

22 October 2024

## **CHAIR'S ADDRESS TO SHAREHOLDERS 2024 ANNUAL GENERAL MEETING**

Good afternoon, everyone. My name is Jim Walker, the Chair of Austin Engineering and it is my pleasure to welcome you to the Company's 2024 Annual General Meeting.

I am pleased to report that Austin performed strongly financially and operationally over the past twelve months. Our Austin 2.0 operational strategy has continued solidifying our business and promoting growth across our business units. The positive impact of the Austin 2.0 strategy has become evident across the business with elevated sales and forward orders, and improved margins, and I am confident that the company will continue to see growth in the future.

Under the Austin 2.0 strategy and the implementation of our AustBuy bulk procurement program, we have improved cost management, sharpened our customer focus, and enhanced operational efficiencies. These strategies have improved our financial outcomes and led to growth across all aspects of the business, demonstrating our proactive approach to building Austin.

For the full year, Austin has achieved significant financial milestones. We recorded a 21 per cent increase in statutory group revenue to \$313.2 million, a 48.9 per cent increase in underlying EBITDA to \$46.6 million, and a remarkable 71.3 per cent growth in underlying NPAT to \$31.0 million.

The rate of growth and the strength of our results are evidenced by our compound annual growth rates over the past four years, which have recorded a 15 per cent increase in revenue and a 55 per cent increase in EBIT.

Customer acquisition and retention have been critical priorities for Austin over the past financial year. Across the business, we have grown our sales and product support function and implemented a central marketing capability to improve our customer focus and service. This resulted in a 30 percent year-on-year increase in our order book as at June 30.

We have significantly grown our order book under Austin 2.0, with an average of 44% per annum growth following its implementation in 2021. New, dynamic product offerings along with marketing efforts to boost sales have facilitated this growth. Our expanded facilities and extra manufacturing capacity across all business units have been able to absorb the increased production.

Austin's tray and bucket segment accounted for 71.3 per cent of our total revenue in full year 2024, with sales growing by 30% and 17% respectively in the year. The segment has shown continued solid growth, with revenues reaching multi-year highs.

We have continued to look for opportunities to grow our bucket sales. An initial focus in the Australian market led to a 43 per cent increase in our bucket product and service revenues year-on-year in full year 2024, driving a 13 per cent improvement across the Group. The development of our bucket and tray segment represents not only a growth area in the Australian market, but also internationally.

We are very pleased to have exported our first Armadillo dipper bucket to the US, which is the fourth order of high value buckets since we acquired Mainetec in 2022, and we see a significant opportunity in the Americas particularly for more orders.

David will shortly provide more detail on the initiatives undertaken by the Company to increase orders and sales, on the new products we've brought to market, and on the impact of those measures on the performance of each of our business units, and the Group as a whole.

We declared a fully franked final dividend of 0.8 cents per share, taking the full-year 2024 dividend to 1.2 cents per share. Dividend levels are the highest they have been for a decade, which is reflective of the strength of the company and value creation for our shareholders.

The health and safety of our people remains our central focus. We have staff based across Australia, Indonesia, the US and Chile and we continue to offer programs and initiatives to support the health, safety, and wellbeing of all of our employees. We are strongly committed to this and demand diligence in safety, operational responsibility, and respectfulness towards each other across all levels of the business at all times.

Building our staff and giving them opportunities to grow and succeed also remains a priority. We have continued to offer apprenticeship programs across all our business units, providing opportunities to grow our skills base and create future leaders. We have also built an inhouse welding school in Batam. Targeted recruitment programs are seeing our overall female representation increase across corporate and operational segments of the business too, which is extremely pleasing.

We have also continued to invest in local communities where we operate. We have built strong relationships and continue to find ways for Austin to give back to the communities that support us, our employees and their families. I strongly encourage you to read our latest Sustainability Report, which outlines our focus and progress on ESG across the business.

On behalf of the Board of Directors, I would like to thank David Singleton, his executive team and all employees for another productive year at Austin, really bedding down his Austin 2.0 growth strategy to achieve what is now years of solid business growth.

As you would all be aware, David has announced that he will be retiring from the CEO and Managing Director roles at the end of this financial year, and so this will be his final AGM presentation in that capacity.

On behalf of the Board, I would again like to acknowledge David's many achievements as CEO and Managing Director of Austin, and we all look forward to working with David over the balance of his tenure.

As you know, the Board has announced the appointment of current Non-Executive Director, Sy Van Dyk, as David's successor when he retires at the end of the financial year.

Sy is an experienced resources industry executive, he knows the business very well, and he has the necessary operational and sector credentials to continue to build and grow the Company and deliver on its business targets.

We are ably assisted by a strong executive team in place, which is ready to build a stronger, more integrated global business.

We have a growing workforce of employees, as well as contractor and supplier groups who are all committed to Austin's success. Thank you for another year of support and making sure health and safety is embedded in the workplace.

Thank you to my fellow Directors for their guidance and counsel and to our shareholders who continue to show support and encouragement for Austin's strategy.

I will now hand over to David Singleton for his CEO and Managing Director address.

**-ENDS-**

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**Announcement Authorisation**

This announcement was authorised by the Board of Austin and is not market sensitive.

**About Austin Engineering**

Austin is a global engineering company. For over 50 years, Austin has partnered with mining companies, contractors and original equipment manufacturers to create innovative engineering solutions that deliver productivity improvements to their operations.

Austin is a market leader in the design and manufacture of loading and hauling solutions, including off-highway dump truck bodies, buckets, water tanks and related attachments, supporting both open-cut and underground operations. Complementing its proprietary product range are repair and maintenance services performed in our workshops and on clients’ mine sites, and spare parts.

Through Austin’s own design and engineering IP and range of tailored products, it delivers solutions for all commodity applications and drives increased efficiencies in productivity and safety in both open cut and underground mining operations.

Austin’s products can create more sustainable mining operations by delivering the lowest cost per tonne to end user, reducing fuel usage per material carried.

The Company is headquartered in Perth and has operations around the world in Australia, USA, Chile and Indonesia serving many of the major mining sites in the world both directly and through local partners.