



ANNUAL GENERAL MEETING

29 OCTOBER 2019



FY2019 FINANCIAL PERFORMANCE

Revenue

A\$488.5m

EBITDA

A\$24.0m

NPAT

A\$7.0m

Operating
Cashflow

A\$78.9m

Order Book




A\$819.0m



FY2019 GROUP PERFORMANCE

FINANCIAL

Focus on debt position and generating positive cashflow:

-  Net cash generated from operating activities up by A\$99m to A\$79m (was -A\$20m)
-  A\$40m cash at year end (was A\$23m)
-  Value of property, plant and equipment up by A\$57m to A\$201m (was A\$144m)
- Marginal increase in debt, inclusive of bond – A\$117m (opened at A\$108m)
- Earnings per Share – 1.21 cents
- Dividend per share – 0.7 cents
- Strong Order Book going into FY2020 – A\$819m

OPERATIONAL

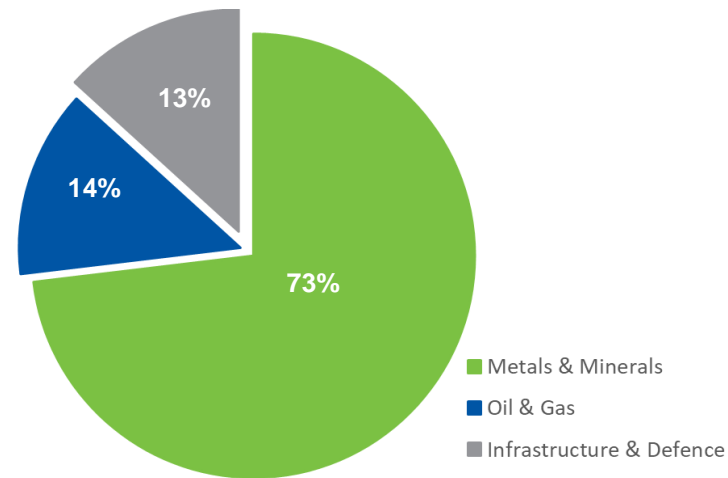
- Value of contracts awarded and extended ~A\$600m
- Awarded significant scope on major projects for key clients including Albemarle and BHP
- Revenue from maintenance division almost doubled previous year
- 45,000 tonnes of steel through our workshops
- At peak, 3,400 people employed across our projects



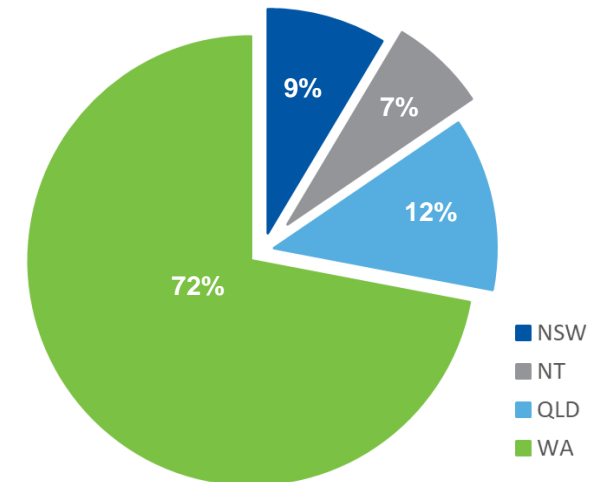
FY2019 REVENUE

Revenue by Sector

Metals & Minerals	A\$357.0m
Oil & Gas	A\$66.5m
Infrastructure & Defence	A\$65.0m
Total	A\$488.5m



FY19 Revenue by Sector



FY19 Revenue by Geography

FY2019 BALANCE SHEET

	June 2019 (A\$M)	June 2018 (A\$M)
Current Assets	226.7	296.3
Non-Current Assets	202.9	146.2
Total Assets	429.7	442.5
Total Liabilities	255.6	271.7
Equity	174.1	170.8



10 YEARS OF ACHIEVEMENT



- Turned over A\$3.4b with a Net Profit after Tax (NPAT) of A\$165m (5%).
- Built a team that can operate in the Oil and Gas, Mining, Defence and Infrastructure sectors.
- Developed a Business Management System that can track materials and project hours in real-time.
- Built the largest heavy engineering business in Australia, underpinned by 10 years of work.
- Raised A\$15m at IPO and since paid out A\$23m in dividends.

Like fuel to an engine piston, the Oil and Gas, Metals & Minerals, Defence and Infrastructure sectors fuel our business. Within these industries we can weather a downturn – as history tells us, not all of them are flat at the same time.





OUR PROJECTS



INPEX Ichthys LNG
Onshore CCPP



Rio Tinto
Amrun Project



Roy Hill Ultrafines

FY2019 Key Projects



Luerksen Australia
OPV Program



Gold Road Gruyere
Gold Project



Water Corp Woodman
Point WWT



Alcoa Pinjarra Residue
Filtration Facility



NSW Govt
WestConnex M5



NSW Govt Clarence
Correctional Centre



**Chevron Gorgon LNG
Stage 2 Subsea Projects**



**Santos Varanus Island
Compression Project**



**Maintenance contracts
across Australia**



**FMG Eliwana
Iron Ore Project**



**BHP South Flank
Iron Ore Project**



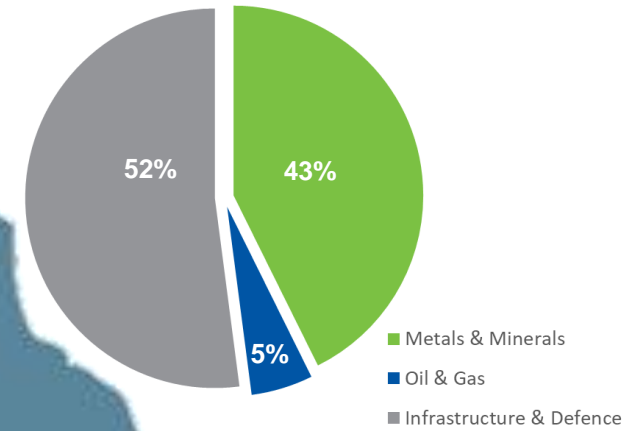
**Luerksen Australia
OPV Program**



**Albemarle Kemerton
Lithium Project**

FY2020 Key Projects

Current Order Book by Sector



**NSW Govt Princes
Highway Upgrade**



FUTURE STRATEGY & OUTLOOK



STRATEGIC PRIORITY 1 – CONSISTENT & RECURRING REVENUE

MAINTENANCE

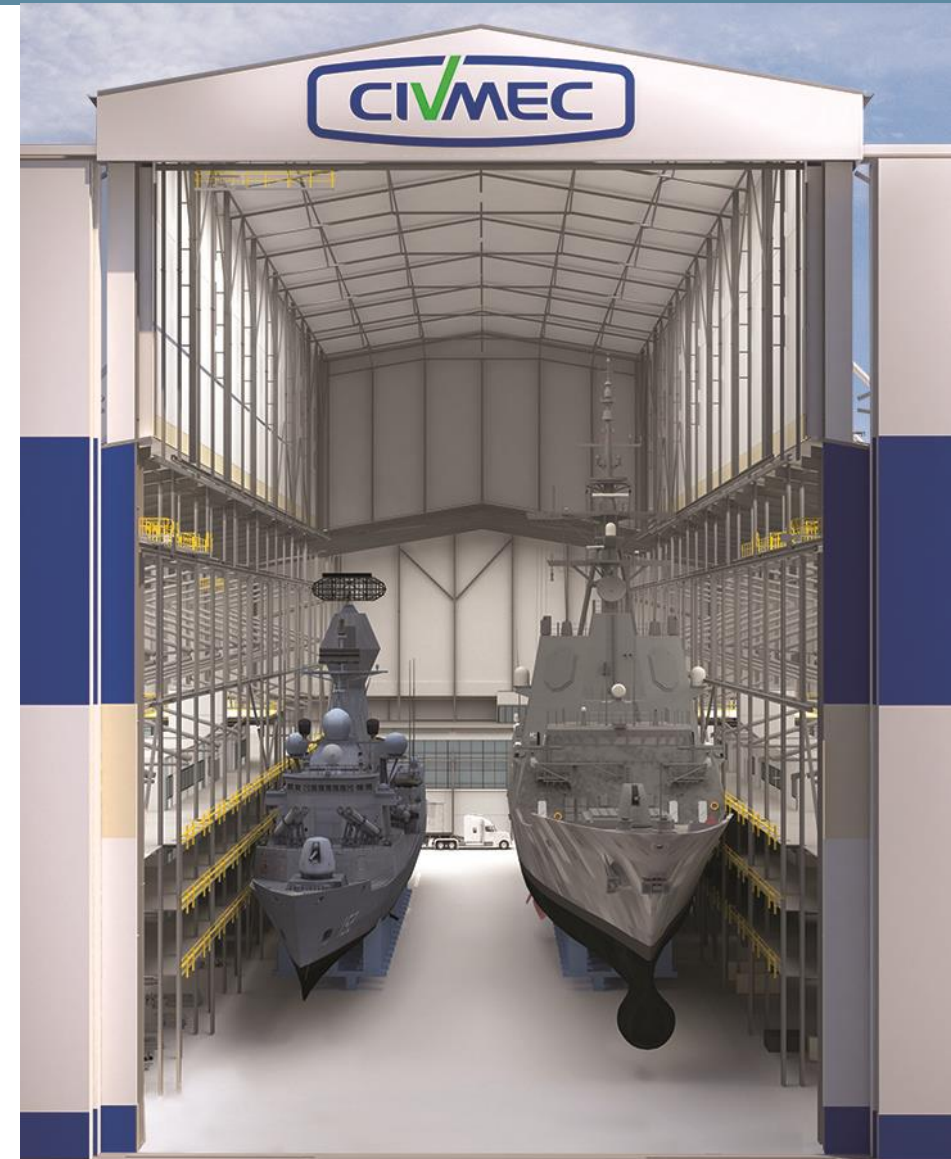
- Continue to broaden client base and capability in the Metals & Minerals sector
- Secure further LNG turnaround opportunities through BRC

SHIPBUILDING

- Complete facility
- Continue to refine and enhance process
- Establish strong start to OPV build phase at Henderson
- Actively market sustainment capability and capacity
- Identify opportunities for AMSEG

MANUFACTURING

- Establish product line opportunities and continue to drive process improvement
- Facilitate greater interaction between facilities, maximising synergies between east and west coast operations



STRATEGIC PRIORITY 2 – MAJOR PROJECTS

- Focus on securing Lump Sum/Schedule of Rates contracts, with less reliance on EPC/D&C models (reduced risk)
- Secure projects that utilise a combination of our facilities and on-site multi-disciplined, self-performance capability
- Strong focus on Metals & Minerals sector opportunities in iron ore in Western Australia
- With growing market confidence and investment in Western Australia across key sectors, primary focus is on securing WA based projects



STRATEGIC PRIORITY 3 – CONTINUAL IMPROVEMENT

COMMERCIAL

- Focus on opportunities that can deliver stronger and more consistent profit returns – drive profit over revenue
- Targeted approach – Major Projects, Manufacturing and Maintenance – offering multi-disciplined capability across four operating sectors
- Partner with blue-chip clients, leveraging established relationships
- Continue to replenish strong Order Book

PEOPLE

- Continue to invest in training and development
- Graduate and apprenticeship programs
- Increase collaboration with universities, TAFE and schools for technology advances and development of future workforce

SYSTEMS

- Staged adoption of new technology
- Process and systems improvements
- Further rollout of Civtrac modules across other functional business units

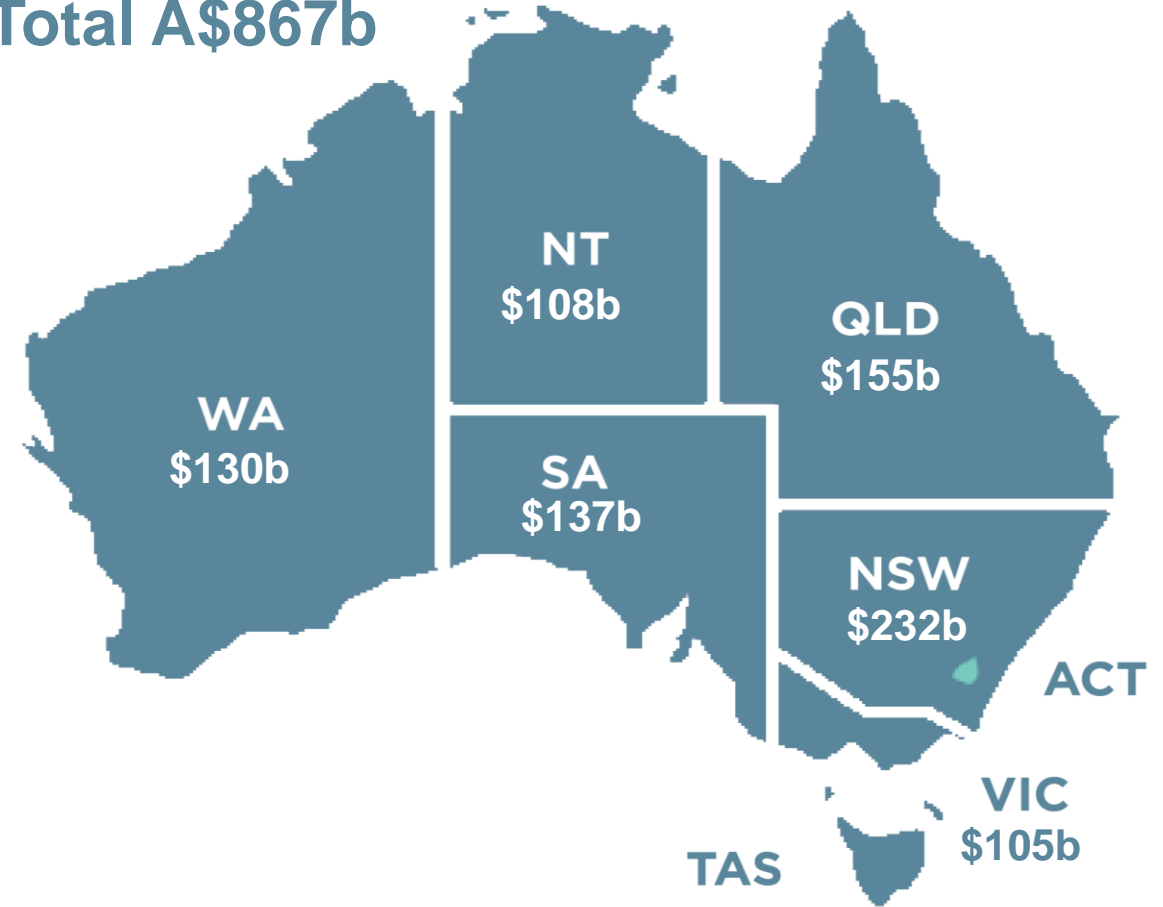
INVESTORS

- Investor relations strategy developed to drive market and investor awareness:
- Increase market exposure
 - Drive investor engagement
 - Build company profile

10 YEAR MARKET OUTLOOK – 2020 to 2029

	Total	WA	NT	SA	QLD	NSW	VIC
Metals and Minerals	\$140b	\$64b	\$8b	\$13b	\$33b	\$21b	\$2b
Oil, Gas & Energy	\$266b	\$45b	\$93b	\$17b	\$44b	\$43b	\$24b
Infrastructure	\$369b	\$16b	\$7b	\$22b	\$77b	\$167b	\$79b
Defence	\$89b	\$4b	-	\$85b	-	-	-
Maintenance (M&M)	\$1,505m	\$500m	\$20m	\$38m	\$539m	\$322m	\$86m
Maintenance (O,G&E)	\$1,755m	\$466m	\$138m	\$113m	\$356m	\$250m	\$432m

Total A\$867b



Notes:

- Data combined from sources: Industrial Info Resources; Infrastructure Partnerships Australia; Department of Defence – Naval Shipbuilding Plan, 2017.
- Oil & Gas forecast includes offshore project spend in the Timor Sea (NT), Indian Ocean (WA) and Bass Strait (VIC).
- Infrastructure forecast per sector per region split on pro rata basis from analysis of historical data.
- Investment in the Naval Shipbuilding Plan includes over \$89 billion in shipbuilding over the decade from 2017/18 for the continuous construction of major surface combatants in South Australia, and the continuous construction of minor naval vessels in Western Australia.



HENDERSON FACILITY DEVELOPMENT



HENDERSON FACILITY

Civmec 2009 to 2019 – all of this in just 10 years

- 100,000m² of usable undercover area
- The new 53,000m² (usable floor area), 70 metre high, Main Assembly and Sustainment Hall is one of the largest heavy engineering buildings in the world
- 400 tonne lifting capacity





- Investment aligns with the Australian Government's commitment for Henderson to be one of two suitable locations in Australia for shipbuilding
- Location for sustainment opportunities
- Able to house complete Air Warfare Destroyers, Frigates and Offshore Patrol Vessels
- Opportunities for up to 1,000 personnel, including 100 apprentices



QUESTIONS





THANK YOU

