



EUROZ HARTLEYS INVESTOR PRESENTATION

**DAVID MACGEORGE
MANAGING DIRECTOR**



ABOUT US

WHO WE ARE

We're a global **engineering-led** specialist asset services, mining services and construction group



OUR OPERATING MODEL

End-to-end solutions across the entire asset lifecycle

- Engineer
- Construct
- Sustain

OUR VISION

The **most sought-after** specialist asset services, mining services and construction business

**MAKING THE
COMPLEX
SIMPLE**

SUMMARY

Shares on Issue	445.8m
Share Price ⁽¹⁾	\$0.49
Market Capitalisation ⁽¹⁾	\$218m
Net Assets	\$223m

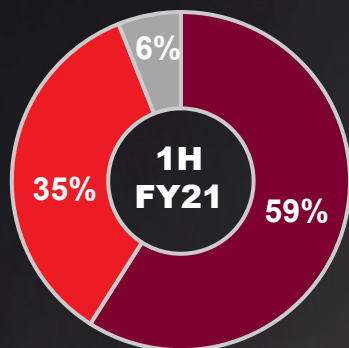
Note: (1) Share price and market capitalisation as at 2 March 2021

SUBSTANTIAL HOLDERS

Perennial Value Investment	11.6%
Mitsubishi UFG Financial Group, Inc	8.5%
Board and Management	12.1%

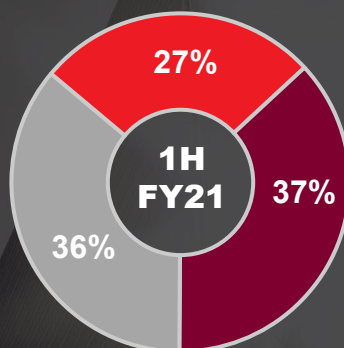
Source: Latest ASX announcements & Company share registry

EARNINGS BY GEOGRAPHY



- Australia - East
- Australia - West
- International

EARNINGS BY SEGMENT



- Asset Services
- Mining Services
- Construction

OUR GLOBAL WORKFORCE



- Australia
- International

- **Revenue Up 6%** to \$283m (from 1H FY20)
- **EBITDA Up 32%** to \$20.5m (from 1H FY20)
- **Net Cash Improved** to \$5.3m (from Net Debt of \$8.4m as at 30 June 2020)
- **Fully Franked Dividend Doubled** to 1 cent per share in 1H FY21 (from 1H FY20)
- **\$750m of Contract Wins** announced since 1 July 2020 with repeat / targeted clients
- **Record \$1b Work in Hand, Up 41%** as at 31 December 2020 (from 30 June 2020)
- **Well Funded for Growth** - available funds of \$82m plus undrawn \$26.5m equipment finance facility
- **Two Thirds Annuity Earnings Profile** in FY21 and beyond
- **Upgraded FY21 EBITDA Guidance** to \$45m - \$47m (up from \$42m - \$45m)

“Continuing to transition the business mix towards annuity earnings”

GROWTH

- ✓ Step change growth in recurring Asset Services
- ✓ Innovation and selective growth in Mining Services
- ✓ Targeted growth in specialist Civil Infrastructure Construction
- ✓ Specialist services and products in Building Construction with key repeat clients
- ✓ **Two thirds annuity / recurring and one third project-based earnings**

LEADERSHIP

Zero Harm / ESG industry leader and recognised employer of choice

Key partner of choice in our specialised core markets with core clients

Consistent, above market shareholder returns (EPS and TSR)

Selective strategic acquisitions to complement capability / footprint

Two thirds annuity / recurring and one third project-based earnings



ASSET SERVICES

**Sustaining
complex
infrastructure**

Annuity Earnings

SPECIALIST MAINTENANCE

Highly skilled specialist maintenance services focusing on refractory, oil and gas, industrial assets and transport and marine infrastructure

ACCESS SOLUTIONS

Comprehensive structural and technical access solutions targeting the mining and resources, oil and gas, offshore marine and industrial locations



Transpower NZ

3 Year Term Contract
Transmission Tower Maintenance
“20 year relationship”



South32

8 Year Term Contract
Refractory Services
“Leveraging Site Presence / Capability”



Fortescue Metals (FMG)

5 Year Term Contract
Multi-Disciplinary Services
“Across all FMG Sites”



MINING SERVICES

**Comprehensive
ground
solutions**

Annuity Earnings

PRODUCTION DRILL & BLAST

Integrated range of
complementary production drill
& blast services working across
multiple commodities including
gold, precious metals and iron ore

SPECIALIST GEOTECH

Highly technical specialist
ground and slope stabilisation
services for all mining services
applications



Saracen / Northern Star

5 Year Term Contract
Production Drill & Blast Services
“New Blue-Chip Client”



Kalgoorlie Super Pit

5 Year Term Contract
Specialist Geotech Services
“25 year history on site”



Innovation

Semi Autonomous Drilling
Data Analytics
“Innovation and Technology”



CONSTRUCTION

Constructing complex infrastructure

Project Based Earnings

CIVIL & ENGINEERING

Specialist engineering, post-tensioning and construction services for complex structures in key markets including dams, bridges, windfarms and tanks

SPECIALIST BUILDING

Specialist facade and structural construction and remediation services with repeat, tier one clients



Fairbairn Dam

Sunwater, Queensland
Specialist Dam Anchoring
“Water Infrastructure”



Infinity Bridge

Dubai Road Transport Authority
Specialist Bridge Construction
“Transport Infrastructure”



Elizabeth Quay

Multiplex / D&C Corporation
Specialist Facades and Structures
“Commercial / Mixed Use”

Operating Segment Outlook

- Asset Services delivering **step change growth** in diverse sectors with blue-chip clients
- Mining Services operating in **high demand, high quality** growth commodities
- Construction positively linked to **Government Infrastructure stimulus** programs
- International focus on Specialist Civil Engineering opportunities – **Dams / Bridges / Tanks**

Business Outlook

- **FY21 EBITDA Guidance** range **upgraded** to \$45m - \$47m (up from \$42m - \$45m)
- **Record Work in Hand** of **\$1b** with an **Opportunity Pipeline** of **\$6b**
- **Strong liquidity / balance sheet position** to support growth working capital requirements
- Earnings profile of **two thirds annuity earnings** in FY21 and beyond
- Continued execution of a **clear strategy** and well positioned for long term **sustainable growth**

INVESTMENT PROPOSITION

End-to-end
asset lifecycle
capability

Diverse
market sectors /
geographies

Annuity
earnings
profile

Strong
growth
outlook

Attractive
valuation
multiples

Dividend
yield
stock