



GR Engineering Services Limited

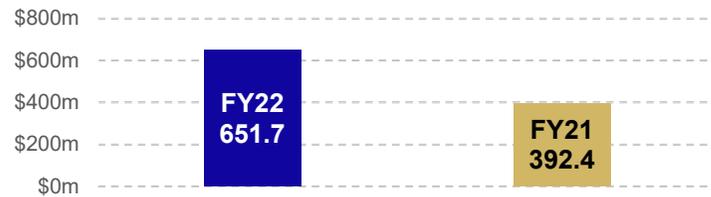
Investor Presentation

24 August 2022

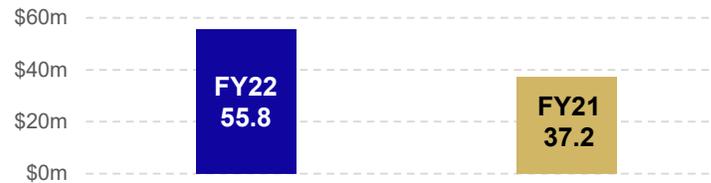
FY22 Results Summary

Earnings

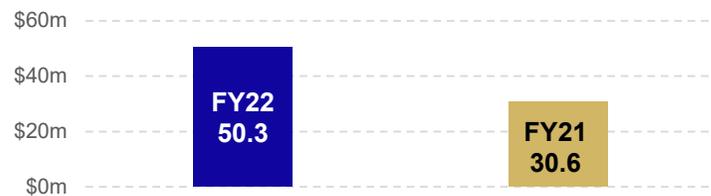
Revenue



EBITDA



PBT

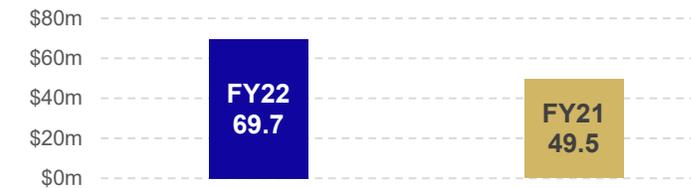


Balance Sheet & Cash Flow

Cash



Net Operating Cash Flow



Total Dividends (Fully Franked)



FY22 Results

- GR Engineering reported record FY22 revenue of \$651.7 million and EBITDA of \$55.8 million, continuing the strong momentum generated from the prior year.
- During FY22, GR Engineering has safely and successfully progressed the work on multiple projects across a broad mix of commodities.
- GR Engineering's subsidiaries Upstream PS and Mipac provided solid contributions to the consolidated results.
- The Group Total Reportable Injury Frequency Rate for FY22 was significantly lower than the industry average (i.e. 42% of the industry average).
- The business continues to successfully navigate through the impact of COVID-19, supply chain disruptions and the tightening labour market.
- GR Engineering's strong order book and anticipated continued strong cashflow generation leaves it well placed to continue to deliver returns to its shareholders.



Balance sheet

- Strong balance sheet maintained at 30 June 2022.
- Cash: \$102.0 million (30 June 2021: \$69.0 million).
- Significant headroom on bank guarantee and bonding facilities.
- Total FY22 dividends of 19 cents per share (fully franked) (total FY21 dividends: 12 cents per share fully franked).



Mineral Processing

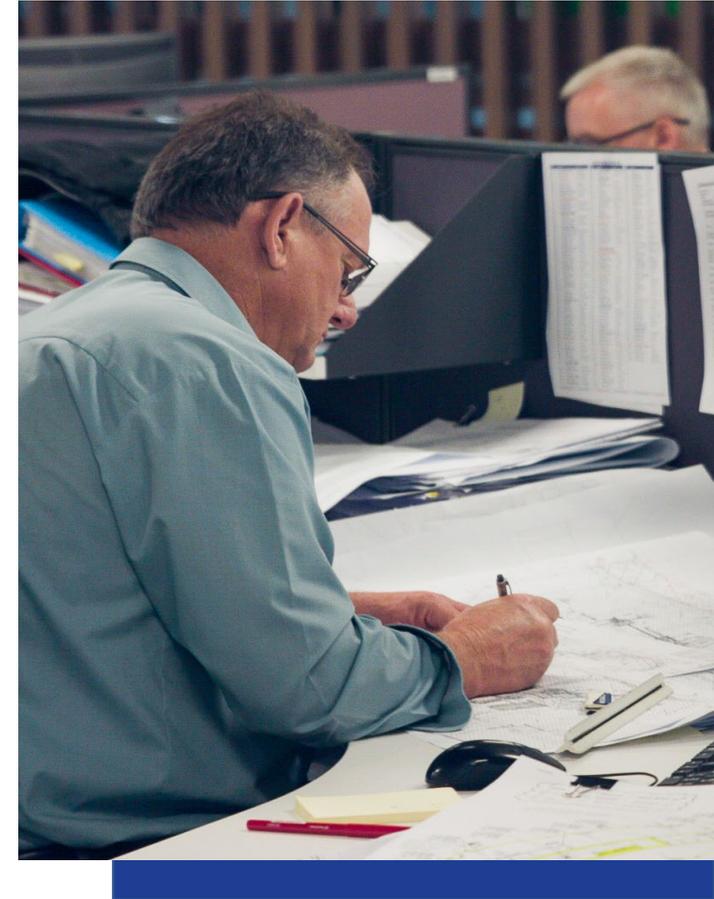
- GR Engineering's design and construction order book of current work includes:

Company	Project	Type	(\$'m)
Kimberley Mineral Sands JV	Thunderbird Mineral Sands Project	EPC	179.5
Northern Star Resources Ltd	Thunderbox 6 Mtpa Expansion Project	EPC	101.0
Abra Mining Pty Ltd	Abra Base Metals Project and Paste Plant	EPC	89.5
Golden Spur Resources Pty Ltd	Bellevue Gold Project	EPC	87.8
Aurenne Alt Resources Pty Ltd	Mt Ida Gold Project	EPC	73.0
RUC Cementation Mining Contractors Pty Ltd	Newmont Tanami Gold Mine	Rates	68.0
Pantoro Ltd	Norseman Gold Project	EPC	59.5
IGO Ltd	Cosmos Nickel Operations	EPC	48.0
Bluestone Mines Tasmania JV	Renison Tin Operations	EPC	31.7



Mineral Processing

- GR Engineering's pipeline of near term work opportunities includes, but is not limited to, the following projects:
 - OZ Minerals Limited – West Musgrave Project;
 - Kalgoorlie Consolidated Gold Mines – one of two participants in the ECI process;
 - New Century Resources, Inc – Silver King Project; and
 - EcoGraf (Australia) Limited - WA Battery Graphite Manufacturing Facility.
- At 30 June 2022, GR Engineering was engaged on 28 studies across a broad range of commodities for projects in Australia, the Americas and abroad.
- One of GR Engineering's core values is its ongoing commitment to innovation and quality. GR Engineering continues to provide innovative solutions to its clients including, but not limited to:
 - Vertical Roller Mills;
 - Innovative designs in industries supporting the transition to clean energy such as the downstream battery graphite sector; and
 - Technology solutions involving process control systems.



Oil, Gas, Energy & Water - Upstream PS

- GR Engineering's wholly owned subsidiary, Upstream PS, generates longer term operations and maintenance services revenue alongside project based design and construction work.
- During FY22, revenue contributions were primarily from:
 - Working with the Australian Government to maintain the Northern Endeavour FPSO (FPSO) in a non-producing state. Upstream PS continues to provide the Australian Government with operations, maintenance and project services in preparation for the disconnection and removal of the FPSO;
 - Wellsite and plant maintenance work for Santos in Surat and Cooper Basins;
 - Timor Sea operations and maintenance services, including through its Darwin base of operations. On 4 January 2022, Upstream PS was awarded a new three year contract with an option for a further two years to provide maintenance and operations support to the operator of the Blacktip Gas Field and associated production infrastructure (Eni);
 - Maintenance work on assets in the Perth Basin; and
 - Supporting onshore clients with respect to carbon sequestration services.



Process Controls Systems - Mipac

- Mipac is a leading global provider of controls systems, operational technology and engineering services primarily in the mineral processing, energy and water industries.
- During FY22, Mipac celebrated its 25th year in operations whilst continuing to deliver solutions for key repeat clients such as First Quantum Minerals Limited, OZ Minerals Limited, Glencore Technology, Anglo American group, Ok Tedi Mining Limited and other large conglomerates.
- Mipac has a strong orderbook leading into the FY23 financial year.



Environmental Social Governance

- At GR Engineering we:
 - Favour local suppliers and supply chain ethics that are supported by our standards;
 - Support engineering students with Curtin University scholarships;
 - Support our communities via programs including Ronald McDonald House, Starlight Children's Foundation and Epilepsy WA;



- Provide Indigenous employment and training during the project construction phase to ensure local talent during the operational phase;
- Promote and encourage diversity in our workforce and operations; and
- Maintain a proactive assessment towards potential environmental impacts.



Outlook

- GR Engineering and its subsidiaries have a strong order book dominated by Australian projects and has been building its pipeline for both FY23 and FY24. GR Engineering intends to provide FY23 revenue guidance at its 2022 Annual General Meeting.
- GR Engineering's strong balance sheet means that it is well capitalised to deliver its pipeline of work.



Selected Clients



GR Engineering



Upstream Production Solutions



Mipac



Corporate Profile

Capital Structure

Shares on issue	<i>m</i>	161.6
Share price (<i>GNG.ASX</i>) (24 Aug 2022)	\$	2.45
Market Capitalisation	\$m	395.8
Cash (30 Jun 2022)	\$m	102.0
Debt (30 Jun 2022) (excluding lease liabilities)	\$m	0
Enterprise Value	\$m	293.8

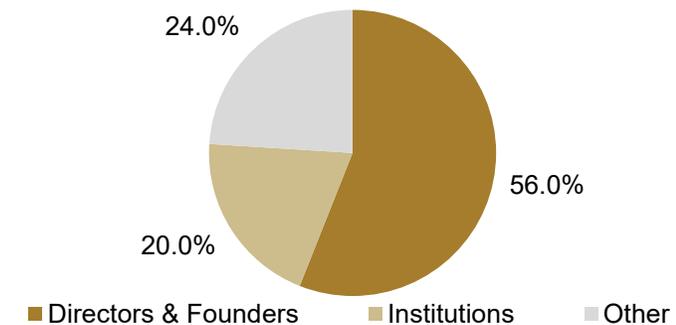
Directors & Management

Phillip Lockyer	<i>Non-Executive Chairman</i>
Geoff Jones	<i>Managing Director</i>
Tony Patrizi	<i>Executive Director</i>
Peter Hood	<i>Non-Executive Director</i>
Joe Totaro	<i>Non-Executive Director</i>
Omesh Motiwalla	<i>Chief Financial Officer</i>

Share Price History



Register Analysis



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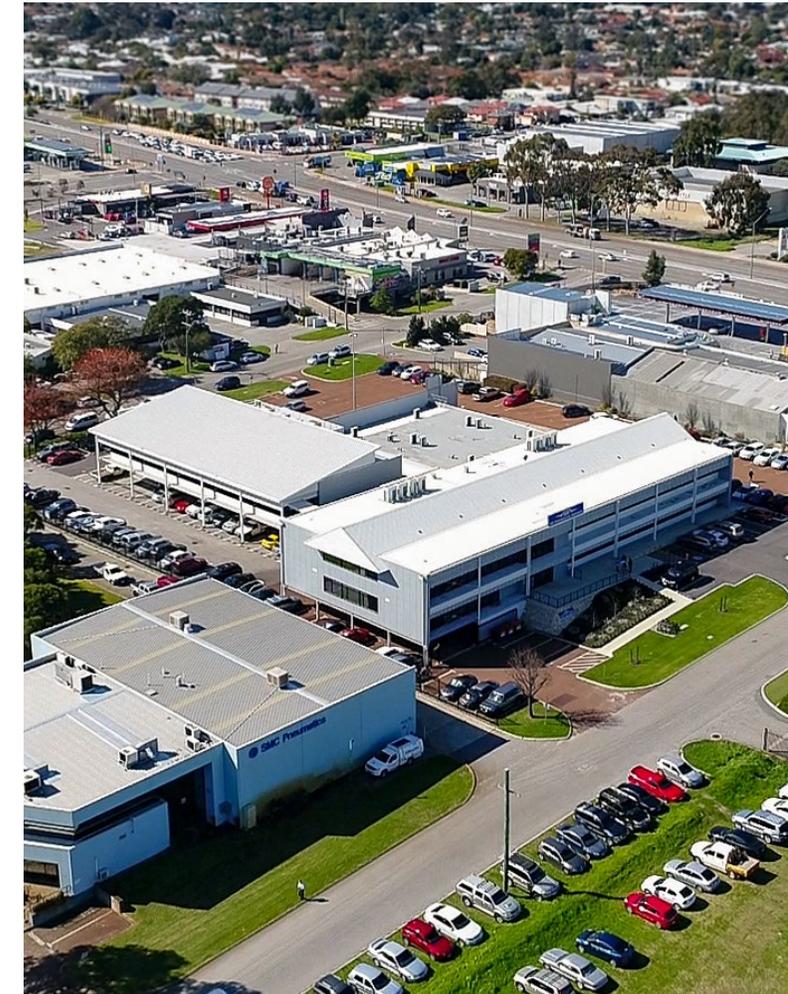
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ROUNDING

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided.