



MACMAHON

Canaccord Mining Services Series

June 2023

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This presentation uses non-IFRS financial information including EBITDA and EBIT which are used to measure both group and operational performance. Non-IFRS measures have not been subject to audit or review.

References to "Macmahon", "the Company", "the Group" or "the Macmahon Group" may be references to Macmahon Holdings Limited or its subsidiaries.

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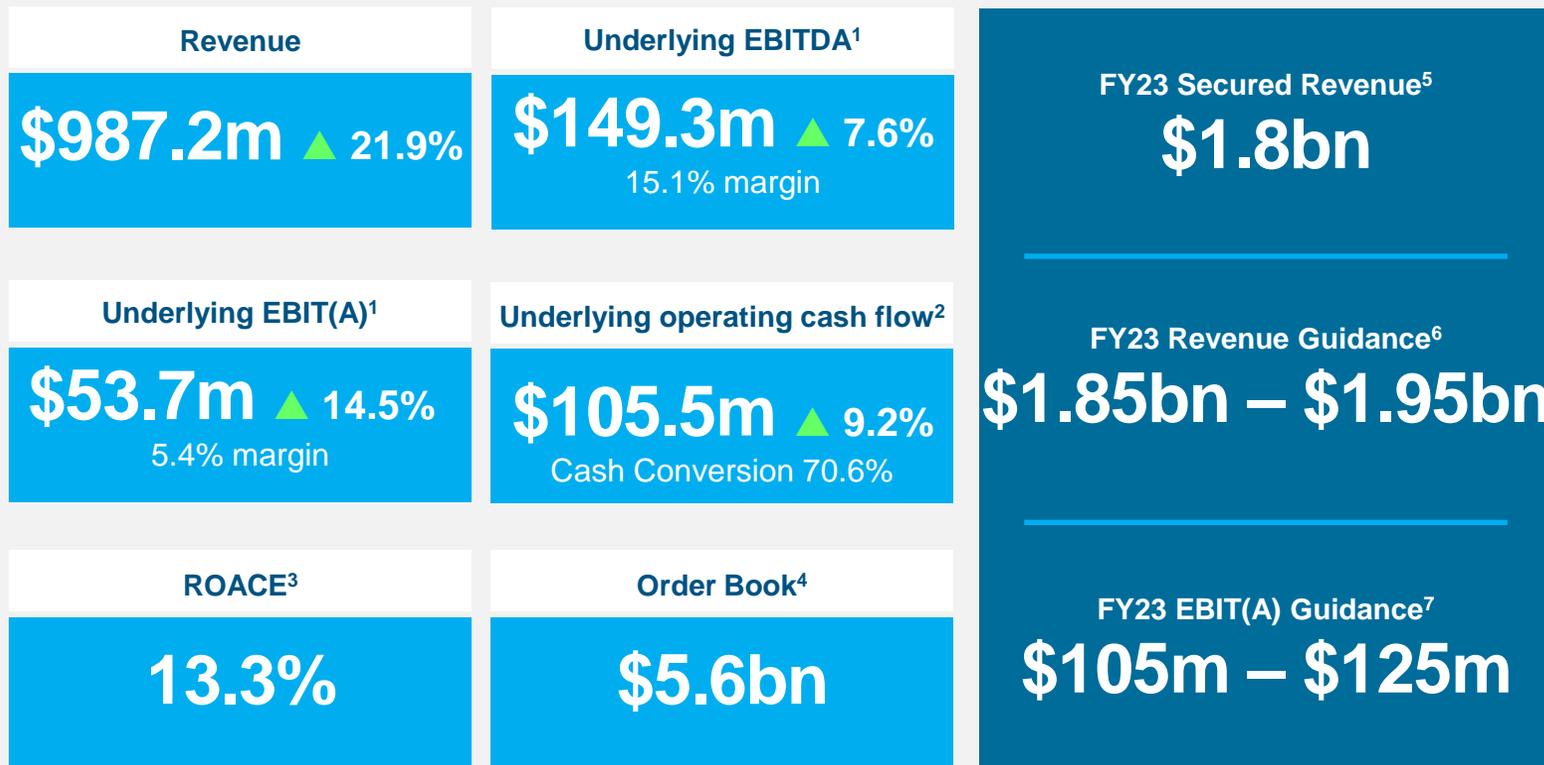
ASX Information

This presentation is dated 15 June 2023, and was authorised for release to the ASX by Michael Finnegan, Chief Executive Officer and Managing Director of Macmahon Holdings Limited.

Macmahon Holdings Limited ACN 007 634 406
15 Hudswell Road, Perth Airport WA 6105

Our Business – 60 Year Anniversary & 1HFY23 Key Highlights

- ✓ Established 1963
- ✓ Comprehensive range of integrated mining services in Australia and Southeast Asia
- ✓ Extensive track record in surface, underground mining and civil infrastructure services
- ✓ Long term relationships with clients – transparent, flexible alliance style approach



1. Underlying numbers exclude adjusting items of \$6.5m relating to customer contracts amortisation, SaaS customisation and development costs and share based payment expense

2. Underlying operating cash flow excluding interest, tax, M&A costs and SaaS implementation and development costs

3. ROACE: Underlying annualised EBIT(A) / Average ((Total Assets excluding Cash) – (Current Liabilities excluding debt))

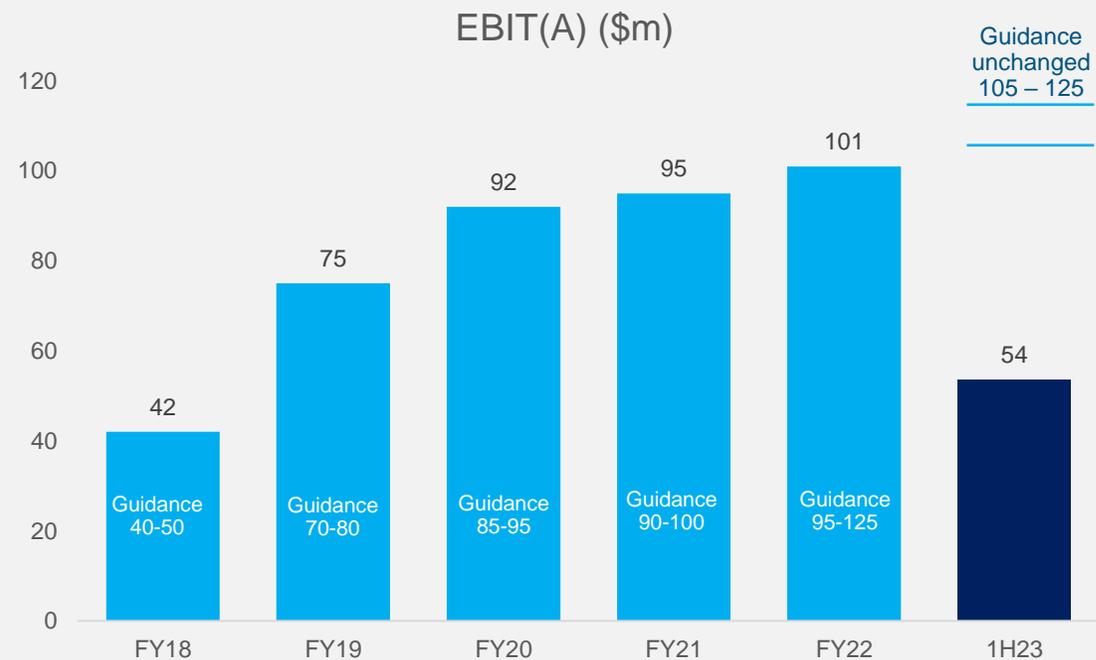
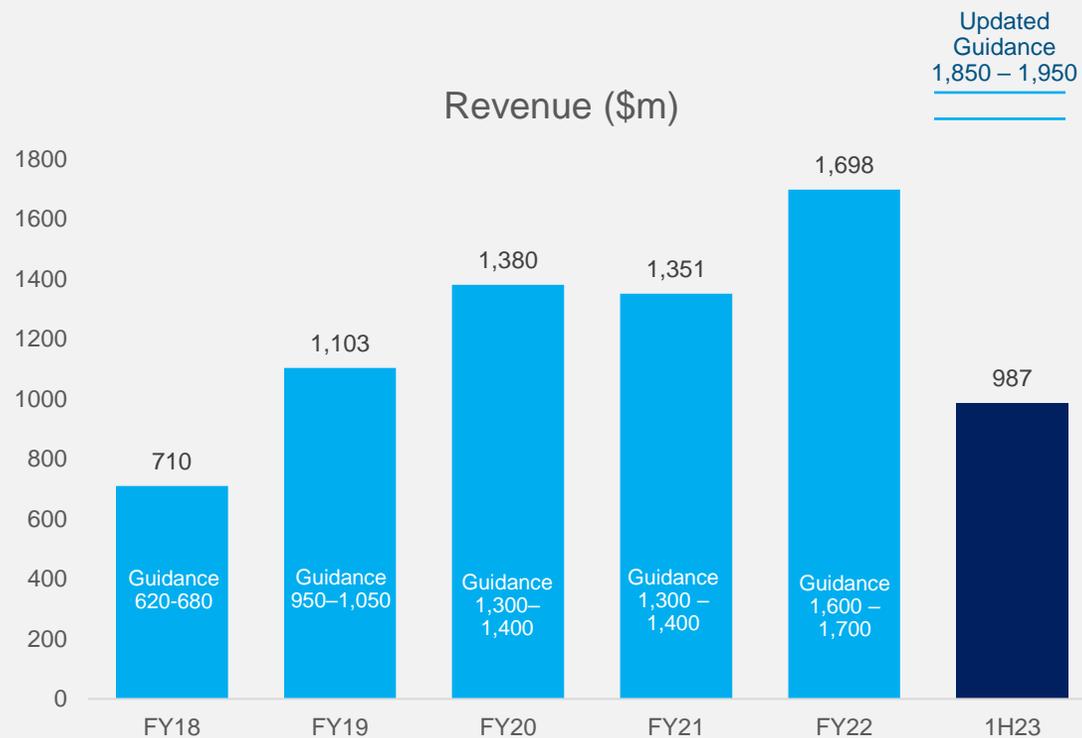
4. As at 31 December 2022 and includes Greenbushes. Excludes reduction for Batu Hijau Phase 8 (approximately US\$500m at 0.72USD) removal of pass through cost recoveries that do not impact earnings

5. Excludes short term civil and underground churn work and future contract cost escalation recoveries

6. Guidance assumes an exchange rate of AUD:USD 0.72 and has increased due to ongoing Batu Hijau Phase 7 zero margin cost recoveries and contract rise and fall adjustments across other projects

7. Excludes adjusting items and amortisation related to the GBF Group and Martabe acquisition

On track to deliver earnings guidance



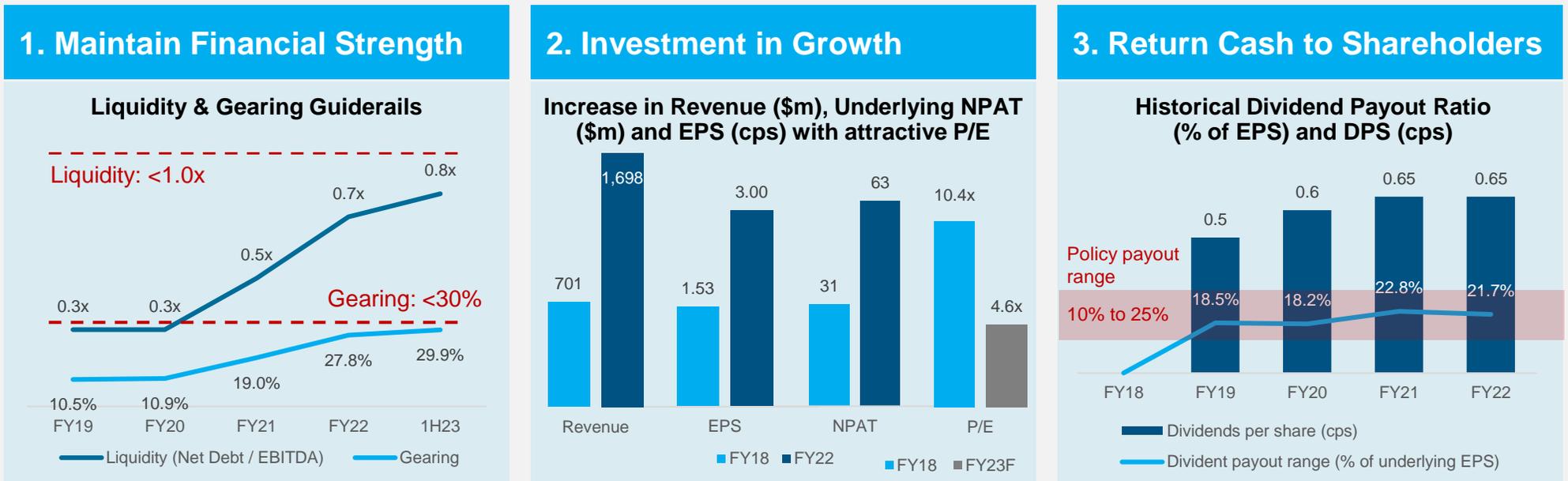
Revenue guidance increased primarily due to Batu Hijau Phase 7¹ zero margin cost recoveries contract continuing to 31 March 2023

1. Superseded by Batu Hijau Phase 8 agreement which commenced on 1 April 2023

Capital Allocation Policy to Balance Growth and Shareholder Returns

- Our Priorities**
- ✓ Maintain resilient balance sheet, ensure appropriate liquidity and gearing
 - ✓ Retain flexibility to fund organic growth and accretive acquisitions
 - ✓ Return cash to shareholders

Capital Allocation



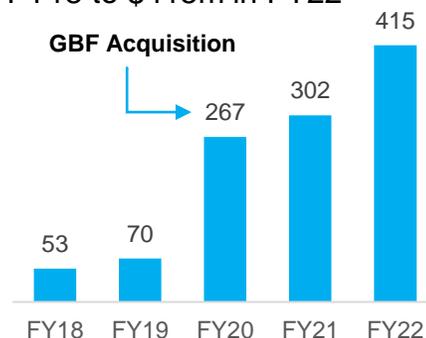
Operational Update

Surface Mining

- **Telfer** performing well
- Record gold production at **KOTH**
- **Warrawoona (Calidus)** balance sheet strengthened and performing consistently
- Secured **\$2.6b in new work**:
 - **\$1.1b 7+2 yrs Greenbushes contract** on track for 1 Jul 23 commencement
 - **\$100m Telfer extension**
 - **Batu Hijau Phase 8** commenced 1 Apr 23
 - **US\$350m Martabe** extension commenced 1 Apr 23 (7+2 yrs)
 - **\$440m Byerwen** extension commencing 1 Nov 23 to 30 Jun 25

Underground

- H123 revenue at 23% of group revenue
- Increased revenue from \$53m in FY18 to \$415m in FY22



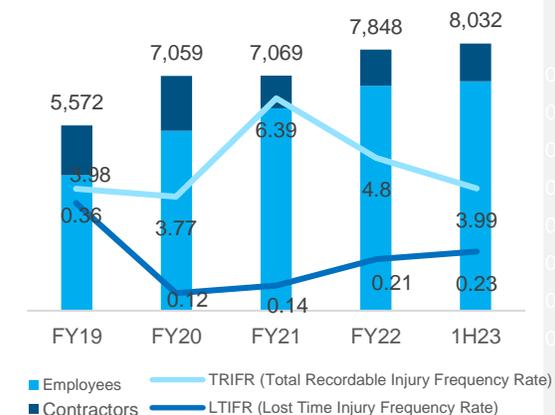
- **KOTH, Boston Shaker and Deflector** performing strongly
- **FY23 revenue forecast of ~\$480m and targeting +50% increase in next 2-3 years**

Mining Support Services

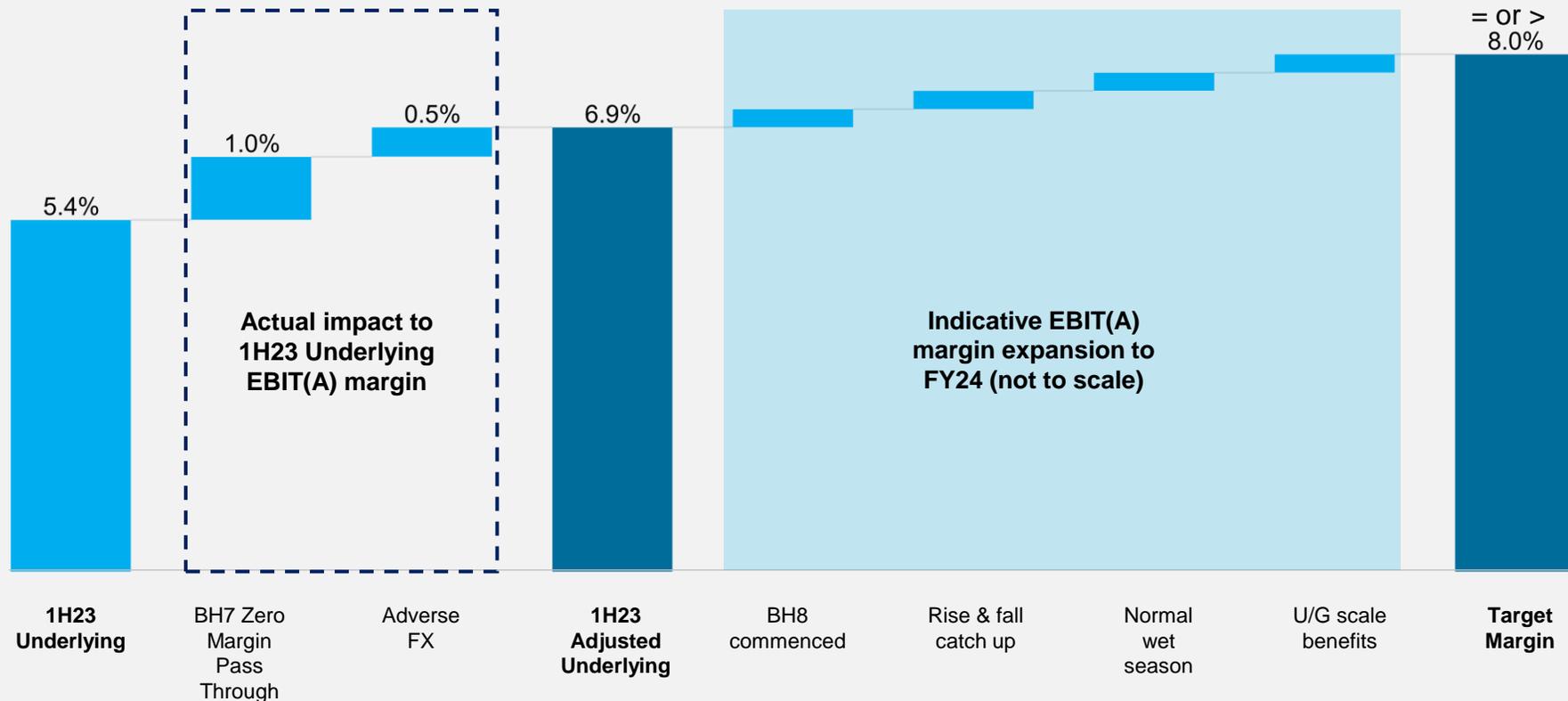
- **Fimiston** TSF contract awarded and project commenced
- **Building internal capability and capacity** to accelerate growth
- Targeting large scale **civil, engineering and rehabilitation** projects
- Growing and pursuing **highly filtered tender pipeline**
- **Teaming and strategic partnership** arrangements being pursued in Australia and Indonesia

Corporate

- **Cost inflation** subsiding
- **Skilled labour** shortages continue, but moderating
- **Supply chain** shortages and delays improving
- **TRIFR** performance improving YoY



Pathway to Target Underlying EBIT(A) Margin



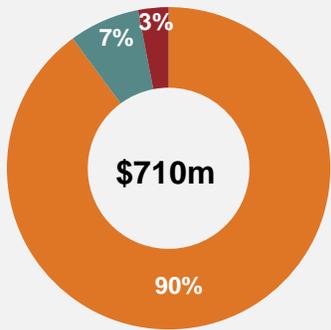
Targeting 8%, or greater, EBIT(A) margin

- ✓ **Batu Hijau Phase 7 zero margin pass through costs removed on commencement of Phase 8**
- ✓ **Inflation moderating** allowing rise and fall mechanisms to catch-up
- ✓ **Unseasonal wet weather normalising**
- ✓ **Demonstrated growth in Underground** business to continue

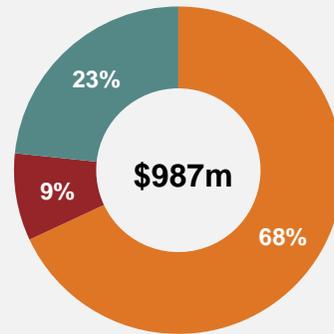
Expanding into Lower Capital Intensity Services

Executing filtered tender pipeline to progress towards long term targets

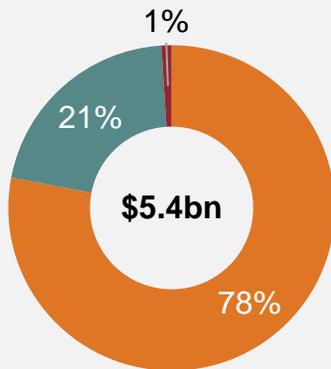
FY18 Revenue Mix



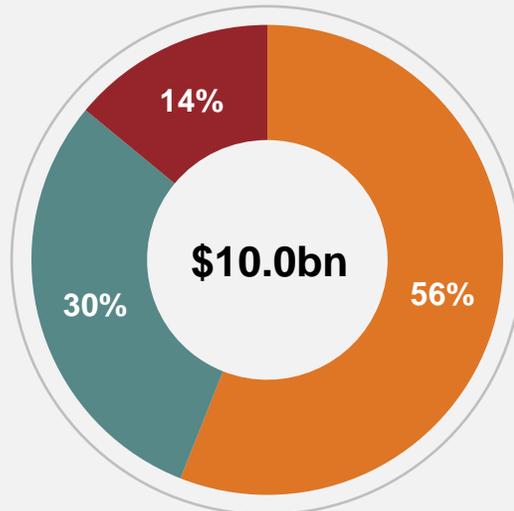
1H23 Revenue Mix



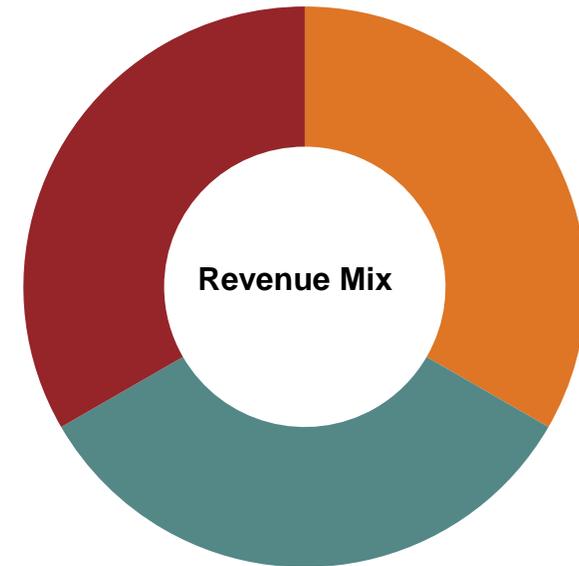
FY18 Pipeline



1H23 Pipeline



TARGET



EBIT(A)
Margin

▲ 8%

ROACE

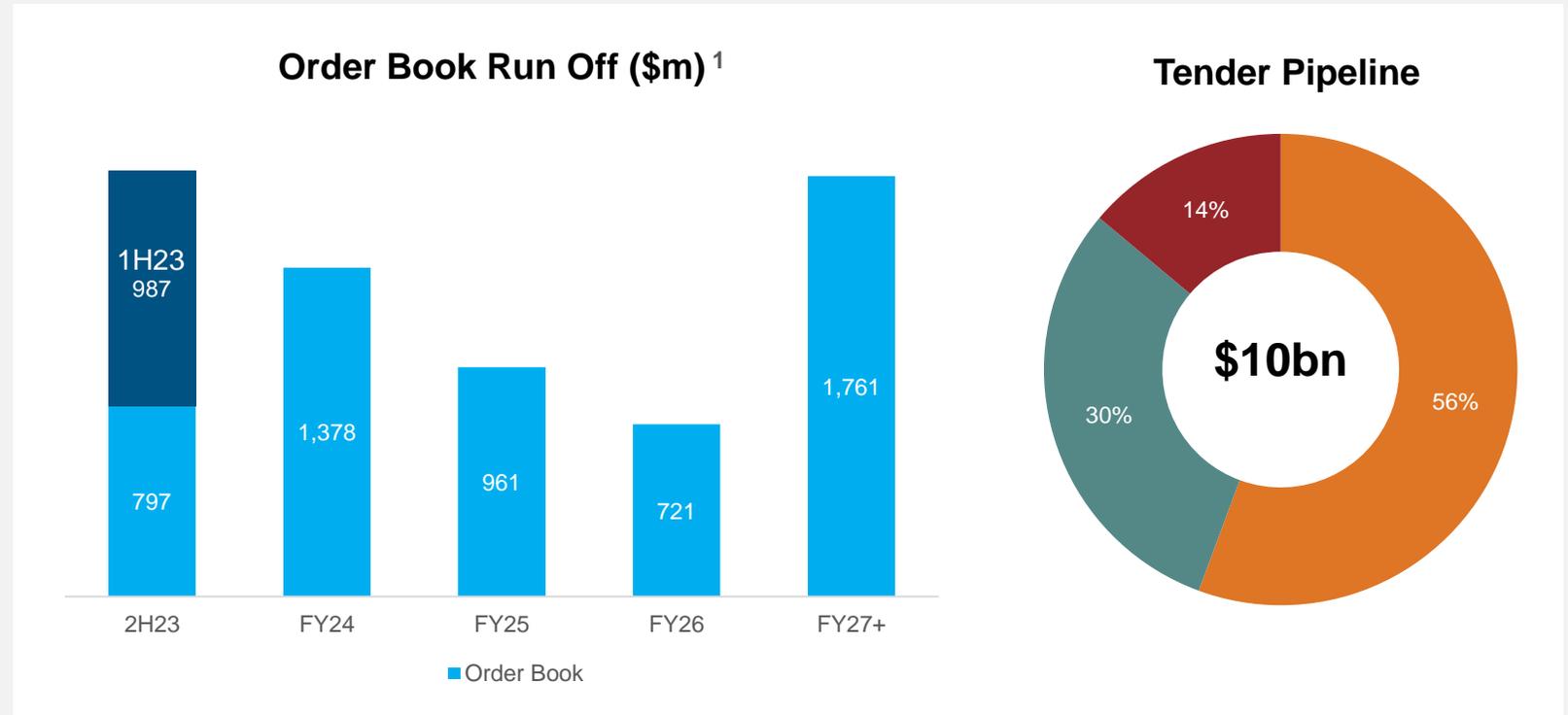
▲ 15%

Order Book \$5.6bn¹ & Tender Pipeline \$10.0bn

Order book provides a high level of secured revenue and earnings

POSITIVE OUTLOOK

- ✓ Order book of \$5.6bn¹
- ✓ High level of secured revenue and earnings
- ✓ Highly filtered tender pipeline of \$10.0bn
- ✓ On track to deliver earnings guidance for sixth consecutive year



1. As at 31 December 2022 and includes Greenbushes. Excludes reduction for Batu Hijau Phase 8 (approximately US\$500m at 0.72USD) removal of pass through cost recoveries that do not impact earnings. Excludes short term civil and underground churn work and future contract cost escalation recoveries. Excludes recent extensions for Martabe (US\$350m) and Byerwen (AU\$440m).

Thank You

CONTACT

Mick Finnegan

CEO & MD

mfinnegan@macmahon.com.au

Ursula Lummis

CFO

ulummis@macmahon.com.au

Donald James

CCO

djames1@macmahon.com.au

www.macmahon.com.au