

22 February 2023

ASX release

WORLEY LIMITED (WORLEY)

(ASX: WOR)

Active portfolio management - Sale of North America turnaround and maintenance business

Worley announces it has entered into an agreement with CAM Industrial Solutions (CAM Industrial) to sell its turnaround and maintenance business in North America, including the power operations and maintenance business, which is part of Worley's Americas Field Services¹, for a cash consideration of USD \$125 million (approximately AUD \$180 million). Worley's construction and fabrication business in North America is not included in the sale. The transaction is subject to regulatory approval, customary closure conditions and Worley completing the separation of this business. The transaction is expected to close in the second half of FY2023.

The North America turnaround and maintenance business is Worley's operating and shutdown maintenance craft work (non-professional services) in the USA and Canada. This business predominantly supports oil refineries and petrochemical plants with most of its revenue derived from traditional work². We look forward to continuing to work cooperatively with CAM Industrial and to support our people and customers, during the transition to new ownership.

On settlement, the sale will contribute circa \$122 million of cash, net of all costs associated with the sale, which will be used to reduce debt. Once the sale completes, the reduction in underlying NPATA, net of the interest saving from paying off debt, is not expected to be material and will not affect Worley's ability to deliver on its previously stated outlook for FY23. Allowing for the non-cash write-down in goodwill, customer contracts and relationship intangibles, the sale is expected to result in a statutory before tax loss of approximately AUD \$231 million (after tax AUD \$196 million)³.

The transaction supports Worley's strategy of delivering high value solutions in growth markets across the energy, chemicals and resources sectors, and the ambition to grow our revenue from sustainability related business across the portfolio².

¹ This is within the Americas operating segment, and within the Chemicals market sector group.

² We currently define our sustainability related business through four pathways: Decarbonization, Resource stewardship, Environment & Society, and Asset sustainability. It comprises of the work we conduct in specific markets (including integrated gas), and the work we conduct in relation to our sustainability solutions, which can be applied across all markets. We currently refer to all other business as our traditional work.

³ This loss has been reflected in the interim financial report released on 22 February 2023. Due to the timing of the negotiations, at the time of the interim financial report preparation and issuance, disclosure of the detail of this sale in the interim financial report would have been prejudicial to the orderly completion of the divestment process. Thus, additional details are disclosed in this announcement.

On a pro-forma basis, the exclusion of the North America turnaround and maintenance business would have had the following impact on our FY2022 results, namely:

- reduced aggregated revenue by AUD \$1.1 billion,
- increased our EBITA margin by 0.5pp from 6.0% to 6.5%,
- increased our sustainability related work² as a percentage of total aggregated revenue from 35% to 39%,
- reduced craft headcount (non-professional services people) by around 6,000 people, calculated as at 30 June 2022 (approximately consistent with the headcount at 22 February 2023).

Commenting on today's announcement, Worley Chief Executive Officer, Chris Ashton said:

"We are pleased to be entering into this agreement which reflects our commitment to actively managing our portfolio in line with our ambition and purpose of delivering a more sustainable world.

"Our business is well positioned at the centre of increasing investment in high-value sustainability work, and we remain focussed on accelerating our growth by using our global experience and capabilities to support customers on their journey to a low carbon, more sustainable future."

Authorised for release by Nuala O'Leary, Group Company Secretary.

For further information, please contact:

Veréna Preston

Senior Group Director Investor Relations
Ph: +61 402 125 930
investor.relations@worley.com
www.worley.com

For media enquiries, please contact:

Melissa O'Neill

Senior Group Director Corporate Affairs
Ph: + 61 467 555 175
media.relations@worley.com

About Worley: Worley is a global company headquartered in Australia and our purpose is delivering a more sustainable world. Worley is a leading global provider of professional project and asset services in the energy, chemicals and resources sectors. As a knowledge-based service provider, we use our knowledge and capabilities to support our customers to reduce their emissions and move towards a low-carbon future.

Worley Limited is listed on the Australian Securities Exchange (ASX: WOR).