

ASX ANNOUNCEMENT

28 January 2020

WestStar Completes Acquisition of Alltype Engineering

WestStar Industrial Limited (Company or WestStar) (ASX: WSI), an Australian industrial services company providing engineering, construction and mining services to the resources, energy and infrastructure sectors, is pleased to advise that it has completed the acquisition of Alltype Engineering Pty Ltd (“**Alltype**”) (the “**Acquisition**”) with all conditions precedent met or waived.



Alltype Engineering

Established in 1985 and with a current workforce of around 100 personnel, **Alltype** is a leading provider of workshop fabrication, site installation, construction and maintenance services to the Oil & Gas, Water, Power Generation, Infrastructure, Mining, Resources, Utility, Petrochemical and Defence industries, in both the private and public sectors across Australia.

Alltype’s head office and state-of-the-art manufacturing facilities are located in Naval Base, Western Australia, providing excellent proximity to rail, road and port transport infrastructure and ready access to supply chain support and services.

Alltype has a long track record of sustainable earnings and in FY19 delivered revenue of \$29.8M and EBITDA of \$1.97M. Alltype broadens WestStar’s service offering with:

- **Significant steel fabrication capability** and capacity from its 7,000m² fully equipped workshop;
- **Industrial maintenance services** including shutdowns and mechanical upgrades;
- **A national delivery capability**, servicing the Oil & Gas, Water, Power Generation, Infrastructure, Mining, Resources, Utility, Petrochemical and Defence industries, in private and public sectors.

Acquisition Rationale

Alltype is a compelling acquisition for WestStar, providing scale and diversification with a substantial increase in revenues and earnings, together with meaningful cash and significant fabrication facilities. **With no cash consideration**, the Acquisition provides WestStar with:

- **Vertical and horizontal integration:** Alltype is highly complementary to WestStar’s existing operations, providing meaningful opportunities for vertical integration and cross selling across a widened customer base
- **Recurring revenues:** Alltype’s capabilities add to and de-risk WestStar’s portfolio, in particular facilitating growth in asset management and maintenance contracts which have recurring revenue

- **Diversification:** Alltype provides WestStar with an expanded national customer base, as well as access to the important oil & gas, water and power generation sectors
- **Track record of results:** Alltype is an established operator with 35 years of earnings history which provides a robust revenue baseline
- **Management strength:** the Alltype team will bring significant industry experience and customer relationships to WestStar
- **Synergies:** there is potential for significant synergies and cost savings to be achieved in the combined group

The Company expects to provide an update on its order book including Alltype, imminently.

-Ends-

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About WestStar

WestStar Industrial Limited (ASX: WSI) is an industrial services company in the resources, energy and infrastructure markets with a focus on mining services and industrial contracting for tier 1 clients.

WestStar, through its subsidiaries delivers high quality Construction and Engineering services with specialisation in Structural Mechanical and Piping (SMP), Electrical and Instrumentation (E&I), Concrete Products and Civil Services.

Joining with Alltype, WestStar will be a leading provider of steel fabrication, installation and maintenance services with an additional focus on the oil and gas, water and power generation sectors Australia wide.

About Alltype Engineering (www.alltypeengineering.com.au)

Alltype Engineering leverages off its fabrication capability and provides complete project solutions including SMP and E&I site installation, construction and maintenance services, across almost every industry in Australia.

Our products and services have been delivered and installed state-wide, nationally and internationally through our workshops and sites and can be found on land, offshore on islands, FPSO's and platforms, below ground and even subsea.

Supported by our team of experienced multi-disciplinary project personnel, we deliver consistent quality products and services that underpin our commitment to our vision "to be recognised as the preferred partner in delivering integrated fabrication, site and maintenance services with reliable, innovative and cost-effective solutions".

ASX release authorised by the Board of Directors of WestStar Industrial Limited.