



September 1, 2022

## ASX Announcement

# Titomic's results webinar and presentation

### GENERAL BUSINESS

### ADDITIVE MANUFACTURING

Armaments

Ballistic Protection

Structures

Tooling

Embedded Sensors

### COATING & REPAIR

Metal Restoration

Wear Resistance

Corrosion Protection

Conductive Coating

Inductive Coating

Radiation Shielding

**Titomic Ltd (ASX: TTT) (Titomic or Company)** has released its results for the financial year ended 30 June 2022 on Wednesday 30 August 2022.

An investor webinar will be hosted by Managing Director, Herbert Koeck, and Chief Financial Officer, Jon Nield, at 10.30am (AEST) on Thursday 1 September 2022.

To register for the webinar please follow the link:

[https://us02web.zoom.us/webinar/register/WN\\_Cm3BQjVASR2I6uwlqyTcvA](https://us02web.zoom.us/webinar/register/WN_Cm3BQjVASR2I6uwlqyTcvA)

*This announcement has been authorised for release by the Board of Titomic Limited.*

#### INVESTOR CONTACT

**Adrian Mulcahy**

Automic Group

**P:** +61 438 630 422

**E:** [adrian.mulcahy@automicgroup.com.au](mailto:adrian.mulcahy@automicgroup.com.au)

#### MEDIA ENQUIRIES

**Tristan Everett**

Automic Group

**P:** +61 403 789 096

**E:** [tristan.everett@automicgroup.com.au](mailto:tristan.everett@automicgroup.com.au)

#### ABOUT TITOMIC LIMITED

Titomic Limited (ASX: TTT) is an Australian public company specialising in large integrated solutions for industrial-scale metal additive manufacturing, using its patented cold spray additive manufacturing (Cold Spray AM) technology. Titomic provides Cold Spray AM solutions, OEM production and R&D services to the global Aerospace, Defence, Shipbuilding, Oil & Gas, Mining and Automotive industries. Titomic also offers global sales and support for all of its Cold Spray AM activities from its Melbourne Head Office, as well as through local presence in the USA and Europe. Titomic delivers competitive advantages in metal additive manufacturing at every stage in the product value chain. For more information, please visit [www.titomic.com](http://www.titomic.com).

#### FORWARD LOOKING STATEMENTS

Certain statements made in this release are forward-looking statements and are based on Titomic's current expectations, estimates and projections. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "guidance" and similar expressions are intended to identify forward-looking statements. Although Titomic believes the forward-looking statements are based on reasonable assumptions, they are subject to certain risks and uncertainties, some of which are beyond Titomic's control, including those risks or uncertainties inherent in the process of both developing and commercialising technology. As a result, actual results could materially differ from those expressed or forecasted in the forward-looking statements. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Titomic will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this release except as required by law or by any appropriate regulatory authority.

## TITOMIC

**Titomic Limited** Ground floor, 365 Ferntree Gully Road  
Mount Waverley, Victoria 3149, Australia

[info@titomic.com](mailto:info@titomic.com) | [titomic.com](http://titomic.com)

ABN 77 602 793 644



Manufacturing innovation made reality

# FY22 Results Presentation

1 September 2022



# Disclaimer

This presentation has been prepared by Titomic Limited ACN 602 793 644 (“Titomic” or the “Company”) to provide summary information about Titomic and their activities as at the date of this presentation. The

information in this presentation is of a general nature and does not purport to be complete and may change without notice. This presentation is not a recommendation to buy Titomic shares and undue reliance should not be placed on the information or opinions contained in this presentation for investment purposes as it does not consider your investment objectives, financial position or needs. These factors should be considered, with professional advice, when deciding if an investment is appropriate.

This presentation includes forward-looking statements that reflect Titomic’s intentions, beliefs or current expectations concerning, among other things, Titomic’s results of operations, financial condition, liquidity, performance, prospects, growth, strategies and the industry in which Titomic operates. These forward- looking statements are subject to risks, uncertainties and assumptions and other factors, many of which are beyond the control of Titomic. Titomic cautions you that forward-looking statements are not guarantees of future performance and that its actual results of operations, financial condition, liquidity, performance, prospects, growth or opportunities and the development of the industry in which Titomic operates may differ materially from those made in or suggested by the forward-looking statements contained in this presentation. In addition, Titomic does not guarantee any rate of return or the performance of Titomic nor does it guarantee the repayment or maintenance of capital or any particular-tax treatment.

Investors should note that past performance may not be indicative of results of developments in the future periods and cannot be relied upon as an indicator of (and provides no guidance as to) Titomic’s future performance. Titomic, its related bodies corporate and each of their respective directors, officers and employees expressly disclaim any obligation or undertaking to review, update or release any update of or revisions to any forward-looking statements in this presentation or any change in Titomic’s expectations or any change in events, conditions or circumstances on which these forward-looking statements are based, except as required by applicable law or regulation.

Subject to any continuing obligation under applicable law or any relevant listing rules of the ASX, Titomic disclaims any obligation to disclose any updates or revisions to any forward-looking statements in these materials to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any statement is based. Nothing in these materials shall

under any circumstances create an implication that there has been no change in the affairs of Titomic since the date of this presentation.

This presentation contains summary information about Titomic and its activities, which is current as at the date of this presentation. The information included in this presentation is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor should consider when making an investment decision. Each recipient of this presentation should make its own enquiries and investigations regarding all information in this presentation including but not limited to the assumptions, uncertainties and contingencies which may affect further operations at Titomic and the impact that different future outcomes may have on Titomic. This presentation has been prepared without taking account of any person’s investment objectives, financial situation or needs. Before making an investment decision, prospective investors should consider the appropriateness of the information having

regard to their own objectives, financial situation and needs, make their own assessment of the information and seek legal, financial, accounting and taxation advice appropriate to their jurisdiction in relation to the information and any action taken on the basis of the information.

The information included in this presentation has been provided to you solely for your information and background and is subject to updating, completion, revision and amendment and such information may change materially. Unless required by applicable law or regulation, no person (including Titomic,) is under any obligation to update or keep current the information contained in this presentation and any opinions expressed in relation thereto are subject to change without notice. No representation or warranty, express or implied, is made as to the fairness, currency, accuracy, reasonableness or completeness of the information contained herein. Neither Titomic nor any other person accepts any liability and Titomic, its related bodies corporate and their respective directors, officers and employees, to the maximum extent permitted by law, expressly disclaim all liabilities for any loss howsoever arising, directly or indirectly, from this presentation or its contents.

The distribution of this presentation in certain jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about and observe any such restrictions.



# FY22 highlights



# FY22 HIGHLIGHTS

## Underpinned by execution of commercialisation strategy

Revenue uplift	<ul style="list-style-type: none"><li>• 7 fold increase in revenues from sales to customers to \$3.4m</li></ul>
Execution of JVs	<ul style="list-style-type: none"><li>• Joint ventures established with Repkon and Nêos</li><li>• Expect to sell ~A\$10m TKF systems, share in profits on unit sales and generate recurring revenue on consumable (powder) sales</li></ul>
Diversified sales	<ul style="list-style-type: none"><li>• Multiple sales of D523 systems, including Coatings and Repairs and Asia Pacific</li><li>• Finalised installation of TKF1000 at TWI UK</li><li>• First commercial order of turnkey glass mould coating system</li></ul>
Expanded geographic footprint	<ul style="list-style-type: none"><li>• Strategic acquisitions of Dycomet Europe and Tri-D Dynamics US</li><li>• Key hires supporting execution of go to market strategy</li></ul>
Technology leadership	<ul style="list-style-type: none"><li>• Positioned as the global player in cold spray technology</li><li>• Widest range of products and solutions in the industry</li></ul>
Focused application pillars	<ul style="list-style-type: none"><li>• Narrowed focussed on 5 additive manufacturing and 6 coating application categories</li></ul>



# Five distinct fast growing revenue streams

1. Machine Sales	2. Joint Ventures	3. Workflow Solutions	4. Application Development	5. Resellers
<p>Broad range of machine solutions</p> <ul style="list-style-type: none"><li>TKF 1000</li><li>TKF Custom</li><li>ISB Series</li><li>D Series</li></ul>	<ul style="list-style-type: none"><li>Building industry capability for manufacturing</li><li>Fast access to existing markets</li></ul>	<ul style="list-style-type: none"><li>Automated solutions to maximise uptime</li><li>Improved manufacturing productivity and efficiencies</li></ul>	<ul style="list-style-type: none"><li>Development, prototyping and testing for strategic application pillars</li></ul>	<p>Territory Coverage</p> <ul style="list-style-type: none"><li>India</li><li>Middle East</li></ul>
<p>Service, Maintenance, Materials (powders), Consumables, Consulting</p>				
<ul style="list-style-type: none"><li>TWI</li><li>D&amp;C Coating</li><li>Lufthansa</li><li>Flohe</li></ul>	<ul style="list-style-type: none"><li>Repkon JV</li><li>Nèos JV</li></ul>	<ul style="list-style-type: none"><li>Vetropack</li><li>Gallo Glass</li><li>Brauntell</li></ul>	<ul style="list-style-type: none"><li>Boeing</li><li>Fleet Space</li><li>Thales</li><li>Royal Australian Navy</li><li>Airbus</li><li>Inovor</li><li>BAE Systems</li><li>Triton</li><li>...</li></ul>	<ul style="list-style-type: none"><li>Shree Rapid</li></ul>



# Proven track record of execution

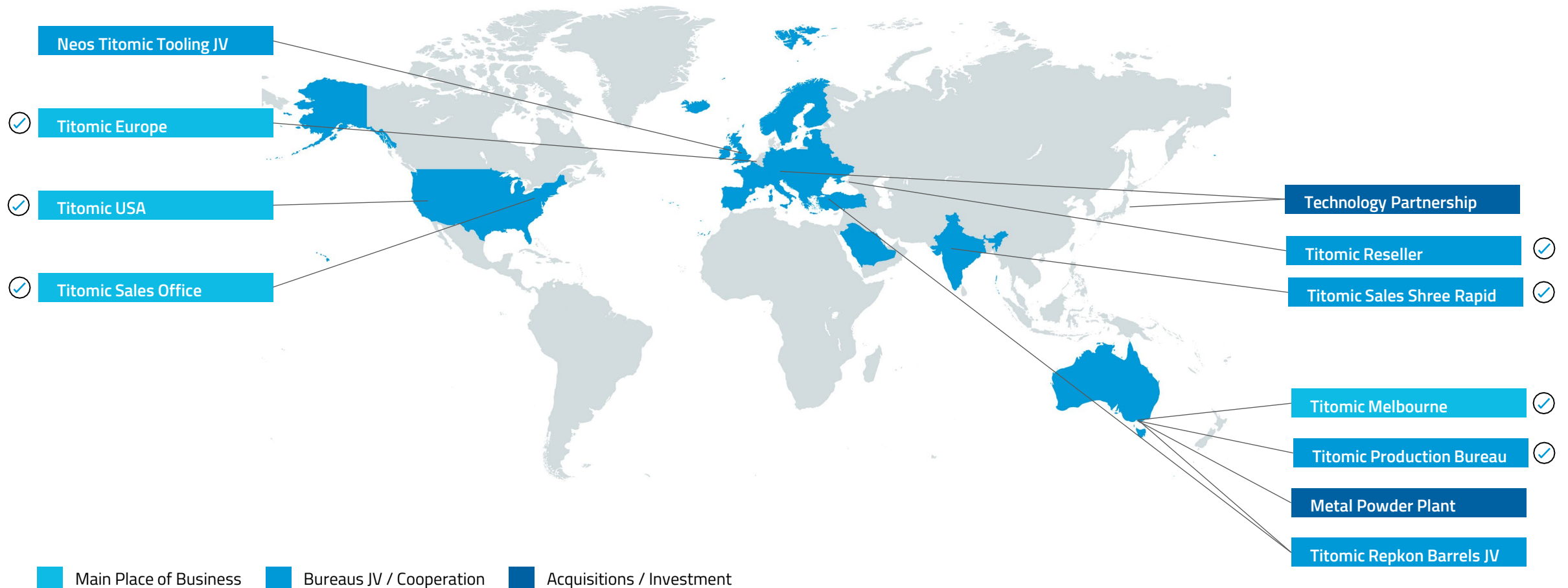
Great progress made in last 12 months

Category	Application	Prior to FY2022	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Additive Manufacturing	Barrels	Validate Technology	JV Agreement with Repkon	JV Setup				
	Tooling	Validate Technology	JV Agreement with other partners	JV Agreement with Neos	JV Setup			
	Ballistics	Initial Testing	STANAG Lv3	MIL 46077G	STANAG Lv2			
	Structures	Develop TKF Systems	Sale of TKF 1000 to TWI	Further sales of TKF 1000s				
	Embedded Sensors	Prototype Bytepipe	Test with Industry Partner					
Coating and Repairs	Wear Resistance	Develop Glass Mould Coating System	Installed at Vetropack					
	Repairs & Corrosion		Acquire Dycomet	Hire Neil Matthews				
	Energy	Develop Silver coating for busbars	Develop copper spray for MWT solar panels					
	Cookware		Validate Materials	Validate solution efficacy				
	Radiation Shielding		Award of Space Grant	Demo and test Rad. Shielding				



# Taking our technology to the world – Global footprint

We're on track to expand across Australia, Europe, US and beyond.



■ Main Place of Business   ■ Bureaus JV / Cooperation   ■ Acquisitions / Investment

☑ Completed





# FY22 Financials

# Profit & Loss



Earnings Summary	FY22 \$,000	FY21 \$,000
Revenue	5,321	1,985
Less Expenses	(22,293)	(19,160)
Profit (loss) before Income Tax	(16,972)	(17,175)
Less Tax	-	-
Net profit (loss) After Tax	(16,972)	(17,175)
Less Non-operating items	6,430	6,079
Underlying operating profit (loss)	(10,542)	(11,096)
<u>Non-operating items</u>		
Expenditure incurred to obtain grants	(701)	
Share based payments	(2,070)	
Business acquisition related costs	(2,962)	
Other one-off expenses	(697)	

- Stronger financial result with revenue up 168% to \$5.3m inclusive of
  - Revenue from customers \$3.4m – 7x increase on pcp
  - Government grants and other adjustments of \$1.9m
- Underlying operating loss of \$10.6m (FY21: \$11.1m loss)
- 16% increase in total expenses to \$22.3m primarily through acquisition of Dycomet and Tri-D Dynamics
- Total expenses include \$6.4m non-operating items, of which \$3.0m relate to acquisitions
- Slight improvement in statutory net loss after tax to \$17.0m

# Cash flow and balance sheet



Statement of Cash Flows	FY22 \$,000	FY21 \$,000
Customer & Grant Receipts	5,929	1,908
Operating cash flows	(10,161)	(9,037)
Investing cash flows	(1,962)	(25)
Financing cash flows	11,324	(449)
Net cash flow	(799)	(9,512)

Statement of Financial Position	30 June 2022 \$,000	30 June 2021 \$,000
Cash	7,108	7,946
Current assets	10,847	11,084
Non-current assets	3,971	2,505
Total Assets	14,818	13,589
Current Liabilities	4,739	2,977
Non-current liabilities	2,667	1,170
Total liabilities	7,406	4,147
Total Equity	7,413	9,442

- Cash receipts of \$5.9m include \$3.0 million receipts from customers and \$2.9m grant income received
- Operating cash outflow of \$10.2m includes \$0.7m acquisition costs.
- Investing cash outflows of \$1.9m include:
  - \$1.4m payments for acquisitions. (additional \$0.5m provisioned for deferred and contingent consideration)
  - \$0.6m capex
- Financing cash flows inclusive of:
  - \$9.9m successful share placement and share purchase plan
  - \$2.5m strategic investment from Repkon
- Well funded with \$7.1m in cash reserves and no debt



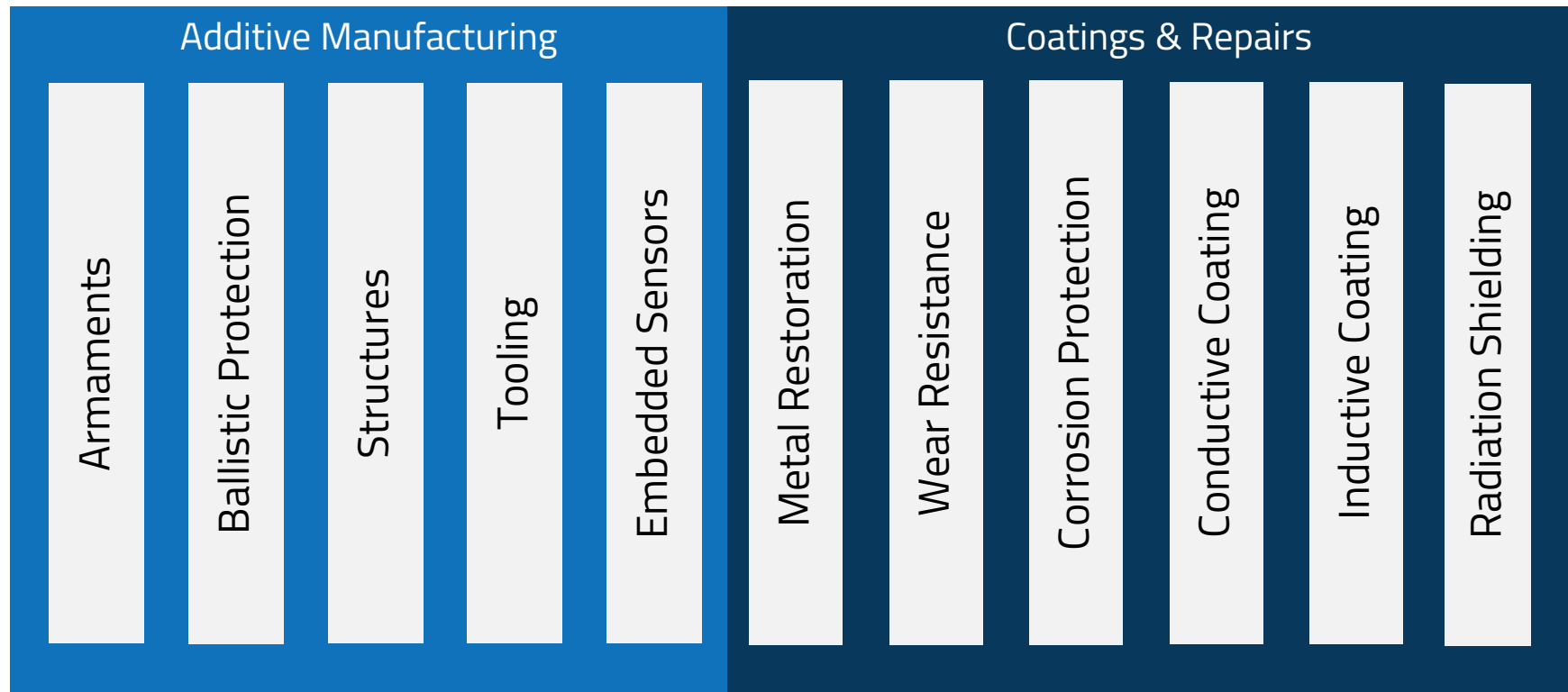
# Strategy and Outlook

**Armaments**  
**Ballistic Protection**  
**Structures**  
**Tooling**  
**Embedded Sensors**

**Metal Restoration**  
**Wear Resistance**  
**Corrosion Protection**  
**Conductive Coating**  
**Inductive Coating**  
**Radiation Shielding**

# Strategic Application Pillars

Disciplined and focussed execution













- Narrowed from 167 individual applications
- Focussed on 5 AM and 6 coating application categories



# Targeting growing markets

## Market Sizes and Estimated Revenues

Additive Manufacturing			
	Application	Estimated Market	Target Revenue to FY27
	Barrels	\$16.9b	\$50m*
	Tooling Faceplates	\$700m	\$60m*
	Ballistics	\$24.8b	\$15m
	Structures	\$7.0b	\$49m
	Embedded Sensors	\$1.0b	\$18m

Repair and Coatings			
	Application	Estimated Market	Target Revenue to FY27
	Wear Resistance	\$23.6b	\$36m (glass)
	Repairs & Corrosion	\$15b	\$68m
	Energy	\$14.1b	\$15m
	Cookware	\$2.5b	\$15m
	Radiation Shielding	\$5.0b	\$11m#

\* Revenues in joint ventures. This revenue will not be reported by Titomic, rather dividends will be returned from net profits

# Radiation Shielding may not generate a large amount of revenue, but opens the door to a number of exciting applications in the space industry. Additionally, minimal investment is required to enter the market as technical solution development is completed.



# Existing diverse and customisable machine portfolio



## TKF 9000

- High pressure Cold Spray additive manufacturing and coating
- Demonstration of Titomic's ability to engineer and construct bespoke AM systems
- Build volume of 40.5m<sup>3</sup>
- Deployed in the Titomic Melbourne Production Bureau



## TKF 1000

- High pressure Cold Spray additive manufacturing and coating
- Designed for prototyping and low volume production tasks
- Build volume of 0.75m<sup>3</sup>
- 1<sup>st</sup> gen system operating at Titomic Melbourne Bureau
- 2<sup>nd</sup> gen system under construction for TWI (UK)



## ISB Series

- Low pressure Cold Spray coating
- Robotic or linear coating system
- Automated loading and unloading of parts
- Utilises D523 core cold spray system
- Ideal for R&D deployment or as a base for customised automated coating systems



## D523

- Low pressure Cold Spray coating
- Modular portable repair system
- Designed for robotic or manual repair and coatings
- Deployable for in-field repairs



# Our rapidly growing trusted global customer base







# Outlook

Titomic maintains a positive outlook



- **The metal additive manufacturing market continues to grow at 29% CAGR to 2025** (AM Power 2021)
  - Titomic's focus sectors account for 49% of AM machine sales globally
- **Titomic continues to deliver on and expand within its 5 focused revenue streams.**
  - >\$330 million revenues\* targeted by FY27 from strategic application pillars



- **Notwithstanding continuing global supply chain uncertainty, in FY23 Titomic expects to:**
  - Fulfil orders on backlog and convert strong sales pipeline to new orders
  - Develop current JVs and execute additional manufacturing and distribution partnerships
  - Reduce operating cash outflows



- **Funded to continue growth strategy with \$7.1 million in cash reserves**

\*Revenues expected from joint ventures. This revenue will not be reported by Titomic, rather dividends will be returned from net profits.



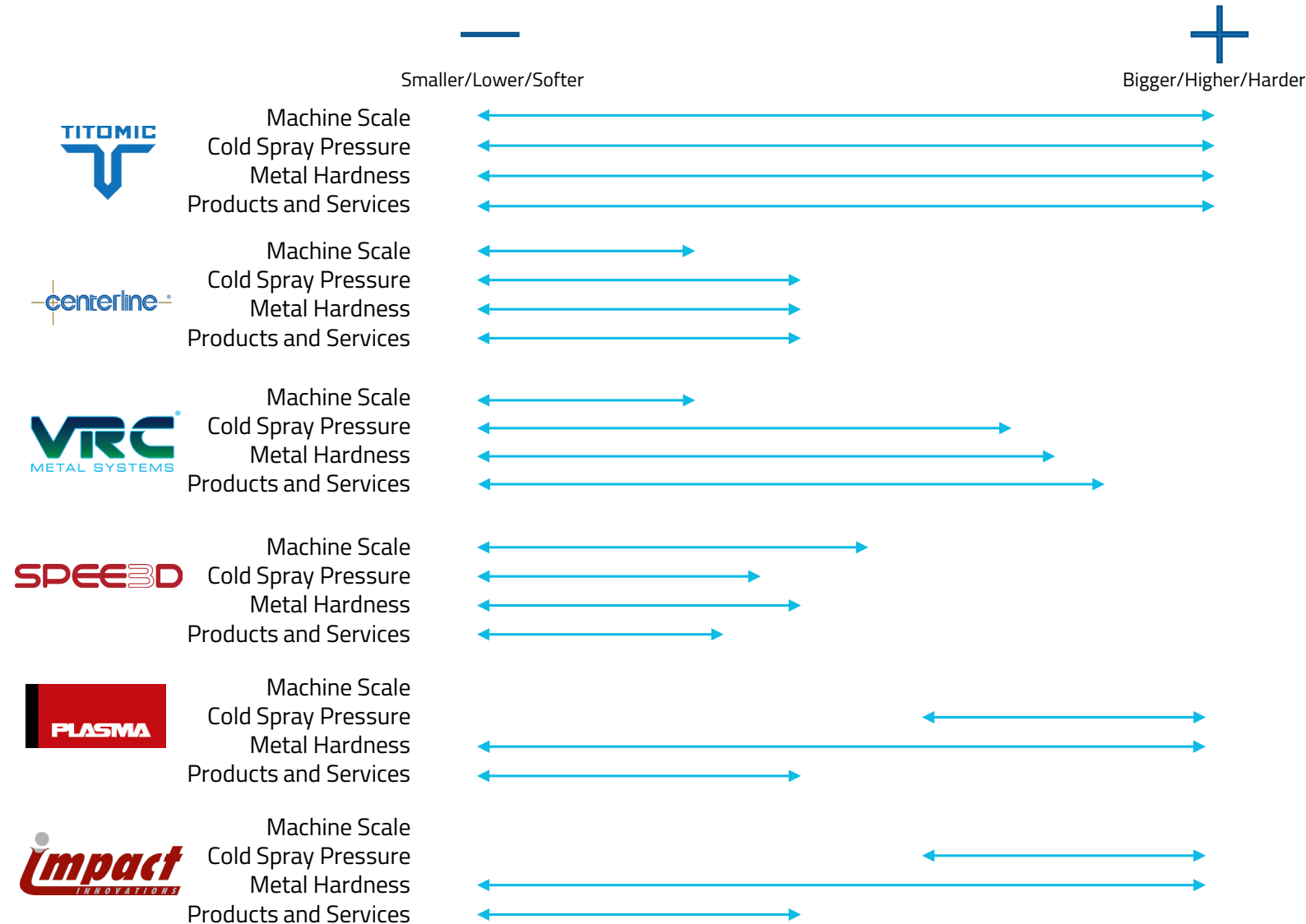
**QUESTIONS**



# Appendix



# Widest Range of Products & Solutions



Titomic is the only Cold Spray company offering:

- Low to high pressure Cold Spray
- Soft to hard metals
- Small to large scale machines
- Products and services
  - Machines
  - Joint Ventures
  - Workflow Solutions
  - Business Development
  - Consumables and Servicing
  - Reseller Network



# Leadership with proven industry experience



**Herbert Koeck**  
Managing Director



**Jon Nield**  
Chief Financial Officer



**Colin Horman**  
Chief Operating Officer



**Klaas Rozema**  
General Manager Titomic Europe



**Bruce Colter**  
General Manager Titomic USA



**Max Osborne**  
Head of Engineering



**Neil Matthews**  
Head of Business Development  
Coating and Repairs



**Dominic Parsonson**  
Head of Sales



**Chris Healy**  
Legal Counsel  
Company Secretary



**Michael Rochford**  
Head of HR



Titomic holds a combined 165 years of Cold Spray Technology experience in the Staff and Board



# Board directors with global coverage and experience



**Humphrey Nolan**  
Non-Executive Chairman



**Herbert Koeck**  
Managing Director



**Mira Ricardel**  
Non-Executive Director



**Dag Stromme**  
Non-Executive Director



**Jeff Lang**  
Non-Executive Director



**Andreas Schwer**  
Non-Executive Director



**Richard Willson**  
Non-Executive Director





# TITOMIC

Titomic Limited, Ground Floor 365 Ferntree Gully Road, Mount Waverley, Victoria 3149, Australia  
PO Box 225, Mount Waverley, Victoria 3149, Australia

[info@titomic.com](mailto:info@titomic.com) | [titomic.com](https://titomic.com)