

Investor Presentation

9th February, 2022

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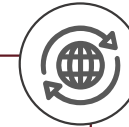
Who We Are



Austin supplies customised equipment to large global mining clients, mining contractors and original equipment manufacturers. Our innovative solutions maximise productivity and profits for our clients.



11 Locations across six continents,
including partners.



\$203.1M

Revenue FY2021

\$135.3M

Truck body revenue

\$181M

Order book and committed
work (31 December 2021)

40+ years

Engineering and
manufacturing mining
equipment

5

Operating sites across
four continents

~1,000

Employees and
contractors worldwide

6

Partner final
assembly companies

4

No of 'home' markets

Our 40-year journey



Brisbane, Australia

1982

Austin is founded



Perth, Australia

2004

Acquired JEC



Casper, USA

2007

Acquired Westech



La Negra, Chile

2009

Acquired Conymet



Batam, Indonesia

2011

Commenced operations



Global Operation

2017

Austin is rebranded

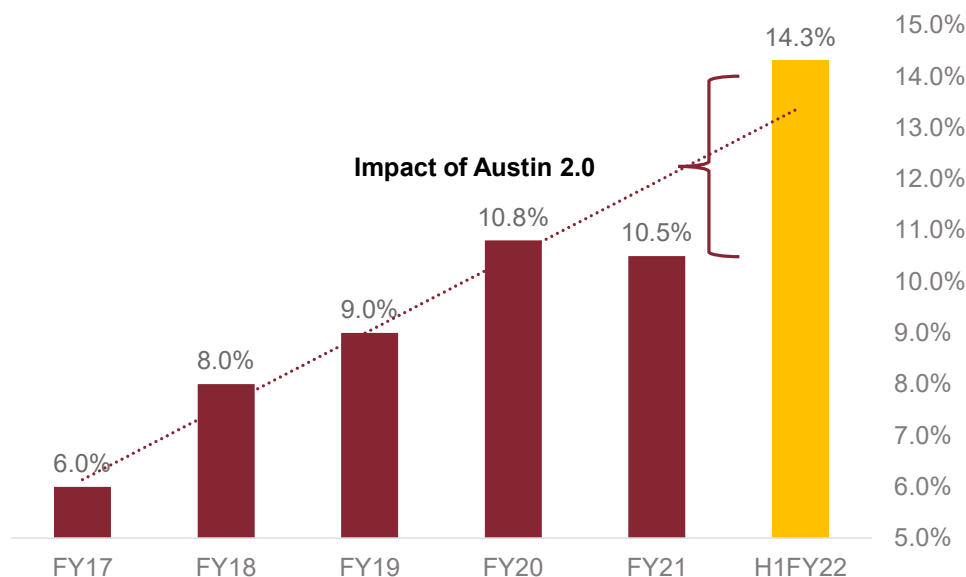


Worldwide

2021

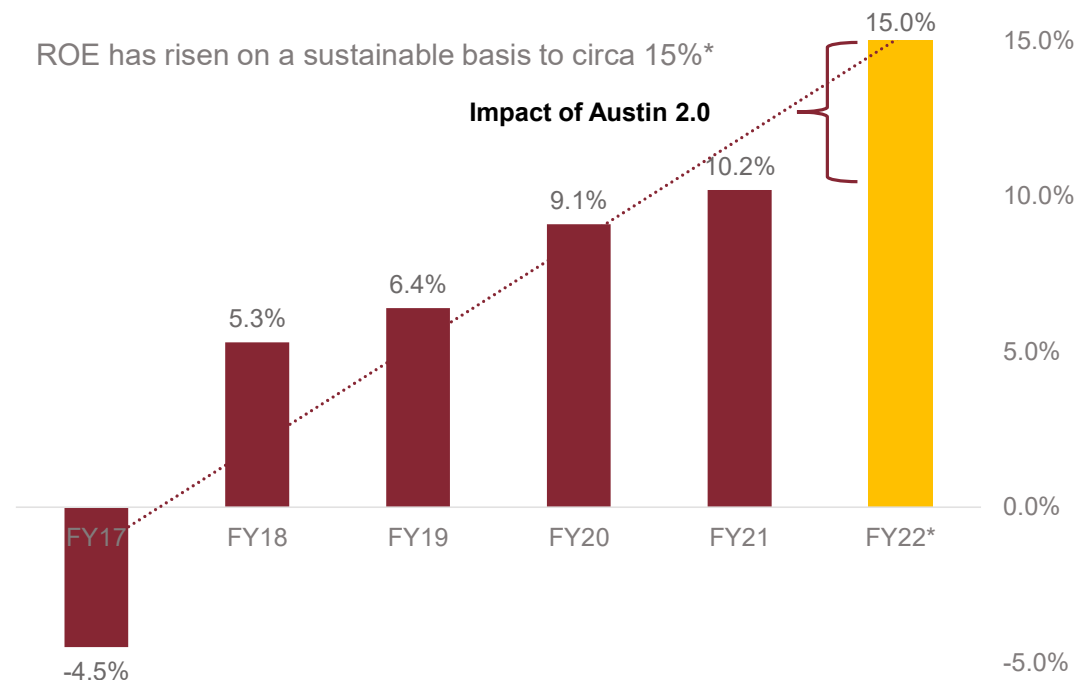
Austin 2.0 initiated

Step Change in Profitability (% EBITDA*)



*All years are Normalised – Continuing operations except H1FY22 which is Statutory

ROE has risen on a sustainable basis to circa 15%*

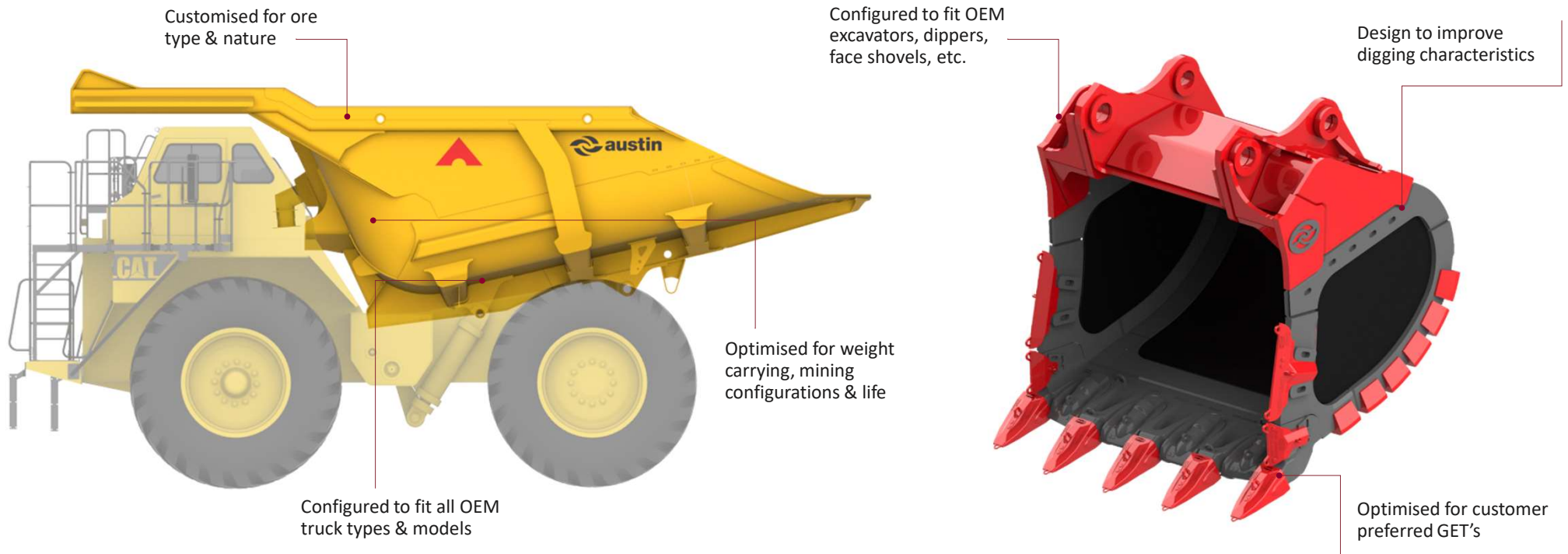


*Indicative only. Full year comparison based on 2xH1 NPAT and H1 closing equity

What we do



We are an industrial business producing world class customised wear products for the mining industry



What we do



Tyre Handler



Water Tank



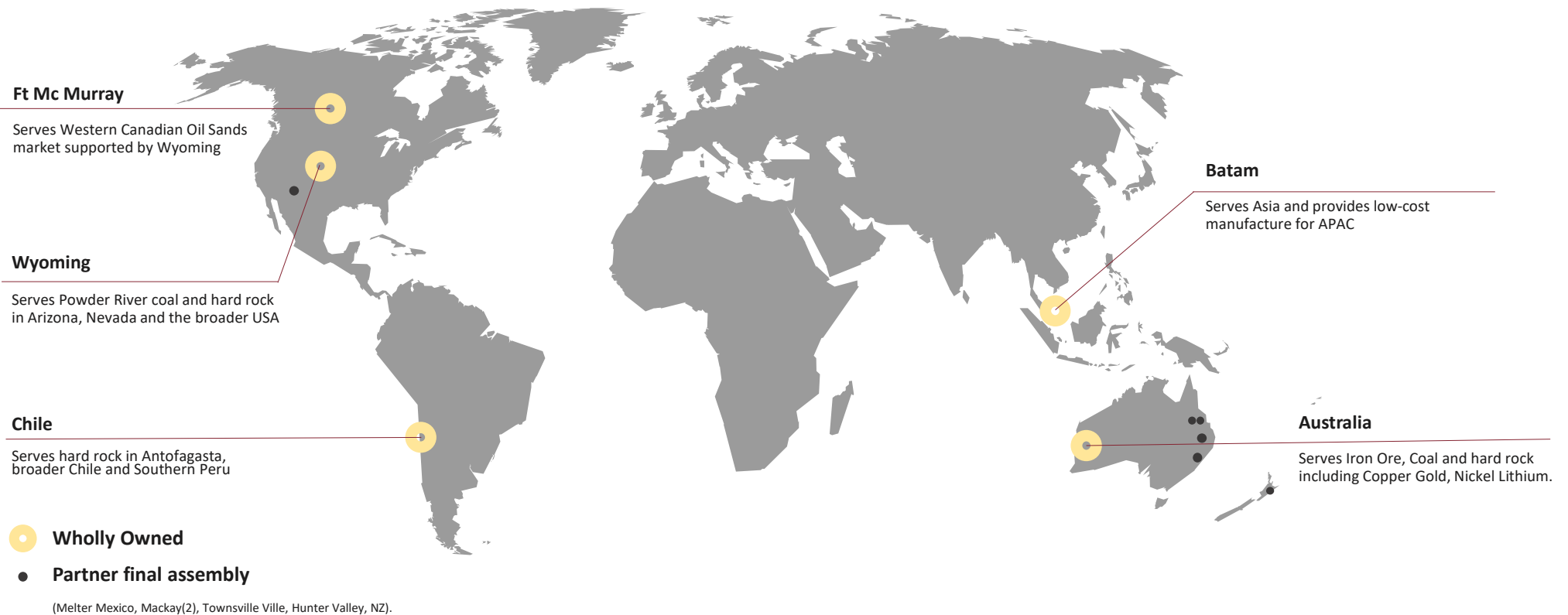
Ore Chute



Where we operate



The major mining jurisdictions of the world are our home markets, currently covering circa 65% of global truck tray market.



Why we are different

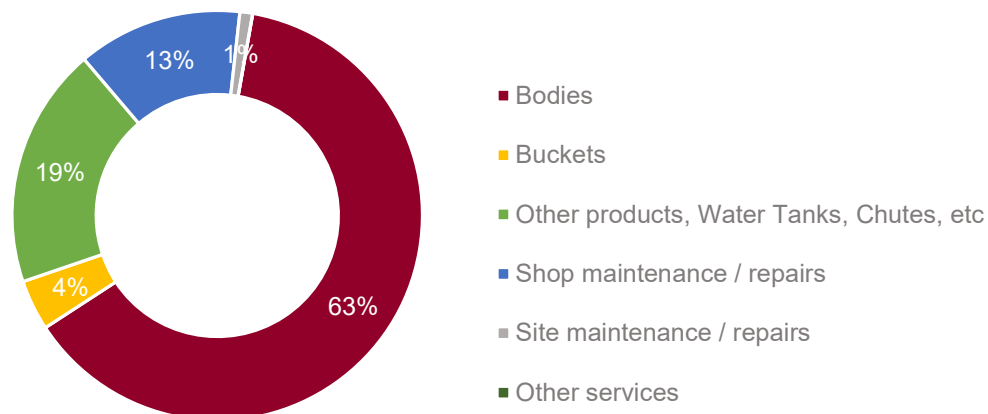


Product Focused Operational Strategy

85%

Of revenue was associated with products

- Austin is an industrial business building standard product types with more reliable revenue and earnings outlook.
- Products are made to order, fast turnover consumables critical to most types of mining worldwide. Average truck body turnover is 3-8 years depending on market.
- Customer diversification in addition to the competitive environment, fast turnover business means Austin can react to input cost changes rapidly by adjusting pricing and delivery.
- Austin's order book is related to mine throughput and therefore less affected by capex investment cycles.



Why we are different



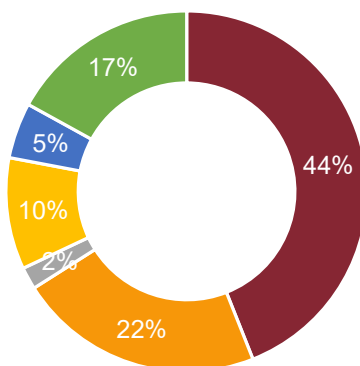
Global Diversification of Operations

Diversified

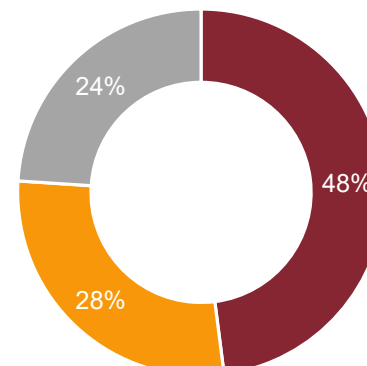
Revenue throughout
key global markets

- Austin is strategically located in the key mining areas of the world that are both accessible and have high demand.
- Most mines in the world transport ore from pit to process by truck. This drives demand for bodies and buckets.
- Austin sells products to many of the world's tier one miners and below, reducing customer commodity or market concentration.
- Austin sees continued strong APAC performance due to high commodity demand across the board.

■ Iron Ore
■ Coal
■ Gold
■ Zinc
■ Other
■ Copper



■ Asia-Pacific
■ North America
■ South America



What are our markets?



Global Mining Truck Tray Market

~18%

Market share worldwide

- 3rd party data suggests world market for 100 ton+ trucks is circa 20,000 in total. Austin estimates over 3,000 replacement truck bodies and 500 buckets are required p.a.
- Austin is the world brand leader but with a market share estimated at circa 18% indicating growth opportunity for innovative new products that reduce mining costs and increase efficiency.
- Australia followed by North America are the two biggest truck body markets in the world and home to Austin's two biggest facilities.

Australian Mining Truck Tray Market

23%

Market share in Australia

- Australia is the single biggest market for truck trays in the world based on truck fleet size and replacement practices.
- WA is the biggest truck body market in Australia (46%) followed by Qld. (29%) and NSW (21%).
- Australian market is characterised by highly demanding customers focused on efficiency and total cost of ownership requiring sophisticated suppliers.
- (as a result) Equipment replacement cycles are generally shorter in Australia leading to higher equipment replacement.

Global Commodity Market Tailwinds

74%

Revenue exposed to hard rock mining

- Austin delivers mining equipment across the spectrum of products but primarily in hard rock where high equipment wear is a feature. Key materials are led by iron ore in Western Australia but including Coal in USA and Australia, Oil Sands in Western Canada, copper, nickel zinc, lithium and others.
- Recovering demand across the industry has led to strong mineral prices in almost all sectors driving miners to focus on maximising output.
- Key Austin 'home' markets in USA and Chile are exhibiting strong 'post Covid' recovery accompanied by increased expenditure on new equipment and repairs.
- Australia, the single largest market in the world for truck bodies, remains strong in almost all sectors.

H1 FY2022 Highlights



Revenue

\$80.1m

Down 9% from \$87.9m in PCP

Net debt

\$19.7m

Excl. \$15.8m of lease liabilities

EBITDA*

\$11.5m

Up 95% from \$5.9m in PCP

Dividends

\$TBD

H1 2022 To be declared.

NPAT*

\$6.7m

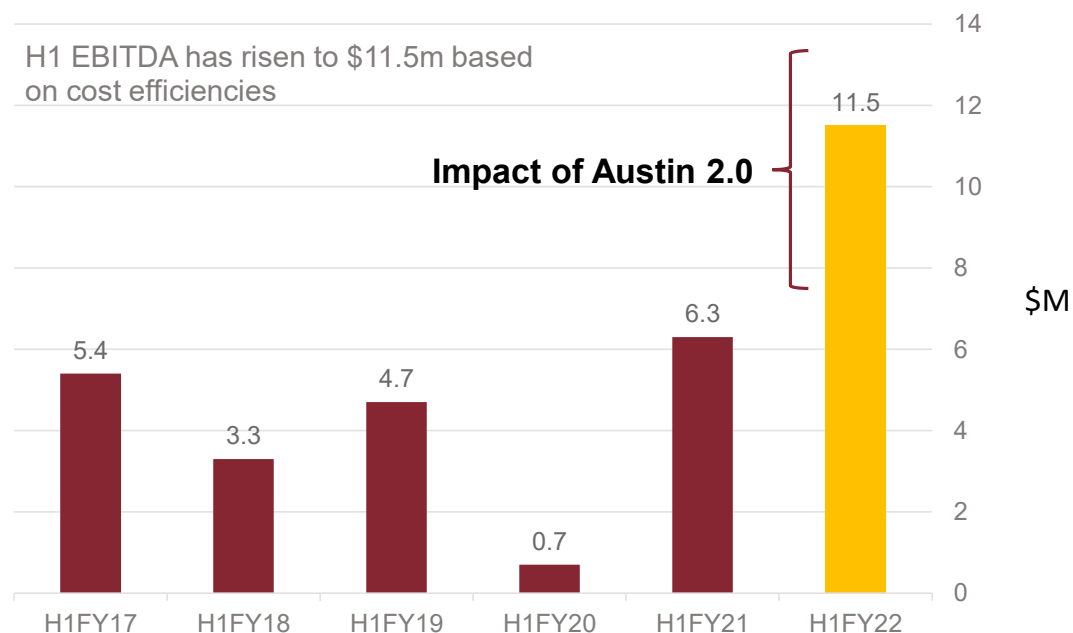
Up 339% from \$1.5m in PCP

EPS

\$1.16c

Up 342% vs PCP

*Unaudited Statutory basis – Continuing operations
EBITDA is guidance and is a minimum projection.



Note: EBITDA Nos are normalised except H1FY22 which is statutory. \$11m EBITDA is unaudited

Highlights



Current period earnings

- Total revenue from continuing operations of \$80.1 million versus \$87.9 million in prior corresponding period. Reduction primarily due to closure of unprofitable businesses.
- EBITDA from continuing operations of minimum \$11.5 million vs \$5.9 million in pcip (statutory) exceeding initial guidance by 15%
- NPAT from continuing operations of \$6.7 million which was 339% higher than the pcip (\$1.5 million)
- Cashflow was negative \$5.1 millions due to working capital increases leading into H2. Expected to regularise over the next 6 months.

Capital Management

- Refinanced global facilities in August 2021 with HSBC with a two-year \$35 million revolving working capital line
- Fully franked FY 2021 dividend of 0.3 cps, paid in September, 2021.
- Franking credits balance of \$23.6 million
- 3 major properties held for sale in South America and Australia worth circa \$11.4 million with South America sales due to complete in Qtr 3, 2022

Business optimisation

- Strategic review completed in July, Austin 2.0 initiatives identified currently being implemented
- By end H1 FY22, cost reduction largely complete reducing overheads by circa \$11m p.a.
- Advanced manufacturing in Australia nearing initial implementation with completion expected in 2022
- Next generation ULTIMA 2.0 truck tray nearing format launch
- High Performance bucket family launched
- Enhanced logistics body designs completed & sold to 3 customers

Global Strategy

David Singleton, Chief Executive Officer and Managing Director

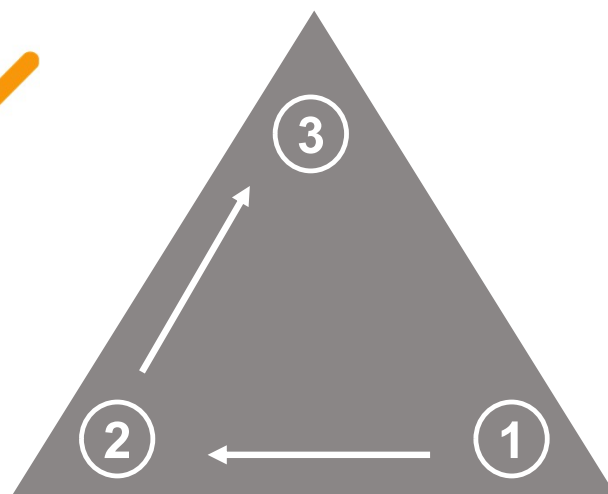
Global Strategy Launched in July 2021

To be a technology-led global leader in mining product manufacture

Phase 2 (FY 2023 impact)

Manufacturing Enhancement

- \$6.5 million CAPEX program to introduce Advanced Manufacturing systems to boost output, improve labour efficiency, improve quality
- Initial enhancement program in Perth, followed by Batam
- Expect completion in FY22 with Australia impact in FY23



Phase 3 (FY 2023/4)

Technology and Innovation

- Launching new truck tray in Q3
- Launching new High Performance bucket designs in Q3
- Market strategy detailed later



Phase 1 (FY 2022 impact)

Business Consolidation and Efficiency

- Mostly complete by November 2021
- Savings have driven EBITDA%
- Full rate savings in H2

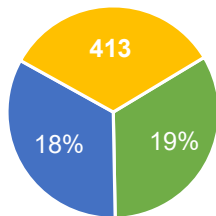


Global Mining Truck Tray Market Opportunity

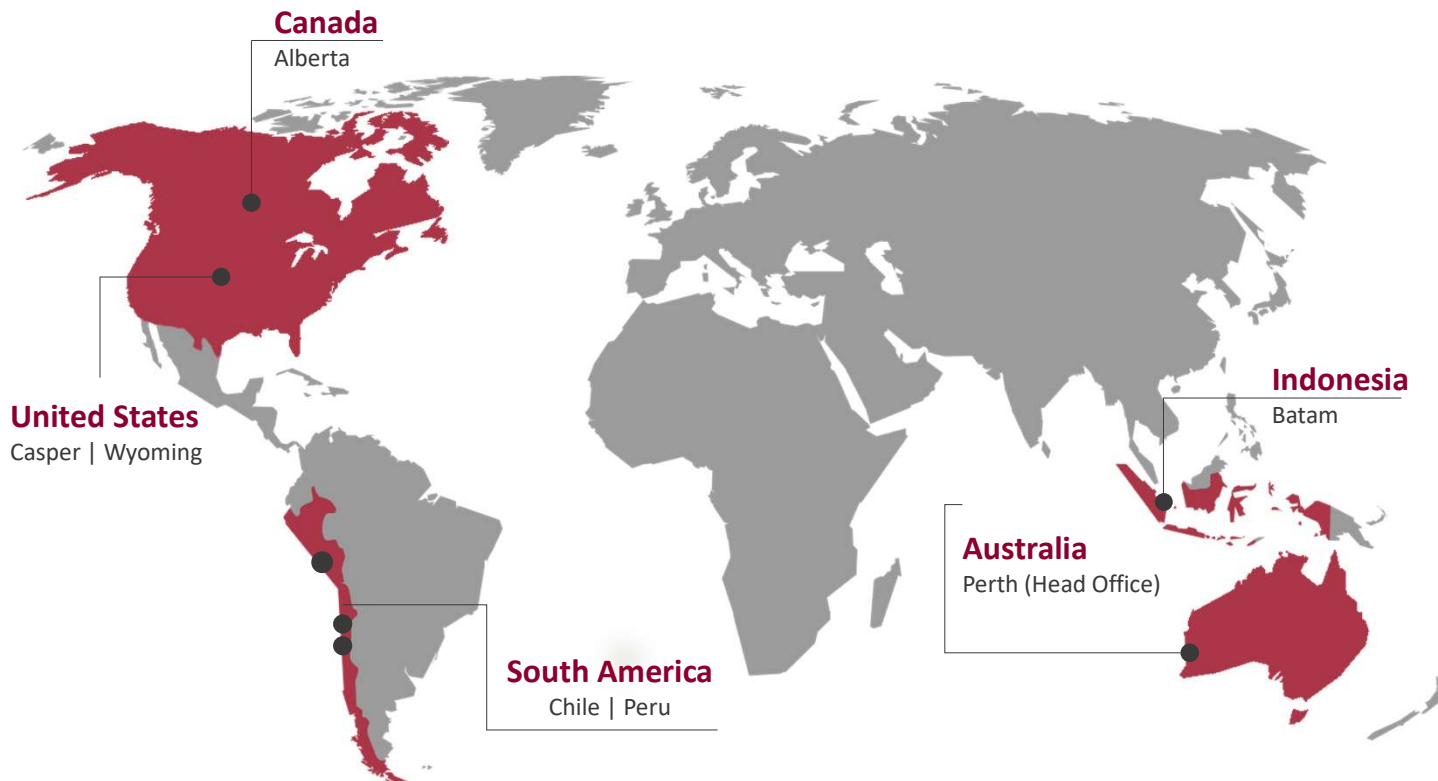
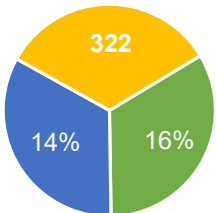


Austin's addressable 'home markets' represent ~**65%** of the world market of which Austin has a less than 18% share. Analysis indicates good opportunity to grow with clear market facing strategies.

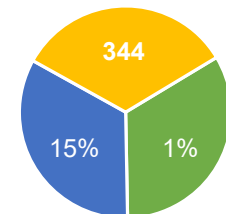
North America



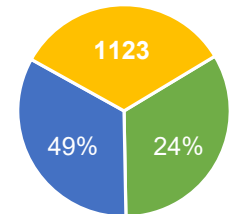
South America



Asia



Australasia



Note: Truck numbers derived from a global database, 'home markets' are defined by Austin related to proximity to main locations. Austin has estimated replacement cycle in different countries to drive those numbers. All numbers are approximate and indicative only.

- Total addressable home market truck bodies per annum
- % Share of world market
- % Austin share of home market

Global Mining Truck Tray Market Opportunity



Austin uses small, highly efficient production hubs to service the world using local partners for market access.

Our **USA** business hub is supported by spoke centres in Canada & Mexico

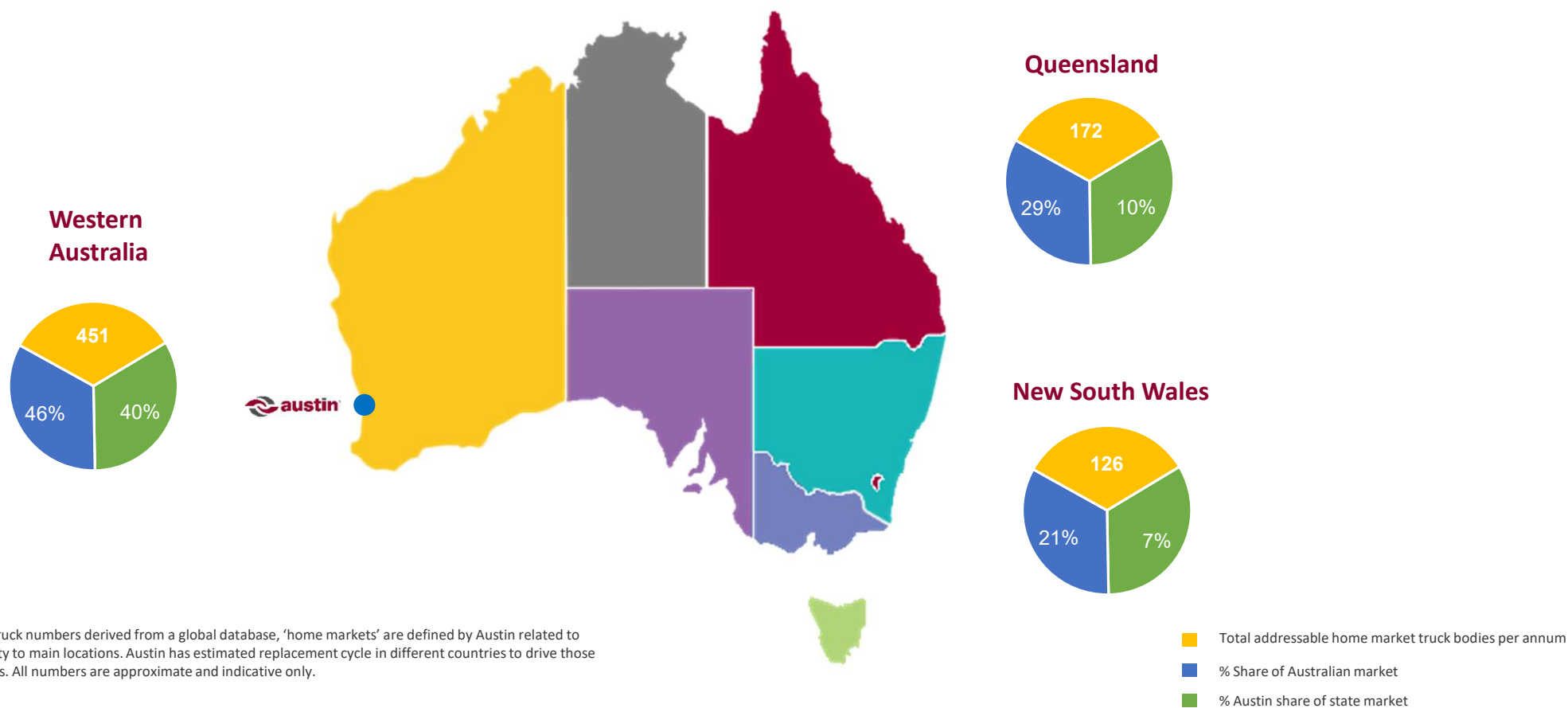
Our **Indonesian** business supports markets in Australia, Africa and central Asia.



Australian Mining Truck Tray Market Opportunity



Australia is the world's biggest market for 100 tonne + trucks and Austin's market share is 23%. Austin has completed a significant re-design of its product offering and service delivery aimed at increasing market share.



Austin is launching two new product types in 2022



Austin's investment in R&D has led to the impending launch of 2 new product ranges optimised for the Australian market. Prelaunch sales have demonstrated market interest and demand.

**COMING
SOON!**



Next Gen Truck Body



High Performance Buckets Series

Outlook

Outlook

Short term



- Cost base optimisation largely complete and has driven EBITDA to a new high of 14.3%
- Order book to end H1 2022 was up 35% on PCP
- Market remains strong in Asia Pacific
- North America market improving strongly based on oil, coal and hard rock prices has driven a strong order book
- South America market also strongly improving post covid restrictions

Medium term



- \$6.5 million investment in advanced manufacturing will reduce costs from FY 2023 onwards in Asia Pacific
- Sales partnerships in Australia, NZ and Mexico and new market development continues expected to drive revenue higher
- ~\$11.4 million of property held for sale
- Investment in Technology and Innovation driven two new impending product launches and overcome logistic challenges for truck body deliveries. Expected to drive further sales penetration

Guidance



- Austin has beaten initial H1 guidance by ~15%
- Full year guidance will be provided with formal H1 results
- Disruption to operations due to covid related risks continue especially in Western Australia when border restrictions are normalised. Risks include loss of productivity due to employee absenteeism, logistic constraints etc
- All 'home' markets have strengthened since FY 2021

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