

H1 FY22 RESULTS & INVESTOR PRESENTATION

MARCH 2022

(ASX: WSI)

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ASX Release authorised by the Board of Directors of WestStar Industrial Limited.

About Us

An industrial services company operating in the energy, resources, utility, defence and infrastructure sectors, in metropolitan and remote areas, across Australia.

Through its subsidiaries, WestStar works with clients to deliver:

- Engineering, Construction & Maintenance Services;
- Fabrication Services;
- Construction Capability in:
 - Civil;
 - Structural, Mechanical & Piping (SMP); and
 - Electrical & Instrumentation (E&I).

All services provided as either standalone offerings or as an integrated turnkey solutions.



SIMPEC is a diversified services company specialising in construction and asset management services.

SIMPEC's delivery capacity and expertise as a collaborative Partner in achieving excellence in Construction and Asset Management services.



Alltype Engineering provides workshop fabrication, site installation, construction and maintenance services to the Oil & Gas, Water, Power Generation, Infrastructure, Mining, Resources, Utility, Petrochemical and Defence industries, in both the private and public sectors.



Corporate Highlights

CEO Mr Robert Spadanuda appointed Managing Director

Strengthened Balance Sheet:

- Cash and cash equivalents of \$28.9M
- ~\$7.5M Bond Facility with Export Finance Australia
- Placement of \$3.2M to sophisticated and institutional investors
- Long term debt reduced to Nil



| | | |
|--|---|--|
| Share Price \$0.021 <small>(as at 28 Feb 22)</small> | Shares on Issue 1.13B | Earnings per Share 0.23c |
| Market Cap \$23.7M <small>(as at 28 Feb 22)</small> | Cash at Bank \$28.9M <small>(as at 31 Dec 21)</small> | Board & Management ~50% |

Financial Highlights

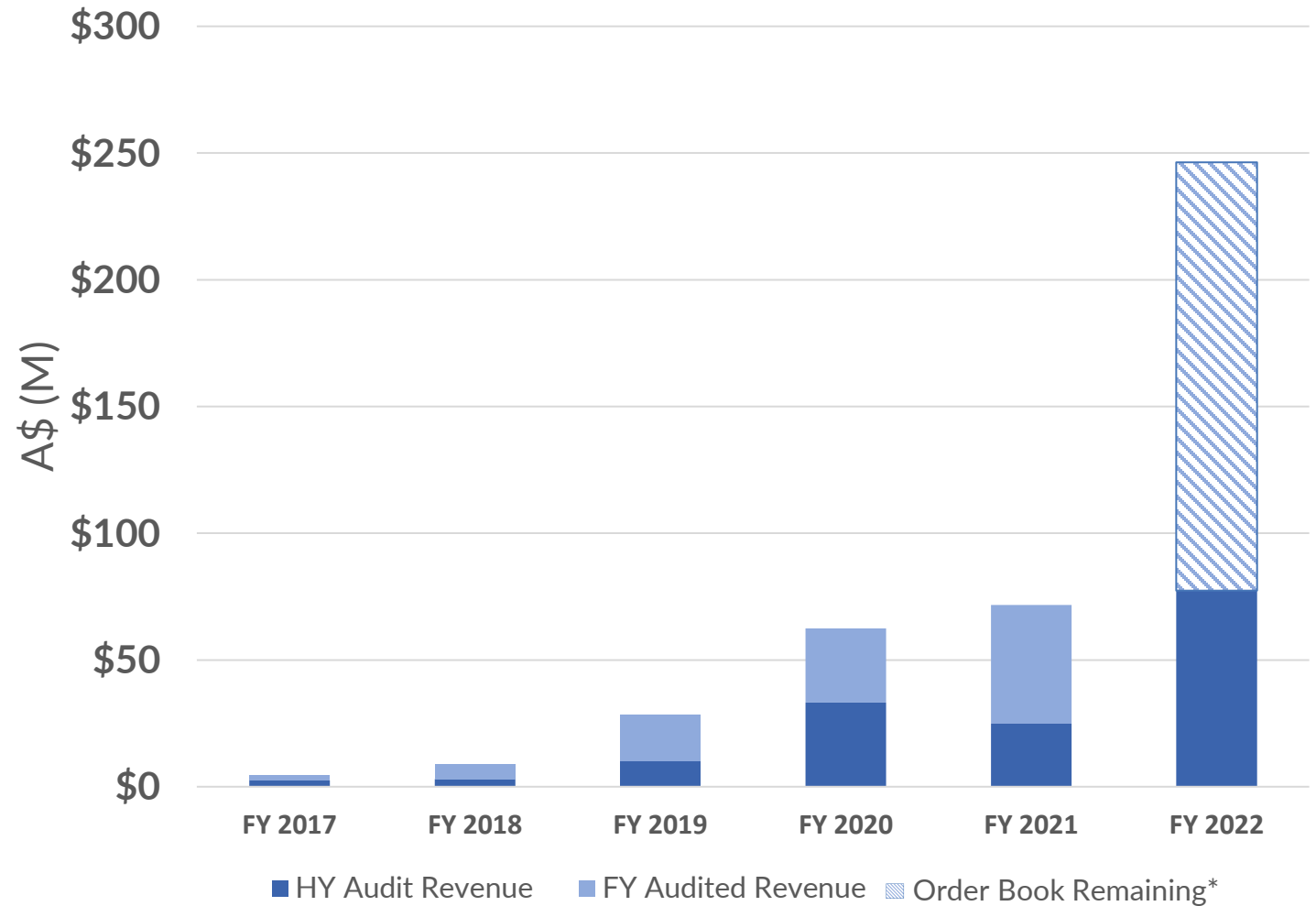
- **Record Revenue ~\$74.7M for H1 FY22, a 199% increase (H1 FY21: \$24.9M)**
- **Contribution to total Group revenue:**
 - SIMPEC: ~\$53.7M
 - Alltype Engineering ~\$21.0M
- **EBITDA of \$4.2M* - a 605% increase (H1 FY21: \$596K)**
- This strong result demonstrated an **EBITDA margin of 5.6%**
- **NPAT of \$2.35M for H1FY22 - A significant turnaround from H1 FY21 NPAT of -\$577K**
- **Record cash balance of \$28.9M at end of H1 FY22, a ~119% increase (FY21: \$13.2M)**

| | |
|--------------------|-------------------------|
| Revenue \$74.7M | EBITDA \$4.20M |
| NPAT \$2.35M | Cash at Bank \$28.9M |

*Underlying EBITDA is an unaudited, non-AIFRS financial measure which is not prescribed by Australian Accounting Standards ('AAS')

Revenue

- Record group revenue of \$74.7M for H1 FY22:
 - 199% increase on H1 FY21 of \$24.9M
 - 5% increase to date on FY21 of \$71.7M
- \$222M of contracted revenue
- Order book remaining of ~\$169M
- Tender pipeline and prospects at > \$400M



*Order book remaining is not an indication of final FY22 revenue. Final FY22 revenue earned is subject to adherence to AASB 15; Revenue from Contracts with Customers and determined by the completion of projects during the period.

Current Key Contracts



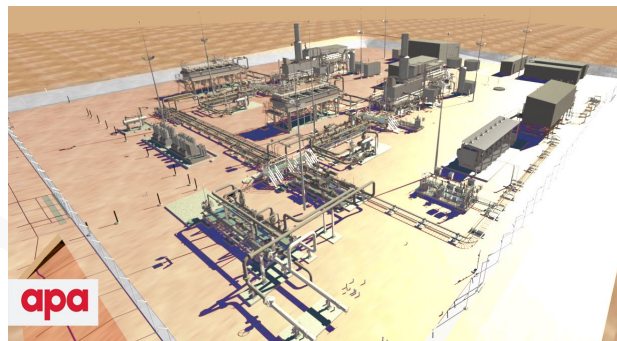
Iron Bridge Magnetite Project ~A\$145M

- A major SMP and E&I construction contract valued at ~A\$145M for the construction of the wet process plant for Iron Bridge in the Pilbara region.
- Represents the Group's largest contract win to date.
- SIMPEC will supply vertical construction services for the works, with an anticipated workforce of approximately 500 personnel.
- SIMPEC leadership team for this project are experts in their field and have previously delivered major projects throughout Australia.



Lynas Rare Earths ~A\$12M

- Lynas Rare Earths Processing Facility in Kalgoorlie valued at ~A\$12 million
- SMP fabrication and construction works and E&I installation works with commissioning and performance testing assistance
- Erection of a six-meter diameter by 110 meter long, four pier kiln and all structural and mechanical drive ancillaries.



APA Group Ambania Compressor Station ~A\$25M

- APA has contracted Alltype Engineering to deliver a new two-unit Gas Turbine Centrifugal Gas Compressor Station in the Midwest region of Western Australia, 50km east of Geraldton, as part of the Northern Goldfields Interconnect (NGI) project.
- Known as Northern Goldfields Interconnect (NGI) – The Scope includes camp infrastructure, civil and earthworks, concrete, SMP fabrication and construction works and E&I installation works as well as commissioning assistance.
- The compressor station project is known as Ambania Compressor Station.

Outlook & Strategy

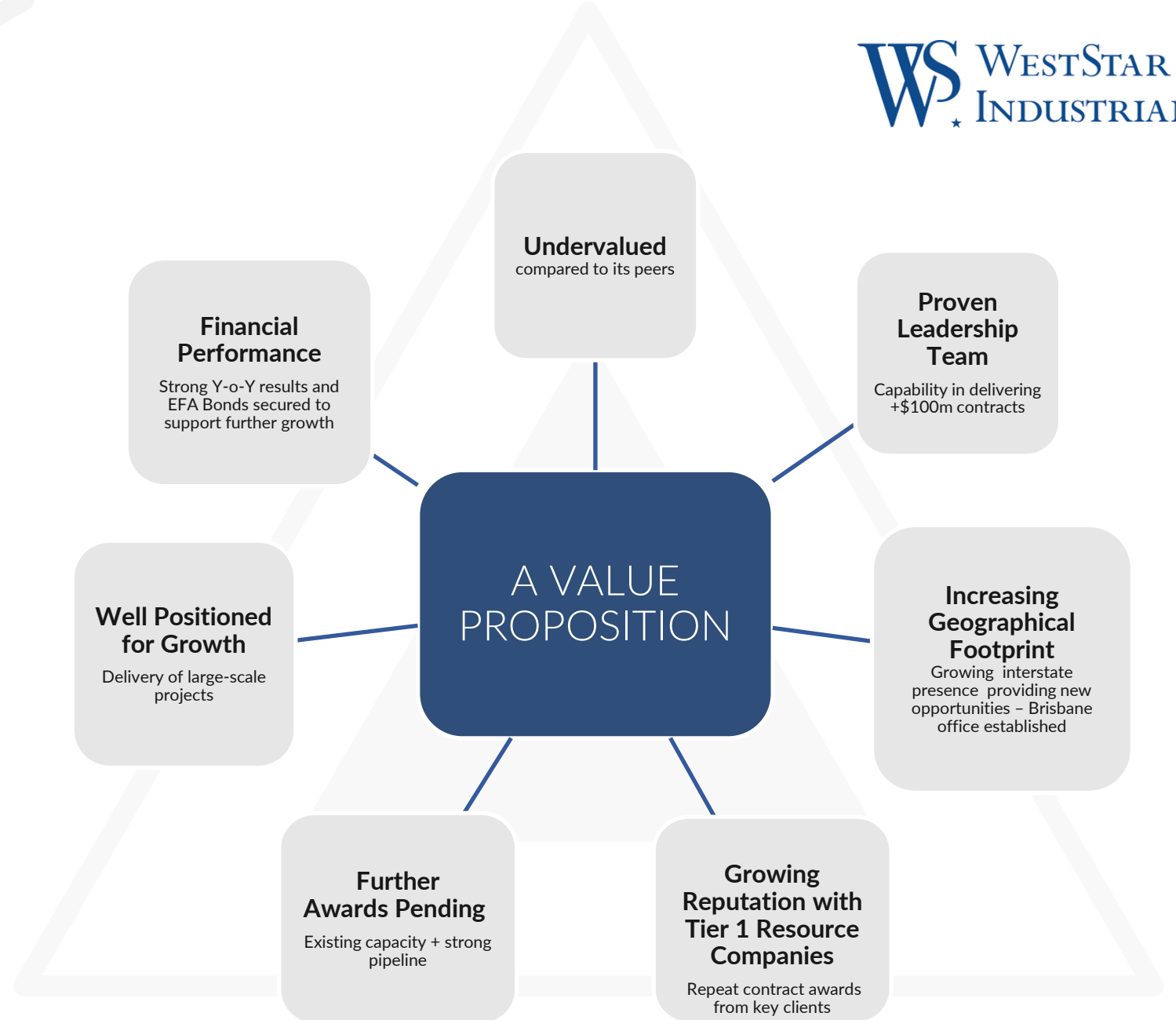
Outlook

- Strong H2 FY22 expected as SIMPEC continues its delivery on Iron Bridge Contract and Alltype ramps up on APA Group and Lynas Corporation Projects.
- Outstanding Order Book of ~\$169M for the group contributed by SIMPEC ~\$136M and Alltype ~\$33M.
- Contract revenues expected to grow over the near term and the Company remains in a strong position heading into H2 FY22.
- Tendered work opportunity greater than \$400m - Imminent awards expected to increase revenue.
- Demand for services to resource sector envisaged to remain strong.

Strategy

- Placement and bonds having strengthened balance sheet.
- Increased capacity for future tender awards.
- Continuing to deliver for Tier 1 clients, developing reputation and relationships for future contract awards.
- Group Consolidated - Improved increase in revenue and new projects dramatically contribute to overhead recovery associated with the growth model, delivering improved operating margins across the group.
- WestStar continues to build on its performance with a firm focus on safety, profitability and cash Management during this growth journey.
- Grow recurring revenue streams.
- People – Continue to attract and retain an experienced workforce with diverse skillsets in growing markets.

WestStar FY22 'A Value Proposition'



Project Leadership Experience

First-Tier and Major construction experience, excellent Safety Culture, and fundamental core values

SIMPEC & Alltype have built an outstanding leadership team and workforce with **significant project work experience across both management teams**



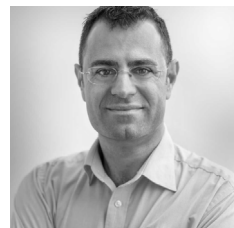
ROBERT SPADANUDA
Managing Director / Chief Executive Officer

- As founding Group CEO of WestStar, he oversaw the formation of the business and subsequent listing on the ASX in 2016. He has spent the last eight years establishing and successfully implementing the strategic and operational strategy of WSI.
- 30 years industry experience in a variety of construction services roles - a wealth of technical and commercial understanding across multiple disciplines, geographies, and market segments.
- With the groups expansive footprint and ever-expanding positive industry reputation, he has been instrumental in positioning WSI to meet its objectives and successfully grow within its pre-determined strategic plan.



CHRIS MANEA
Chief Financial Officer

- Holds a Bachelor of Business and is a CPA with 30 years' experience.
- He has held senior accounting positions in ASX and TSX publicly listed companies having previous commercial accounting experience in Mining & Exploration, Mining Services, Electrical and Fire service Solutions.
- Chris has been acting CFO since 2019.



MARK DIMASI
Managing Director

- Inpex Ichthys – LNG Project SMP Installation - \$1.5B
- BHP Jimblebar – SMP Installation for the Ore Handling Process - \$150M
- Sino Iron Desalination Plant – Project Detail \$150M
- BHP RGP 5 – Fabrication Module Assembly - \$250M
- Newmont Boddington Goldmine - \$250M
- BHP Ravensthorpe nickel Project - \$85M
- Alcoa Pinjarra Efficiency Upgrade - \$160M
- Woodside Train IV Offplot - \$140M



KELVIN ANDRIJICH
Managing Director

- Former Managing Director - Australasia of Internationally owned construction and maintenance business, comprising 5 national and 2 international operational offices, over 700 employees and revenue of up to \$500M.
- Secured +\$1.5 Billion of contracts over 25 years locally, nationally and internationally
- Delivered multiple EPC and turnkey fabrication and construction projects, predominantly in the oil and gas industry, nationally and internationally. Projects include over 40 gas processing and compression facilities and over 100 compressor packages as well as numerous pipeline facilities.



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