

For personal use only



2025 Strategy Update

June 2022

Expect More



Important notice and disclaimer

This presentation and these materials (together the "Presentation") have been prepared by Perenti Global Limited ABN 95 009 211 474 (ASX:PRN) ("Perenti") as a summary of Perenti's operations and results for the purposes of a presentation to existing or potential investors in Perenti. By participating in this Presentation or reviewing or retaining these materials, you acknowledge and represent that you have read, understood and accepted the terms of this Important Notice and Disclaimer.

This Presentation should be read in conjunction with Perenti's periodic and continuous disclosure announcements that have been lodged by Perenti with the Australian Securities Exchange ("ASX").

This Presentation is not intended as an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any security in the United States or any other jurisdiction.

This Presentation may contain forward looking statements concerning projected earnings, revenue, growth, order book, pipeline, outlook or other matters ("Projections") for the financial year ending 30 June 2022 or beyond. Any such Projections are based on assumptions which may differ materially from the actual circumstances which may arise. Actual results may differ from Projections and such variations may be material. You should not place undue reliance on any Projections, which are based only on information currently available to Perenti. Perenti undertakes no obligation to update any Projections for events or circumstances that occur subsequent to the date of this Presentation or to keep current any of the information provided. Past performance is no guarantee of future performance.

Recipients of this Presentation are advised that the information contained in this Presentation is not legal, tax, accounting, investment or financial product advice and should not be used as the basis for making investment decisions or other decisions in relation to Perenti or its securities.

This Presentation is not a disclosure document, is for information purposes only and does not constitute an offer to issue, or arrange to issue, securities or other financial products. Perenti has no obligation to tell recipients if it becomes aware of any inaccuracy in or omission from the information in this Presentation. This Presentation has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person.

You should consult your own advisors as to legal, tax, financial and related matters and conduct your own investigations, enquiries and analysis concerning any transaction or investment or underwriting or other decision in relation to Perenti.

This Presentation, including opinions set out in it, is based on information compiled or prepared by Perenti from sources believed to be reliable, although such information has not been verified in all instances. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this Presentation. To the maximum extent permitted by law, none of Perenti, its directors, employees, advisors or agents, nor any other person, accepts any liability, including without limitation any liability arising out of fault or negligence, for any loss arising from the use of the information contained in this Presentation. In particular, no representation or warranty, express or implied, is given as to the accuracy, completeness, likelihood of achievement or reasonableness of any forecasts, Projections or prospects referred to in this Presentation.

Non-IFRS Financial Information

This Presentation may use non-IFRS financial information including EBITDA, EBITDA margin, EBIT(A), EBIT(A) margin, EBIT, NPAT(A) (as well as the same measures stated on an underlying or proforma basis), net debt and return on average capital employed (ROACE). These measures are used to measure both group and operational performance. A reconciliation of non-IFRS financial information to IFRS financial information is included in the presentation. Non-IFRS measures have not been subject to audit or review. Certain of these measures may not be comparable to similarly titled measures of other companies and should not be construed as an alternative to other financial measures determined in accordance with Australian accounting standards.

Revenue refers to external sales revenue.

\$ refers to Australian Dollars.

For personal use only

Presentation outline

- 1** **FY25** Targets
- 2** **Perenti** Today
- 3** **Future** Direction
- 4** **Delivering Improved** Financial Performance
- 5** **FY23** and building to **FY25**

1. FY25 Targets

Expect More

HEALTH AND SAFETY

No life changing events

ROACE¹

20%

EBIT(A) MARGIN²

10%

REVENUE

\$2.5 Billion

LEVERAGE³

<1.0x

2. Perenti Today

Expect More

For personal use only

Perenti today | A global mining services business

2025
Strategy
Update

FY22 Revenue

\$2.4B

FY22 EBIT(A)

\$170m - \$175m

Employees

~9,000

Projects

~60

Countries

11

Continents

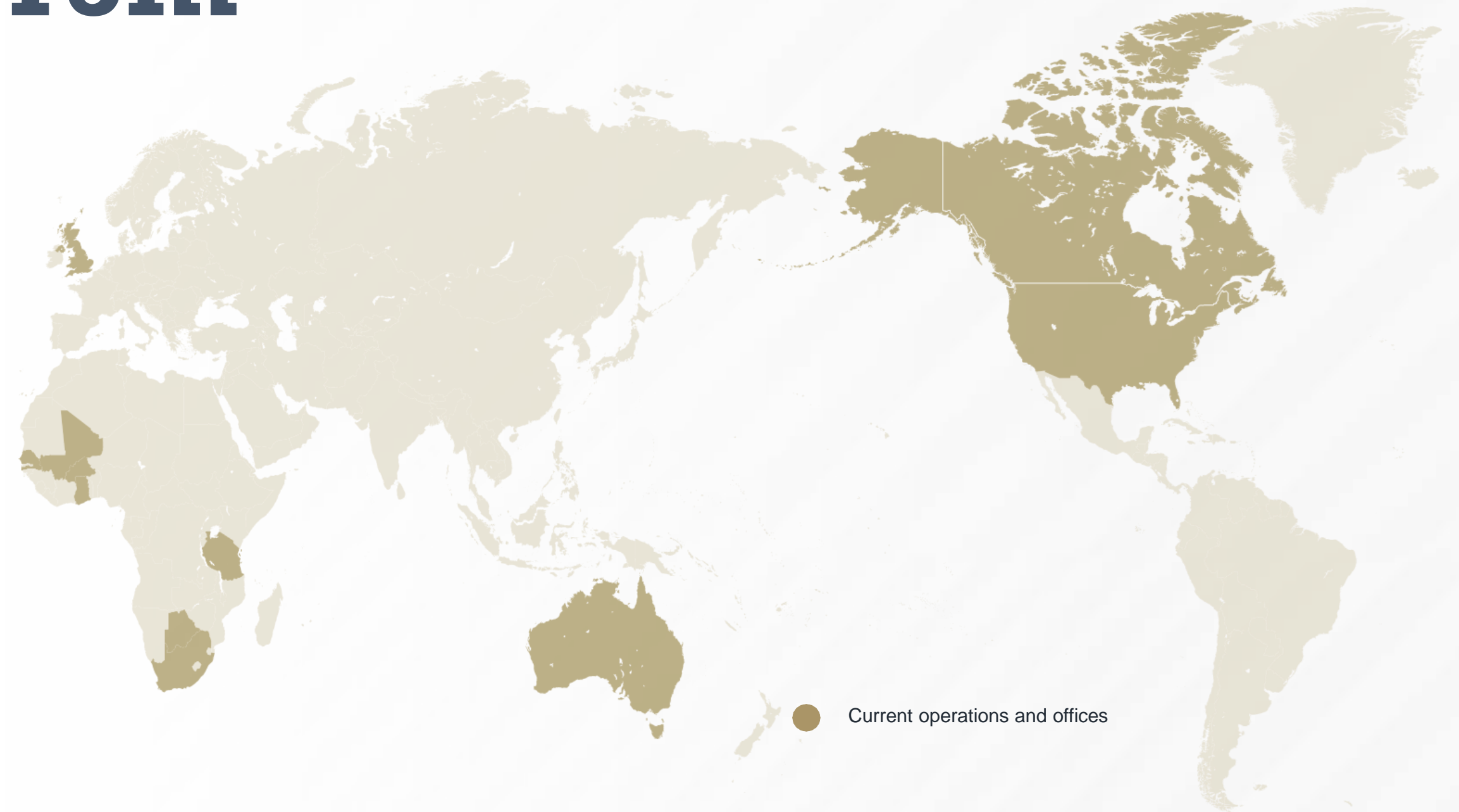
4

Commodities

9

Clients

100+



Navigating through unprecedented challenges



Delivering against our strategy from 2019

Stabilised the business

- Successfully integrated Barmenco with Ausdrill to create Perenti
- Exited some high-risk African jurisdictions and projects and recycled capital
- Addressed historical business issues
- Navigated COVID-19 challenges (still ongoing)

Enhanced cash generation

- Improved AMS business performance
- Rationalised portfolio to recycle capital of \$134.7m
- Established Capital Management Policy
- Built strong work in hand and pipeline in support of strategy

Invested in Organisational Health

- Accelerated investment in people development
- Implemented risk management and assurance framework
- Strengthened governance and transparency
- Significant (ongoing) investment improving enterprise systems

Positioned for the future

- Established idoba, our future focused technology business
- Expanded regionally into lower-risk jurisdictions of North America & Botswana
- Established Sustainability Framework
- Management effort shifting from historical and macro challenges to future value

The case for change.....

Limited cash generation on investment

Industry 4.0 in mining

Sustainability focus increasing

Global market changes

Energy revolution

So where to from here?

3. Future Direction

Expect More

Our fundamental objective is to...

Deliver Competitive Total Shareholder Returns

By building a portfolio of complementary businesses that deliver consistent and quality cash profits to create enduring value for our clients, our people and our investors



Sustainability is linked to Our Purpose



Perenti

HEALTH, SAFETY & ENVIRONMENT POLICY

Perenti

SUSTAINABILITY POLICY

Perenti

SPEAK-UP POLICY

Perenti

INCLUSION AND DIVERSITY POLICY

Perenti

CODE OF CONDUCT POLICY

Perenti

PERENTI GLOBAL LIMITED

Modern Slavery Act Statement FY21

Perenti

Perenti Global Limited (Perenti)
ABN 95 009 221 474

Perenti

SUSTAINABILITY REPORT 2020

Perenti

SUSTAINABILITY REPORT 2021

Expect More

Repositioning our business model



Building out our operating businesses

Key Assessment Criteria

Strategic attractiveness

- Commodity mix
- Market position
- ESG focused

Value creation potential

- Earnings growth
- Strengthen balance sheet
- Cash generation

Fit within Perenti

- Complementary offering
- Attractive geographies
- Capital balanced

idoba | Advancing our digital capability



SANDPIT

impres.



- Disciplined commitment to fund digital technology capability through idoba
- idoba's ecosystem approach codifies mining know-how into a transformative digital platform offering
- Leverage the investment internally and externally to:
 - Improve all Perenti businesses
 - Develop new digital product offerings
 - Build new recurring revenue streams
- Continue to expand MOU with Sumitomo

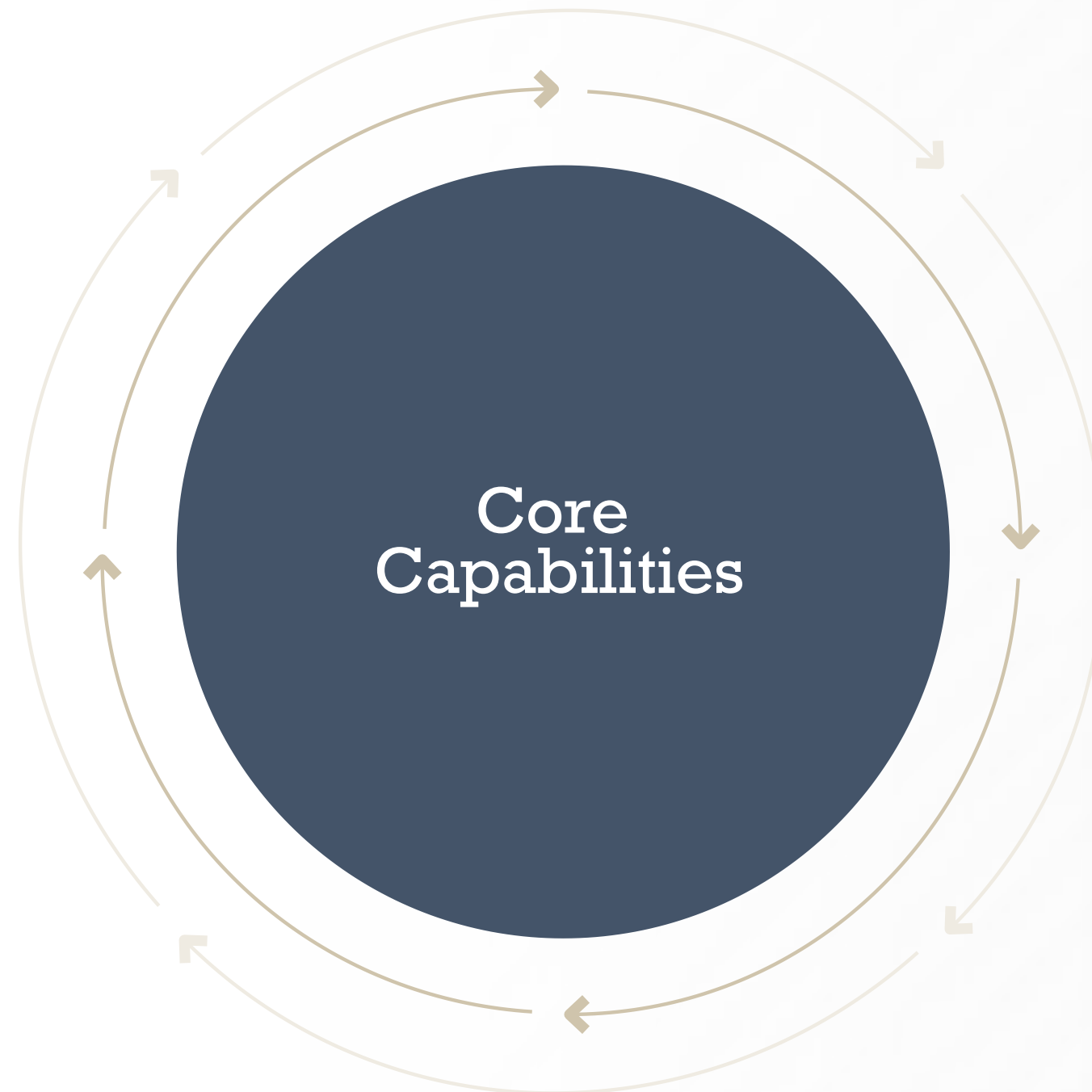
Evolving how we work | The Perenti Operating Model

Organisational Design

- Portfolio management
- Decentralised structure
- Operating business full P&L accountability
- Performance management

Governance Framework

- Code of conduct
- Enterprise risks
- Policy, standards & processes
- Internal audit & compliance



People and Culture

- Our Principles
- Leadership
- Key capabilities
- Working together

Systems and Data

- Core systems & applications
- Master data management
- Insights through analytics
- Continuous improvement

To create enduring value and certainty

Strategic focus areas

Business performance

Through continuous improvement, safely generate sector-leading cash backed profits and exceed business specific KPI's

Capital management

Maintain rigorous capital allocation methods to maximise sustainable and competitive returns to shareholders

Organisational health

Embed governance, operating rhythms and routines that are risk-based to provide clarity, along with the right tools for our people

People and culture

Through our leaders living our principles we attract, retain and engage quality people that deliver outstanding results for our clients, communities, investors and our people

Data and analytics

Manage, maintain and analyse our data to provide fresh insights in support of decision making to deliver business outcomes

Cash focus supported by strong financial management



- Optimise operational & business performance to maximise cashflow
- Active review of portfolio and assessment based on attractiveness, value and fit
- Continue to transition into lower-risk jurisdictions
- Minimise costs of doing business
- Strengthened approach to capital management to deliver improved value
- Balanced allocation to meet short and long-term business needs

4. Delivering improved financial performance

Expect More

Improving operational performance

STRONG CASH FLOWS FROM OPERATIONS

Interest & Tax

Streamline capital structure to optimise interest and tax

Stay in Business Capital¹

Generally in-line with depreciation

Portfolio Management

Optimise the portfolio and business structure

FREE CASH FLOW

Debt Management

Dividends

Buybacks

Growth

MAXIMISE SHAREHOLDER VALUE

- Secure operational and corporate efficiencies, including working capital
- Successfully ramp up new projects to deliver returns on the capital invested in FY22
- Address underperforming projects, regions and businesses
- Enhance and deliver consistent Contract Mining project performance
- Deliver consistent Group EBIT(A) margin of 10% by 2025

EBIT(A) margin expansion to FY25

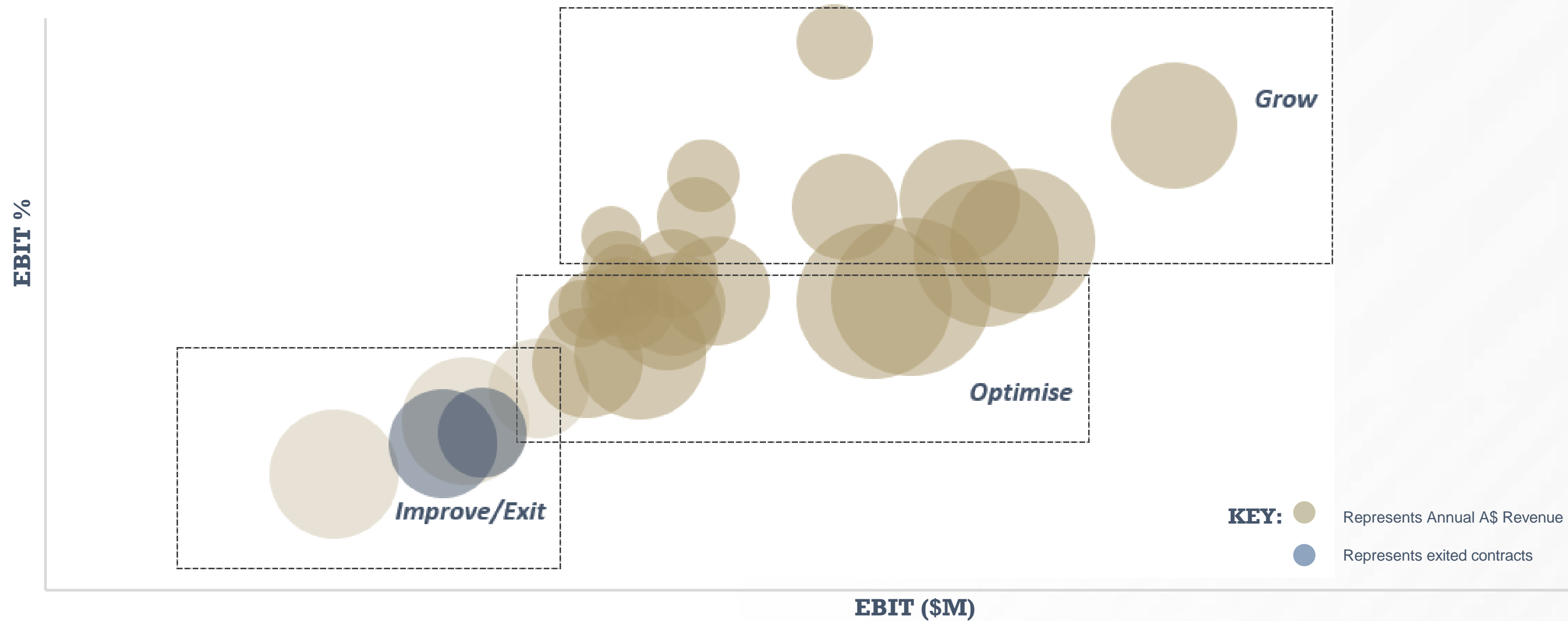


For personal use only

Contract improvement opportunities

Margin uplift will be delivered by improving / exiting underperforming contracts

Contract Mining projects



Delivering operational efficiencies

STRONG CASH FLOWS FROM OPERATIONS

Interest & Tax

Streamline capital structure to optimise interest and tax

Stay in Business Capital¹

Generally in-line with depreciation

Portfolio Management

Optimise the portfolio and business structure

FREE CASH FLOW

Debt Management

Dividends

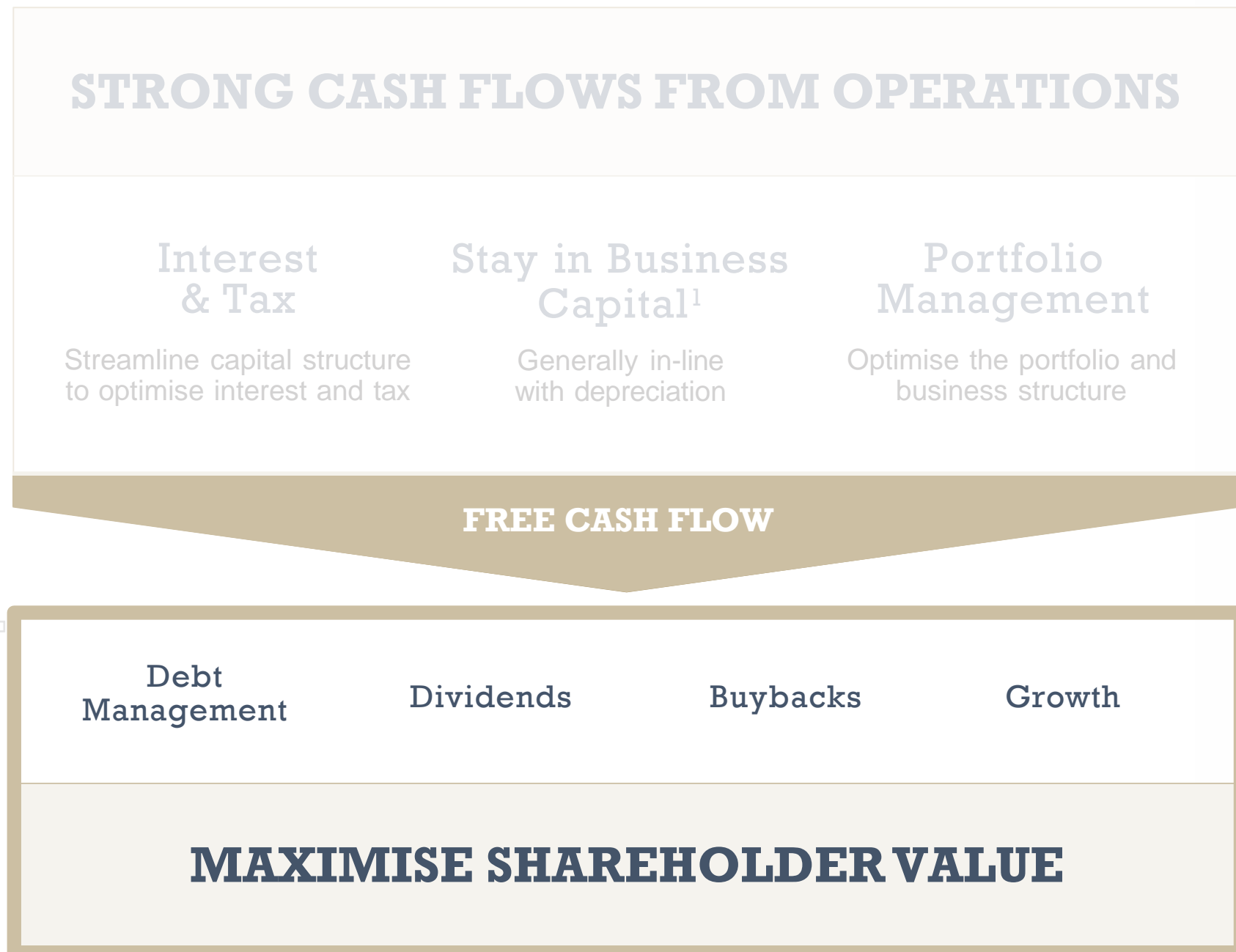
Buybacks

Growth

MAXIMISE SHAREHOLDER VALUE

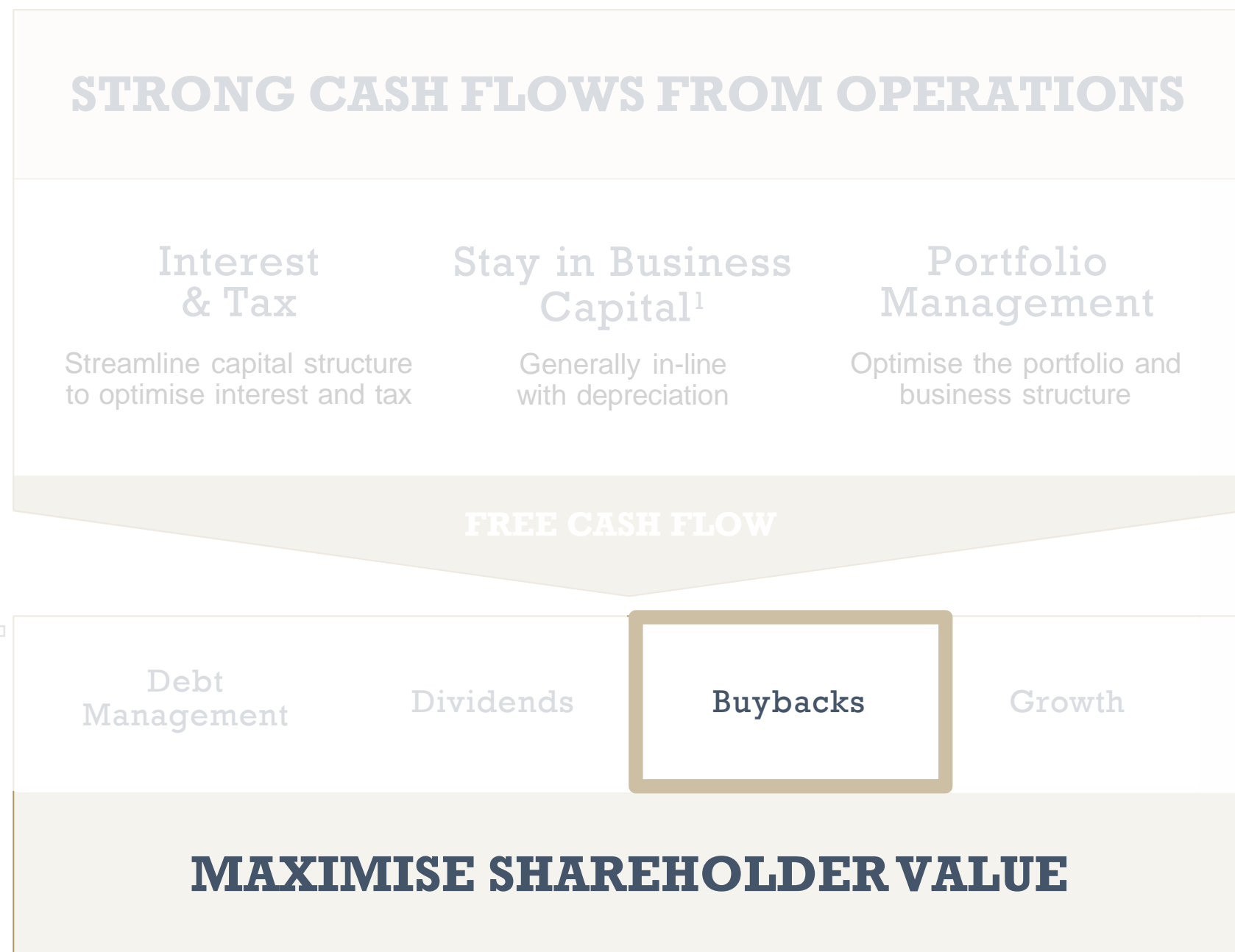
- Reduce interest expense through:
 - Restructure debt facilities to access lower interest rates
 - Reduced debt levels through free cash flow generation
 - Optimise global structure to release foreign cash
- Reduce % cash tax on earnings through optimisation of global structure and increased Australian earnings enabling the utilisation of Australian tax losses
- Tighter financial management of stay in business capital ensuring alignment with depreciation
- Divestment of non-core assets that do not generate required returns

Disciplined capital allocation



- Achieve a sustainable leverage (net debt/EBITDA) <1.0x by 2025
- Suspension of dividends until leverage target is achieved, remembering future dividends will be unfranked for the foreseeable future
- Buybacks to be considered where the economic benefit is compelling
- Annual growth capital amount to be allocated from free cash flow, with projects and business opportunities to compete for the allocated amount
- Investment in digital technology through idoba remains crucial to future-proof business growth

Returning value via a share buyback



- Announced the commencement of up to 10% shares via an on-market share buyback
- Management & Board continue to believe current share price significantly undervalues Perenti
- Immediately EPS accretive for Perenti shareholders
- A portion of the cash proceeds from FY22 Capital Management activities will fund the buyback
- The buyback does not impact Perenti’s ability to deliver its leverage target by FY25

5. FY23
and building
to **FY25**

Expect More

Delivering through our strategic focus areas

Strategic Focus Areas:	Business performance	Capital management	Organisational health	People and culture	Data and analytics
Optimise current business (0 - 18mths)	<ul style="list-style-type: none"> • Improve safety • Improve margins 	<ul style="list-style-type: none"> • Complete portfolio review • Share buyback 	<ul style="list-style-type: none"> • Embed new operating model • Publish sustainability targets 	<ul style="list-style-type: none"> • Leading @ Perenti program • Attract and retain employees 	<ul style="list-style-type: none"> • Establish data and digital foundations • Utilise data insights to drive margin improvement
Build future portfolio (1 - 3yrs)	<ul style="list-style-type: none"> • Further business simplification • Recycle capital from high-risk jurisdictions 	<ul style="list-style-type: none"> • Reduce tax and interest cash costs • Invest in Mining Services 	<ul style="list-style-type: none"> • Invest in core management systems • Deliver against sustainability targets 	<ul style="list-style-type: none"> • Deliver culture & inclusion initiatives • Develop future ready workforce 	<ul style="list-style-type: none"> • Leverage idoba internally & externally • Develop new products & services

FY23 outlook

—
FY23 EBIT(A)
solid beat
to FY22

—
FY23 CAPEX
significantly
less than FY22

—
FCF **stronger**
than FY22

—
LEVERAGE
well below
FY22

FY23 guidance to be provided August 2022

A focused strategy to deliver competitive TSR

Deliver competitive Total Shareholder Returns by building a portfolio of complementary businesses that deliver consistent and quality cash profits to create enduring value for our clients, our people and our investors



Our Purpose : To create enduring value and certainty

For personal use only

Thank you

perentigroup.com



Expect More