



Investor Presentation Q2 FY2020

Presented by
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Senior Management



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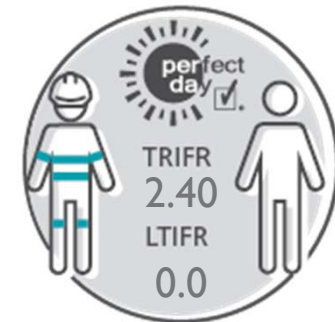
Warren Puvanendran
Group General Manager
Strategy and Development

Our vision

To be the leading integrated service provider in the resources, energy, industrial, utilities, port and marine markets.

We work with our clients at all stages of their asset development and operational lifecycle, delivering value through agile and innovative solutions.

Safety



Our markets



Energy



Resources



Industrial



Utilities



Port and marine

Our operations





Dynamic and positive approach to safety focused on delivering excellence one day at a time – our Perfect Day.



Build collaborative and high performing teams.
Attract and retain the best people.



Agile, flexible and customer focused approach to delivery excellence.
Operational discipline to a standard process.

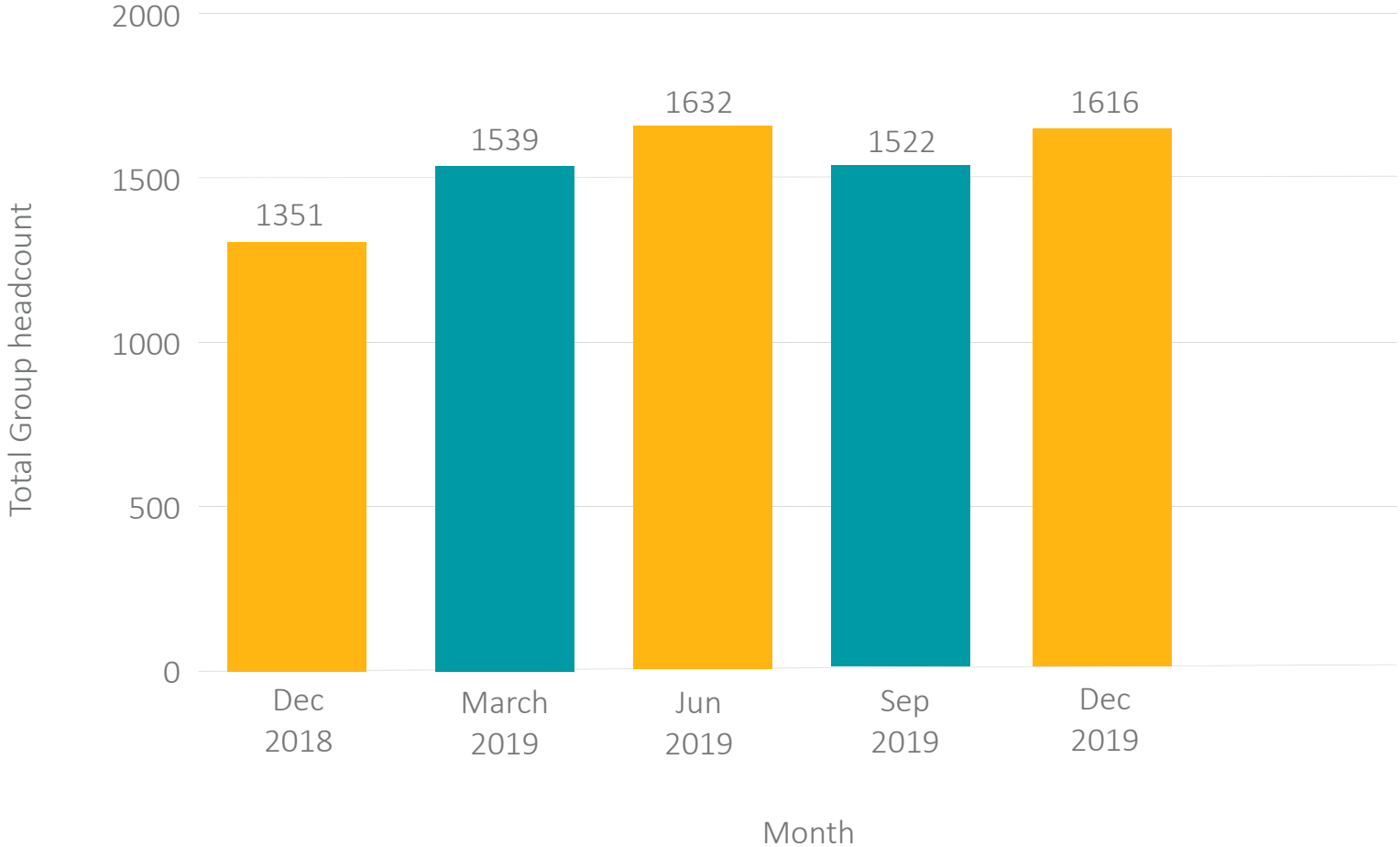


Trusted partner to the Australian resources, energy and industrial sectors, providing innovative solutions.



Accelerated, quality revenue growth.
Stable and predictable gross profit margin.

Growing Workforce = Increasing Revenue





Current Projects

Current Contracts / Projects



Yara Pilbara Nitrates (YPN)
 The TAN Plant Repair & Rectification Project
 – Structural, mechanical, piping, insulation and electrical
 – removal and reinstatement of free issued speciality equipment

Woodside-operated
 North West Shelf Project
 – Fabrication and procurement services

Chevron Australia Master Contractor
 Services Contract
 – Maintenance and support services
 – Hook-up and commissioning

Tianqi Australia Lithium
 Hydroxide Processing Plant Kwinana
 – Piping and insulation

Albemarle - Kemerton
 – Scaffolding works contract

Rio Tinto
 Various Site - West Pilbara
 – Rope Access



BHP Nickel West
 – Shutdown support

Newmont Boddington Gold Mine
 – Scaffold and rope access

Bluewaters / Collie Power Stations
 – Scaffolding works contract

Chevron Australia Master Contractor Services Contract - Maintenance



- Gorgon Train 1 Turnaround – Phase 6 execution works completed in December 2019 with a significant workforce engaged (approx. 750)
- Gorgon Train 2 Turnaround. AGC workscope defined and planning commenced –Phase 6 execution works will start in May 2020
- Fabrication framework agreement executed – 5 year agreement with Chevron to provide Fabrication services through the AGC Kwinana Facility
- Successfully completed Wheatstone Brownfields execution works – Mechanical, Painting, Insulation & Fireproofing, Access, and E&I program.



Tianqi Lithium Kwinana Hydroxide Processing Plant LHPP1



- AU\$32.5M contract for piping and insulation works on the Lithium Hydroxide Processing Plant Crystalliser building in Kwinana
- Peak workforce approx. 260 people
- Original Contract with EPCM (MSP) ceased Sept 2019
- Secured new Contract (AU\$6.0m) direct with Tianqi Lithium for ongoing Works – Commenced Sept 2019
- Full demobilisation from site completed in Dec 2019



Yara Pilbara Nitrates TAN Plant Construction

- Contract award of AU\$30M with Yara Pilbara Nitrates (JV between Yara and Orica)
- Deconstruction and construction work of dryers, heat exchangers and absorption tower on Technical Ammonium Nitrate (TAN) Plant
- Excellent Safety performance
- Demonstrated capability in constructing complex chemical processing facilities to a tight schedule
- Complex dual crane lifts
- Significant additional work



BHP - Maintenance

- **BHP Nickel West**
 - Commenced 3 year maintenance and shutdown contract with BHP across 4 sites
 - Completed the first major shutdown at the Kalgoorlie site
 - Completed major heat exchanger ducting fabrication packages
 - Completed breakdown maintenance repairs at the Kwinana site



- **Newmont Goldcorp Services**

Permanently on site for maintenance and shutdown contract with Newmont Goldcorp Services

- **Rio Tinto**

Performing Rope Access shutdowns for multiple sites in West Pilbara

- **BHP Petroleum**

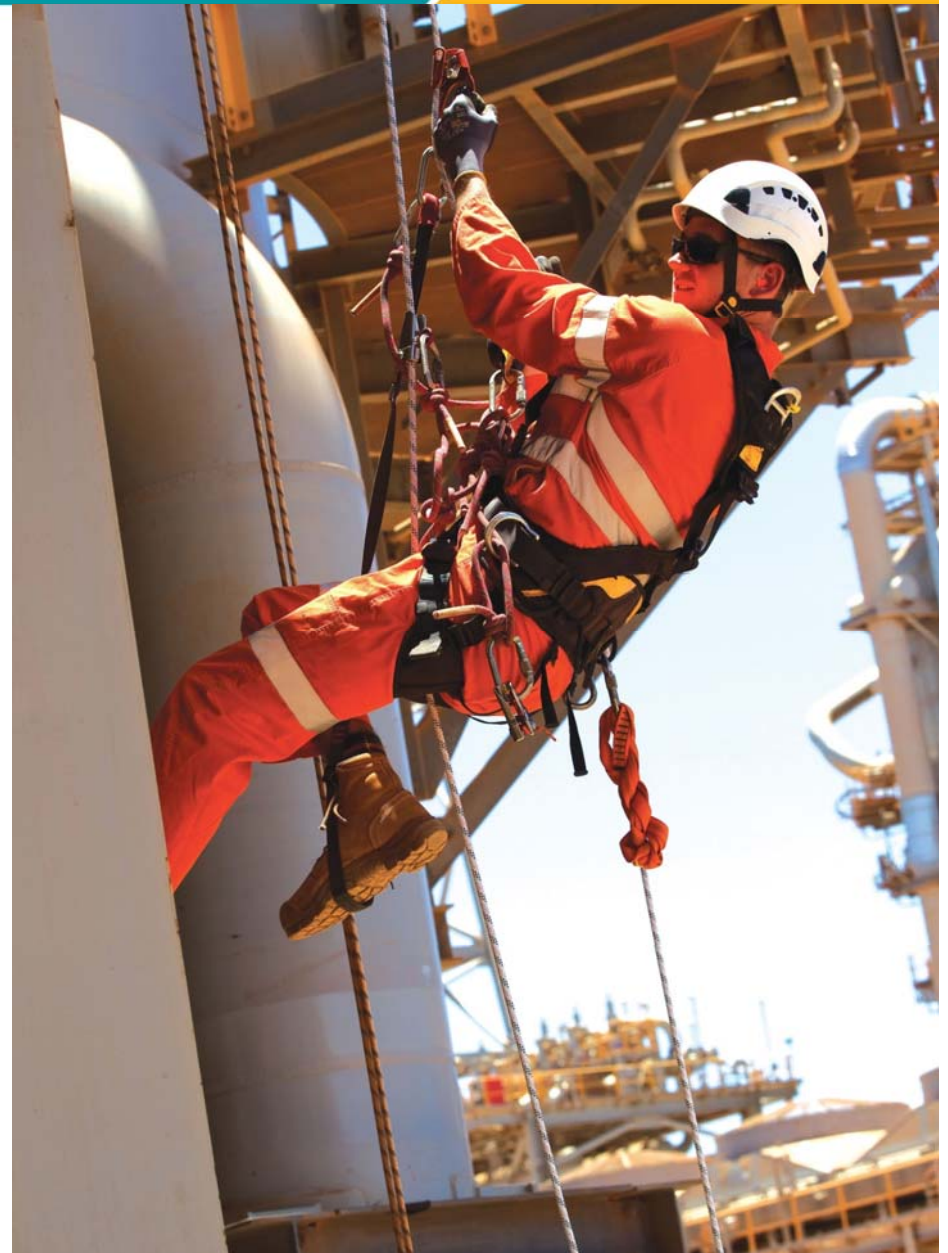
Successful campaigns continue on Pyrenees FPSO and Macedon LNG Plant

- **BHP Iron Ore**

Performed Rope Access shutdowns across multiple sites

- **Chevron-operated Gorgon Project**

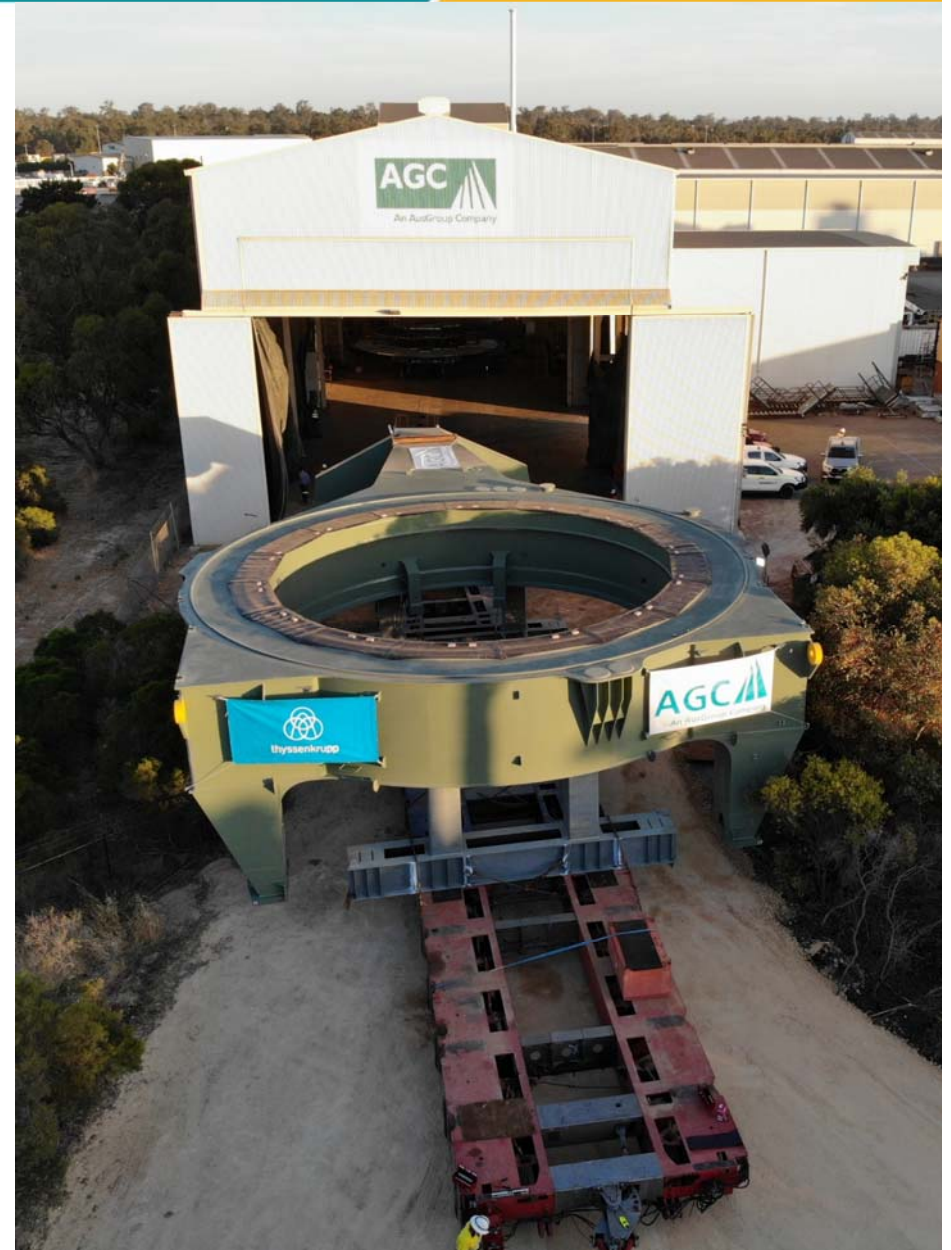
Barrow Island
Turnaround works (Turnaround, Waste Heat Recovery Stacks)



AGC Kwinana Manufacturing Hub



- Fabrication, surface treatment, trial assembly of the largest reclaimer for BHP Iron Ore's South Flank Project
- Largest land transported in Western Australia
- Specialist piping and modules for Chevron and Woodside LNG plants



NT Port and Marine

- 1.902ML supplied for FY20
- First fuel supply from Arcadia Energy – Port has independence of supply
- Navy continuing to explore options for greater utilisation of Port
- Engagement with ConocoPhillips Barossa Project subcontractors for Port utilisation in subsea construction
- Providing camp accommodation to infrastructure contractors



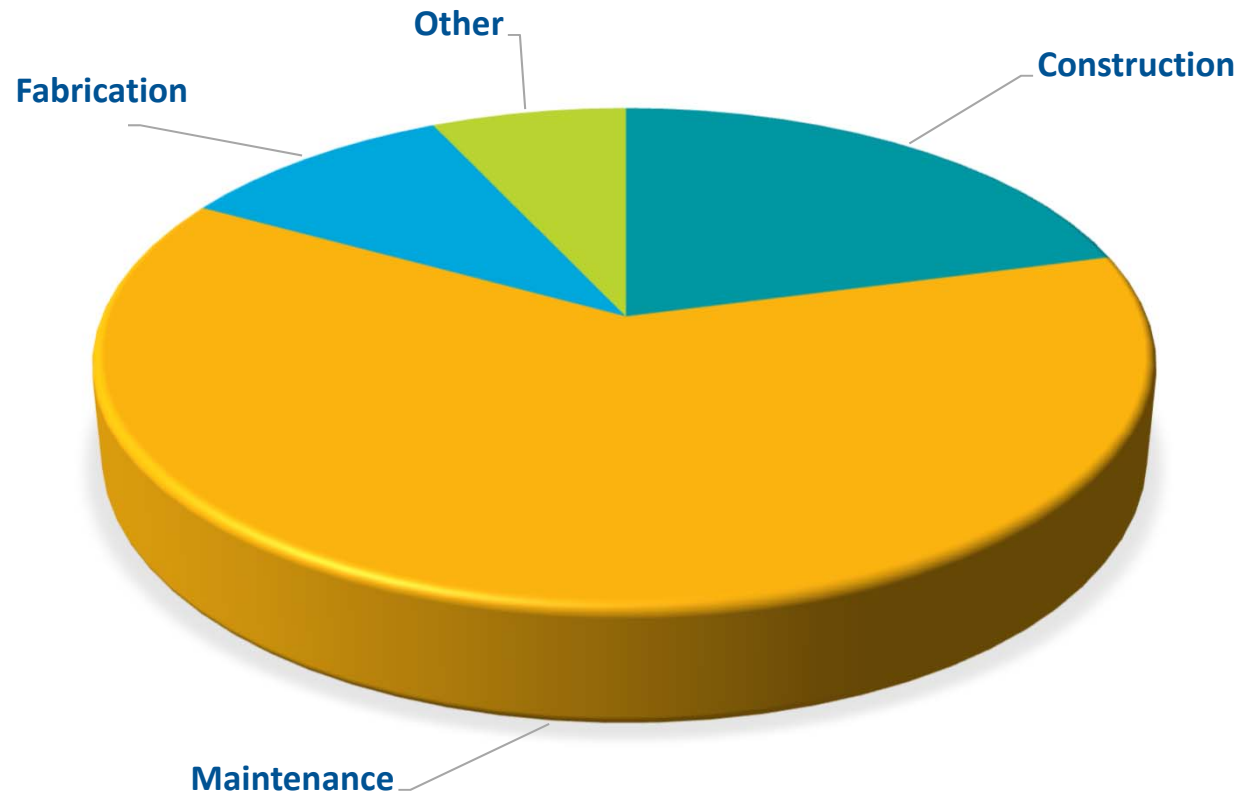


Market Outlook

Positioned for Growth

Pipeline Summary

- **Current Pipeline Value \$3 Billion**



Source: AusGroup pipeline database, as at February 2020



Financial Performance

Financial summary – Q2 FY2020



	Total Revenue	Total NPAT	NPAT margin	Net Debt
Q2 FY2020	A\$89.1m	A\$0.5m	0.6%	A\$69.5m
Q1 FY2020	A\$69.6m	A\$0.2m	0.3%	A\$72.5m

- Revenue of A\$89.1m – revenue has increased since the last quarter due to increased activity on turnaround work on LNG maintenance contracts and also on some of our larger fabrication contracts.
- Net Debt levels have decreased slightly as the delays in payment of claims settlements on the completed contracts referred to in the last quarter have largely been paid.
- Additional funding of A\$7.5m received in the quarter from our principal banker.
- NPAT of A\$0.5m reflects the increased activity mentioned to above as well as final adjustments on completed contracts.

Trading Performance – Q2 FY2020



	Q2 2020	Q2 2019	+ / (-) %	Q2 2020 Energy & Process	Q2 2020 NT Port & Marine	Q2 2020 Total
	AU\$'000	AU\$'000		AU\$'000	AU\$'000	AU\$'000
Revenue	89,126	58,330	<i>n.m.</i>	87,727	1,399	89,126
Gross profit	5,537	6,142	<i>n.m.</i>	6,434	(897)	5,537
Gross margin	6.2%	10.5%		7.3%	<i>n.m.</i>	7.8%
Other operating income / (loss)	437	950	(54.0)	437	0	437
Administration, marketing & other costs	(4,048)	(5,008)	(19.2)	(3,100)	(948)	(4,048)
EBIT	1,926	2,084	(7.6)	3,771	(1,845)	1,926
<i>EBIT Margin</i>	2.2%	3.6%		4.3%	<i>n.m.</i>	2.2%
Net gain on debt conversion	-	566	<i>n.m.</i>	-	-	-
Finance costs	(1,111)	(1,872)	(40.7)	(407)	(704)	(1,111)
Income and withholding tax	(278)	(286)	(2.8)	(278)	0	(278)
Net profit for the period	537	492	9.1	3,086	(2,549)	537
<i>Net Profit Margin</i>	0.6%	0.8%		3.5%	<i>n.m.</i>	0.6%
<i>EBITDA and impairments</i>	4,524	3,948	14.6	5,456	(932)	4,524
<i>EBITDA Margin</i>	5.1%	6.8%		6.2%	<i>n.m.</i>	5.1%

- Quarterly revenue increased QoQ due to additional work on the maintenance and fabrication projects in Q2 2020.
- The GP margin of \$5.5m at a GP% of 6.2% is lower than in the comparative quarter due in part to tightening margins which contracted due to the competitive labour market and increased costs associated with new Enterprise Bargaining Agreements (EBA).
- Finance costs include the effect of the new leasing standard (SFRS (I) 16) which recognises leases on-balance sheet (charge of \$0.257m), however the decrease in finance costs of \$0.761m is due lower comparative interest rates which were re-negotiated last year.
- Net profit for the period of A\$0.537m – another profitable quarter (the fourteenth in succession).

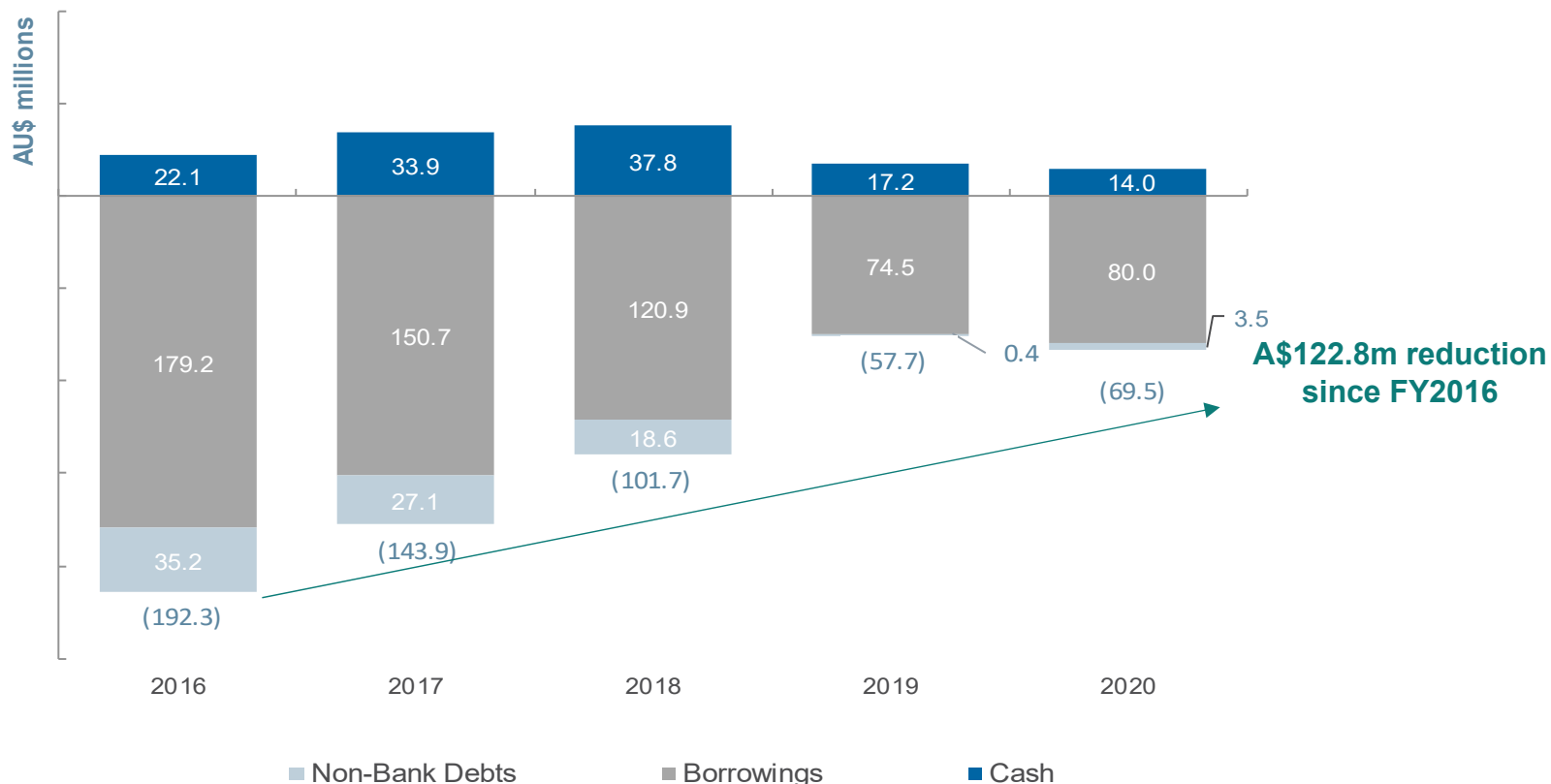
Balance sheet



(A\$ million)	31-Dec-19	30-Jun-19	Variance
Cash	14.0	17.2	(3.2)
Receivables	89.4	65.4	24.0
PPE	82.4	85.1	(2.7)
Intangible Assets	58.7	45.1	13.6
Other Assets	7.4	5.7	1.7
Total Assets	251.9	218.5	33.4
Payables	49.1	33.8	15.3
Debt	83.5	74.9	8.6
Other Liabilities	21.4	8.0	13.4
Total Liabilities	154.0	116.7	37.3
Net Assets	97.9	101.8	(3.9)
Net Tangible Assets	39.2	56.7	(17.5)
Current Liquidity	37.6	37.0	0.6

- Cash levels have reduced by A\$3.2m since the end of FY19. Delayed settlement of project claims.
- Receivables has increased A\$24.0m due to delay in settlements of contract claims on completed projects in Q2 2020– this was largely corrected in Jan’20.
- Intangibles increased by A\$13.6m due to adoption of leasing standard in respect to right to use assets. Offsets lease liability recorded under Other liabilities – nil effect to balance sheet.
- Payables increased by A\$15.3m due to higher level of accrued project expenses and timing delays in cash receipts.
- Debt levels increased by \$8.6m due to short term funding received in the quarter – no effect on the ability to cover debt service levels.
- Other Liabilities includes A\$13.4m of Lease liabilities – see Intangibles note above for context.
- Current liquidity increased slightly to \$37.6m.

Group net debt - deleveraging



Debt Profile	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20
DBS	10.2	9.7	7.5	5.9	12.1
MTN	39.9	40.9	41.3	42.0	41.7
Ezion	30.9	31.6	25.7	26.5	26.2
Total	81.0	82.2	74.5	74.4	80.0

- Insurance premium costs in the quarter increased to \$3.5m.
- Increase in cash reflects the additional funding received from our principal bankers plus receipts of delayed contract claims from prior periods.
- Additional banking facilities have been finalised in Dec'19.

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