



# FY23 YEAR RESULTS AND INVESTOR PRESENTATION

NOVEMBER 2023

(ASX: WSI)



# About Us

WestStar Industrial (ASX:WSI) an Australian owned company that through its subsidiaries Alltype Engineering, SIMPEC and WATMAR provides industrial project solutions centred around engineering, fabrication, construction and maintenance services within the resources, energy, oil and gas, petrochemical, defence, water and infrastructure sectors.

- Site Construction and Maintenance
- Fabrication Services
- Specialist Fluid Systems Equipment, Services and Solutions
- Construction Capability in:
  - Structural, Mechanical & Piping (SMP)
  - Electrical and Instrumentation (E&I)

Our services are provided as either standalone offerings or, where required, as integrated turnkey solutions.



# Capital Structure

<b>Share Price</b> <b>\$0.12</b> (as at 9 Nov 23)	<b>Shares on Issue</b> <b>~111M</b>	<b>Earnings per Share</b> <b>1.59 cents</b> (FY23)
<b>Market Cap</b> <b>~\$13.3M</b> (as at 9 Nov 23)	<b>Cash</b> <b>~\$18.6M</b> Incl. Term Deposits (as at 30 Jun 23)	<b>Board &amp; Management</b> <b>~52%</b>

## OPERATING SEGMENTS

- Engineering and Construction
- Maintenance Services
- Fabrication Services
- OEM Equipment and Parts

## Ownership Structure

- ~52% Management/Board
- ~70% Top 50



# Financial Highlights

- FY23 Revenue of \$304.3M
- EBITDA of \$6.03M
- Cash Holdings \$16.1M (excl. Term Deposits of \$2.5M)
- FY23 Alltype Engineering Revenue increases 79% to \$91,742,372 (FY22 \$51,131,244)
- FY23 SIMPEC Revenue increases 63% to \$212,532,870 (FY22 \$130,667,316)
- Debt and Borrowings is NIL

~2.0%  
EBITDA  
MARGIN

\$16.1M  
CASH  
HOLDINGS

\$10.2M  
BONDING  
(Surety & Cash backed)

# Earnings

EBITDA for the period \$6.04M

Net Profit After Tax \$1.76M

EBITDA % comparable with major contracting entities however the company believes there is opportunity for improvement of margins.

- Management of cost escalation pressures
- Robust contract management
- Overhead consolidation and efficiencies
- Diversification of offerings

## Fortescue Iron Bridge Magnetite Project's Wet Process Plant

- Practical Completion achieved within 24-month timeframe with more than 600 personnel
- More than \$20M contributed to indigenous engagement and employment
- Exemplary safety performance

\$6.04M  
EBITDA

\$1.76m  
NET PROFIT  
AFTER TAX



# Our Growth Journey

## 2017/18

ACQUISITION 1  
INCREASED  
CAPABILITY  
SMP / E&I

SIMPEC  
acquisition via  
all scrip deal

## 2019

ACQUISITION 2  
ADDING SCALE and  
NEW CAPABILITY

Alltype Engineering  
acquisition via  
all scrip deal

## 2020

CONSOLIDATION  
INCREASED REVENUE  
and PROFITABILITY

Alltype Engineering  
consolidation into  
the business and  
significant  
value award wins

## 2021

CONTRACT WINS  
REVENUE \$71.8M  
EBITDA \$3.4M

SIMPEC  
secures \$145M  
Wet Plant Contract  
for FMG Iron Bridge

## 2022

CONTRACT WINS  
REVENUE \$181.8M  
EBITDA \$9.1M

Alltype Engineering  
secures  
Lynas Rare  
Earths Plant and  
APA Group AMBANIA  
Compressor Station

SIMPEC Wet Plant  
Contract Delivery for  
FMG Iron Bridge

## 2023

ACQUISITION 3  
REVENUE \$304.3M  
EBITDA \$6.0M

WATMAR acquisition  
advanced. Completed  
2 Nov 2023

SIMPEC completes  
Wet Plant for IBO  
and secures ADBRI  
Cockburn Cement  
\$105M

Alltype Engineering  
secures  
APA \$47M  
Kurri Kurri NSW,  
signaling key  
expansion into the  
eastern states



# WATMAR

## Acquisition and Outline

- Fluid systems specialists
- Established Company in Australian Defence Force Maritime Industry
- Long Term OEM Supply and Service Contracts
- Sustainment Contracts underwrite revenue on 3 x 5 Year Contract Extensions
- Geographical Expansion for Group –NSW, NT and WA
- Specialist service nature not constrained by commoditised construction contracting margins



# WATMAR

## Benefits of Acquisition to WestStar

- WestStar immediate access to high barrier to entry defence industry
- Defence budgets non cyclical to provide defensive portfolio risk management
- Opportunity to leverage service offerings of other businesses into defence
- Significant defence spending budgets approved for next 20 years
- WATMAR service offering expansion into oil and gas, mining and infrastructure
- Immediate revenue and EBITDA contribution to FY24



# WATMAR

## Recent secured arrangements with ADF

WATMAR in contract to supply pumps, valves, motors and mechanical equipment on the LHD, AOR and DDG platforms with further opportunities:

- ARAFURA Class Offshore Patrol Vessels
- ANZAC Class Frigates
- Canberra Class Amphibious Assault Ship (LHD), also known as a Landing Helicopter Dock
- Auxiliary Oiler Replenishment (AOR) ship
- Hobart Class DDG vessels
- HMAS Choules



# Strategy

- Acquisition of WATMAR into the Group with long term sustainment works to underpin earnings
- Integration efficiency of WATMAR is paramount to increased earnings in a short period of time
- Alltype Engineering FY24 east coast expansion strategy underpinned by Kurri Kurri project
- SIMPEC continue to build a resume of major projects
- Exploration of synergistic opportunities across 3 businesses
- Further acquisition opportunities being assessed
- Expand brand and awareness of diverse offerings across customer base

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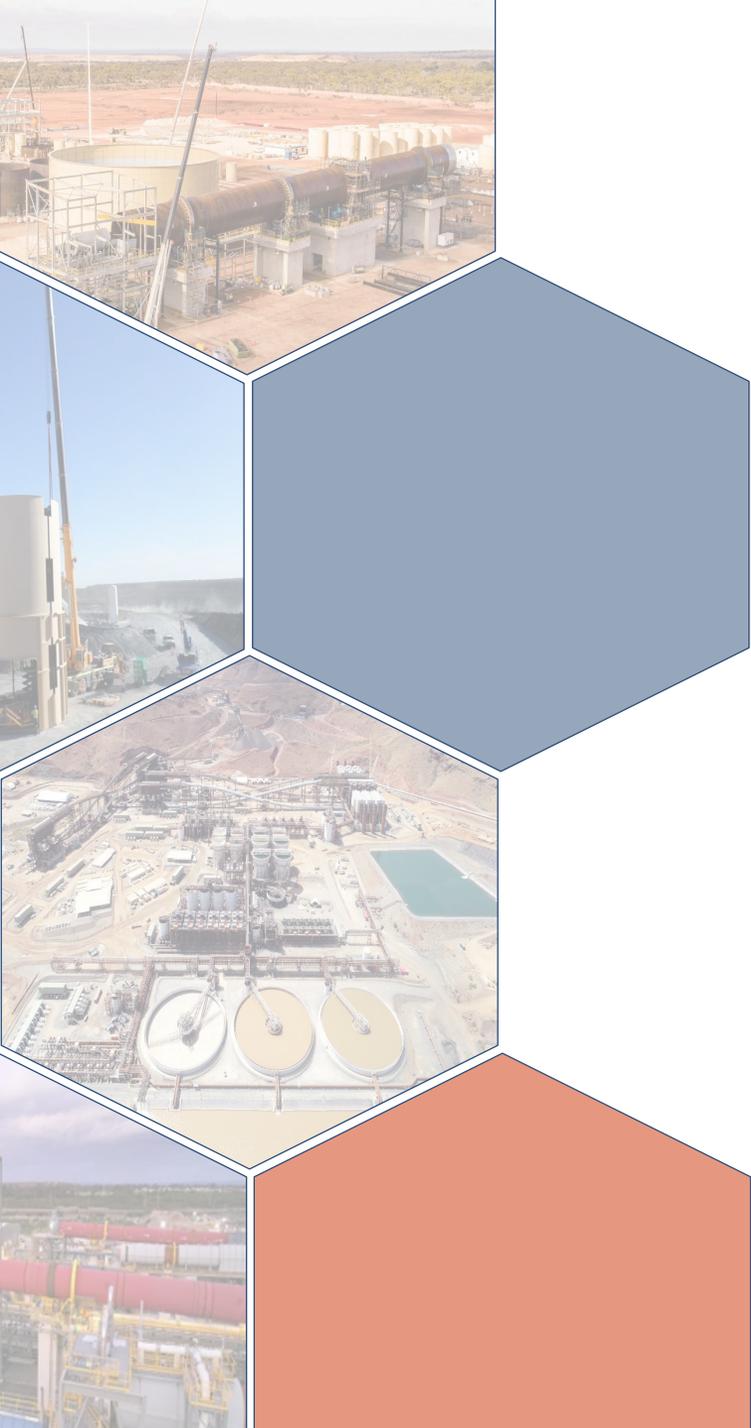
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