



24 November 2023

ASX code: BOL

## **Boom Logistics**

### **AGM Address**

#### **CHAIR'S ADDRESS**

I'd like to commence this morning with a few brief observations about the past financial year. FY23 was a year of consolidation, refreshment and strategic clarity for Boom ahead of our expectation for a profitable FY24 and beyond.

As well as a refreshed management team, we launched a refreshed business strategy in June 2023 with the implementation of number of key initiatives to improve cash flow and sustainable returns for our shareholders.

These initiatives include a focus on generating high-margin revenues across our core market segments, a review of our assets with the aim of reducing our fleet age, disposing of old and obsolete assets and renewing our investment in new assets to drive customer growth and improve return on invested capital.

#### **People, Values & Community**

At Boom, our people are our strength and we strive to retain and recruit the best talent to ensure not only performance and growth in our business, but also the highest standards of safety across our operations.

Our values are the foundation of our Company. Our values guide our decisions, our behaviours and the way we do business to maximise returns for our shareholders while maintaining safety for our staff and delivery a quality service for our customers.

We also have a commitment to advance diversity across our business. In FY23, Boom had 400 full-time employees and a flexible workforce of over 350 staff and we maintained a 10.7% female representation average. The Company is progressing towards further gender equality targets through a formalised Gender Equality Plan.

For our Communities, we employ locals wherever possible to support localised community prosperity in the areas we operate.

#### **Safety**

As I mentioned earlier, Boom prides itself on operating with the highest safety standards and maintaining a positive safety culture across our business.

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In FY23, our safety record continued to improve with our Total Recordable Injury Frequency Rate at 3.8 per million hours worked and we have had Zero Lost Time Injuries for more than two years.

Our safety performance is a key operational metric and we have an ongoing focus on Safe Act Observations and on-site interactions with staff.

### **Capital Management Policy**

In FY23, the Board approved a capital management strategy that aims to return to shareholders 40 to 60 percent of the previous two years' rolling average Operating NPAT.

The Company has commenced an on-market share buy-back as a means of returning funds to shareholders.

We believe the implementation of an on-market buy-back is the most efficient use of Boom's available capital to satisfy the requirements of our capital management framework.

It demonstrates our commitment to increasing value for our shareholders while maintaining sufficient funds to execute upon our asset regeneration and growth strategies.

We will adapt the strategy should circumstances change and a buyback is no longer the best way to return capital to shareholders

I will now turn to Ben for his CEO's address

### **MANAGING DIRECTOR'S ADDRESS**

Thank you, Kieran and good morning, everyone. It is my pleasure to be presenting to you at my first AGM as CEO and Managing Director.

As Kieran mentioned, the past financial year was a period of reset and renewal for Boom with a new strategy implemented and I will speak to each pillar of this strategy a little later on in my presentation.

### **FY23 Key Points**

In FY23 we experienced delays in the commencement of various major projects. However, these projects have now commenced and are expected to contribute to material revenues and an overall improved performance for the Company in FY24.

As a result of the delays, revenue was down to \$206 million, whilst EBITDA was \$39 million at a margin of 19%.

We also had a healthy cash level in FY23.

Looking ahead to FY24, our delivery of over \$200 million of contract wins and ongoing strong demand and tender activity across all our key segments will drive improved profitability and cash flow in FY24.

Given the performance of the business to date in FY24, we are now forecasting \$225 million to \$235 million in revenue and over \$5 million in NPAT for FY24 driven by the continued execution of our strategic plan, the



execution of recent contract wins, the commencement of delayed large projects, continued reinvestment in the business, and the generation of strong cash flow through operating activities and further asset sales.

### **ESG & People Expertise**

Turning to our strategic pillars, let me first address ESG & People Expertise.

This pillar underlines how Boom will continue to build on our safety, social and environmental culture.

We are leading and will continue to lead the introduction of new hybrid technology and decarbonisation technologies into the local Australian crane market and also improve our labour efficiency, with a target of labour efficiency at more than 80 percent.

At the same time, we will focus on retaining and recruiting the best talent to ensure safety and the highest service standards and to advance diversity across our business and continue to educate and train our staff as we work towards zero harm.

### **Sector-Focused Profitable Growth**

Sector-focused profitable growth seeks to leverage our strong relationships with key customers in our core markets.

We will expand our presence in our core markets, constantly review these key segments and customers we want to partner with, as well as pursue sustainable pricing and cost efficiency strategies.

### **Asset Regeneration & Labour Proficiency**

This pillar is about addressing customer demand via strategic investments in key and new assets to improve Boom's technology, safety and environmental features.

In FY23, over 60 assets were disposed of for \$7.6 million in proceeds and in FY24, over 30 assets are to be disposed in excess of \$5 million in proceeds.

A newer fleet will enable Boom to secure tender wins, reduce downtime and maximise equipment and labour productivity

Meanwhile, our asset utilisation and labour efficiency goals are to exceed 80%.

### **Shareholder Value**

Turning to shareholder value, this details our plan to deliver value to our shareholders via key KPIs.

In additions to our FY24 revenue and operating NPAT targets, we aim to deliver:

- A strong balance sheet with gearing between 35-50%
- Cash generation through top line growth, margin improvement and cost savings, and
- Our share buy-back which commenced on 16 October 2023.



## Market Opportunities

This slide details the strong demand across our targeted key segments of Resources, Renewables, Infrastructure and Industrials with a strong pipeline in all four segments.

This, combined with our efforts to optimise asset and labour utilisation, to sell obsolete assets and to implement strategic pricing initiatives, should drive an improved performance for Boom in FY24 and beyond.

## FY24 Priorities

To conclude, I just want to recap our priorities heading into FY24.

We will focus on executing our recent contract wins and commence delayed projects whilst also converting the strong tender activity across all sectors to grow our pipeline of work.

Alongside this, we will continue to reinvest in our business to increase our competitive advantage, focus on labour efficiency and maximising return on capital employed to create value for you, our shareholders.

Thank you.

I will now hand back to Kieran for the formal business of the meeting.

-ends-

This release has been approved for distribution by the Board of Directors of Boom Logistics Limited.

## Further information:

### Corporate:

Ben Pieyre  
Chief Executive Officer and Managing Director  
+61 3 9207 2500

### Investors

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This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of Boom and certain plans and objectives of the management of Boom. Forward-looking statements can generally be identified by the use of words such as 'project', 'believe', 'foresee', 'plan', 'expect', 'aim', 'potential', 'goal', 'target', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'could', 'should', 'will' or similar expressions. All such forward looking statements involve known and unknown risks, significant uncertainties, assumptions, contingencies and other factors, many of which are outside the control of Boom, which may cause the actual results or performance of Boom to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward-looking statements reflect expectations at the date of this announcement. Factors that could cause actual results or performance to differ materially include without limitation the following: risks and uncertainties associated with the Australian and global economic environment and capital market conditions, fluctuations in foreign currency exchange and interest rates, competition, Boom's relationships with, and the financial condition of, its suppliers and customers, or legislative changes, or regulatory changes or other changes in the laws which affect Boom's business. The foregoing list of important factors is not exhaustive. There can be no assurance that actual outcomes will not differ materially from these statements. Readers are cautioned to not place undue reliance on any forward looking statements. Except as required by law and ASX Listing Rules, Boom undertakes no obligation to update publicly or otherwise revise any forward looking statement as a result of new information, future events or other factors. Past performance cannot be relied on as a guide to future performance. Readers are cautioned to not place undue reliance on forward-looking statements or guidance, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption arising in connection with COVID-19.



**BOOM**

**Annual General Meeting**

24 November 2023  
ASX: BOL

# Board of Directors and Management Team



**Kieran Pryke**

Independent, Non-Executive  
Chair



**Damian Banks**

Independent, Non-Executive  
Director



**Stephen Grove**

Non-Independent,  
Non-Executive Director



**James Scott**

Independent, Non-Executive  
Director



**Ben Pieyre**

Chief Executive Officer & Managing  
Director



**Manny Bikakis**

Chief Financial Officer



**Reuben David**

General Counsel and  
Company Secretary

# Voting

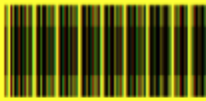
**BOOM**  
Boom Logistics Limited ABN 28 095 466 951

**ANNUAL GENERAL MEETING**  
**24 NOVEMBER 2023**

**SHAREHOLDER/PROXYHOLDER**  
**ADMISSION & VOTING CARD**

THE DIRECTORS OF BOOM LOGISTICS LIMITED  
THANK YOU FOR YOUR ATTENDANCE

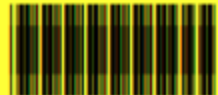
PLEASE RETAIN THIS CARD UNTIL THE CLOSE OF THE MEETING



1

Please read the instructions on the reverse before voting

**SHAREHOLDER VOTING INSTRUCTIONS**



1

If you wish to cast all your votes for or against a motion, place a mark in the appropriate FOR box or AGAINST box for that motion.

If you wish to cast some of your votes for a motion and some of your votes against the motion write in the FOR box the actual number or percentage of votes you are casting for the motion and write in the AGAINST box the actual number or percentage of votes you are casting against the motion. The sum of the votes cast or the percentages FOR and AGAINST a motion must not exceed your voting entitlement or 100%.

|   | For                      | Against                  | Abstain                  |
|---|--------------------------|--------------------------|--------------------------|
| Item 2 Re-election of Director – Mr Stephen Grove | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Item 3 Adoption of Remuneration Report            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Item 4 Grant of Rights to the Managing Director   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

\_\_\_\_\_  
Name of Shareholder

\_\_\_\_\_  
Signature

# Agenda

- 1. Chair's Address**
- 2. CEO's Presentation**
- 3. Formal business of the Meeting**
- 4. Questions**



## Chair's Address



**Kieran Pryke**  
Independent,  
Non-Executive Chair

## People, Values & Community

**We are a full service 'Wet Hire' Company. Our people drive our business**

**Our Values** differentiate our business. They guide our decisions, our behaviours and the way we do business.



**Our Communities** wherever possible we employ locals to support localised community prosperity in the areas we operate.

**Our People** are our strength. We strive to retain and recruit the best talent to ensure safety, performance and growth including our commitment to advance diversity across our business.



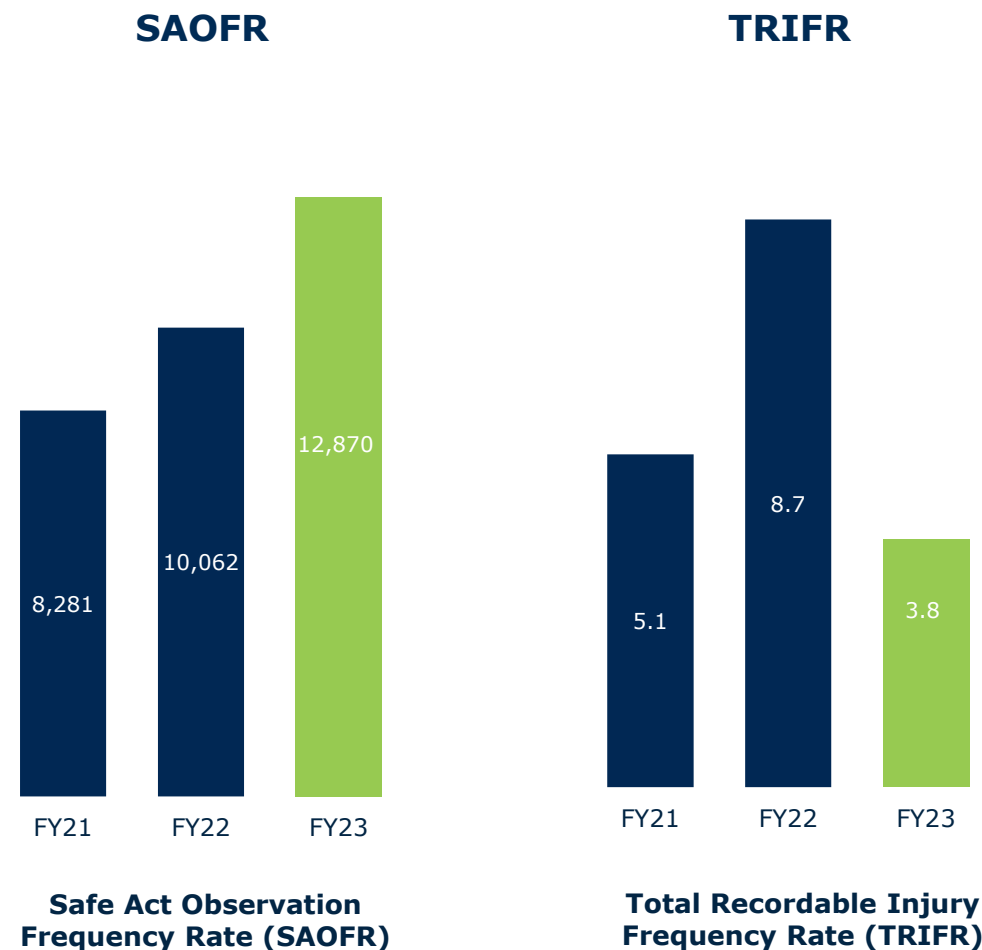
# Safety

## Positive safety culture across the business. ZERO LTIs for over 2 years

- Safety is our No. 1 priority
- Zero LTIs for over 2 years
- TRIFR of 3.8 per million hours worked in FY23, well below the 8.7 million hours worked in FY22
- Boom’s safety performance is a key operational metric, with ongoing focus on SAOs & on-site interactions with staff

### Boom Life Saving Rules

|  |   |
|--|---|
|  <p>Always conduct a risk management activity before starting a task. <b>1</b></p>      |  <p>Protect yourself from energy sources: avoid, de-energise, isolate, tag. <b>5</b></p>       |
|  <p>Never work in the 'line of fire'. <b>2</b></p>                                      |  <p>Never work without protection if you could fall. <b>6</b></p>                              |
|  <p>Always check the ground for slope, stability and underground hazards. <b>3</b></p> |  <p>Always confirm you are fit and your equipment and work environment are safe. <b>7</b></p> |
|  <p>Only operate equipment if trained and authorised. <b>4</b></p>                    |  <p>If you cannot control the risk STOP THE JOB. <b>8</b></p>                                |



## Capital Management Policy

Boom's Board has approved a capital management strategy that will return 40-60% of the previous two years' rolling average Operating NPAT.

The Company has announced its intention to undertake an on-market share buy-back of up to a maximum 42,777,420 shares representing 10% of its issued Ordinary Shares on issue.

Boom believes the implementation of an on-market buy-back is the most efficient use of the available capital management options to satisfy the requirements of its capital management framework.

The share buy-back demonstrates Boom's commitment to increasing value for our shareholders while maintaining sufficient funds to execute upon our asset regeneration and growth strategies.

## **CEO's Address**



**Ben Pieyre**

Chief Executive Officer &  
Managing Director

## FY23 Key Highlights



### Financial

- Revenue of \$206m down 4.6% on FY22 due to timing of major project commencements
- EBITDA \$39m, Margin of 19%
- Recent strategic pricing & cost saving initiatives to be reflected in FY24



### Operational Performance

- Strong pipeline activity +\$200m contracts signed
- Zero Lost Time Injuries and TRIFR of 3.8 per m/hrs



### Strategic Clarity

- Strategy refresh focuses on maximising operational resource utilisation and cost recovery
- Continue to strengthen balance sheet through improved asset investments and drive shareholder returns



### Momentum in to FY24

- FY24 guidance of over \$5m in Operating NPAT
- Q1 FY24 Revenue of c.\$65m
- Capex for Q1 FY24 was \$8.8m with Asset sales of \$4m

## 1. ESG & People Expertise

### Drive environmental protection, safety culture and people capability

- Lead introduction of new hybrid technology into the Australian crane market
- Retain and recruit the best talent to ensure safety and the highest service standards to our customers and all stakeholders
- Advance diversity across our business.
- Continued focus to educate and train our staff as we work towards zero harm
- Improved labour efficiency across all depots will help maximise resource utilisation, drive improved operational performance, growth and enhance asset returns
- Labour Efficiency > 80%

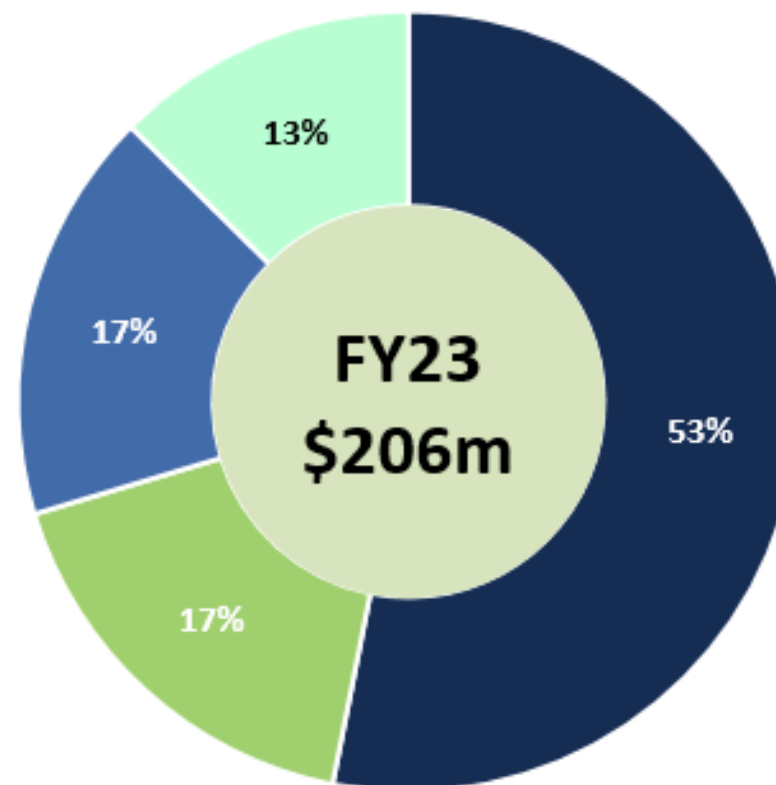


## 2. Sector-Focused Profitable Growth

Strong relationships with key customers in core markets

Strategic initiatives to drive growth include:

- **Resources** - Expand our presence in WA on core commodities such as iron ore, gold and nickel
- **Renewables** - Secure at least one key wind farm project p.a. to deliver construction growth and long-term maintenance
- **Infrastructure** - Target continued interconnector opportunities from growth in solar and wind farm development
- **Industrials** - Consolidated key customers and markets



■ Resources ■ Renewables ■ Infrastructure ■ Industrials

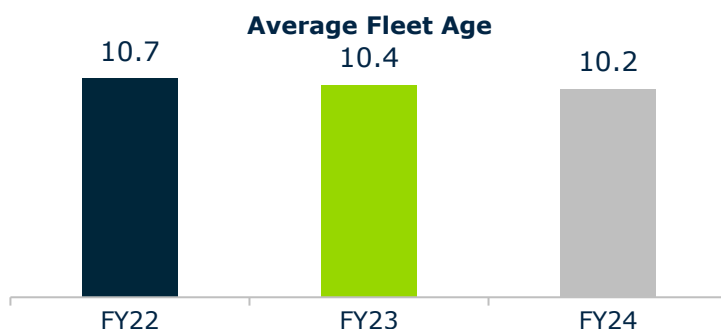


### 3. Asset Regeneration & Labour Proficiency

Customer demand requires strategic investment in key assets.

#### Asset Regeneration

- Customers demand new assets, with new technology, improved safety & environmental features
- FY23 60+ Assets disposed of for \$7.6m proceeds
- FY24 30+ Assets to be disposed in excess of \$5m
- FY25 – FY27 continuous turnover of older assets
- Capex in line with the annual depreciation (c. \$15m)
- Newer fleet will lead to more tender wins, lower downtime and maximises labour productivity



#### Asset Utilisation > 80%

- Investment in right assets for key markets
- Investment in people capability
- Improved maintenance policies
- Sale of older assets to optimise fleet mix
- Centralised asset management
- Improved ROCE

#### Labour Efficiency > 80%

- Highly skilled workforce - key part of Boom's Total (Wet Hire) Solutions offer
- Improved labour efficiency across all depots will help maximise resource utilisation, drive improved operational performance and enhance

## 4. Shareholder Value

**Robust balance sheet, strong growth and a clear pathway to increase performance**

| KPI                  | Outlook   |
|----------------------|---|
| Revenue              | \$225m to \$235m in FY24, with increased focus on annuity revenue                                       |
| Operating NPAT       | FY24 over \$5m  |
| Strong Balance Sheet | Gearing 35 – 50%  |
| Cash Generation      | Combination of top-line growth, margin improvement and cost savings will drive improved cash generation |
| AGM Returns          | Share Buy Back announced  |



## Market Opportunities

**Strong demand across all key segments with recent new contract wins to drive performance**



- Expansion in QLD & WA with new & existing customers
- Continued focus on our broad offering in crane services including skilled shutdown services and engineering solutions



- Strong pipeline with 4,000+ new onshore wind turbines\* & 10,000km of interconnectors planned to be installed across Aust over the next 10 years
- Growth in ongoing maintenance in the wind farm sector, with over 3500 turbines\* currently operating in Australia



- Long term major NSW project is expected to be back to full capacity in FY24
- New infrastructure projects secured across Australia
- Strong tender pipeline across road infrastructure, civil engineering, rail and tunnel projects



- Demand in the Industrials and Telecommunications sector are expected to remain stable for the next few years

## FY24 Priorities

### Execution of Boom's strategic plan of optimising asset and resource utilisation, improving profitability and cash generation



Execution of recent contract wins and commencement of impacted projects expected to continue to grow the underlying business



Continue to convert the strong tender activity across all sectors and grow pipeline of new work



Re-investment in the business to increase competitive advantage, tender for significant projects



Continue focus on Labour efficiency, recovery and charge-outs to ensure value for higher skilled labour force



Ongoing focus maximising return on capital employed and creating value for shareholders. Deliver over \$5m in Operating NPAT and \$225m-\$235m Revenue



**Formal Business**

## Item 1: Financial Statements and Reports

To receive and consider the Company's audited financial statements and reports for the year ended 30 June 2023.

The 2023 Annual Report containing the Company's audited financial statements was announced to the ASX on 25 August 2023 and is available to view on the Investors & Media Centre Page of the Boom Logistics Limited website or on the ASX website.

## Item 2: Re-Election of Director – Mr Stephen Grove

To consider and, if thought fit, pass the following as an **ordinary resolution**:

*"That Stephen Grove, who retires by rotation under rule 5.1 of the Company's Constitution, and being eligible, be re-elected as a Director of the Company."*

## Proxy Voting Results: Item 2 (Re-election of Stephen Grove)

|  | Number of Votes | % of Votes |
|--|-----------------|------------|
| FOR  | 122,212,761     | 98.09      |
| AGAINST  | 2,246,331       | 1.80       |
| OPEN – Chair <sup>1</sup>  | 142,495         | 0.11       |
| ABSTAIN  | 758,444         | -          |
| 1. Chair's discretionary votes<br>Note: These figures relate to the proxies lodged 48 hours prior to the meeting |                 |            |



### Item 3: Adoption of Remuneration Report

To consider and, if thought fit, pass the following as an **ordinary resolution**:

*"That the Remuneration Report for the year ended 30 June 2023 be adopted."*

## Proxy Voting Results: Item 3 (Adoption of Remuneration Report)

|  | Number of Votes | % of Votes |
|--|-----------------|------------|
| FOR  | 63,590,705      | 96.55      |
| AGAINST  | 2,140,357       | 3.25       |
| OPEN – Chair <sup>1</sup>  | 132,495         | 0.20       |
| ABSTAIN  | 173,835         | -          |
| 1. Chair’s discretionary votes<br>Note: These figures relate to the proxies lodged 48 hours prior to the meeting |                 |            |

## Item 4: Grant of Rights to the Managing Director

To consider and, if thought fit, pass the following as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval be given for the issue of the following Rights to the Managing Director under the Company's Executive Remuneration Plan on the terms summarised in the Explanatory Memorandum:*

- (a) The issue of Rights to the Managing Director in relation to the deferred component of the FY24 Short Term Incentive Offer; and*
- (b) The issue of Rights to the Managing Director in relation to the FY24 Long Term Incentive Offer."*

## Proxy Voting Results: Item 4 (Grant of Rights to Managing Director)

|  | Number of Votes | % of Votes |
|--|-----------------|------------|
| FOR  | 116,189,455     | 93.14      |
| AGAINST  | 3,765,070       | 3.02       |
| OPEN – Chair <sup>1</sup>  | 55,495          | 0.04       |
| OPEN – Other   | 4,746,327       | 3.80       |
| ABSTAIN  | 603,684         | -          |
| 1. Chair’s discretionary votes<br>Note: These figures relate to the proxies lodged 48 hours prior to the meeting |                 |            |

**Meeting Close**