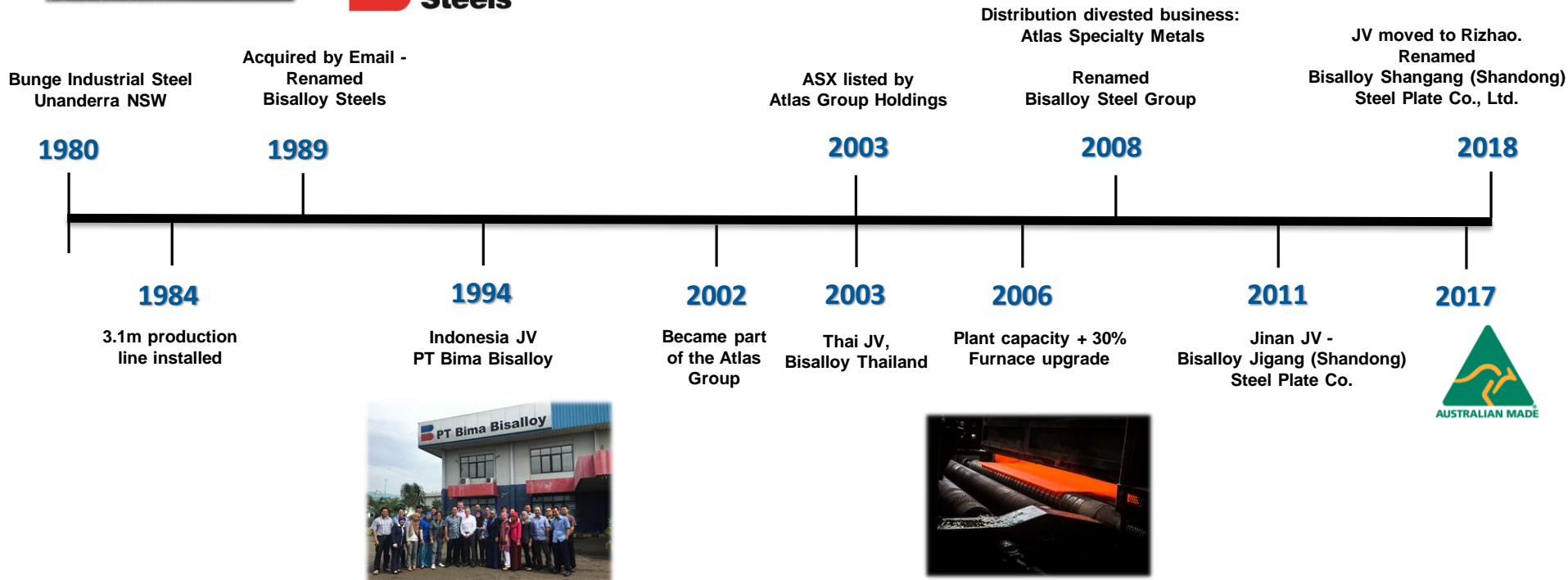




# Investor Presentation: September 2019

# Company History



# Corporate Overview

## Capital Structure

Share Price (BIS.ASX) – 13 September 2019	\$1.02
Shares On Issued	44.75m
Options (unlisted)	Nil
Share price	\$1.02
Market cap (fully diluted)	\$46.1m
Net Cash (Debt) – 30 June 2019	(\$9.4m)

## 24-month Share Price Performance



## Board & Management

Philip Cave	Non-Executive Chairman
Greg Albert	Managing Director
Kym Godson	Non-Executive Director
Richard Grellman	Non-Executive Director
Luke Beale	CFO & Company Secretary

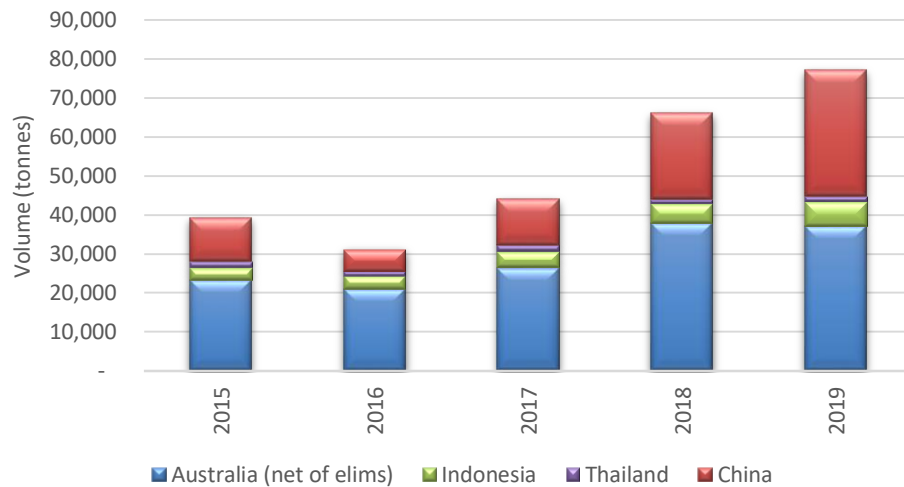
## Shareholders

Anchorage Capital & related parties	20.1%
Balron Nominees & related parties	17.4%
J P Morgan Nominees	12.9%
<b>Top 25</b>	<b>69.7%</b>

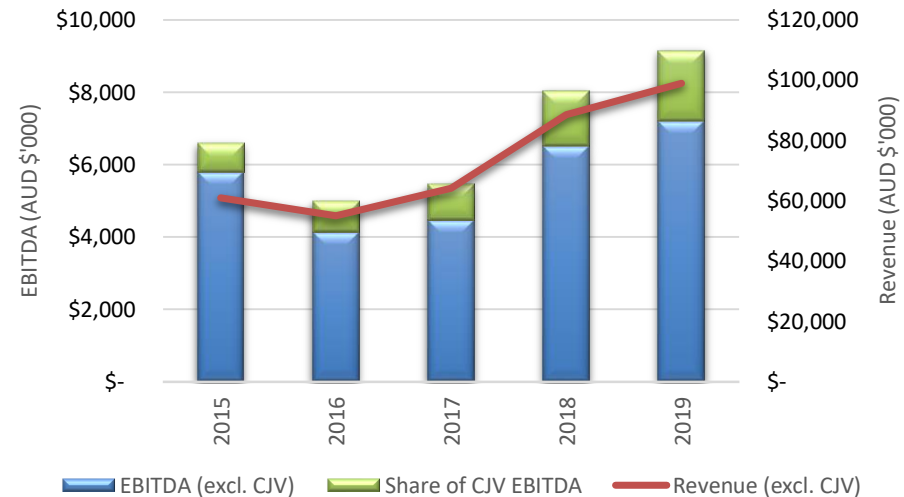


# Bisalloy Group Performance – Past 5 Years

**Bisalloy Group**  
*Volume by Region*

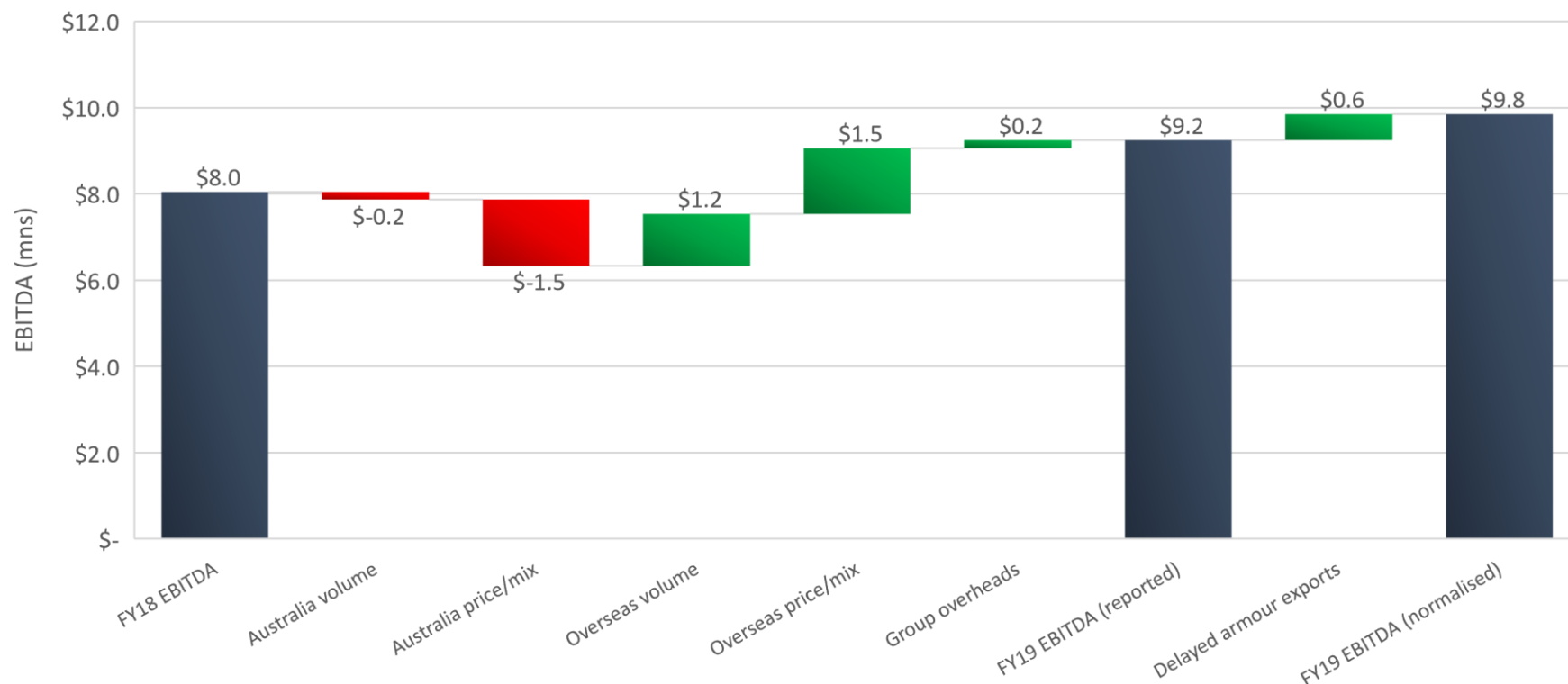


**Bisalloy Group**  
*Revenue and EBITDA*



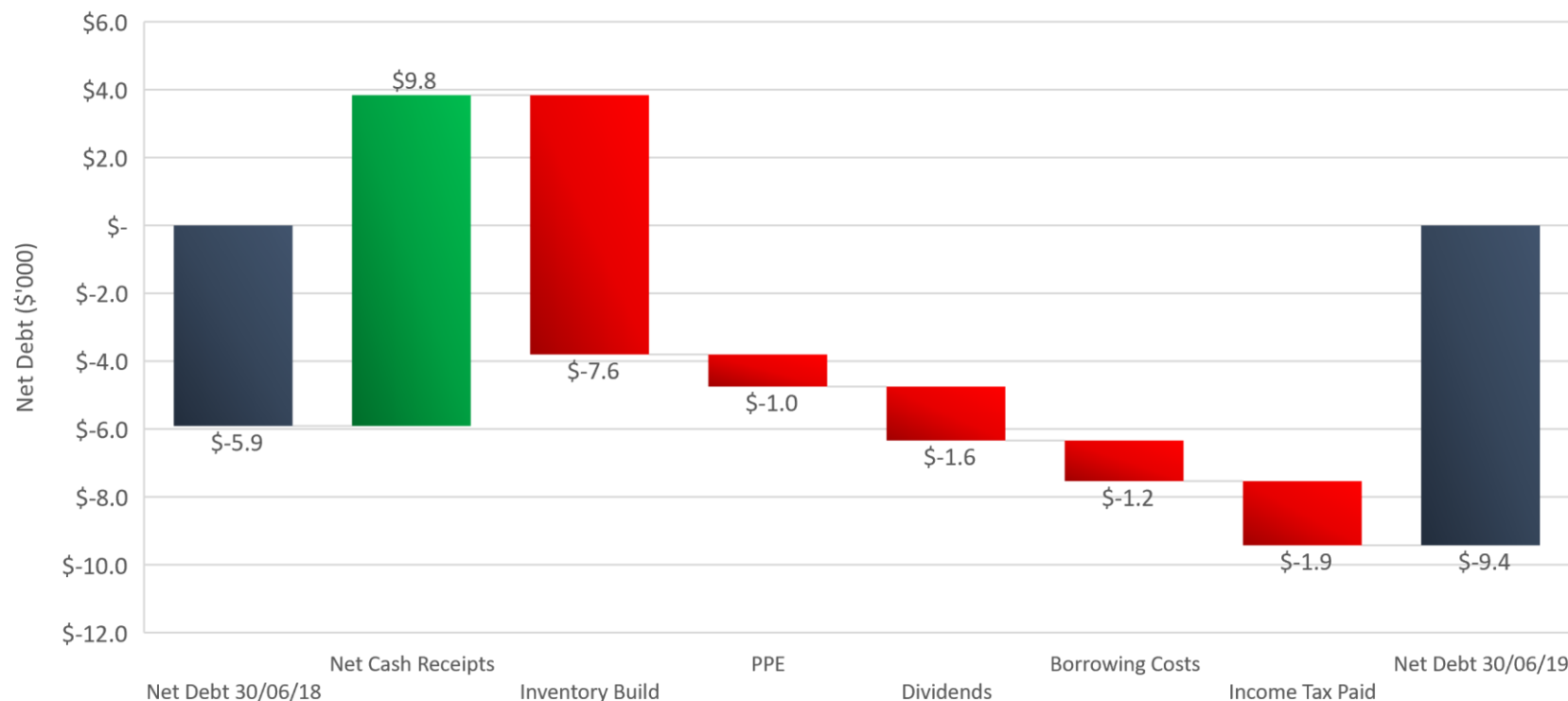
- Volume and profit growth accelerated in FY18 on the back of a stronger Australian market, improved sales mix and strong performance from the CJV.
- Volume and profit growth in FY19 driven by International market.

# Bisalloy Group Profitability – FY18 to FY19



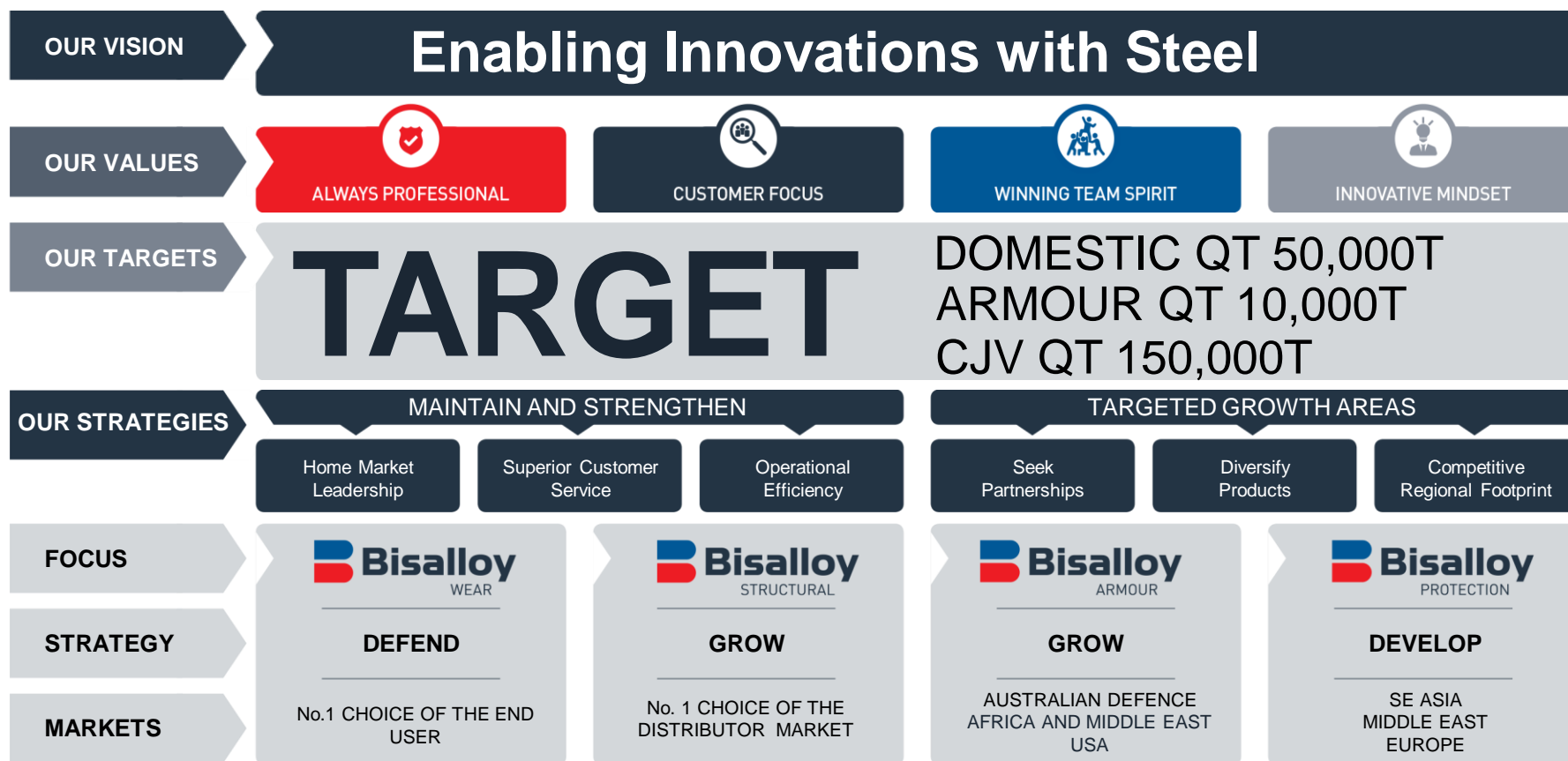
- Disappointing margin result in Australia offset by strong International market.
- Delayed export licences impacted Australian resulted (granted post June 30).

# Bisalloy Net Debt – FY18 to FY19

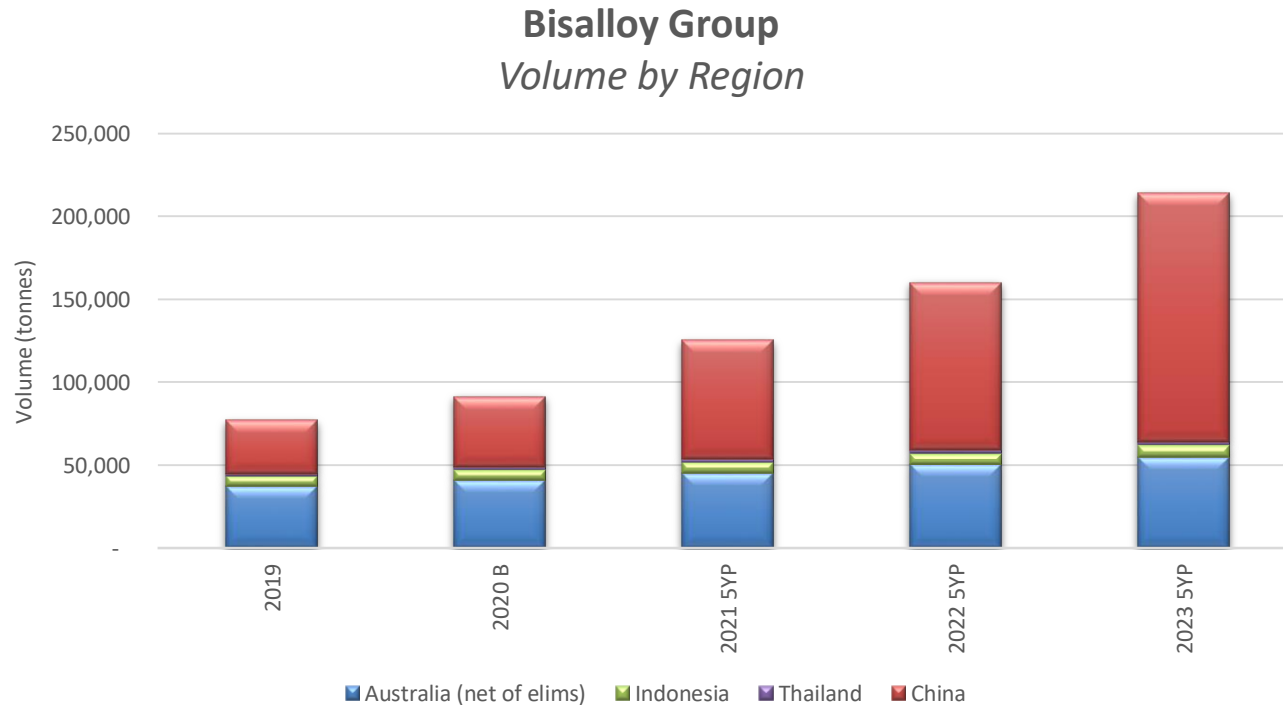


Increase in net debt as a result of an inventory build  
(partly associated with delays in obtaining export licences)

# Bisalloy Steel – 5 Year Strategy



# Bisalloy Group Performance – Outlook



Achievement of strategic targets would lead to significant future growth



# Our Vision

ENABLING INNOVATION WITH STEEL



ENABLING INNOVATION WITH STEEL

Everything we do, every day,  
everywhere is directed at **Enabling**  
people to design, manufacture and  
deliver **Innovations** and products for  
the future **with steel**, that may not  
have otherwise been possible.



**Australia's** only manufacturer of quench and tempered steel plate products

**ASX** listed company

**Employing** over 80 people in Australia and 135 people Internationally

**Manufacturing** a range of steel plate products including:  
**Wear | Structural | Armour | Protection**



# Brand Portfolio



## **BISALLOY® WEAR**

Mining, mineral Processing, Agriculture



## **BISALLOY® ARMOUR**

Defence, Naval, Ballistics, Vehicles



## **BISALLOY® STRUCTURAL**

Construction, Energy, Pressure Vessels, Oil & Gas



## **BISALLOY® PROTECTION**

Military, Government and Civilian



# Wear and Structural Applications

Industry applications across the mining, transport, military and engineering sectors

## Mining



Dump truck bodies and trays



Excavator/ reclaimer/ dragline buckets



Longwall mining equipment



Bin liners



Tipplers



Minerals processing screens

## Transport



Transport equipment



Transportable road tankers

## Military



Armoured vehicles



Marine warfare vessels

## General engineering



Forklifts and crane booms

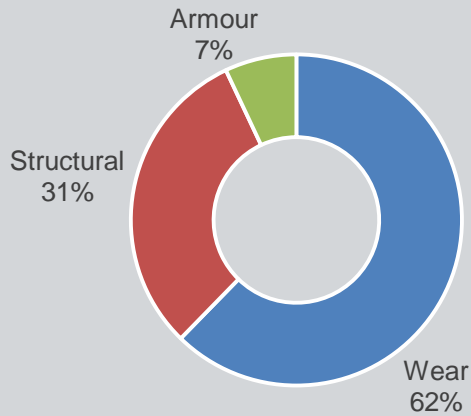


Structural beams for buildings

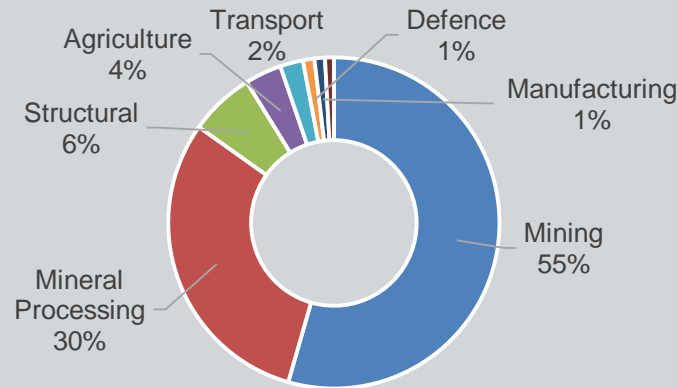
# Product Breakdown

## FY19 invoiced volume breakdown by:

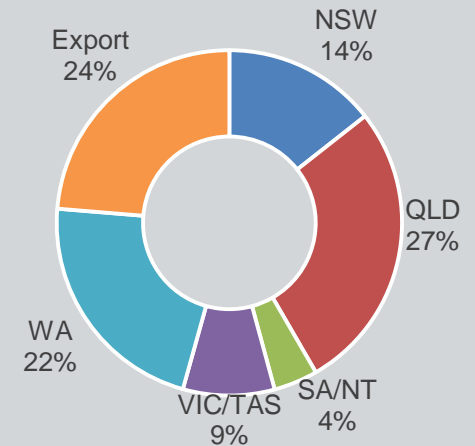
Plate Type  
(Global market)



Industry Application  
(Domestic market)



Sales Region  
(Australian sales)



# Capitalising on growth in Defence Sector spending

- BIS set to capitalise on the significant growth in Defence sector spending – evidenced by multi-billion dollar programs established by the Australian Defence Force for Armoured Vehicles and Submarines.
- Multiple partnerships established in FY18 targeting product qualification and ‘preferred supplier status’ will deliver ongoing news flow in FY20.
- Success would lead to BIS Q&T plates included in the global supply chain for future domestic and international defence opportunities.

## Rheinmetall Defence Australia

- Teaming agreement for the supply of high performance armour steels for both the Australian Defence projects and other global customers.
- Qualification of BIS products now underway. Projects include the \$14-20B LAND400 Phase 2 vehicle project.



## Rafael Advanced Defence Systems

- Successful trials of BIS steels will result in a significant export contract with products forming part of Rafael’s global supply chain.



## Thales Australia

- BIS has commenced supply of amour grade steels for the Australian Army’s armoured vehicles with 1,100 to be built over 3.5yrs for deployment.



## Naval Group Australia

- Collaboration with Naval Group is targeting a particular grade of steel for potential inclusion into the \$50B future class submarines project.
- In FY19, Bisalloy successfully completed the supply for the first trial and the first qualification heat, which continues to be tested by Naval Group and the Department of Defence. Bisalloy expects to supply two further qualification heats in the near term.



# International Projects



An aerial photograph of a large industrial complex, likely a steel production facility. The image shows various buildings, including large warehouses and processing units, surrounded by roads and greenery. A red outline highlights a specific area in the foreground, which appears to be a large industrial building or a cluster of buildings. The background shows a coastal area with a large body of water and distant hills.

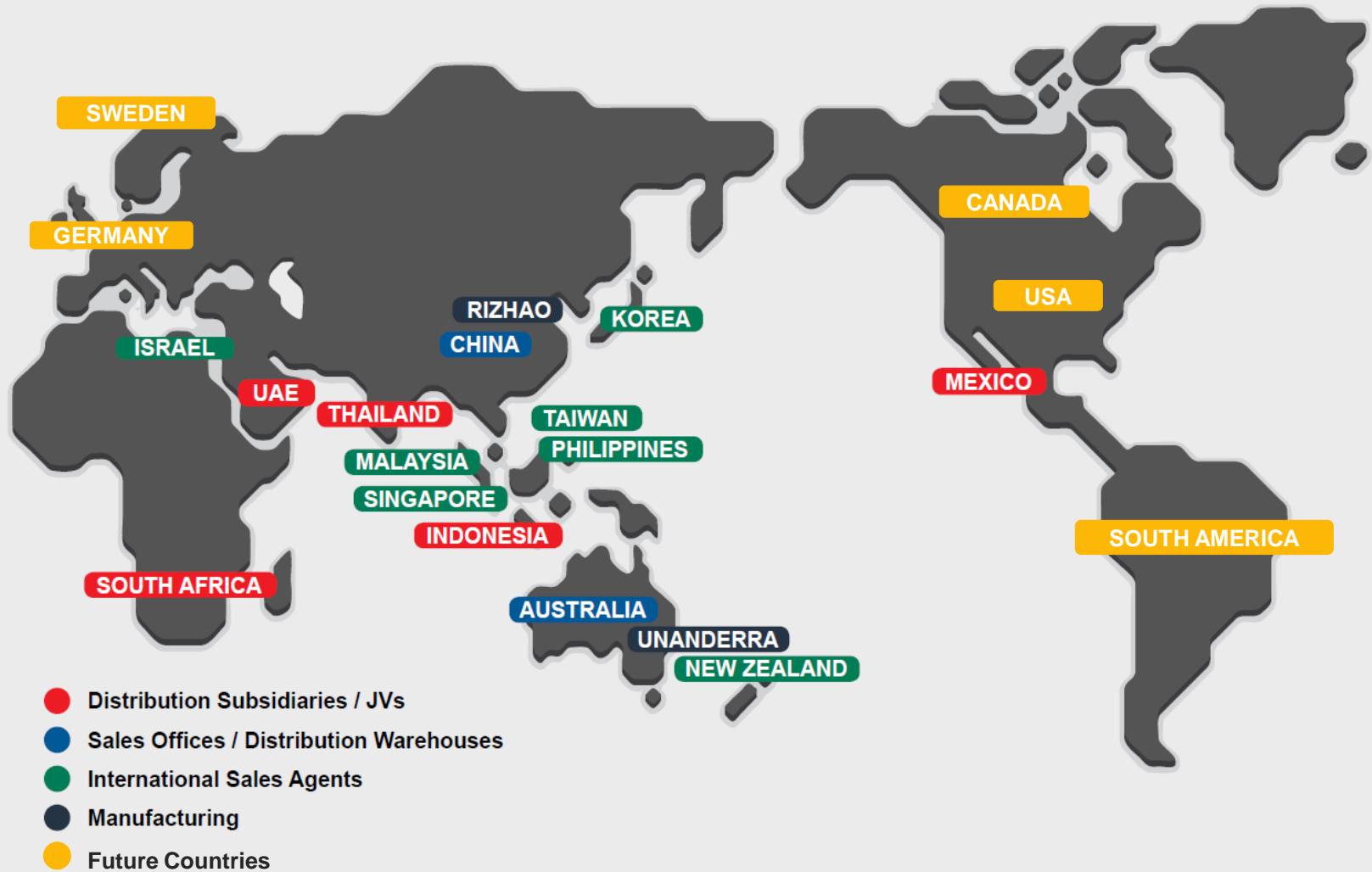
# Australian Production Facility



# Global Market Presence



# Expanding Global Market Presence



# Bisalloy Co-Operative Joint Venture (CJV)

Bisalloy Shangang (Shandong) Steel Plate Co. Ltd is a 50/50 Co-operative Joint Venture (CJV) established in July 2011 with Shandong Iron & Steel Co. Ltd to manufacture & distribute Bisplate wear and high strength structural plates.

Shandong Iron & Steel Co. Ltd is the 6<sup>th</sup> biggest steel company in China with annual production volume of 21.7m tonnes (more than 7 times the annual production volume of BlueScope Steel of 3.0m tonnes).

Bisalloy is currently the 2<sup>nd</sup> largest premium QT brand in China for the wear and structural markets with the aim of becoming the largest premium QT brand in China over the next 3-5 years.



# New Future for CJV - 2019

From 2019, the CJV commenced sourcing product from Shandong Iron & Steel Co. Ltd's new state of the art steel making facility at the newly created port of Rizhao, China, Shandong Province. This facility will add 20.0m tonnes of capacity to Shandong Iron & Steel Co. Ltd making them the 2<sup>nd</sup> biggest steel company in China.

Expected benefits to the CJV include:

- Improved product quality
- Access to a wider range of product types aligned to future customer needs
- Access to a broader range of product lengths and thicknesses
- Increased supply capacity to meet future customer demand





# Australian Expertise, Global Presence





**Bisalloy**  
PERFORMANCE STEELS



ENABLING INNOVATION WITH STEEL