



**EVZ** *limited*  
Engineering The Future

Annual General Meeting

CEO Presentation

28 November 2014

# FY14 Group Highlights



## Results Impacted by External Factors

- ✧ Revenue \$64.4M
- ✧ EBIT loss \$1.1M. EBITDA loss \$0.3M
- ✧ NPAT loss \$6.2M, includes impairment charge \$4.6M

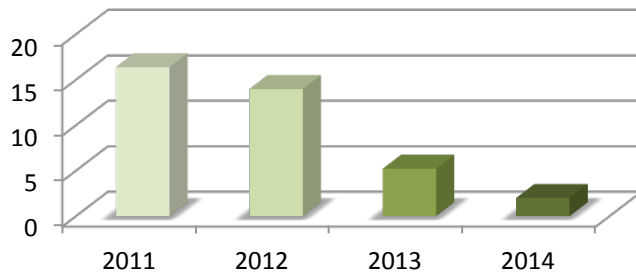
## Summary

- ✧ Loss due to Brockman restructure in response to manufacturing closures in Geelong precinct.
- ✧ Impairment of TSF goodwill and asset revaluations.
- ✧ Clean energy market impacted by gas price increase reducing short term feasibility.
- ✧ Climate change policy uncertainty deferred energy plant projects.

# Safety for Life



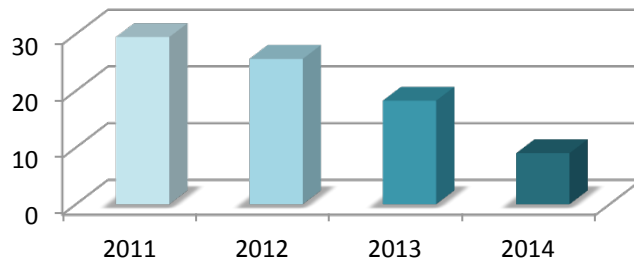
## Lost Time Injury



✓ Continuing reduction in incident frequency

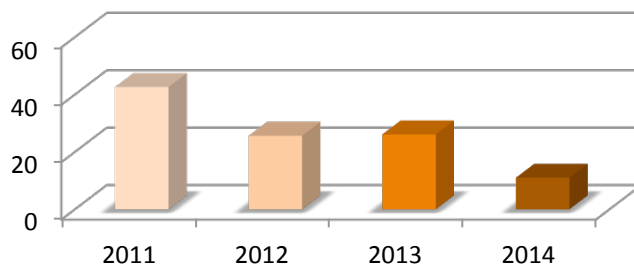
✓ LTIFR (1.1) down 80%

## Medical Treatment



✓ TRIFR (7.8) down 55%

## First Aid



✓ Safe working benefits project outcomes.

✓ Forward thinking safety culture

# FY15 Outlook



## Market Appreciation

- ❖ Tough market conditions.
- ❖ Gas price impacting manufacturing energy costs.
- ❖ Climate change policy uncertainty reducing new investment in clean energy projects.
- ❖ Oil industry supply chain transition creating new terminal infrastructure investment.
- ❖ Refinery closures creating transition projects.
- ❖ Asian mega projects continue to accommodate economic growth in region.



# FY15 Objectives



## Business Improvement

- ❖ Forward looking safety leadership culture
- ❖ Capital restructure, leverage reduction. Debt reduction strategy continues with CBA support.
- ❖ New Project Financial Management System.
- ❖ Workforce flexibility achieved in response to cyclic nature of industry.
- ❖ Brockman & Syfon improving market share and financial outcomes. New management team driving success
- ❖ Improving productivity from capital equipment investment.





# Segment Outlook



	Contracted Work [at 31/10/14]  \$'000	Live Tenders [current]  \$'000	FY15 Pipeline [bids due pre 30/6/15]  \$'000
Brockman	20,362	25,500	100,050
Syfon	17,166	15,900	30,000
TSF	5,772	22,500	7,200
<b>Total</b>	<b>43,300</b>	<b>63,900</b>	<b>137,250</b>

## Business Focus

Syfonic Roof Drainage and Water Proofing Systems to Large Scale Buildings throughout Australia and Asia.

## Strategic Growth

- ❖ Asia mega project opportunities expanding, now delivering solutions in Malaysia, Singapore, Philippines, Macau & Vietnam
- ❖ Membrane water proofing solutions projects underway in NSW and VIC.
- ❖ New products expanding reach into high rise residential market in Australia and Asia.

## Market Appreciation

- ❖ Domestic market share greater than 70%.
- ❖ Syfon Systems preferred provider for major landmark projects.
- ❖ Syfon quality and landmark project experience regularly derives a premium.
- ❖ Asian market focus on mega projects across the region. Strong prospects exist underpinning further growth.
- ❖ Roof membrane system suits being adopted for cost effective brown field roof restoration.





# Syfon Australia Projects



## MINERAL PROCESSING

Rio Tinto  
Cape Lambert WA

## SHOPPING CENTRE

AMP Capital  
Clarkson WA

## CHILDRENS HOSPITAL

John Holland  
Perth WA

## TERTIARY HOSPITAL

Leighton HY JV  
Adelaide SA

## SHOPPING CENTRE

Westfield  
Mt Gravatt QLD

## PRIVATE HOSPITAL

CDC  
Gold Coast QLD

## SHOPPING CENTRE

AMP Capital  
Broadbeach QLD

## CONVENTION CENTRE

Lend Lease  
Darling Harbour NSW

## FOOD MANUFACTURE

Cadbury Schweppes  
Ringwood VIC

## SPORTS STADIUM

Lend Lease  
Melbourne VIC

# Syfon Asia Projects



## MANUFACTURING

B.Braun  
Hanoi, Vietnam

## CASINO

City of Dreams, Melco  
Macau

## CASINO

Belle Grande, Melco  
Manila, Philippines

## SHOPPING CENTRE

Vivo City  
Saigon, Vietnam

## SHOPPING CENTRE

KKTimes Square  
Kota Kinabulu, Malaysia

## AIRPORT

Domestic  
Seppinggan, Indonesia

## AIRPORT

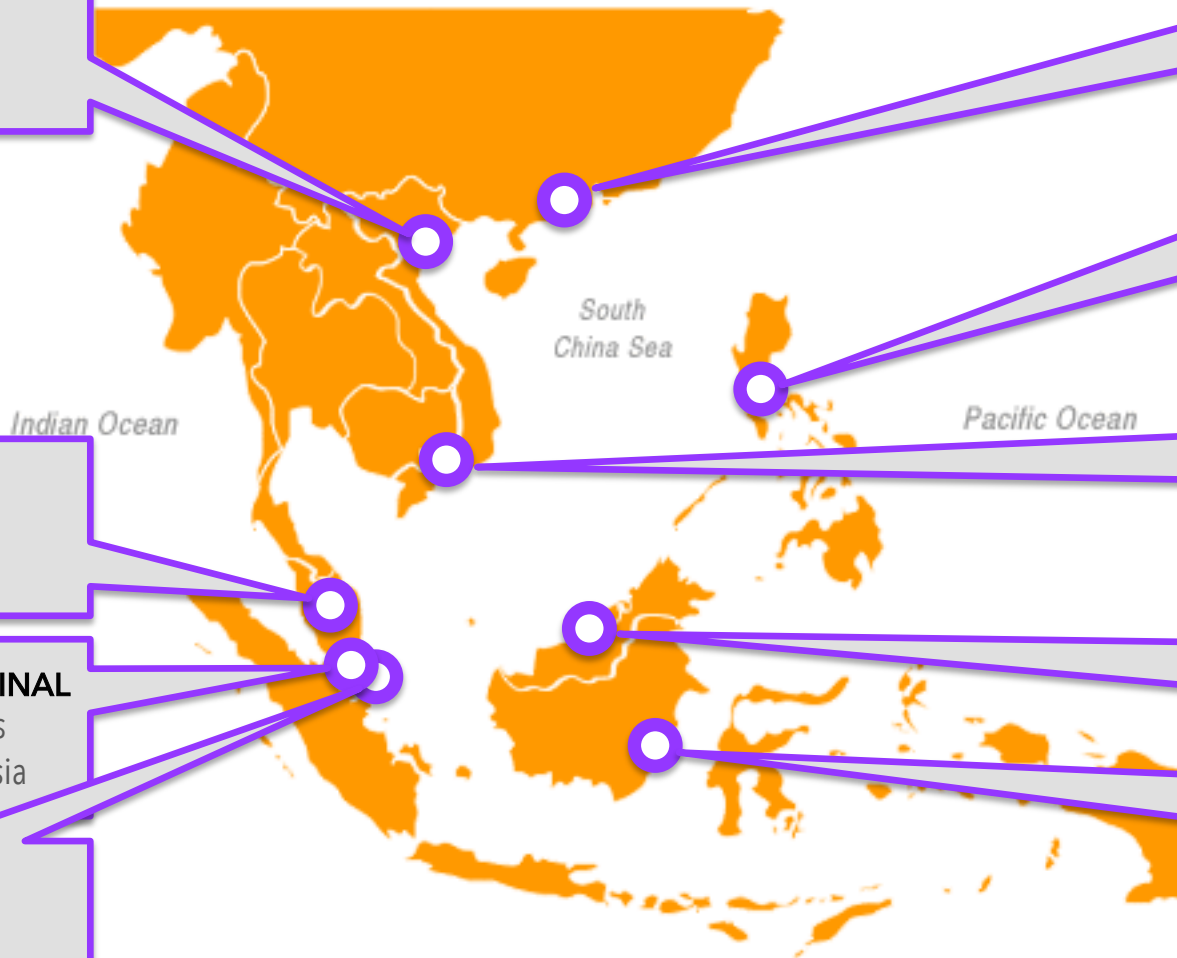
International  
Penang, Malaysia

## METRO RAIL TERMINAL

Underground Stations  
Kuala Lumpur, Malaysia

## RESIDENTIAL

Marina Bay  
Singapore



## Business Focus

Clean Energy Generation comprising cogeneration, trigeneration & gas fired power plants to the manufacturing, mining and building sectors.

## Strategic Growth

- ❖ Operations and Maintenance contracts underpin growth in FY15 as customers replace CAPEX with OPEX.
- ❖ Operations and Maintenance business now 30% segment revenue, high growth area.
- ❖ Clean energy solutions include plant waste conversion to gas through anaerobic digestion.

# TSF Engineering & Maintenance



## Market Appreciation

- ❖ Operations and maintenance contracts delivering recurrent revenue with uplift for unscheduled repairs and breakdowns. Maintenance contracts largely annual terms renewable without return to market.
- ❖ Project commencement delays due to gas pricing uncertainty combined with lack of clarity in federal government climate change policy.
- ❖ Melbourne Airport project to be completed in early 2015.



# TSF Eng & Maint Projects



## MARINE ENGINES

Whitsunday Cruises  
Airlie Beach QLD

## DIESEL MAINTENANCE

Brisbane QLD

## OFFICE POWER

Grocon  
Brisbane QLD

## HEALTHCARE TRIGEN

LifeHouse RPA  
Newtown NSW

## AIRPORT TRIGEN

Melbourne Airport  
Tullamarine VIC

## RETAIL TRIGEN

GPT  
Charlestown NSW

## HEALTHCARE POWER

NSW Health  
Strathfield NSW

## DATA CENTRE POWER

Vodafone  
Mt Waveley VIC

## Business Focus

Design and construction and maintenance of large scale steel storage tanks and pipework for the petrochemical, water and mining industries.

## Strategic Growth

- ❖ New management team focused on organic growth across all Australian industry sectors.
- ❖ Internal restructure completed during year, resulting project wins with blue chip clients in all regions of Australia.
- ❖ Plant shutdown maintenance works expand to value added services.



## Market Appreciation

- ❖ Oil industry downstream distribution rationalisation provides immediate growth opportunity.
- ❖ New downstream oil industry market entrants expanding storage facilities and tankage infrastructure.
- ❖ Tankage projects underway and upcoming in all regions of Australia.
- ❖ Water sector tankage need response to population growth and water security.



# Brockman Engineering Projects



## FUEL TANK REPAIR

BP Australia  
Broome WA

## FUEL TANK REPAIR

Apache Energy  
Varanas Island WA

## FUEL TANK REPAIR

Mobil  
Birkenhead SA

## TANK MAINTENANCE

Viva Energy  
Geelong VIC

## FUEL TANK REPAIR

United Petroleum  
Bell Bay TAS

## FUEL TERMINAL TANKS

AGC AusGroup  
Melville Island NT

## FUEL TANK REPAIR

Shell Australia  
Cairns QLD

## NEW GAS TANKS

Santos  
Moomba SA

## NEW FUEL TANK

Caltex Australia  
Banksmeadow NSW

## NEW WATER TANK

Dept of Defence  
Mulwalla VIC



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