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Energy Technologies Limited (ASX:EGY) Investor Presentation

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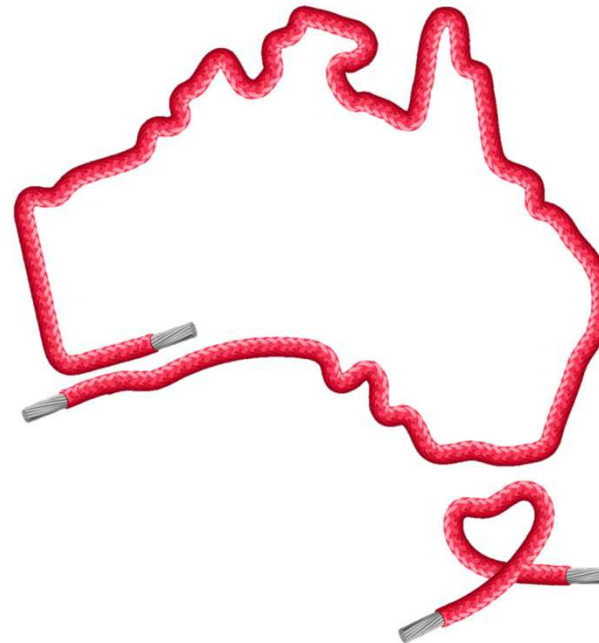
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Bambach Wires and Cables



- We specialize in providing high-quality electrical cables for a wide range of applications across the Low Voltage (LV), Medium Voltage (MV), and High Voltage (HV) markets. Our comprehensive product offerings cater to diverse industries, with a particular focus on Infrastructure, Renewables, Defence, and Mining sectors.
- Founded in 1936, it is the oldest existing Australian cable manufacturer and 100% owned by Energy Technologies since 2012
- Factory in Rosedale, VIC with sales offices in New South Wales, Western Australia and Victoria
- Blue Chip customer base across Rail and Road, Mining, Construction, Defence and Power and Energy



Established in 1936, Bambach Wires & Cables is an Australian Owned and Operated Low Voltage Cable Manufacturer who have been servicing the Australian market for almost a century

We pride ourselves on being Australian owned and operating as well as supporting local businesses as much as possible, therefore resulting in the vast majority of our cables having over 90% local content.

Bambach Wires and Cables



EGY Overview:

- Bambach has now completed the restructuring of the business.
- The business is now well positioned to offer complete ranges of product groups & solutions into multiple key market segments, via the distribution agreements recently announced and strategic supply lines now secured.
- Factory will continue to manufacture higher margin product lines.

Restructured Business:

- **Distribution agreements** in market segments with strong tailwinds e.g. utility scale solar farms (the recently announced Gantner agreement, allows the business to offer not only cables, but also control & monitoring equipment as well as hardware & software used in all utility scale solar farms), offshore & onshore wind power generation cables & distribution transmission lines, including subsea transmission cables.

Purchased sales:

- Strategic supply lines have been identified with manufacturers in Turkey, Malaysia & Europe.

Factory:

- The factory will continue to manufacture with a focus on higher margin cables only, substituting lower margin cables via purchased sales.

Bambach Wires and Cables Gantner Distribution Agreement



It is expected that utility scale solar farms will increase to \$6bn annual spend over the coming 10 years.

This is split into 3 stages:

- **Initial surge & expansion**

(2024-2026) estimated annual spend 2.5-3.5bn

The company expects that during this stage, we introduce the Gantner range of products, alongside cables into new projects as a “complete solution”. This provides EPC firms with a significant advantage in piecing together a total package from one supplier with the technical backing to deliver & support long term.

- **Accelerated Growth Phase**

(2027-2029) estimated annual spend 3.5-5bn

The company expects that at this stage its products & services will be an embedded part of many operational projects. It is expected that during this stage our previously delivered references will facilitate further growth.

- **Mature Market Phase**

(2030-2034) estimated annual spend 4.5-6bn

The company expects growth will plateau at this stage. Continual expansion & optimisation of existing projects with Gantner product already online, will provide some growth.

Products Offered

Weather (Meteo) stations	✓
DC Combiner Boxes	✓
AC Combiner Boxes	✓
Field Point Extensions	✓
Control & Data acquisition	✓
Communication Modules	✓
Data Loggers & PPC's	✓
SCADA Webportal software	✓

Sources:

Australian Energy Market Operator (AEMO)
Clean Energy Council (CEC)
Industry reports and market analysis

The Opportunity & Growing



2024 – 2026
Initial Surge and Expansion
Estimated Annual Spend
\$2.5–3.5bn

Key Drivers:

- Offering “complete solution” with Gantner and Bambach products
- Continuing investments in new solar farm projects
- Federal and State Government incentives
- Initial phase of large-scale projects under development



2027 – 2029
Accelerated Growth Phase
Estimated Annual Spend
\$3.5–5bn

Key Drivers:

- Continued expansion and optimization of existing solar farms
- Integration with energy storage and grid infrastructure
- Ongoing regulatory support and climate commitments
- Our product and services will be an embedded part of many operational projects



2030 – 2034
Mature Market Phase
Estimated Annual Spend
\$4.5–6bn

Key Drivers:

- Continued expansion and optimization of existing solar projects with Gantner products already online will provide some growth
- Integration with energy storage and grid infrastructure
- Ongoing regulatory support and climate commitments

Products Offered

- Weather (Meteo) stations ✓
- DC Combiner Boxes ✓
- AC Combiner Boxes ✓
- Field Point Extensions ✓
- Control & Data acquisition ✓
- Communication Modules ✓
- Data Loggers & PPC’s ✓
- SCADA Webportal software ✓

<https://assets.cleanenergycouncil.org.au/documents/resources/reports/clean-energy-australia/Clean-Energy-Australia-2024.pdf>
<https://aemo.com.au/-/media/files/major-publications/isp/2024/2024-integrated-system-plan-isp.pdf?la=en>

Bambach Wires and Cables Tratos Group Agreement



About Tratos

- With headquarters in Italy and with more than 50 years of experience in the cable industry, Tratos' engineering expertise is behind the development of highly specialised products for a variety of sectors.
- From cabling for transport networks to fusion for energy projects of world significance, Tratos' technology is at the forefront of the world's most significant power, growth and connectivity projects.
- This strategic distribution agreement allows the business to complete its product offering into the renewable energy sector, with the addition of medium & high voltage cables & overhead transmission line. Tratos also produces naval cables, particularly nuclear energy cables. In addition to renewable products, Tratos produce cables suited for the Australian mining sector.
- The company expects this will provide us an entry point into this established sector through expansion of its currently offered range via the Tratos product.



Products Offered

- Medium Voltage Cables ✓
- High voltage Cables ✓
- Transmission & Distribution Cables ✓
- Off Shore & On Shore Wind Turbine Cables ✓
- Mining Cables ✓
- Fibre Optical Cables ✓
- Marine Cables ✓
- Novel Cables (Nuclear Power) ✓
- Subsea Transmission Cables ✓



Bambach Wires and Cables Manufacturing and Sales

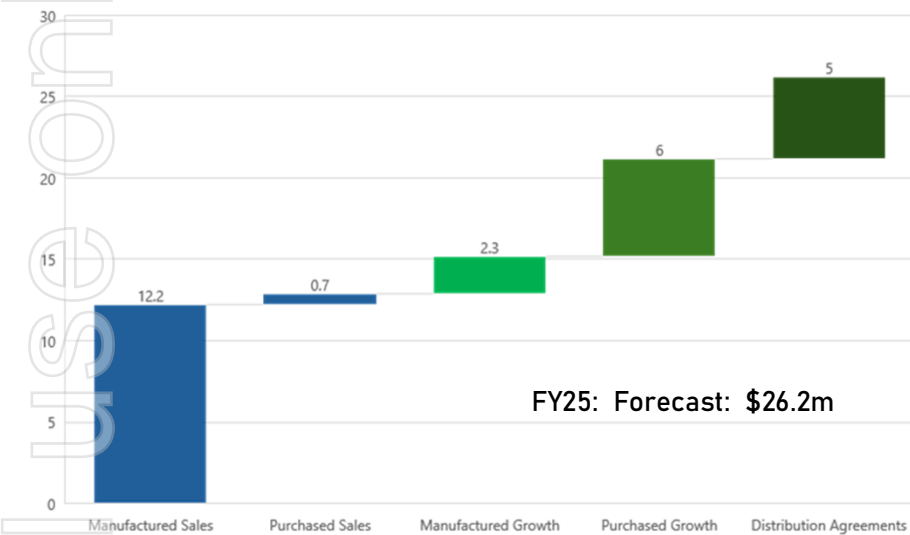


Manufactured & Purchased Sales:

- Traditionally the company would manufacture all cables, often resulting in poor sales margins & ultimately a strain on cashflow due to low margin work through the pandemic and resulting in inefficient utilisation rates at the factory.
- The company will now purchase product for sales in instances where sales margin is below 23%. This will ensure sales margins from the factory are locked & cash management is protected.
- The company has a number of strategic alliances with numerous manufacturers throughout Turkey, Malaysia & Europe to name a few. These suppliers have all been rigorously vetted & quality tested
- All products with a margin greater than 23% will continue to be produced through the factory.



Financials – FY25



Projected Revenue Mix

- **Distribution Agreements (Gantner)** – Typically project driven. Size of projects range from \$1.7m to \$3.85m. Current tenders – 1
- **Distribution Agreements (Tratos)** – Typically purchase orders. Size of orders range from \$150k to \$750k
- **Manufacturing and Purchased Sales** – Day to day purchase orders ranging up to \$150k. Order Book \$2.85m with order book margin >30% Project Driven. Size of projects range from \$1m to \$3.85. Current tenders – 2

- Cost savings: \$1.1m
- Manufactured Sales: >\$14.5m (Margin >23%)
- Current Order Book: \$2.3m
- Purchased Sales: \$6.7m
- Distribution Agreement Sales: \$5m
- Focus on debt management

Bambach Wire and Cables



Bambach

AUSTRALIAN ADVANCED CABLE MANUFACTURERS



Manufactured Sales

- Project sales focused on Rail, Road and Infrastructure will be a mix of manufactured high gross margin product (>35%) and low margin Purchased Sales to create and showcase both a competitive tender and evidence of speciality
- Contract sales focused on Rail, Road, Infrastructure and Energy (Renewables) will be short run specialised product with short delivery times (>30%)
- Proprietary specialised product sold through the sales channels (>23%)
- FY25 expectations - \$14.5m



Purchased Sales

- Broad target market with emphasis in Construction and Mining
- Value add processes at the factory level to manage end margins
- Commoditised product margin expected to be 16%
- Value add product margin expected to be >23%
- FY25 expectations - \$6.7m



Wholesale Distribution

- Distribution agreements identified and sought for well established brands in Australia
- Used to fast track Purchased sales division growth
- Margin expected to be ~16% depending on the size, working cap agreements and brand name
- Opportunity to provide central and branch warehousing of product at Rosedale and branches adding extra revenue opportunity
- FY25 expectations - \$5.7m

Equity Raising – Overview



Offer Structure and Size	EGY is seeking to raise A\$12.7 million via the issuance of up to approximately 422.1 million fully paid ordinary shares (New Shares) through a 1 for 1 non-renounceable pro rata entitlement offer
Offer Price	The offer will be conducted at A\$0.03 per New Share representing a: <ul style="list-style-type: none">• 14.3% discount to the last traded price of A\$0.035 as at 11 September 2024• 14.3% discount to the 10-day VWAP of A\$0.035 as at and including 11 September 2024• 7.7% discount to TERP of A\$0.033
Retail Entitlement Offer	The Retail Entitlement Offer will open on Friday, 20 September 2024, and close at 5:00pm on Wednesday, 2 October 2024. Eligible existing retail shareholders in Australia and New Zealand can apply for additional New Shares (Additional New Shares) under a top-up facility (Top-Up Facility) (subject to scale back at the Company's discretion). There can be no guarantee that there will be any allocation of Additional New Shares under the Top-Up Facility.
Ranking	Entitlement Offer Shares will rank equally with existing fully paid ordinary shares on issue
Lead Manager	Shaw and Partners Limited

Equity Raising – Sources and Uses



Sources	A\$m
Entitlement offer	12.7
Total Sources	12.7

Uses	A\$m
Reduce debt	6.6
Expand EGY's sales division	0.5
General working capital	4.9
Costs of the offer ¹	0.7
Total Sources	12.7

Notes: (1) Assuming A\$12.7m offer size

Equity Raising – Timetable



Event	Date
Announcement of Offer	Thursday, 12 September 2024
Record Date for Offer	7.00pm on Tuesday, 17 September 2024
Offer Booklet sent to Eligible Shareholders	Friday, 20 September 2024
Offer opens (Opening Date)	Friday, 20 September 2024
Offer closes (Closing Date)	5.00pm on Wednesday, 2 October 2024
Announcement of results of Offer	Before 12.00pm on Wednesday, 9 October 2024
Allotment of Shares issued under the Offer	Wednesday, 9 October 2024
Trading of New Shares (on a normal settlement basis) starts	Thursday, 10 October 2024

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AUSTRALIAN ADVANCED CABLE MANUFACTURERS

