



2024 HALF YEAR RESULTS PRESENTATION

AARON BEGLEY – CEO

BRENDAN COCKS – CFO

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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 **renewable energy** sector.
- Protect key infrastructure with **corrosion resistant coatings**.
- Delivery high performance **advanced materials technologies**.

WORLD'S LARGEST MANUFACTURER OF SYNTACTIC FOAM

*Henderson Facility, Western Australia
22,000m² automated advanced materials production facility*



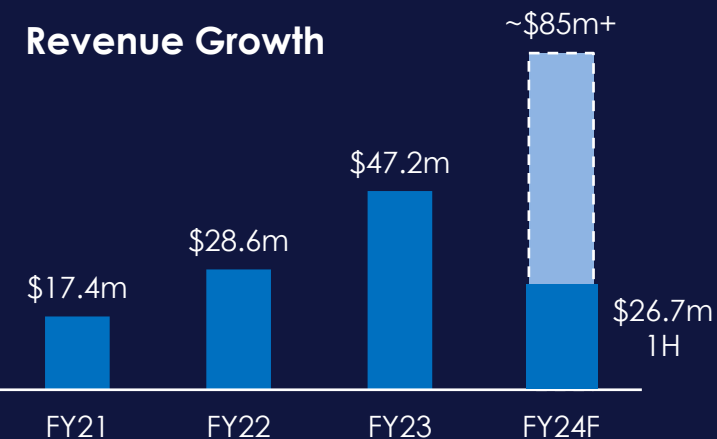
STRONG GROWTH MOMENTUM

RETURN TO GROWTH WITH POSITIVE OUTLOOK

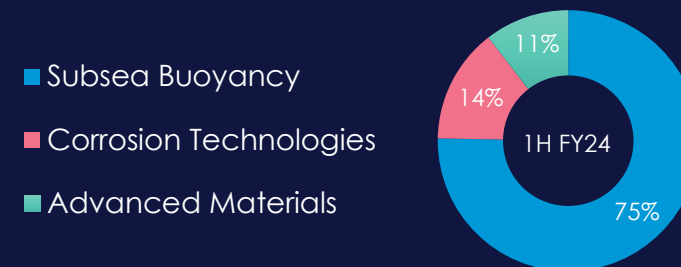
- Increasingly active offshore oil & gas market driving improved Subsea buoyancy demand.
 - 1H FY24 revenue \$26.7m (1H FY23: \$11.8m).
 - Expected full year revenue of ~\$85m, underpinned by at least \$70m of subsea contracts currently secured for delivery in FY24 (weighted towards 2H FY24).
 - Strong forward momentum with \$84m orderbook at Dec 23.
 - Further material opportunities potentially build FY25 base.
- Additional recurring revenue from Corrosion Technologies deepening reach into energy, resources markets.
- Advanced Materials emerging. On track for +\$5m in FY24 (FY23 \$2.6m).

DRIVING EARNINGS RECOVERY AND STRENGTHENED FINANCIALS

- Return to operating profit, underlying EBITDA \$0.6m (1H FY23: \$2.3m loss).
- FY24 expect strong EBITDA result mostly in 2H FY24.
- Strengthened financial position, cash on hand 31 Dec \$23.3m (FY23: \$20.0m).



Revenue Contribution





**1H FY24
FINANCIAL RESULTS**
CFO – BRENDAN COCKS

KEY FINANCIAL METRICS

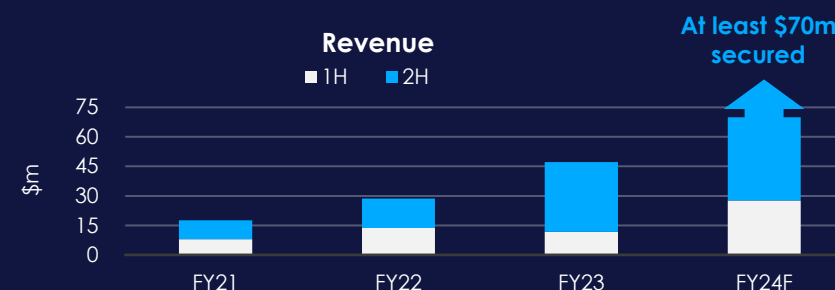
		1H FY24	1H FY23
Revenue	\$m	26.7	11.8
Underlying EBITDA ¹	\$m	0.6	(2.3)
EBITDA	\$m	(0.6)	12.4
Net profit/(loss) after tax	\$m	(3.8)	10.0
Operating cash flow	\$m	9.0	(1.5)
		31 Dec 23	30 Jun 23
Gross cash ²	\$m	23.3	20.0
Net cash/(debt)	\$m	14.0	11.2
Employees		197	133

Note: Figures may not add up due to rounding.

¹ Underlying EBITDA 1H FY24 excludes FX loss \$0.9m and non-cash fair value (FV) accounting adjustment of \$0.2m. 1H FY23 excludes FX gain \$0.1m, non-cash FV accounting adjustment \$1.1m and impairment reversal of \$15.8m.

² Gross Cash includes Cash and Term Deposits.

- Revenue continuing to build, with secured Subsea contracts to drive **strong revenue uplift** in 2H over 1H FY24.



- Underlying EBITDA \$0.6m in 1H FY24, set for **significant EBITDA step up** in 2H FY24.
- Reported net loss after tax narrowing, after allowing for \$15.8m reversal of prior period asset impairments in 1H FY23 from **uplifted market outlook**.
- Substantial operating cash flow**, with increased cash position.

BALANCE SHEET

\$m	31 Dec 23	30 Jun 23
Cash and Term Deposits	23.3	20.0
Trade and other receivables	8.6	21.7
Inventory	10.4	5.9
Other assets	2.3	0.8
Current Assets	44.6	48.4
Property, plant & equipment	15.8	14.1
Intangible and right-of-use assets	20.2	16.3
Prepayments	0.7	1.1
Total Assets	81.3	79.9
Trade payables	7.8	4.0
Progress claims & deposits	5.2	8.5
Other	2.6	3.1
Current liabilities	15.6	15.6
Financial and lease liabilities	30.2	25.9
Convertible note	9.3	8.8
Provisions & Asset Retirement Obligation	2.7	2.7
Total Equity	23.5	26.8
Net cash/(debt)	14.0	11.2
Net working capital	6.0	15.1

- Increased cash balance with stable, robust balance sheet supporting higher activity.
- Lower trade receivables with some key contract milestone receipts post FY23 year end, unwinding high working capital position.
- Increased PPE and right-of-use assets for Henderson advanced manufacturing facility.
- Progress claims represent early-stage milestone payments received in advance of revenue recognition.
- Lease liability relates to Henderson facility recognised under AASB16, with increase also reflected in right-of-use assets.

Note: Figures may not add up due to rounding.

CASH FLOW FROM OPERATIONS

\$m	31 Dec 23	30 Jun 23
Underlying EBITDA /(Loss)	0.6	(2.3)
Receivables	13.0	(3.5)
Trade Payables	3.8	2.4
Inventory	(4.5)	(2.4)
Deposits / Progress Billing	(3.3)	5.9
Other	(0.6)	(1.6)
Cash from Operations	9.0	(1.5)
Capital expenditure (incl. R&D)	(3.1)	(1.1)
Proceeds issue of convertible note (net interest paid) ¹	(0.4)	5.9
Payment of security deposit	(1.9)	-
Repayment lease liabilities	(0.4)	(0.3)
Net Change in Cash	3.2	3.0
Closing Cash²	23.3	10.5

- Significant increase to operating cash flow with finalisation of key project during the half.
- Contract timing and working capital movement impacts:
 - Lower trade debtors with key contract milestone receipts in excess of \$10m post FY23 year end.
 - Higher trade payables and inventory with increased activity.
- Progress claims in advance reducing as projects progress.
- Other outflows largely reflect net interest with \$1.1m lease liability interest payments, \$0.5m interest received.
- Security deposit payment relates to refundable project performance bond.
- Robust cash balance supports opportunity pipeline.

Note: figures may not add up due to rounding.

¹ Represents interest paid in 1H FY24. 1H FY23 includes proceeds \$7.1m net of interest paid \$1.2m.

² Closing cash includes Cash and Term Deposits.



MATRIX OUTLOOK GROWTH

CEO – AARON BEGLEY

THREE BUSINESS PILLARS

CORE TRADITIONAL



SUBSEA

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

EMERGING



CORROSION TECHNOLOGIES

Growing anti-corrosion coating, application equipment and technical services



ADVANCED MATERIALS

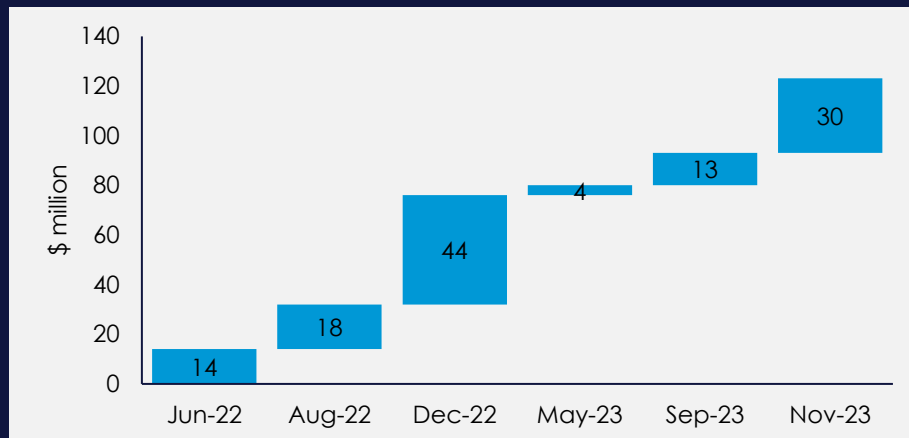
Advanced composite material solutions for Renewables / Defence / Resources

PROVEN AND ESTABLISHED SUBSEA

APPLICATIONS ACROSS OIL & GAS AND RENEWABLES

- 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

\$123M OF CONTRACT AWARDS TO MATRIX SINCE JUNE 22



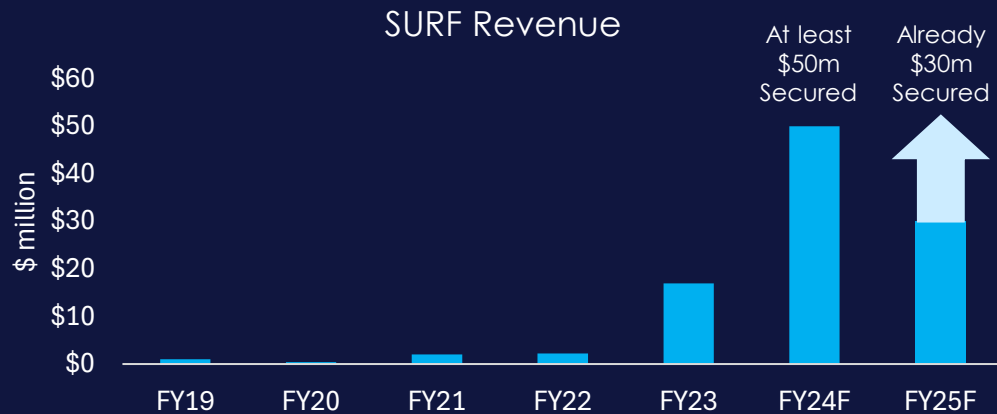
LARGEST
ORDER BOOK
SINCE 2016



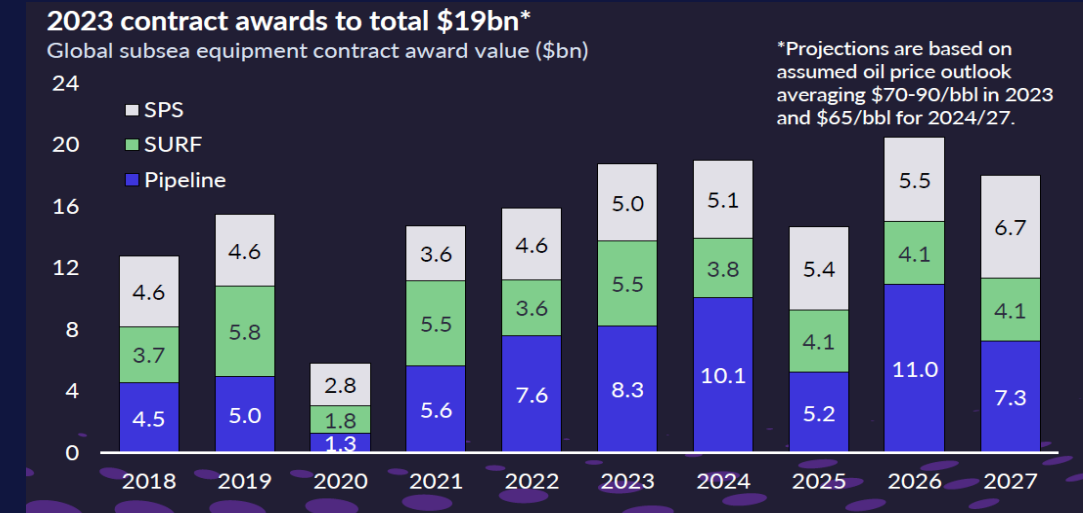
MOMENTUM BUILDING SUBSEA PRODUCTION (SURF)

STRONG SURF MARKET PENETRATION

- FY23 turning point for Matrix presence in SURF Market.
- +\$90m secured across 3 projects in last 18 months.
- Further projects of similar scale being pursued for FY24 and FY25 production, providing opportunity for further growth in coming years.



UNDERPINNED BY SUSTAINED INDUSTRY ACTIVITY



Global Subsea Spend – courtesy of SubseaLogix.

STRONG QUOTATION PIPELINE

- ~\$300m of competitive quotations yet to be awarded

INDUSTRY RECOVERY IS BUILDING DRILLING MARKET

INDUSTRY LEADER

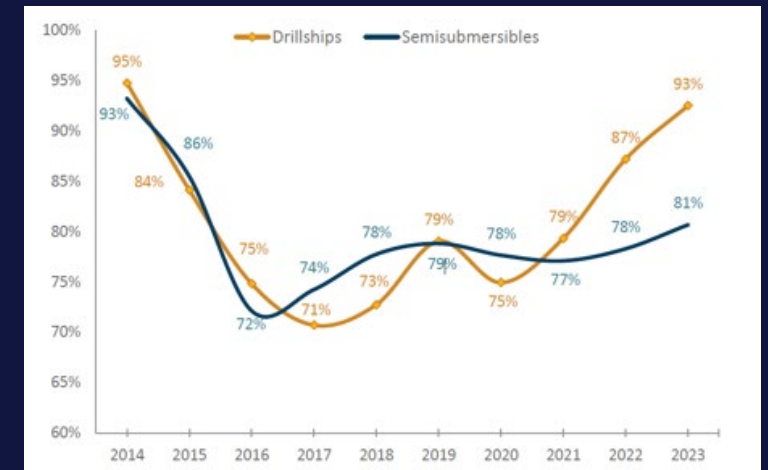
- +\$1B of syntactic foam buoyancy delivered by Matrix to the drilling sector in last 15 years.
- Global fleet of ~200 Rigs and Drill ships, with ~\$2B of Buoyancy.
- Significantly improved market conditions for drillers should lead to demand for replacements and upgrades.



STRENGTHENING DRILL RIG MARKET

- Rig utilisation and day rates increasing.
- \$100m of competitive outstanding quotes to the drilling sector.
- Deployment of capital from drilling market still slow, but building.

MARKET UTILISATION FOR DRILLSHIPS AND SEMISUBS



Source: S&P Global

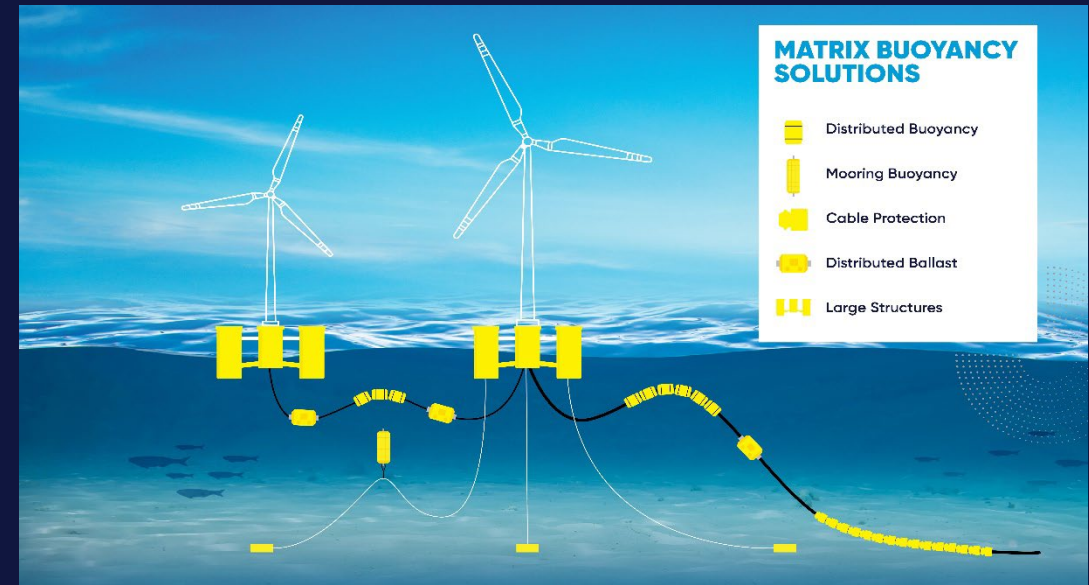
PRODUCT GROWTH OPPORTUNITIES

OTHER SUBSEA BUOYANCY



DEEP SEA MINING EQUIPMENT

- Currently producing riser buoyancy system using syntactic foam technology for a deep-sea research vessel.
- \$13m order in Sep 23, the largest contract Matrix has received outside the oil & gas sector.
- More opportunities identified and quoted.



OFFSHORE FLOATING WIND

- 26.5 GW of new floating wind capacity to be added by 2030.
- Rapid escalation of floating wind capacity expected from 2030 as suitable seabed areas are exhausted by the fixed wind market.
- Growth in regional markets where fixed wind not suitable (eg Vietnam, Philippines).

EXTENDING INTO ENERGY AND RESOURCES MARKETS

CORROSION TECHNOLOGIES

TECHNOLOGY SOLUTIONS

- Humidur® Coatings
- Composite repairs
- Equipment hire
- 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

EMERGING MARKET SPACE

ADVANCED MATERIALS

TECHNOLOGY SOLUTIONS

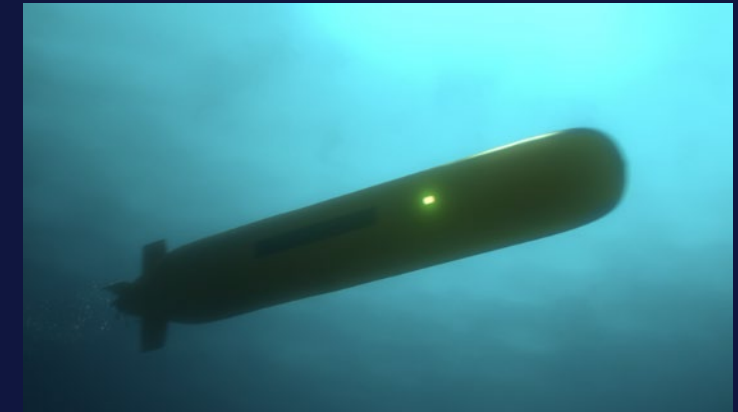
- Syntactic foam for Unmanned Underwater Vehicles
- Steel replaced and advanced composites applications
- Development and supply of manufactured components for electrolyser production

AUSTRALIAN INDUSTRY SECTORS

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

DEMONSTRATED PROGRESS

- Aramco qualification and initial ~\$1.0m order in 1H FY24
- Supplied Buoyancy to multiple prototype UUVs
- Initial production of Fortescue green hydrogen equipment parts
- Expanded into civil market, >\$2m orders expected to be delivered this year
- Rio Tinto and other mining products under development



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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