



GR Engineering Services Limited

Investor Presentation

2 September 2024

ersonal use only

Group FY24 Results

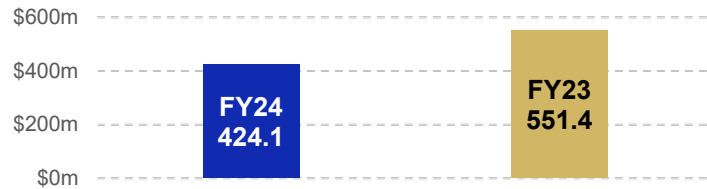
- The Group reported FY24 revenue of \$424.1 million (\$551.4 million) and EBITDA of \$50.9 million (\$44.4 million).
- During FY24, GR Engineering successfully delivered multiple major projects, including the world class Thunderbird Mineral Sands Project, Bellevue Gold Project and Cosmos Nickel Concentrator Facility Upgrade. GR Production Services continued to deliver operational and maintenance services to key clients including Santos, INPEX, Eni and QPM Energy.
- The Group was able to achieve an improved EBITDA result from a lower revenue base compared to the prior year. This was the result of solid operational performance across the group. Revenue was lower than FY23 as a result of delays in expected contract awards.
- The Group Total Reportable Injury Frequency Rate for FY24 was 2.11. One LTI was recorded during the year.
- The Board has resolved to declare a fully franked dividend of 10.0 cents per share, (total FY24 fully franked dividends: 19.0 cents per share).
- During the last twelve months, the Group's shareholder base has increased from 3,346 shareholders to 4,563 shareholders.



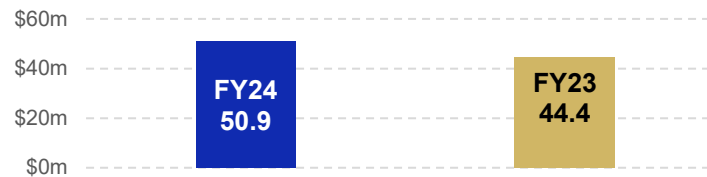
FY24 Group Results

Earnings

Revenue



EBITDA

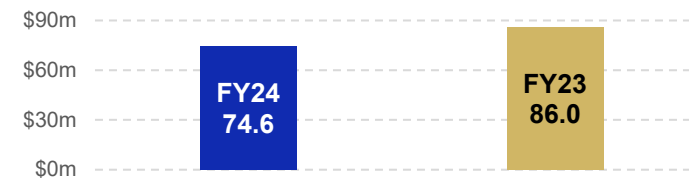


PBT

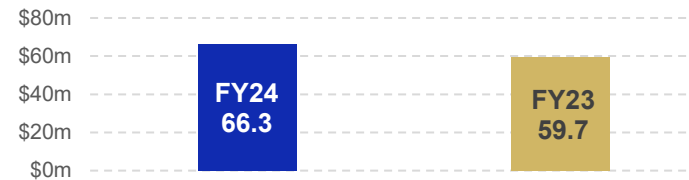


Balance Sheet & Cash Flow

Cash



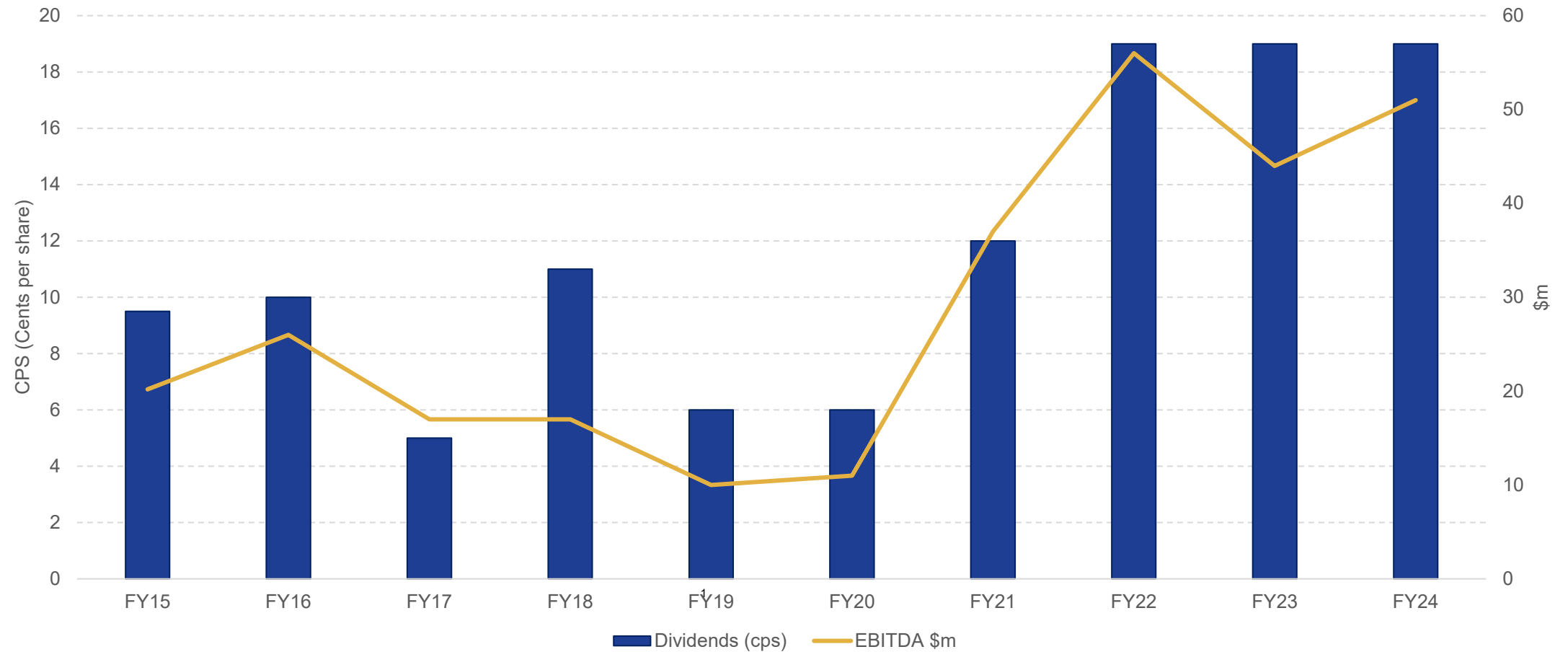
Net Assets



Total Dividends (Fully Franked)



EBITDA and Dividend Performance



1) FY20 EBITDA is based on underlying EBITDA after adjusting for one-off abnormal items

ersonal use only

Balance Sheet

- Strong balance sheet maintained at 30 June 2024.
- At 30 June 2024, the Group held a cash balance of \$74.6 million (30 June 2023: \$86.0 million) with negligible external bank debt.
- During FY24, the Group paid out \$31.3 million (FY23: \$30.7 million) in fully franked dividends to shareholders. On 13 March 2024, the Group acquired Paradigm Engineers for \$9 million. The consideration was comprised of 50% cash and 50% scrip.
- At 30 June 2024, the Group had significant headroom on its combined bank guarantee and bonding facilities (undrawn facilities: \$67.2 million).



Mineral Processing – GR Engineering

- GR Engineering’s design and construction order book of current work includes:

Company	Project	Type	(\$'m)
Evolution Mining Limited	Mungari Future Growth Project	EPC	155
K92 Mining Ltd	Kainantu Gold Mine – 1.2 Mtpa Process Plant	EPC	USD81
Liontown Resources Limited	Kathleen Valley Lithium Backfill Project	EPC	71
Hastings Technology Metals Limited	Yangibana Rare Earths Project – Beneficiation Plant*	EPC	210

*Contract executed, pending full notice to proceed. Early works continued up to a capped amount

- West Musgrave Project operations will be suspended in October 2024 and handover activities for the temporary suspension will be completed by December 2024.
- In addition to the above ongoing projects, GR Engineering is engaged on 23 studies across a broad range of commodities for projects in Australia and abroad.



Energy – GR Production Services (GRPS)

- GR Production Services (GRPS), generates longer term operations and maintenance (O&M) services revenue alongside project work.
- GRPS’s contracted pipeline includes, but is not limited, to the following key projects:

Company	Project	Start date	Contract term (excluding options)	Estimated \$'m per annum
QPM Energy	Moranbah Gas Plant – O&M	2023	5 years	26
INPEX	Ichthys LNG Project – O&M	2023	3 years	12
Santos Ltd	Surat Basin – maintenance	2021	3 years	12
Santos Ltd	Cooper Basin – maintenance	2023	3 years	12
Eni Australia	Blacktip Gas Field – O&M	2022	2 years	10
Senex	Mechanical and electrical services	2022	4 years	5



Process Controls – Mipac / Paradigm

- Mipac is a leading global provider of controls systems, operational technology and engineering services primarily in the mineral processing, energy and water industries.
- During FY24, Mipac continued to deliver solutions for key repeat clients such as First Quantum Minerals Limited, Glencore Technology, Anglo American, BHP Group Limited, OK Tedi and other large conglomerates.
- Mipac continues to operate at a high utilisation based on its strong contracted and near term pipeline of work.
- On 13 March 2024, Mipac acquired Paradigm Engineers (Paradigm), a provider of control systems and electrical engineering automation and technology services based in Western Australia.
- This strategic transaction enhances Mipac's control system and design capabilities and expands its existing footprint in Western Australia. Paradigm Engineers delivers solutions to Tier 1 clients primarily in the iron ore sector, including BHP, Rio Tinto and HanRoy and is a key supplier to these companies.



Environmental Social Governance (ESG)

As part of the Group's ESG framework, we:

Support our communities, including:



- Promote and encourage diversity in our workforce and operations. We recognise that a diverse workforce is a contributor to the business achieving its strategic objectives.
- Regularly partner with clients on social ventures, particularly in relation to initiatives involving the regional communities in which our clients operate.
- Favour local suppliers and supply chain ethics that are supported by our standards. The risk of modern slavery in our supply chain and operations is low.
- Maintain a proactive assessment towards potential environmental impacts. We work closely with our clients and adhere to their environmental management plans.
- Support university engineering students with scholarships and maintain an active graduate recruitment program.



Outlook

- The Group has a strong orderbook and pipeline of opportunities.
- The Group is currently working on a high volume of studies across a broad range of commodities and geographies and is involved in multiple active tender opportunities.
- The business has a strong balance sheet which means that it is well capitalised to deliver its pipeline of work.
- The Group will continue to assess potential strategic growth opportunities that provide scale, diversity and technical expertise to the business.

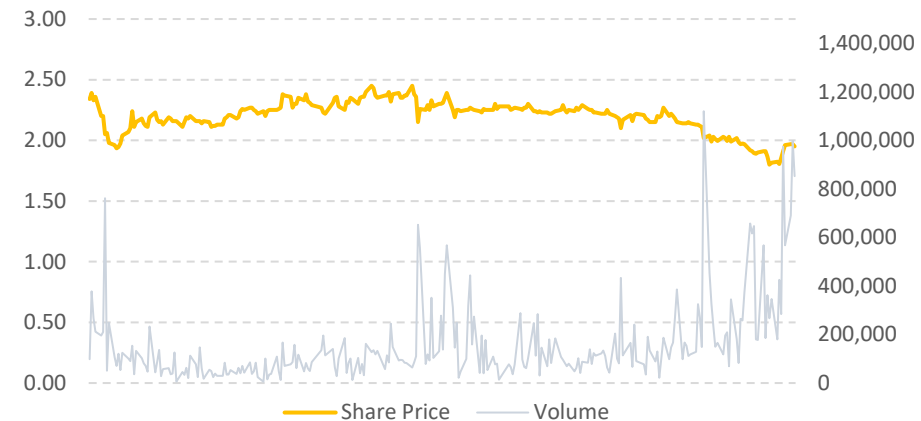


Corporate Profile

Capital Structure

Shares on issue	<i>m</i>	167.0
Share price (<i>GNG.ASX</i>) (28 Aug 2024)	<i>\$</i>	1.95
Market Capitalisation	<i>\$m</i>	325.7
Cash (30 Jun 2024)	<i>\$m</i>	74.6
Debt (30 Jun 2024) (excluding lease liabilities)	<i>\$m</i>	0
Enterprise Value	<i>\$m</i>	251.1

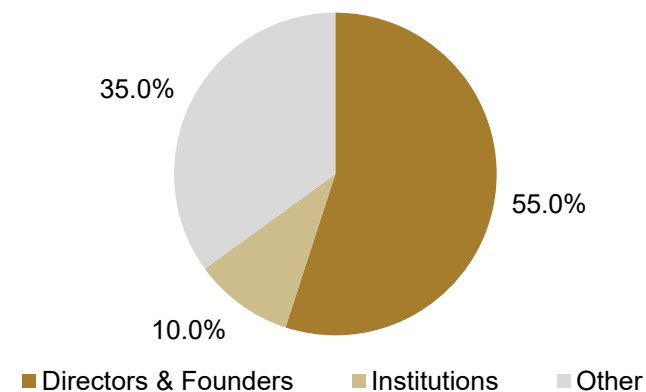
Share Price History



Directors & Management

Phillip Lockyer	<i>Non-Executive Chairman</i>
Tony Patrizi	<i>Managing Director</i>
Peter Hood	<i>Non-Executive Director</i>
Joe Totaro	<i>Non-Executive Director</i>
Deb Morrow	<i>Non-Executive Director</i>
Omesh Motiwalla	<i>Chief Financial Officer</i>

Register Analysis



Contact Details

Tony Patrizi

Managing Director

☎ +61 8 6272 6000

✉ tony.patrizi@gres.com.au

Omesh Motiwalla

CFO & Company Secretary

☎ +61 8 6272 6000

✉ omesh.motiwalla@gres.com.au

Key locations

GR Engineering

71 Daly Street
Ascot WA 6104
✉ PO Box 258
Belmont WA 6984
☎ +61 8 6272 6000

Level 11, 99 St Georges Terrace
Perth WA 6000
☎ +61 8 6272 6000

Building 3, Level 3,
Kings Row Office Park
42 McDougall Street
Milton QLD 4064
☎ +61 7 3838 8000

7225 N Oracle Rd, Suite 202
Tucson, Arizona USA 85704
☎ +1 520 326 0062

GR Production Solutions

Level 24, 324 Queen Street
Brisbane QLD 4000
☎ +61 7 3239 5800

Level 10, 99 St Georges Terrace
Perth WA 6000
☎ +61 8 6109 4000

Mipac / Paradigm

Level 4, East Tower
410 Ann Street
Brisbane QLD 4000
☎ +61 7 3212 5600

Level 3, 195 Great Eastern Highway
Belmont WA 6104
☎ +61 8 6424 9900



Disclaimer

RELIANCE ON THIRD PARTY INFORMATION

This presentation may contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. No responsibility, warranty or liability is accepted by GR Engineering Services Limited (Company), its officers, employees, agents or contractors for any errors, misstatements in or omissions from this presentation.

PRESENTATION IS A SUMMARY ONLY

This presentation is information in a summary form only and does not purport to be complete. It should be read in conjunction with the financial report for the year ended 30 June 2024. Any information or opinions expressed in this presentation are subject to change without notice and the Company is not under any obligation to update or keep current the information contained within this presentation.

NOT INVESTMENT ADVICE

This presentation is not intended and should not be considered to be the giving of investment advice by the Company or any of its shareholders, Directors, officers, agents, employees or advisers. The information provided in this presentation has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs. Each party to whom this presentation is made available must make its own independent assessment of the Company after making such investigations and taking such advice as may be deemed necessary.

NO OFFER OF SECURITIES

Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell Company securities in any jurisdiction.

FORWARD LOOKING STATEMENTS

This presentation may include forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, these statements are not guarantees or predictions of future performance, and involve both known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control. As a result, actual results or developments may differ materially from those expressed in the statements contained in this presentation. Investors are cautioned that statements contained in this presentation are not guarantees or projections of future performance and actual results or developments may differ materially from those projected in forward-looking statements.

NO LIABILITY

To the maximum extent permitted by law, neither the Company nor its related bodies corporate, Directors, employees or agents, nor any other person, accepts any liability, including without limitation any liability arising from fault or negligence, for any direct, indirect or consequential loss arising from the use of this presentation or its contents or otherwise arising in connection with it.

DISCLOSURE OF NON-IFRS FINANCIAL INFORMATION

Throughout this presentation, there are occasions where financial information is presented not in accordance with accounting standards. There are a number of reasons why the Company has chosen to do this including to maintain a consistency of disclosure across reporting periods

ROUNDING

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided.