10 years in accounting and commercial roles. His last role was as Chief Accountant at St Ives Gold in Kambalda. After leaving WMC in 1997, Mr McPhee worked for Tyco International Limited (US stock exchange listed) in Singapore as Finance Manager. In 2000, Brett established a consulting services business, providing commercial services to the mining, engineering and construction industries.

## **Shane O'Sullivan** General Manager Major Projects and Implementation

Mr O'Sullivan was formerly the Australasian Regional Manager of M&O Global, an Australian based training company providing safety and HSE training to the Oil, Gas and Offshore industries. Previously Mr O'Sullivan held the position of the General Manager of Risktec Australasia and Singapore for 3 years, specialising in the delivery of Management of Major Emergency Consulting and training. Shane spent 22 years as a member of the ADF.