



Synertec Corporation Ltd  
ABN 37 161 803 032

T +61 (0)3 9274 3000  
info@synertec.com.au  
www.synertec.com.au

Ground Floor  
2-6 Railway Parade, Camberwell  
Victoria, 3124, AUSTRALIA  
www.synertec.com.au

## ASX Announcement

28 November 2023

### Synertec Corporation Limited (ASX:SOP)

#### 2023 Annual General Meeting

#### Chair's Address and Managing Director's Presentation

**Melbourne, Australia:** Technology design and development growth company, Synertec Corporation Limited (ASX: SOP, "Synertec" or "the Company") advises the following address and presentation are attached and will be delivered today at the Annual General Meeting of the Company, beginning at 11.00am (AEDT):

- Chair's Address – Mr. Dennis Lin
- Managing Director's Presentation – Mr. Michael Carroll

**-ENDS-**

**For more information and all media enquiries, please contact:**

Mr. David Harris  
Executive Director & Company Secretary  
Phone: +61 (3) 9274 3000  
Email: [david.harris@synertec.com.au](mailto:david.harris@synertec.com.au)

This ASX announcement is authorised by the Directors of Synertec Corporation Limited (ASX: SOP).

**About Synertec:**

Synertec Corporation Ltd (ASX: SOP) is a technology design and development growth company enabling a low carbon future through innovative technology solutions. Commercialising scalable, environmentally friendly and energy efficient technology for global markets in energy, critical infrastructure and advanced manufacturing through innovative partnerships with a portfolio of blue-chip customers, Synertec is proactively participating in the world's transition to a low carbon economy in a practical way for the benefit of future generations.



Synertec Corporation Ltd  
ABN 37 161 803 032

T +61 (0)3 9274 3000  
info@synertec.com.au  
www.synertec.com.au

Ground Floor  
2-6 Railway Parade, Camberwell  
Victoria, 3124, AUSTRALIA  
www.synertec.com.au

28 November 2023

## Synertec Corporation Limited (ASX:SOP) 2023 Annual General Meeting Chair address – Mr. Dennis Lin

On behalf of the Board of Directors, I would like to welcome you to the 2023 Annual General Meeting for Synertec Corporation Limited.

The 2023 financial year saw the Company deliver a transformative milestone with the first commercial order for our Powerhouse technology, a world-leading fully renewable microgrid system. Our success with Santos and the GLNG JV<sup>1</sup> paves the way for a broader deployment of Powerhouse.

The large target market we see across both domestic and international markets requiring reliable, continuous and commercial base load power, which is 100% renewable, provides a significant growth opportunity for Synertec and one that has the potential to substantially elevate our financial profile in the near term. With growing demand for Powerhouse, a solid work in hand position in our engineering products and a strong balance sheet, Synertec is well positioned to deliver accelerated and sustainable returns for our shareholders in coming periods.

### Technology to help our customers transition to a carbon free future

As the world transitions towards a net zero-carbon future, the development of new technologies across a range of existing and new applications is required to enable companies to meet their carbon goals. In our view, the most significant contribution we can make to delivering a more sustainable world is helping our customers navigate their transition to a lower-carbon future through a strategic focus on reliable, sustainable and affordable renewable technologies.

Developed from concept to commercialisation within a 2-year timeframe and fully funded by Synertec, the commercialisation of Powerhouse in FY23, via our first purchase order with Santos Limited, was a major achievement for the Company. Powerhouse has delivered exceptional field-proven performance whilst in commercial operation providing an availability of over 99.7%.

Post the end of the financial year, in October 2023, Santos confirmed their intent to issue Synertec with further purchase orders for Powerhouse. The award was received following Santos and the GLNG JV conducting an extensive procurement process over the past six months to attempt to identify renewable microgrid technologies from around the world. The procurement process, coupled with the previously announced Goods and Services Contract with Santos, allows for streamlined deployment of Powerhouse units under pre-approved commercial terms.

Whilst the relationship with Santos paves the way for an acceleration of the roll-out of Powerhouse, we continue to identify and progress further opportunities for the application of the Powerhouse system across the energy, mining and other sectors.

We will also continue to execute on strategic partnerships to accelerate the future deployment of Powerhouse. The recently executed Memorandum of Understanding with Siemens creates a Technology Partnership that will enable strong local and global marketing channels for Powerhouse, and drive accelerated delivery and development of future Powerhouse technology. With a large addressable market, strategic supply agreements and field proven, Powerhouse technology provides a significant growth opportunity for our Company.

### Our growing Engineering business

Our Engineering business continues to grow in scale as we expand our portfolio of customers across our target industries of Energy, Water, Critical Infrastructure and Advanced Manufacturing. During FY23, the business secured over \$25 million in new contract awards and contract extensions with a range of tier-one counterparties, primarily from our existing customer base.

<sup>1</sup> Gladstone Liquefied Natural Gas Joint Venture (GLNG JV) is an unincorporated joint venture established in 2011 between Santos, Total Energies, Petronas and Kogas, which primarily operates in the Surat and Bowen basins in Queensland, Australia. Santos is GLNG's Upstream Operator. It is responsible for the development and operation of GLNG's gas fields and processing hubs. Santos is one of Australia's biggest domestic gas suppliers and aims to be a leading LNG supplier in the Asia-Pacific region LNG supplier



These recent major contract awards reflect several qualities of Synertec's Engineering business, including best-in-class automation, control and process Engineering expertise (with extensive experience in global control technologies for renewable technology solutions), as well as our ability to execute on projects as planned for our customers.

### **Board evolution**

We have made the conscious decision to strengthen and expand our Board by targeting individuals with unique and complimentary skill sets that diversify the Board's current background and provide practical experience to accelerate the growth of our Company.

Mr. Peter Lamell joined the Board in September 2023 as an independent Non- Executive Director. Peter has been working with our Board and executive team for several years, providing guidance and introducing business development opportunities for Synertec. Peter's experience includes over twenty-five years working with Royal Dutch Shell in a number of strategic, operational and executive roles across a range of geographies including Australia, Europe and North America. Peter's practical skills and approach will be invaluable as we accelerate the commercialisation of Powerhouse and continue to grow the Engineering business.

We also announced last week that Mr. Ian Campbell, a highly experienced Debt Capital Markets professional will join as a Non- Executive Director from 1 December 2023. Skilled in capital markets, risk management, ESG advisory and corporate finance, Ian brings a diverse and highly qualified background that provides a unique skill to guide the business as we look to accelerate the roll out of our Powerhouse technology.

Both Ian and Peter's appointments reflect Synertec's commitment to strengthen our Board in line with our ambitious strategic goals and strong governance practices, as we continue to increase the scale and profile of Synertec.

I would also like to take this opportunity to thank Leeanne Bond who retires as a long-serving Non-Executive Director at the conclusion of this meeting. As inaugural Chair of the Board in 2017, Leeanne has brought a wealth of knowledge to our Company through her experience across the engineering and clean energy sectors, and has left an indelible legacy.

### **Environment Social Governance ('ESG')**

We've made significant progress on our ESG commitments in FY23. The highlight is we achieved the important initiative of independent ISO 27001 Information Security Management System certification. This will ensure world best practice and strengthen IT security, cyber security, and privacy protection.

The safety of our people is Synertec's highest priority. We are proud to have again experienced zero lost time injuries and a zero Total Recordable Case Frequency Rate during the year and for the past three consecutive years. Our continued safety performance is a testament to the diligence and dedication of our people and our core values and I would like to take the opportunity to thank our highly dedicated team for their contribution throughout the year.

Further, we also issued our Modern Slavery Policy, which shows our commitment to combating human rights abuses. Maintaining and enhancing our reputation for integrity, honesty and ethical practices is important to the Board and underpins our future success.

### **Outlook**

With Powerhouse deploying in the field to provide reliable, affordable and sustainable renewable power to remote sites, we are in a position to drive considerable growth in our Company over the near term. Whilst we see a large global addressable market for Powerhouse, we have a very focussed initial roll out plan targeting the Australian gas sector and are receiving deeper enquiry from the mining sector.

With attractive commercial terms and strong counterparties, we are continuing to explore multiple options to fund our future expansion. We expect that the expertise of our new Board members will play an integral role in guiding the strategic expansion of Powerhouse.

Importantly, our engineering skill set supports a scalable, low risk assembly pathway for Powerhouse and will allow for the rapid mobilisation of units to site. With a growing demand for Powerhouse driven by carbon reduction mandates such as Australia's Safeguard Mechanism, we are well positioned to drive material and sustainable shareholder returns.

Finally, I would like to take this recognise and thank our shareholders, customers and partners for their support and loyalty to Synertec throughout the year and for the opportunities they have provided for us to continue to work together.

**-ENDS**



**SYNERTEC**

# Managing Director's Presentation

Building a better tomorrow through technology  
development and smart engineering

**Synertec Corporation Limited**  
**(ASX: SOP)**

**2023 Annual General Meeting**  
**28 November 2023**

expertise  experience

# Disclaimer

This presentation has been prepared by Synertec Corporation Limited (Synertec or the Company) on behalf of the Company and its subsidiaries (the Group).

This presentation is dated 28 November 2023. The information in this presentation about the Group and its activities is current as at the date of this presentation and should be read in conjunction with other periodic and continuous disclosure announcements lodged by the Company with the Australian Securities Exchange, available at [www.asx.com.au](http://www.asx.com.au). Statements in this presentation are made only as at the date of this presentation and the information in this presentation remains subject to change without notice. The information in this presentation is of a general nature and does not purport to be complete, is provided solely for information purposes and should not be relied upon by the recipient.

No representation or warranty, express or implied, is made by the Company as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. This presentation does not purport to summarise all information that a person should consider when making an investment decision and should not form the basis of any decision by a person.

This presentation is not a prospectus, product disclosure statement or other disclosure document under Australian law or any other law (and will not be lodged with the Australian Securities and Investments Commission). This presentation is not and does not constitute an offer or invitation to acquire securities or otherwise invest in the Company, and no agreement to subscribe for securities will be entered into on the basis of this presentation.

Reliance should not be placed on the information or opinions contained in this presentation. This presentation is for informational purposes only and is not a financial product or investment advice or recommendation to acquire any securities in the Group, and does not take into consideration the investment objectives, financial situation or particular needs of any particular investor.

An investment in the Company, is subject to known and unknown risks, some of which are beyond the control of the Company, including possible loss of income and the amount invested. The Company does not guarantee any particular rate of return or the performance of the Company nor does it guarantee the repayment or maintenance of capital or any particular tax treatment.

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance of the Group.

Information, including forward-looking statements, forecasts and estimates of the financial condition, operations and business of the Group and/or plans and objectives of the Group, contained in this presentation and/or discussed with the Group's personnel is not intended to form the basis of any investment decision in the Company and should not be considered as a recommendation in relation to holding, purchasing or selling shares, securities or other instruments in the Company, or in any other company. Actual results may vary from such forecasts and estimates and any variation may be materially positive or negative.

Forward looking statements, forecasts and estimates, by their very nature, involve known and unknown risks and are subject to uncertainty and contingencies that may occur which are outside the control of the Group and that because of their nature may cause the actual results or performance of the Group to be materially different from the results or performance expressed or implied by such forward looking statements, forecasts and estimates. These forward-looking statements, forecasts and estimates may include matters that are not historical facts, and they are based on numerous assumptions regarding the Group's present and future business strategies and the political and economic environment in which the Group will operate in the future, which may not be reasonable, and are not guarantees or predictions of future performance. No representation is made that any of these statements or forecasts will come to pass or that any forecast result will be achieved, or that there is a reasonable basis for any of these statements or forecasts.

Forward-looking statements, forecasts and estimates speak only as at the date of this presentation and, to the full extent permitted by law, the Group disclaims any obligation or undertaking to release any updates or revisions to information to reflect any change in any of the information contained in this presentation (including, but not limited to, any assumptions or expectations set out in the presentation).

Before making or varying any decision in relation to holding, purchasing or selling shares in the Company, investors should not rely on this presentation and should make their own assessment of an investment in the Company and consider the appropriateness of that investment in light of their individual investment objectives and financial situation. In all cases, each person receiving this presentation should: (a) conduct their own research of the Group and their own analysis of the financial condition, assets and liabilities, financial position and performance, profits and losses, prospects and business affairs of the Group and its business, and the contents of this presentation; and (b) seek their own independent legal, financial, tax and other advice appropriate to their circumstances and their jurisdiction.

The presentation includes financial information that is not reported using the International Financial Reporting Standards (IFRS). The non-IFRS financial information is unaudited and has not been reviewed by the Company's external auditors. Non-IFRS financial information should not be considered as an indication of, or alternative to, an IFRS measure of profitability, financial performance or liquidity. Unless marked, all currency is denominated in Australian dollars. Financial information in this presentation relating to the year ended 30 June 2023 is presented in accordance with the Company's ASX Appendix 4E Statement, Preliminary Final Report and Annual Report, and financial information in this presentation relating to the half year ended 31 December 2022 is presented in accordance with the Company's ASX Appendix 4D Statement and Interim Financial Report.

# About Synertec

Synertec is an engineering-enabled Technology Company led by Powerhouse, the most advanced renewable microgrid system in the world.



## TECHNOLOGY

We design, develop and deliver technology that provides our partners with a proven, powerful and immediate transition to a zero carbon future.

Synertec's IP is developed in-house, delivering accelerated speed to market



## ENGINEERING

Our multi-disciplinary expertise of over 100 engineers supports technology development and provides solutions for Tier-1 blue-chip customers in:

- Energy
- Critical Infrastructure
- Water
- Advanced Manufacturing

# Board and Senior Management

“Synertec is committed to strengthen and diversify the skills of our Board in line with our ambitious strategic goals and strong governance practices, as we continue to increase the scale and profile of our Company.”



**Dennis Lin**

Independent Non-Executive Director, Chair

Dennis has over 20 years of experience in mergers and acquisitions, strategy, restructuring, market entry, investor communications, and capital raisings in Australia, China, and the USA.



**Michael Carroll**

Managing Director & Chief Executive Officer

Michael is a founding principal and a significant beneficial owner of Synertec. He has successfully grown the business since it was first established in 1996.



**David Harris**

Executive Director, Chief Financial Officer & Company Secretary

David leads Technology and has over 30 years of local and international experience in senior leadership and board positions for global and ASX-listed companies.



**Peter Lamell**

Independent Non-Executive Director

Peter is a highly experienced independent non-executive director, and his career experience includes over twenty-five years working with Royal Dutch Shell in a number of strategic, operational and executive roles across a range of geographies including Australia, Europe and North America.



**Ian Campbell**

Independent Non-Executive Director  
(effective from 1 December 2023)

Ian is an experienced Debt Capital Markets professional with an extensive and demonstrated history of working in the financial services industry as a trusted advisor to corporate Australia. Ian was most recently Managing Director and Global Vice Chair Debt Capital Markets and Head of Sustainability & Corporate Transition at Citi.

# FY23 IN REVIEW



# FY23 saw Material Financial and Operational Progression

**\$15.6m**

Revenue and other income, up 29% on pcp

**\$15.9m**

Cash receipts from customers, up 35% on pcp

**\$19.2m**

Total assets, up 76% on pcp

**\$10.7m**

Cash on hand as at 30 June 2023

**\$25m**

Approximate contract awards and extensions secured in FY23

**Nil**

Working capital or covenants from the bank

**Zero**

TRIFR and lost time injuries over 3 consecutive years

**120**

Highly skilled staff members, up 100% since FY21

**3**

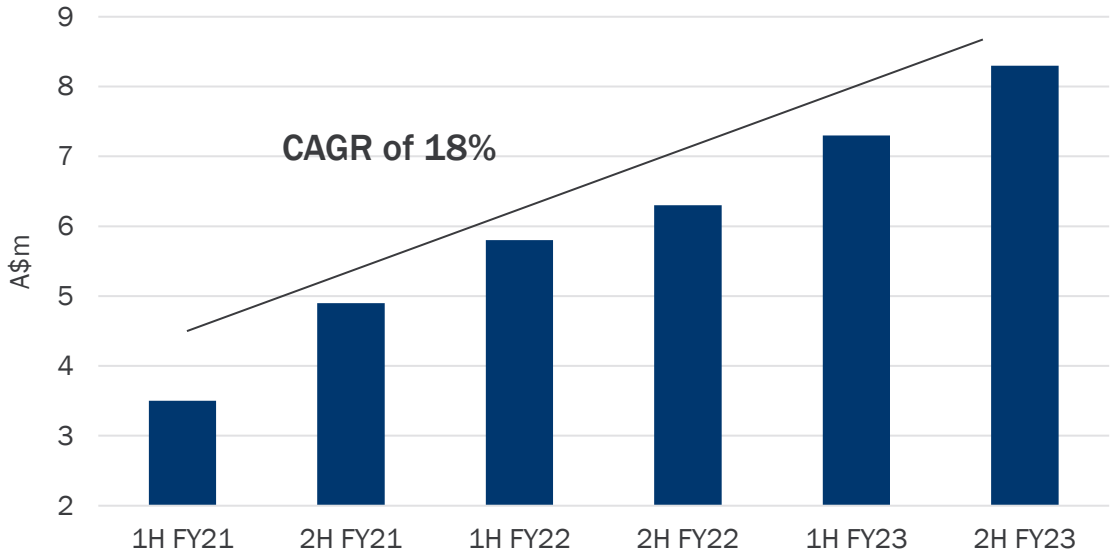
Powerhouse unit, one generating income, two under construction

**ISO27001**

Information Security Management System certification award

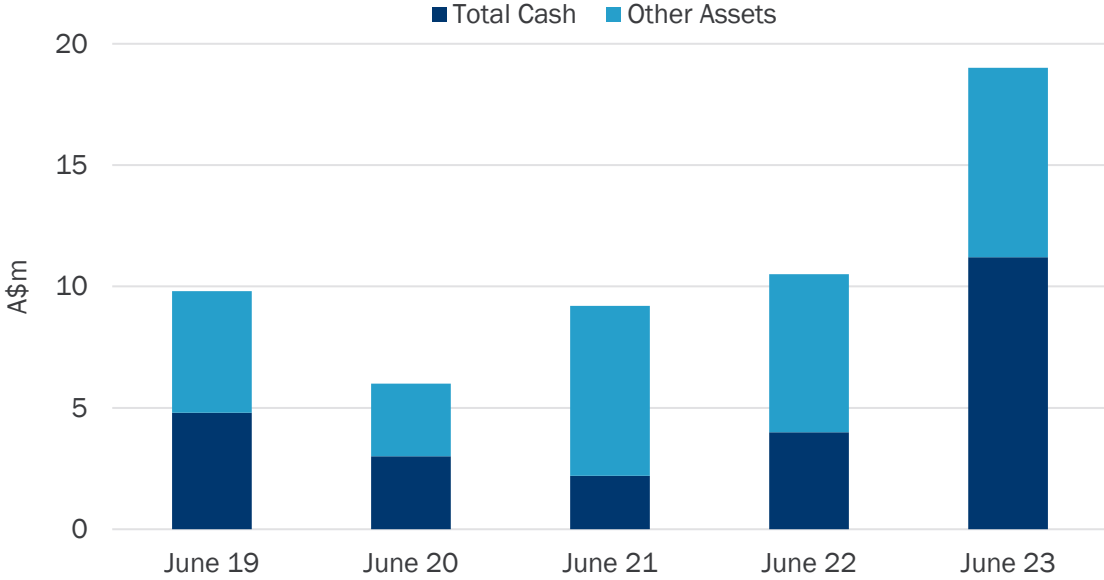
# Delivering a Track Record of Growth

## STRONG AND CONSISTENT REVENUE GROWTH



- Total revenue growth of 137% from 1HFY21 to 2HFY23
- Growing proportion of engineering revenue from higher margin consultancy services

## ROBUST FINANCIAL POSITION



- Net cash of \$10.7 million at 30 June 2023
- No working capital debt
- Strong financial position provides capital flexibility

# POWERHOUSE TECHNOLOGY



# POWERHOUSE: The Renewable Power Trilemma Solved

Powerhouse is live in-field delivering unparalleled Reliability, Sustainability, and Affordability

100%

renewable  
microgrid  
system

99.7%

availability

15

year  
accepted  
asset life

75+

fewer site visits  
per year than  
diesel gensets

0

CO<sub>2</sub> emissions

50%

discount to  
fossil fuel based  
power

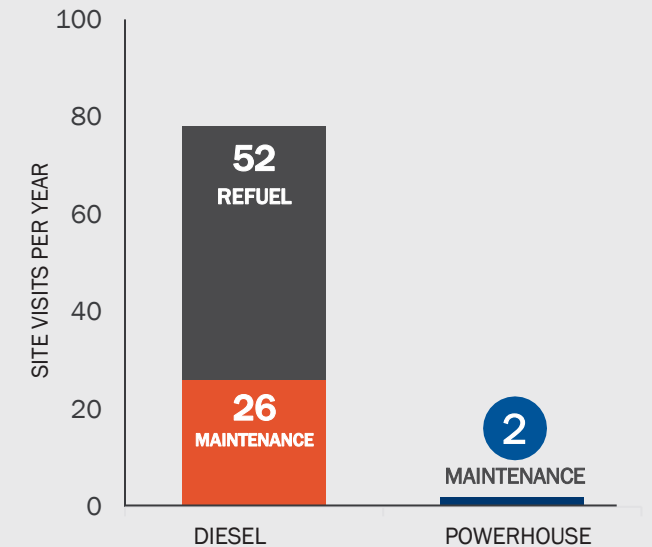
5

strategic  
supplier  
agreements

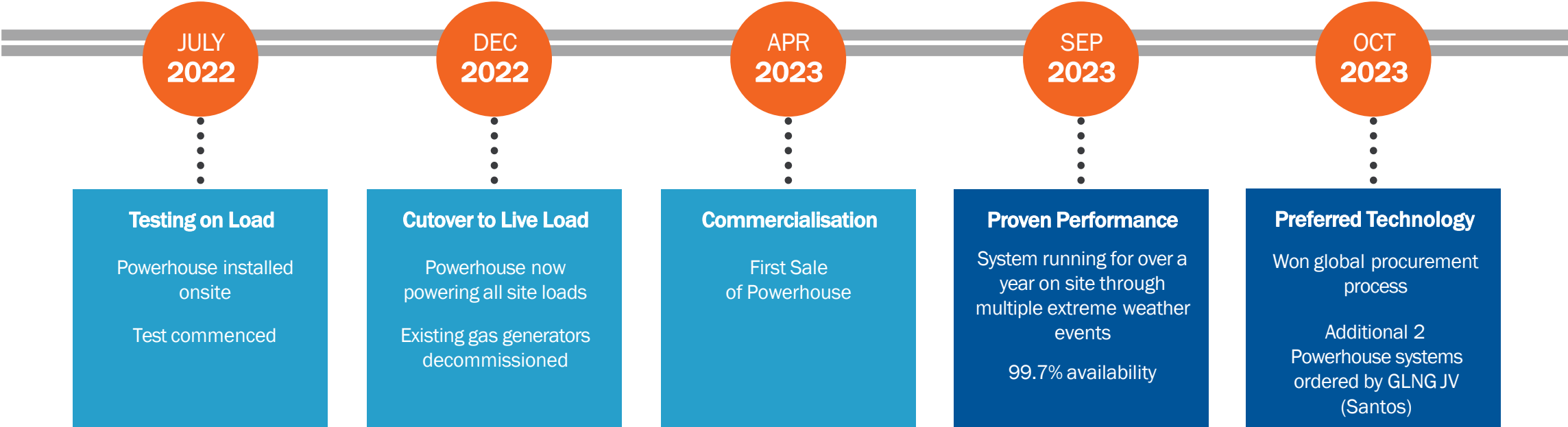
2<sub>kw</sub> - 10<sub>Mw</sub>

modular,  
portable  
systems

## ELIMINATE OVER 75 SITE VISITS PER YEAR



# Powerhouse Technology – The Rollout has Begun



<b>2.5 YEARS</b> IN DEVELOPMENT	<b>100+</b> ENGINEERS	<b>15 MONTHS</b> IN OPERATION	<b>3 POWERHOUSE</b> ORDERED
------------------------------------	-----------------------	----------------------------------	--------------------------------

# Powerhouse Financial Model Highlights

## POWERHOUSE – MULTIPLE REVENUE OPTIONS WITH STRONG ECONOMICS

- Delivery options:
  - Build Own Operate Maintain (BOOM)
  - Sale with long term maintenance program
- Funding Options
  - Customer finance – build in to rent model
  - Debt finance – given strong counterparties
- Monthly rental, take or pay
- Payback period of c.3 years
- EBITDA margin per unit anticipated to be greater than 90%



## POWERHOUSE MICROGRID SYSTEM FOR A QUEENSLAND CSG WELL SITE

- Power Availability: 100%, continuous load 24/7
- Powerhouse Unit size: 3 - 5 well cluster (load will vary depending on operating conditions)
- Annual Rent: \$600k - \$800k
- Capex: circa \$1.7m - \$2.5m
- Annual Maintenance: approx. 2% of capex (average)
- Annual Monitoring/Operation: approx. 1% of capex (average)

# Powerhouse Initial Applications – Queensland CSG



<sup>1</sup> – GasFields Commission, Shared Landscapes, Industry Trends Report, 2022.

Assumes: 3 Well cluster per Powerhouse on average

# Powerhouse – Other Immediate Adjacent Opportunities



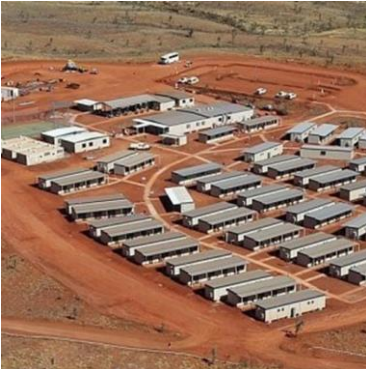
Remote communities

Mining Operations



Water Bores

Defence



Mining Camps

Global





# Formal Technology Partnership with Siemens

**Memorandum of Understanding (MoU) signed between Siemens and Synertec to support Powerhouse technology development and expanded market exposure**

- Siemens is a leading global multinational technology conglomerate
- Scope of the collaboration includes:
  - Siemens to promote the Powerhouse solution locally and globally
  - Applicable Siemens cutting-edge technology to renewable microgrids
  - Siemens to ensure timely supply of their technology for accelerated Powerhouse roll out
  - Siemens to prioritise support to Synertec for future Powerhouse developments and testing

**The Partnership will enable global marketing channels, efficient delivery and development of future applications of Powerhouse technology**

**SIEMENS**

&



**SYNERTEC**

# POWERHOUSE: Live in Field and Scaling

- Powerhouse is in commercial operation delivering reliable, affordable and sustainable 100% renewable power to remote sites
- The operating cost savings and commercial benefits to Powerhouse customers are compelling
- Strong incoming demand for Powerhouse driven by carbon reduction mandates
- Large global addressable market with an initial focus on the Australian coal seam gas sector, and easy application into mining and defence sectors
- Attractive commercial model and strong counterparties, with multiple options to fund future expansion
- Synertec's engineering skillset supports a scalable, rapid, low risk assembly pathway for Powerhouse
- Synertec's renewable technology expertise and success is attracting customers requiring feasibility studies for field electrification and renewable integration strategies

## WIN!

- Zero Emissions
- Improved Safety

## WIN!

- Reduced customer operating costs
- Simplifies customer operations

## WIN!

- High return on capital for Synertec
- Large addressable market in Australia over long term

# SYNERTEC: Catalysts and Investment Thesis

## Powerhouse - COMEMRCIAL VALIDATION



- ✓ Field proven technology
- ✓ Commercial validation via Santos and the GLNG JV
- ✓ Multiple orders received
- ✓ Proven financial model

## Powerhouse - FUTURE CATALYSTS



- Further orders from Santos and the GLNGJV
- Orders from multiple clients
- Progressing multiple funding options for Powerhouse
- Strategic global partnerships



SYNERTEC



Michael Carroll  
Managing Director | CEO

M: +61 419 351 676  
E: [michael.carroll@synertec.com.au](mailto:michael.carroll@synertec.com.au)



David Harris  
Executive Director | CFO | Company Secretary

M: +61 434 408 668  
E: [david.harris@synertec.com.au](mailto:david.harris@synertec.com.au)

Synertec Corporation Limited (ASX:SOP) | Annual General Meeting - 2023 17

#### HEAD OFFICE

Ground Floor, 2 - 6 Railway Parade, Camberwell, Victoria. 3124  
Tel: +61 3 9274 3000

#### PERTH OFFICE

Level 1, 189 St Georges Terrace, Perth, WA. 6000

Online:

[www.synertec.com.au](http://www.synertec.com.au)

Synertec is certified to:

ISO 9001  
ISO 14001  
ISO 27001  
ISO 45001

expertise  experience