



# LASERBOND<sup>®</sup>



PRODUCTIVITY | INNOVATION | CONSERVATION



Annual General Meeting - 22 October 2018  
Director's Presentation

# FY18 HIGHLIGHTS

## Financial Highlights

- Revenue up 14% to \$15.65m
- Services Division revenue up 39%
- Products Division revenue up 10.5%
- Increased interest in Technology Division
- NPAT (before impairment) up 12% to \$1.25m.
- EPS (before impairment) up 10% to 1.34 cents
- Dividends increased 20% to 0.6 cents fully franked
- Strengthening Share Price (up 50% since 2017 AGM)



Slurry Pumps

# THE YEAR IN REVIEW

## Investment in Personnel & Training

- Specialised nature of our work requires a skilled workforce
- Remains a significant challenge to recruit the right people
- Training in our processes takes time before being fully productive
- Staff numbers up circa 40% over the year
- Continue to grow our apprentice training & recruitment programmes
- A number of skilled migrants being processed by Immigration Dept.



# THE YEAR IN REVIEW

## Investment in Personnel & Training (cont)

- Technology Division – successful recruitment of automation & design engineers
- Appointed International Business Development Manager for Products & Technology



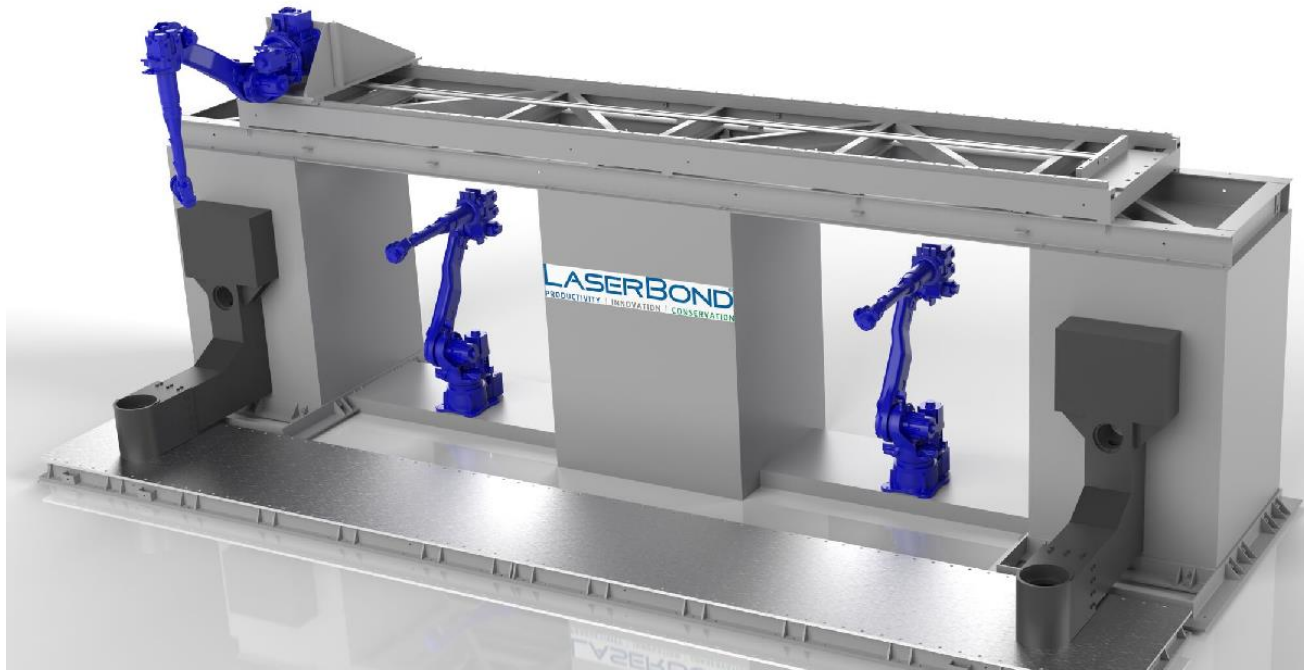
Export Products for Steel Industry



# THE YEAR IN REVIEW

## Investment in Equipment

- To keep up with growth in demand for its products & services, LaserBond continues to invest in equipment to improve capacity and efficiency
- Predominantly financed by equipment finance facilities



Automated LaserBond cell concept, under construction now



New large capacity cylindrical grinder installed in Sydney during FY18

# 3 YEAR FINANCIAL PERFORMANCE

Full Year	FY2018 (\$,000)	% Growth	FY2017 (\$,000)	% Growth	FY2016 (\$,000)
<b>Revenue</b>	<b>15,648</b>	<b>14%</b>	<b>13,751</b>	<b>31%</b>	<b>10,516</b>
Services Division	10,040	39%	7,237	6%	6,843
Products Division	5,608	10.5%	5,076	38%	3,673
Technology Division	0		1,438	New Division	
<b>EBITDA (before impairment)</b>	<b>2,505*</b>	<b>2%*</b>	<b>2,449</b>	<b>283%</b>	<b>640</b>
EBITDA Margin	16.0%*		17.8%		6.1%
<b>NPAT (before impairment)</b>	<b>1,249*</b>	<b>12%</b>	<b>1,113</b>	<b>1313%</b>	<b>79</b>
NPAT Margin	8.0%*		8.1%		0.8%
<b>Earnings per Share (before impairment-cents)</b>	<b>1.34c*</b>	<b>10%</b>	<b>1.22c</b>	<b>1257%</b>	<b>0.09c</b>
Fully Franked Dividends (cents per share)	0.60c	20%	0.50c	25%	0.40c
Franking Credits Available (\$,000)	1,672		1,496		1,420
<b>Financial Position (Total Equity)</b>	<b>7,775</b>	<b>10%</b>	<b>7,045</b>	<b>16%</b>	<b>6,091</b>
Total Assets	12,627		10,627		8,617
Total Liabilities	4,852		3,582		2,526

\* FY18 profits significantly affected by costs in recruiting and training

# FY2019 OUTLOOK

## Strong growth continues

- Revenue for the first quarter (July-Sep) \$5.10m
- Up 44% on PCP (\$3.54m) (Services & Products Divisions)

## Forecast

- First half FY19 revenue expected to be \$9.8m - \$10.5m (up 36 - 45% over pcp)
- First half FY19 EBITDA expected to be \$1.8m - \$1.9m (pcp was 0.58m)
- Technology Division sale to global engineering company completed but order not yet fulfilled - revenue recognition in second half
- Technology sales in FY19 will add double digit % revenue growth year on year



Mining and Tunnelling Equipment benefits from LaserBond's Technology

# DELIVERY OF FUTURE GROWTH

## Strengthening Domestic Markets

- Growth from buoyant mining and minerals industries
- Growth in other industries based on growing recognition of benefits delivered
- Interstate expansion through acquisition and/or greenfield

## Products Division Opportunities

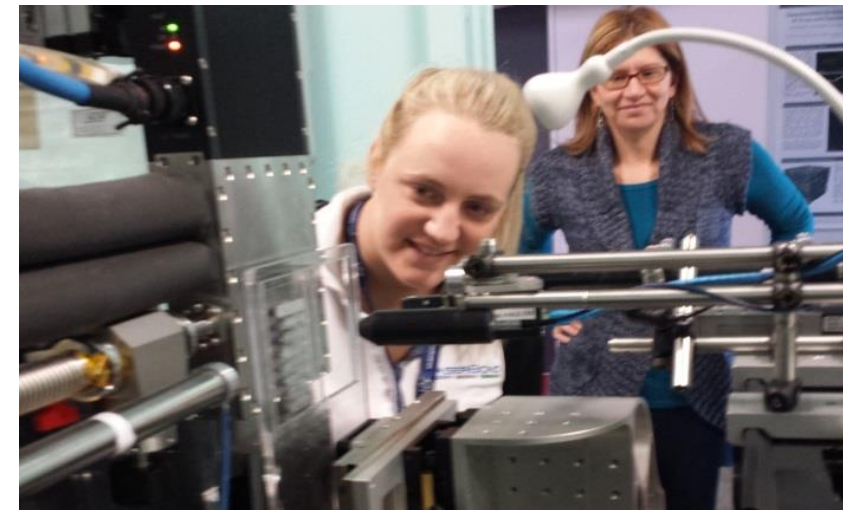
- Export of existing products leveraging domestic performance & success
- Ongoing development of new high performance products

## Technology Division Opportunities

- Strong international interest for technology licensing

## Continuing R&D Investment for the Future

- Ongoing collaborations with University of SA/Future Industry Institute
- Industry Partner to SEAM Training Centre
- Application development with global OEM partners





# FOUR YEAR STRATEGIC PLAN

Target \$40 million Revenue within Four Years.....How?

## Organisational Structure Improvement

- providing successful management team, scaled for growth

## Increased Capacity & Capabilities

- Improved shop floor shift structure increasing capacity
- Process optimisation to increase uptime and effectiveness
- Focus on ongoing increases in skill and capabilities
- Continuing investment in resources (human and equipment)

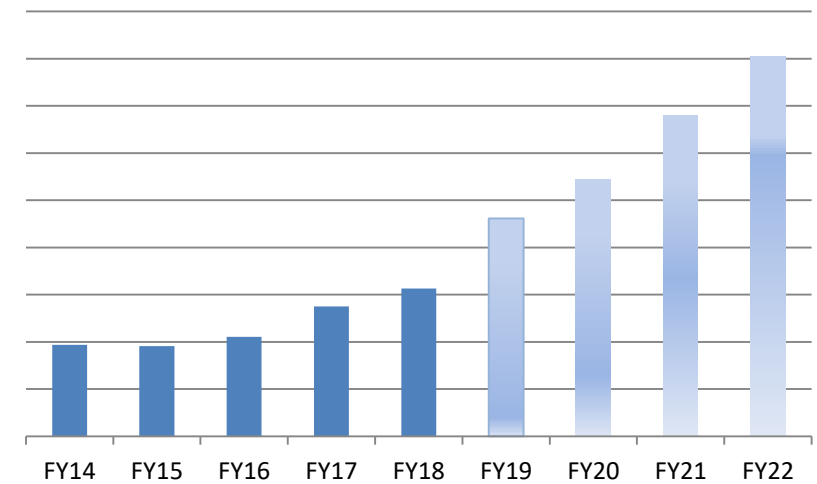
## Organic Growth

- International business development in Technology & Product divisions
- Organic growth continuing for existing operations

## Investment

- Expansion through suitable acquisitions to provide an expanded geographic base for services (our technology will be installed after acquisition)
- Alternatively, "greenfield" sites where appropriate

Revenue



# DISCLAIMER

## **No responsibility for contents of Investor Presentation.**

To the maximum extent permitted by law, LaserBond Limited and representatives: Make no representation, warranty or undertaking, express or implied, as to the adequacy, accuracy, completeness or reasonableness of this Investor Presentation or any other written or verbal communication transmitted or made available to any recipient; Accept no responsibility or liability as to the adequacy, accuracy, completeness or reasonableness of this Investor Presentation or any other written or verbal communication transmitted or made available to any recipient; and Accept no responsibility for any errors or omissions from this Investor Presentation whether arising out of negligence or otherwise.

## **Accuracy of projections and forecasts**

This Investor Presentation may include certain statements, opinions, estimates, projections and forward looking statements with respect to the expected future performance of LaserBond Limited. These statements are based on, and are made subject to, certain assumptions which may not prove to be correct or appropriate. Actual results may be materially affected by changes in economic and other circumstances which may be beyond the control of LaserBond Limited. Except to the extent implied by law, no representations or warranties are made by LaserBond Limited, its advisers or representatives as to the validity, certainty or completeness of any of the assumptions or the accuracy or completeness of the forward looking statements or that any such statement should or will be achieved. The forward looking statements should not be relied on as an indication of future value or for any other purpose.

## **No offer to sell or invitation to buy**

This Investor Presentation does not, and should not be considered to, constitute or form part of any offer to sell, or solicitation of an offer to buy, any shares in LaserBond Limited, and no part of this Investor Presentation forms the basis of any contract or commitment whatsoever with any person. This Investor Presentation does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not permitted under applicable law. Distribution of this Investor Presentation in or from certain jurisdictions may be restricted or prohibited by law. Recipients must inform themselves of and comply with all restrictions or prohibitions in such jurisdictions. Neither LaserBond Limited, its advisers or representatives accept any liability to any person in relation to the distribution or possession of this Investor Presentation from or in any jurisdiction.