



EUROZ HARTLEYS

# EMERGING INDUSTRIALS FORUM

21 November 2023

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## THE POWER OF ADVANCED MATERIALS **OUR BUSINESS**

*Matrix designs, engineers and manufactures engineered products from composite and advanced materials to:*

- Deliver **subsea buoyancy solutions** to the world
- Support growth of the **renewable energy** sector
- Protect key infrastructure with **corrosion resistant coatings**
- Deliver alternative high tech **advanced materials technologies**



**STRONGER • LIGHTER • SMARTER**

# THREE BUSINESS PILLARS

## CORE TRADITIONAL



### SUBSEA

SURF, deep water drilling and well construction. Energy transition opportunity with floating offshore wind

## EMERGING



### CORROSION TECHNOLOGIES

Growing anti-corrosion coating, application equipment and technical services



### ADVANCED MATERIALS

Advanced composite material solutions for Renewables / Defence / Resources

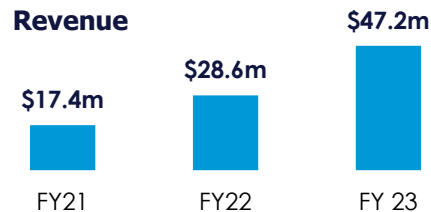
CONTINUED TO LEVERAGE OUR MATERIALS SCIENCE & ADVANCED MANUFACTURING CAPABILITIES TO BUILD REVENUE ACROSS TRADITIONAL AND THE EXPANDING ENERGY, RESOURCES AND DEFENCE SECTORS

OPERATIONAL STRUCTURE ESTABLISHED TO UNDERPIN LONG-TERM SUSTAINABLE GROWTH ACROSS ALL BUSINESS PILLARS

# STRONG GROWTH MOMENTUM



## FINANCIAL GROWTH



- Return to operating profit FY23, underlying EBITDA \$0.2m, incl. \$2.5m 2H23.
- NPAT \$8.7m incl. \$15.8m reversal of prior asset impairments, given positive market outlook.
- Strengthened financial position with cash on hand 30 Jun \$20.0m (31 Oct 23 : \$24.4m).

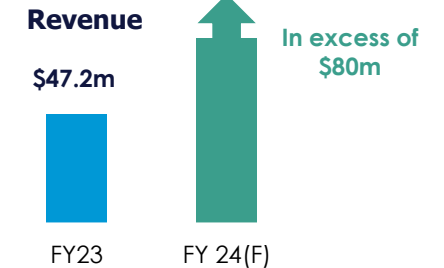


## OPERATIONAL

- Subsea buoyancy more than double to \$36.4m in FY23 with increasingly active offshore oil & gas market.
- Corrosion Technologies providing substantial steady opex based revenue.
- Advanced Materials continuing to emerge.



## OUTLOOK



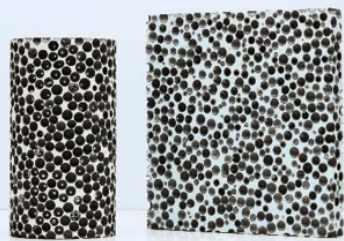
- \$90m+ Subsea backlog with at least \$70m already secured for FY24. Material opportunities add significantly to FY24 and build FY25 base.
- Additional recurring revenue +\$10m p.a from Corrosion Technologies deepening reach into energy, resources markets and Advanced Materials clean energy emerging.

## THE POWER OF ADVANCED MATERIALS

# AUSTRALIA'S LARGEST COMPOSITES MANUFACTURING FACILITY

### WORLD'S LARGEST MANUFACTURER OF SYNTACTIC FOAM

- Advanced material made of hollow spheres (recycled carbon fibre ) bound together
- Forms a structure super light and super strong
- Varying shapes and sizes
- Non corrosive and long lasting
- Alternative to traditional materials including steel, concrete and wood



**STRONGER | LIGHTER | SMARTER**



### AUSTRALIA MARINE COMPLEX HENDERSON, WESTERN AUSTRALIA

- Matrix facility covers 22,000m<sup>2</sup>
- Nameplate capacity +\$200m in syntactic foam products p.a.
- Highly automated, SCADA controlled, lean manufacturing
- Large R&D and fully equipped lab materials testing facilities
- Largest hydrostatic pressure testing facility in the Southern Hemisphere
- Only facility of its kind in Australasia



# SYNTACTIC FOAM WHAT IS IT USED FOR?

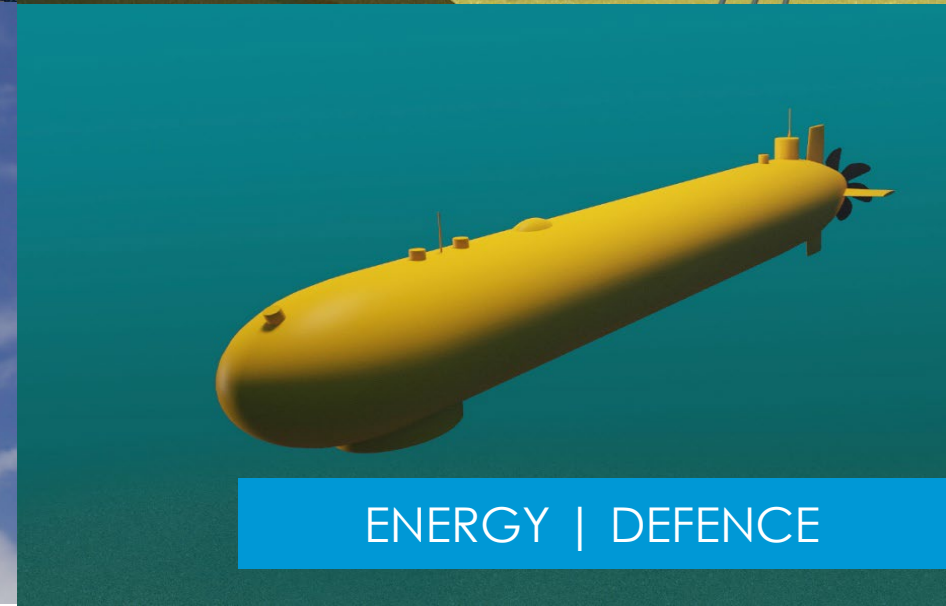
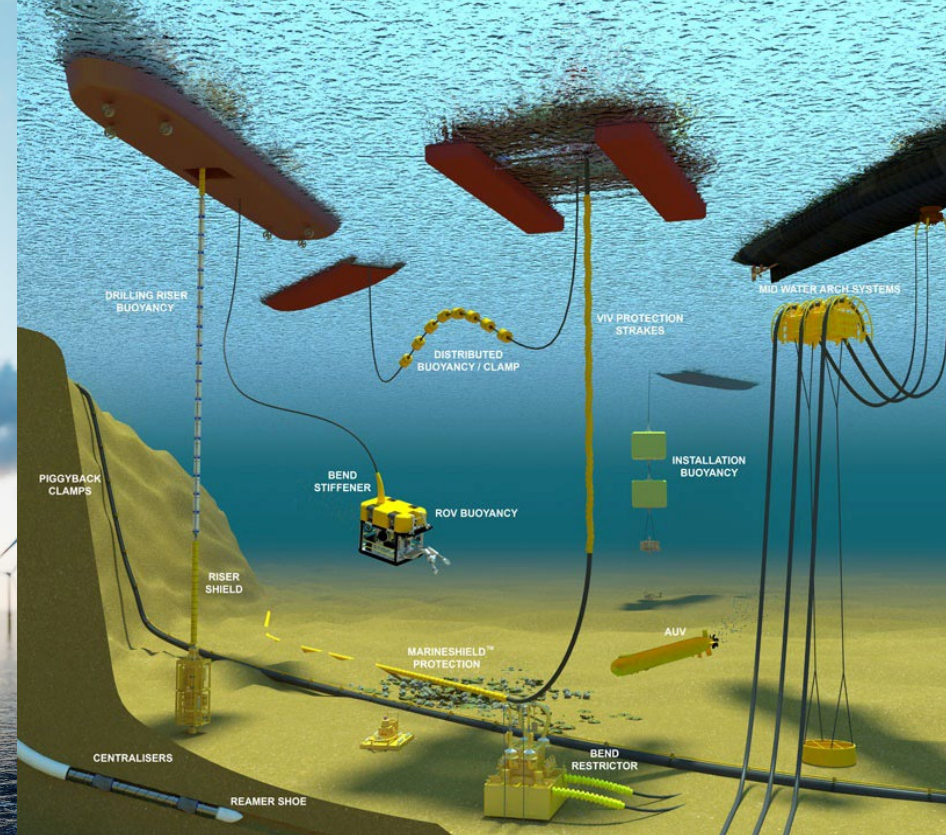
## CORE PRODUCT IN OUR TRADITIONAL MARKETS

- Matrix has delivered >\$1B of syntactic foam buoyancy products to the offshore oil and gas market for drilling and production riser applications

## EXPANDING ENERGY AND DEFENCE MARKETS

- Replacing steel and concrete
- Market potential > \$1B
  - 26.1 GW of new floating wind capacity will be added by 2032\*
  - > 50 hydrogen projects Australia wide\*\*
  - AUV/UUVs for the Royal Australian Navy and AUKUS partners

Data courtesy of: \*GWEC Market Intelligence; \*\*AEMC



ENERGY | DEFENCE



# DELIVERING ON STRATEGIC OBJECTIVES - GROWTH

- Growing share of Subsea market, technology a key differentiator
- Demand outlook remains strong and sustained for the foreseeable future
- Market leader in deepwater drilling applications
- Actively bidding into emerging offshore floating wind market

## KEY CLIENTS

Baker Hughes 

subsea 7

 SAIPEM

 TechnipFMC



 Transocean

 ExxonMobil







# DELIVERING ON STRATEGIC OBJECTIVES - REVENUE DIVERSITY

- Increased diversity of revenue from Corrosion Technologies and Advanced Materials
- Will significantly contribute to FY24 and expected to grow in FY25
- Revenue from defence, hydrogen, resources, civil and marine sectors



## KEY CLIENTS





# DELIVERING ON STRATEGIC OBJECTIVES - PIPELINE

- Backlog has grown to \$90m +
- Base load production until the end of CY24
- Pipeline of work growing across SURF, drilling, renewables, opex and defence
- Advanced Materials opportunities in renewables and defence likely to materially diversify revenue in FY25





APPLICATIONS ACROSS OIL & GAS AND RENEWABLES

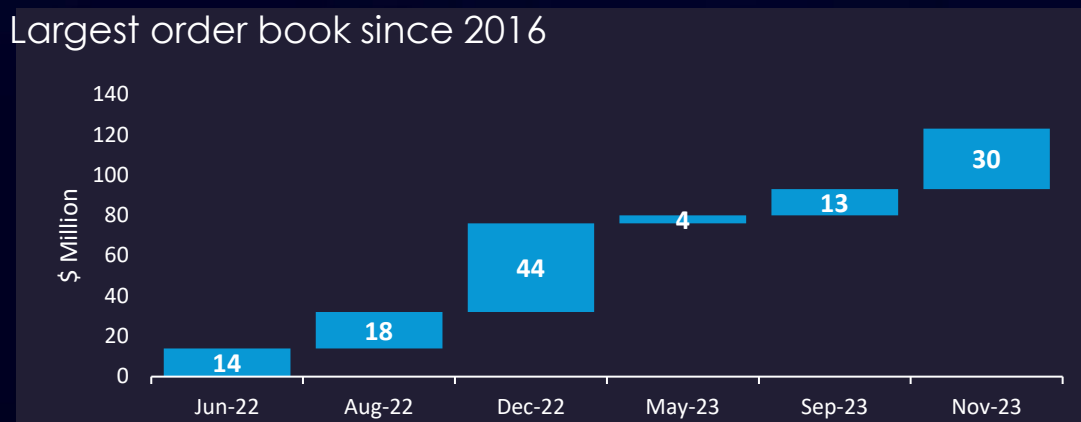
# SUBSEA

## FOCUS - MOMENTUM BUILDING

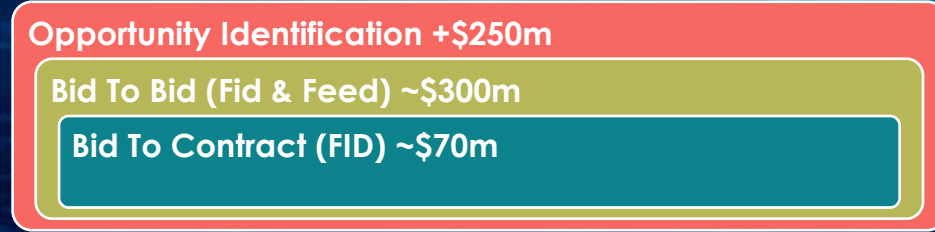
- Buoyancy (syntactic foam) for:
  - Deepwater drilling
  - Subsea umbilicals, risers and flowlines (SURF)
  - Offshore floating wind turbines and infrastructure
- Matrix LGS VIV and drag reduction buoyancy system

## \$123M OF CONTRACT AWARDS TO MATRIX SINCE JUN '22

Largest order book since 2016

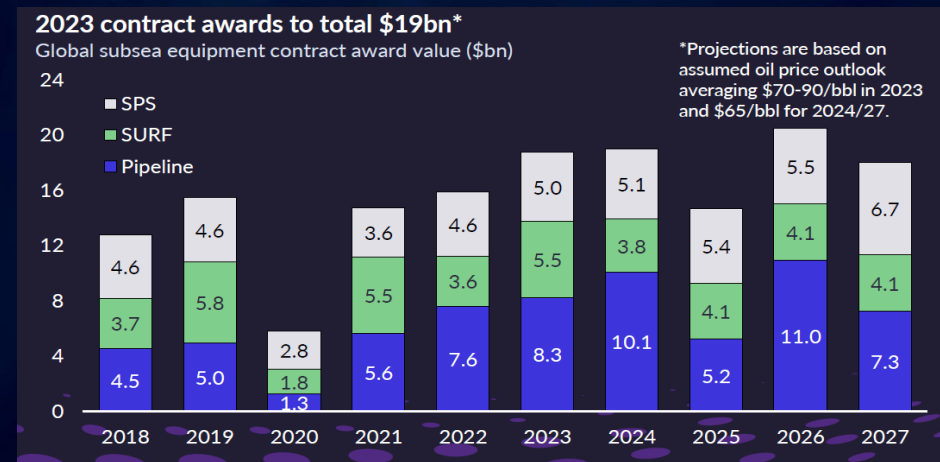


## STRONG QUOTATION PIPELINE



- Bulk of Bid-to-Contract opportunities remain strong.
- Bid to Bid focus - existing clients, demonstrated project capabilities
- Converted +\$45m, no major opportunities lost since Aug'23

## GLOBAL SUBSEA SPEND



Source: Westwood Analysis – SubseaLogix



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# CORROSION TECHNOLOGIES

## TECHNOLOGY SOLUTIONS

- Humidur® coatings
- Composite repairs
- Equipment
- Rotolining: Thermoplastic lining

## LOCAL RESOURCES SECTOR

- LNG
- Brownfield developments
- Operational maintenance

## PROGRESS

- Established client base in WA and NT
- New sales into East Coast and PNG

## KEY CLIENTS



**RioTinto**





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# ADVANCED MATERIALS

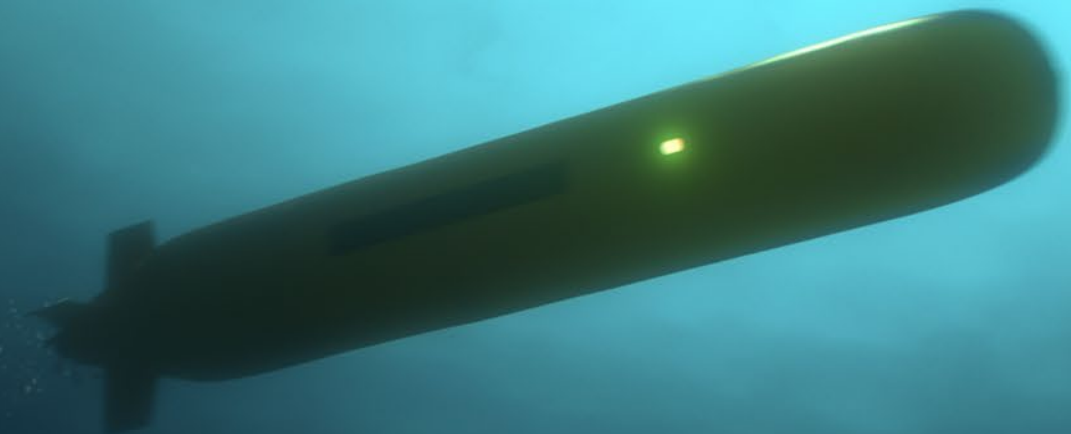
## TECHNOLOGY SOLUTIONS

- Syntactic foam for Unmanned Underwater Vehicles
- Steel replaced and advanced composites applications
- Development and supply of manufactured components for electrolyser production

## AUSTRALIAN INDUSTRY SECTORS

- Defence
- Resources: Iron ore, LNG, Gold
- Energy Transition: Hydrogen, Solar, Wind

## KEY CLIENTS



# THE POWER OF ADVANCED MATERIALS

## MATRIX'S GROWTH PROPOSITION



**Strong revenue expansion** delivered; future growth secured



**Recurrent accretive revenue** via Corrosion Technologies sustainment work



**Strengthening subsea market**, capitalising on oil & gas recovery



**Rising level of renewable, clean energy** work with increasing opportunities



State of the art manufacturing plant with **world's largest syntactic foam production capacity**



**Funded for growth** and ramp up in activity across energy and resources





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