

Bell Potter Emerging Leaders Conference



12 September 2023
Christian Johnstone, Chief Financial Officer



1. Welcome.
2. USS Canberra, built by Austal, during commissioning in Sydney Harbour in July 2023 – the first US Navy ship commissioned outside of the USA.
3. Austal 35 years in business.

Disclaimer

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For further information visit www.austal.com

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Company Profile



- World's largest aluminium shipbuilder & 5th largest in USA.
- Design, build and sustain fully customised commercial ferries and various vessels for navies, coast guards and police forces around the globe.
- Owns and operates industry-leading shipyards in Australia, the USA, the Philippines and Vietnam.
- Service centres located worldwide including Australia, the USA, South East Asia and The Middle East.



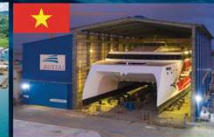
■ AUSTAL USA
MOBILE, USA



■ AUSTAL AUSTRALIA
HENDERSON,
AUSTRALIA



■ AUSTAL PHILIPPINES
BALAMBAN,
PHILIPPINES



■ AUSTAL VIETNAM
VUNG TAU, VIETNAM

1. Company profile showing map of World and locations of shipbuilding and support service centres.
2. Four ship building centres – USA, Australia, Philippines and Vietnam.

Current Programs



Littoral Combat Ship (LCS)
US Navy



Expeditionary Fast Transport (EPF)
US Navy



Ocean Surveillance (T-AGOS)
US Navy



Offshore Patrol Cutter
US Coast Guard



Towing Salvage & Rescue Ship (T-ATS)
US Navy



Cape Class Patrol Boat (ECCPB)
Royal Australian Navy



Guardian Class Patrol Boat (GCPB)
Commonwealth of Australia



PBAT Sentinel
Royal Australian Navy

1. Overview of current programs being constructed by Austal spanning US Navy, Royal Australian Navy, US Coast Guard and Commonwealth of Australia.

FY2023 Full Year - Key Facts




\$1,585 M
REVENUE


\$11.6 B
ORDER BOOK
(with OPC &
TAGOS options)


40
SHIPS SCHEDULED OR
UNDER CONSTRUCTION


9
SHIPS
DELIVERED


4,300
EMPLOYEES



**5 SHIPYARDS
IN 4 COUNTRIES**



**8 SERVICE CENTRES
IN 5 COUNTRIES**


60
VESSELS UNDER
SUSTAINMENT
CONTRACTS

1. Revenue has grown from last year and we expect this to continue based on orders won
2. T-AGOS win adds to the record orderbook at AUSA
3. AUSA and Australasia achieved delivery of 9 ships in FY2023 (USA - LCS 32 & 34 and EPF 13 whilst AUS - ECCPB 12 -15, Mols 2 and Aremiti)
4. Our service and support business continues to grow, and San Diego floating dock has arrived
5. We are now up to 8 service centres worldwide, with 60 vessels under sustainment contracts
6. Employee headcount globally is ~4,300
7. EPF 14&15, 2 LCS, 5 TATS, AFDM, OUSV 3, 3 CCPB & 7 GCPB (21), add scheduled (19) – EPF16, 7 TAGOS and 11 Cutters = 40 vessels scheduled or under construction

Business Overview



Operational Highlights USA



- Towing Salvage and Rescue Ships (T-ATS) 5th vessel awarded
- Offshore Patrol Cutter (OPC) contract execution underway - Eastern lawsuit outcome pending
- Electric Boat module awards continue to increase
- Awarded \$20M Cornerstone OTA funding for Additive Manufacture & submarine support equip
- EMS funded for 3 ships - hoping for award by Sept 2023



1. Pictures of OPC and EMS vessels.

Operational Highlights USA



- Won T-AGOS award – potential 7 ship, \$3.1B contract
- Landing Craft Utility (LCU) ~\$140m contract awarded 7 September 23
- Saildrone award for 5 ships – awaiting full funding
- Completed EPF 13 trials – Delivered February
- Delivered LCS 32 & 34 in FY23
- Acquired ~67 acres of Mobile waterfront property for expansion



Operational Highlights Australasia



- 5 x Evolved Cape Class now in service with RAN, positive feedback on capability and performance
- 15 x Guardian Class now delivered to the Commonwealth, with a further 3 built and ready for acceptance. 1 additional platform awarded, now a 22 Ship Program
- Autonomous Patrol Boat (PBAT) Systems Definition Review completed, making good progress towards achieving an autonomous system ready for platform demonstration
- Our Asset Management capability and technology has been extended into the Air Domain, with the introduction of ALFI. Opportunities in other sectors being explored



Austal Australia delivered H815, the fifth of eight Evolved Cape Class Patrol Boats for the Royal Australian Navy, in June 2023.



PBAT Sentinel at Henderson, Western Australia

Operational Highlights Australasia



The “Auto Express 115” high-speed catamaran ferry is the largest ferry (by volume) constructed by any Austal shipyard in the company’s 35-year history.

Moslinjen Express 5 at Balamban, Philippines

Operational Highlights Australasia



- Delivered Express 5 to MOLS from our Philippines Operation, the largest ferry by volume ever built by Austal
- Delivered Apetahi Express to the Degage Group of French Polynesia from our Vietnam Operation, paving the way for future opportunities
- Austal working in collaboration to find future fuel technologies with a number of commercial operators
- Working with Philippines Coastguard on ship build and support program

Expanding Shipbuilding

USA

1. Execute & expand - LCS, EPF, EMS, T-ATS, OPC, AFDM, LCU, OUSV 3, T-AGOS
 1. Continue to invest on the back of order book (up to \$11.6bn including unexercised options) and future opportunities
2. New program targets - EPF VLS, FFG FY, LUSV, MUSV, NGLS, LAW, AS(X), DDG(X), S72, MAST 13
3. Team with other shipbuilders as a major subcontractor; Why?
 - Leads to new gov. funding/grant pools
 - Expands our capabilities & offerings
 - Increases % wins for new core programs
 - Adds volume lowers our cost - increasing EBIT
 - Creates Service expansion opportunities
 - Greater stability for the business

1. We have spent the last 2 years growing the order book and bringing diversity of programmes to the business.
2. Not only are we looking broadly on programmes we are looking further into the future through funded design studies.
3. In the past we have looked to exclusively prime shipbuilding contracts; we are now working with partners as a major subcontractor.

Expanding Shipbuilding

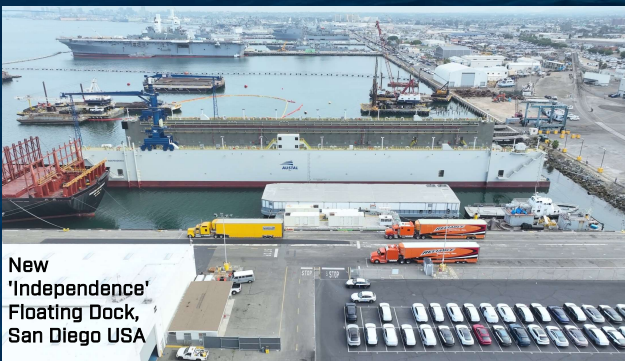
Australia

1. Continue to build and evolve the Cape Class design and capability & partner with others to be the Sovereign shipbuilder
2. DSR positively received; “enhanced sovereign defence industrial capacity”, “a national industrial base with a capacity to scale”, “It is essential to immediately accelerate the acquisition of LAND 8710 Phases 1-2 - Army Littoral Manoeuvr Vessels (Landing Craft Medium and Heavy) and expand the scope of this capability”, “Government reaffirm its commitment to continuous naval shipbuilding.”
3. Need to win work and we are awaiting outcome of surface fleet review, but we are optimistic about the future

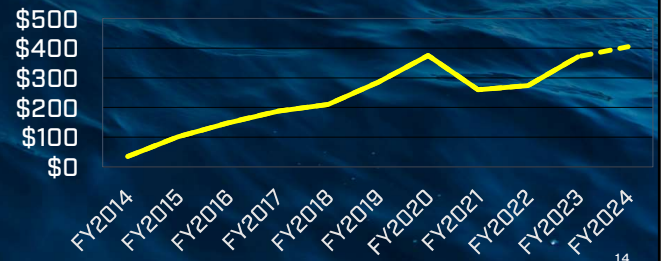
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1. We believe we are well placed for a positive, long-term outlook in the Australian Defence Strategic review based on our delivery performance.

Support Growing in line with \$500m target in FY27



Support Revenue \$m



1. We have a target to grow our support business to \$500m by FY27. This was impacted by Covid but these results show we are on track.
2. Australia support growing as we deliver more ECAPES into service.
3. San Diego, USA and had a successful grand opening in February.
4. The floating dock “Independence” has arrived in San Diego and is being commissioned, allowing us to increase revenue.

AUKUS



- Submarine Modules
- Autonomy
- Additive manufacturing
- Training people
- Service work
- Common platforms

US Navy LUSV Design



Saildrone Surveyor



USNS Apalachicola (EPF13) – first EPF & largest US Navy surface ship with autonomous capability

15

1. Austal believes AUKUS will be a great opportunity going forward.
2. Pillar 1 is all about Nuclear Submarines and we have started building modules in Mobile with opportunity to grow that work.
3. We are working in Autonomy in both the US and Australia. In the picture is the US Navy's largest surface ship with autonomous capability that was built by Austal.
4. We are investing in additive manufacture in the US to make submarine components.
5. We have identified opportunities for future work in the UK, completing the tri party opportunities.

Financial Headlines

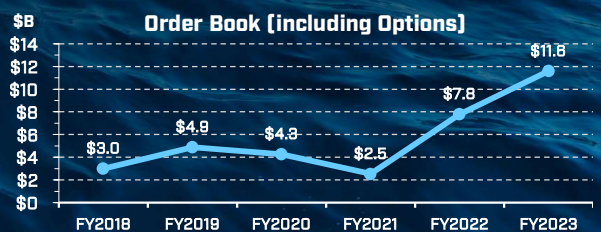
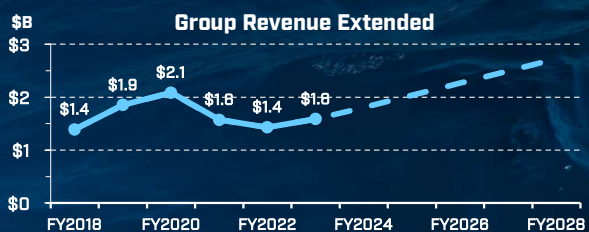
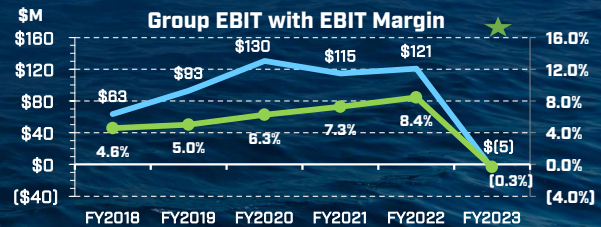
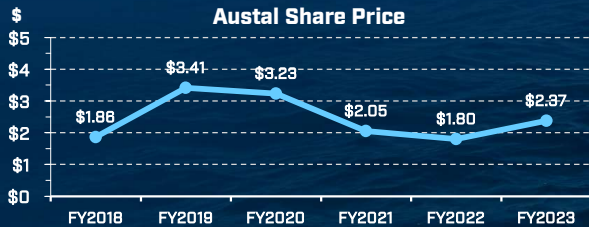


1. Picture of Moslinjen Express 5 the “Auto Express 115” high-speed catamaran ferry is the largest ferry (by volume) constructed by any Austal shipyard in the company’s 35-year history.



1. What would have been a very solid set of results torpedoed by TATS.
2. We have made organisational changes to focus on execution of the orderbook.
3. Strong operational cash flow and net cash still healthy even with investments made.
4. This has allowed us to pay a 3c FY2023 final dividend / 7 cent total dividend for the year.
5. Order book of \$2.3 B increases to \$11.6 B when you include all of the options on OPC & TAGOS program awards.

Historical investor data



Focus has moved from needing to win work in AUSA to execution. ★ FY23 EBIT would have been **-\$166 m** without T-ATS Loss

1. The graphs show historical share price, EBIT margin and orderbook.
2. The revenue chart shows future growth based on orders (including options) that have been won.
3. FY2023 EBIT reflects the accounting treatment of the in year impact of the potential TATS loss, and shows the historic profit range of 4.6% – 8.4%.
4. The Order book is shown inclusive of all of the OPC & TAGOS contracted options (including those that have not yet been exercised).

Strategic Outlook

1. Execute the record orderbook ~\$11.6 billion
2. Strong operational performance as demonstrated by ship deliveries and EBITDA
3. AUKUS and Australian Defence Strategic Review to provide a clear route ahead and future opportunities for Austal
4. Support revenue improving in line with long term target
5. Significant growth opportunities through new vessel programs, expansion of existing programs, and more sub-contracts for larger build programs
6. We continue to invest to build capability and opportunity to grow



Q&A



ASX:ASB
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35
YEARS
1988 - 2023

COMMERCIAL IN CONFIDENCE