



.: BUILDING ENERGY .:

ANNUAL GENERAL MEETING

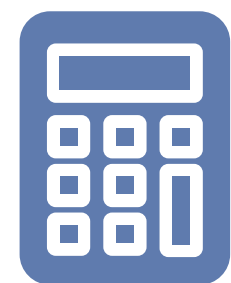
November, 2019

FY19 FINANCIAL SNAPSHOT

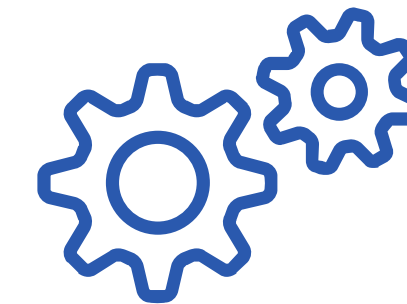
\$8.06M



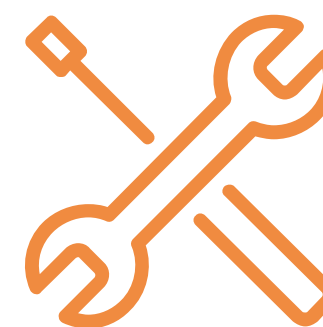
EBITDA



\$64.1M



CONSTRUCTION



\$81.3M

CURRENT ORDER BOOK¹



\$110M

FY19 REVENUES

\$45.9M

ASSET SERVICES

Note 1: Secured and Preferred Status Orderbook - November 2019

FY19 FINANCIAL METRICS

- Continued revenue growth underpinned by record order book.
- Strong 65% growth in underlying earnings.
- 68% revenue growth in recurring service segment.
- Business now holds a diversified service and project works portfolio.
- Superior gross margins generated by growing Services segment.
- Strong tender opportunity pipeline into FY20/21 of \$595M.

TRADING PERFORMANCE

PERIOD ENDED 30 TH JUNE		FY19	FY18	CHANGE
Sales Revenue	\$'000	110,161	103,197	↑ 6.7%
Gross Margin	%	18.1	13.9	↑ 30.2%
EBITDA*	\$'000	8,060	4,888	↑ 64.8%
EBITDA Margin*	%	7.3	4.7	↑ 55%
NPAT*	\$'000	3,535	1,164	↑ 204%
NPAT Margin*	%	3.2	1.1	↑ 290%
EPS*	Cps	2.8	1.2	↑ 94.7%
Orderbook @ 30 June	\$'000	80,501	48,207	↑ 66.9%

*Results excludes non-trading Gain on Acquisition of APTS of \$2.6M in FY18.

STRONG NATIONAL PRESENCE



Valmec Offices / Workshops



Construction Projects



Service Contracts



360+ Employees









OPERATING SEGMENTS

Construct Commission Maintain

CONSTRUCTION

-  Engineered Solutions
-  Gas Compression and Processing
-  Energy and renewables generation
-  Refurbishment and brownfields construction
-  Water utility and resources infrastructure
-  Pre-commissioning and commissioning

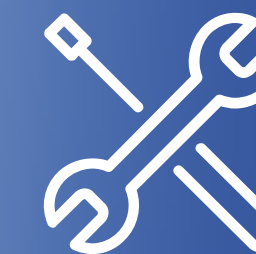
ASSET SERVICES

-  Facility Operations, service, maintenance and repairs
-  OEM sales, parts, rebuild and exchange
-  Gas compression and processing products
-  Asset integrity and inspection services
-  Shutdowns and production critical asset support
-  Completions and commissioning solutions



KEY CONSTRUCTION PROJECTS

\$64.1M



HYDROGEN FACILITIES PROJECT

Tonsley, SA



WICKEPIN SITE UPGRADE PROJECT

Wickepin, WA



ATLAS GAS COMPRESSOR PROJECT

Wandoan, QLD



TANAMI EXPANSION (TE 2) PROJECT

Tanami, NT

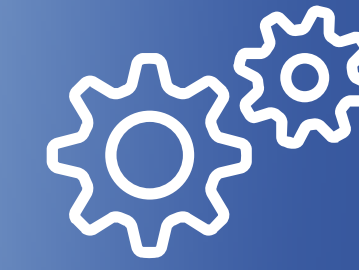


NORSEMAN 4ML TANK PROJECT

Norseman, WA



KEY ASSET SERVICES CONTRACTS \$45.9M



Santos

SANTOS GLNG
SERVICES

Scotia, QLD



apa

APA ORBOST
PROJECT

Newmerella, VIC



^

LTSA FOR THE APLNG
PROJECT

Spring Gully, QLD



origin



^

LOCHARD ENERGY
OVERHAUL

Iona, VIC

LOCHARD
ENERGY



^

TANAMI PIPELINE
HYDROSTATIC TESTING

Tanami, NT

MPC
KINETIC

JOHN HOLLAND LITIGATION UPDATE

- ❖ FY20 guidance issued on the 11th September 2019 excludes any future resolution of the claim on the John Holland litigation.
- ❖ Supreme Court proceedings commenced against John Holland Pty Ltd in August 2018;
- ❖ The value of the Valmec summons is approximately \$11.6 million, plus interest and costs;
- ❖ Basis of summons relates to late construction changes to the contract, resulting in delays, additional works and significant additional cost for the company.
- ❖ Preparation of Expert Reports proceeding with parties expected to reconvene in January 2020 for a further directions hearing;
- ❖ Any future resolution of the Claim is expected to result in a one-off lift in Company earnings (post-tax impact) and free-cash flow given zero carry value of claim.



STRATEGIC OBJECTIVES

BUILDING ENERGY.



Growth in diversified & recurring revenue streams

- ✔ Growth in existing recurring service streams set to continue into FY20.
- ✔ Oil and Gas origins expanded into water, resources, renewables and petrochemicals sectors.
- ✔ Technology distributorships with Global OEMs to deliver new gas and power solutions.
- ✔ Leverage APTS tailored suite of services for the CSG – LNG industry Operations cycle.



Expand Asset Services as differentiator for growth

- ✔ Services across the full client asset lifecycle ranging from one-off offerings through to fully integrated packages.
- ✔ Leverage existing capabilities, partnerships, technology partnerships to enter new operation critical / maintenance opportunities within our current sandbox.
- ✔ Increased the Diversity of Clients: Operators, Plant and Asset Owners, EPC Contractors, Subsea Contractors and Drilling Contractors.
- ✔ Full Service Tier 2 sales proposition is aligned with our sole source delivery strategy.

SURE PERFORMANCE.

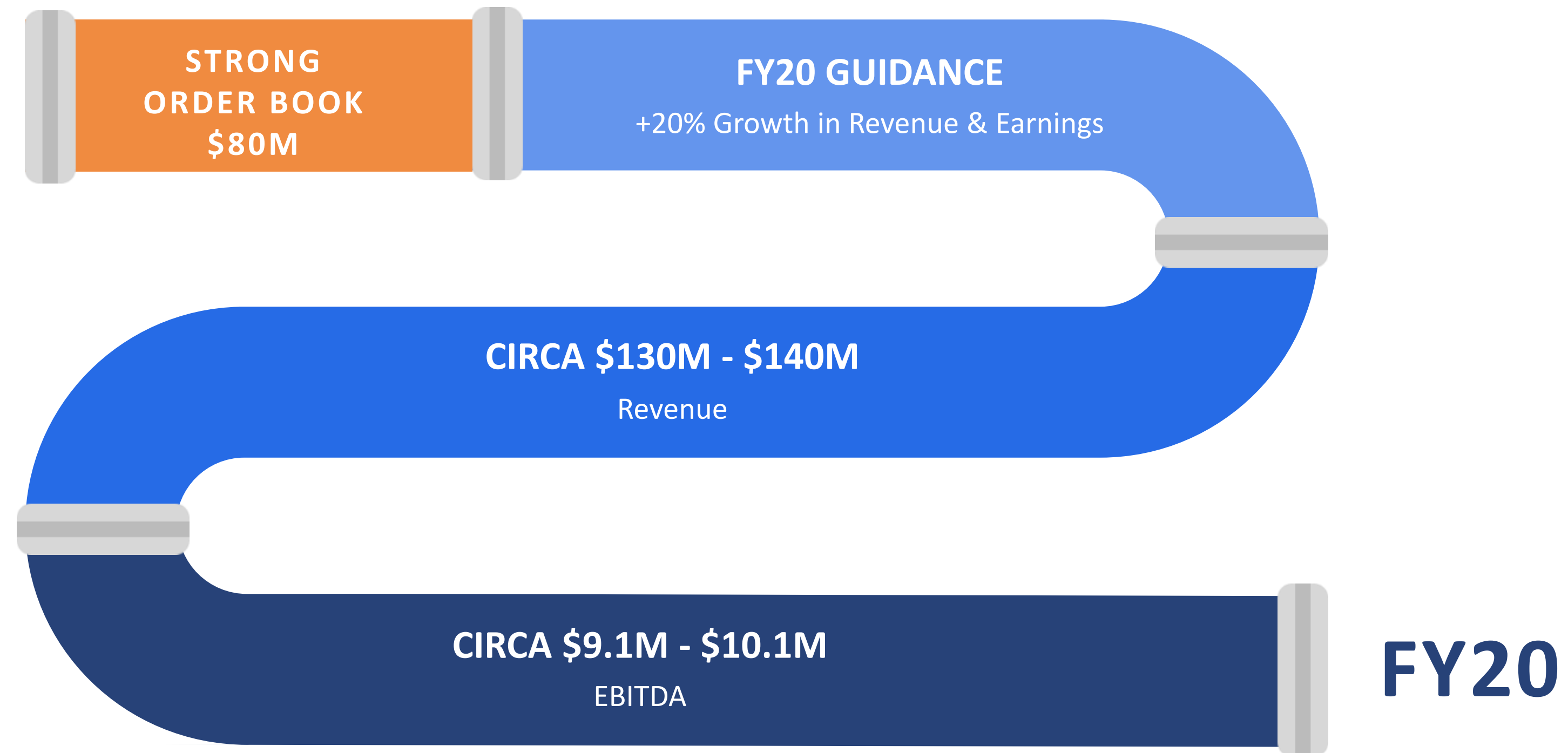


New Markets

- ✔ Early player in Hydrogen with AGIG renewable gas project in South Australia. Valmec is poised to play leading role in this emerging market.
- ✔ Northern Territory strategic alliance with MMC Australia to capitalise on future sustaining capital and service opportunities in the region post completion of Ichthys LNG.
- ✔ Expanded resources sector energy infrastructure project portfolio – energy supply through to turnkey non-process infrastructure.
- ✔ Expand the toolbox: Services led acquisition and investment strategy

OUTLOOK FOR FY20

Continued Strong Order Book Underpinned by Resilient Energy, Water, & Resource Infrastructure Pipeline



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