



October 2024 – Austin Engineering Ltd

# AGM Presentation



- 1. Chair's Address**
- 2. CEO & Managing Director's Address**
- 3. Formal Business**
  - Financial Statements and Reports Discussions/Questions
  - Discussion of Resolutions and Voting
  - Questions
- 4. Closing**



# Chair's Address

# **Jim Walker**

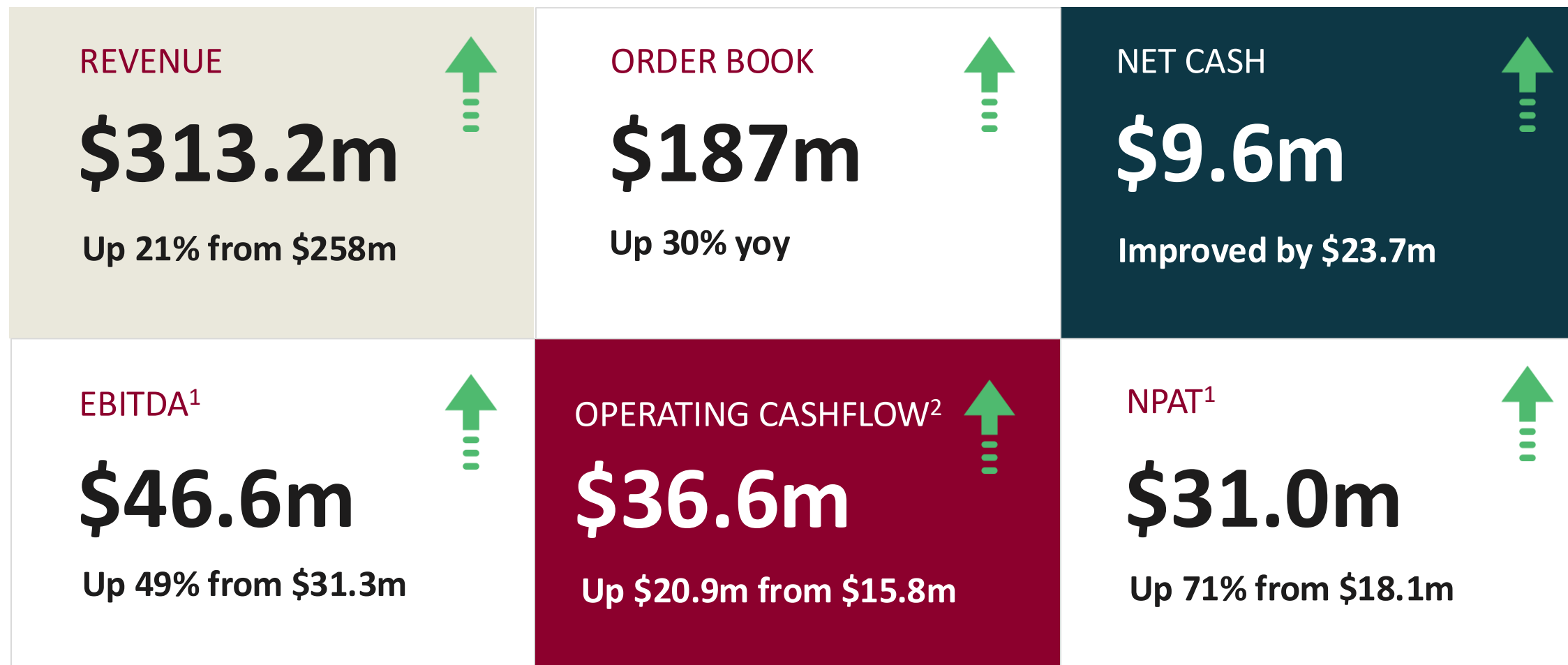




# CEO & Managing Director Address

# **David Singleton**

# FY24 Results Highlights - Strong, annual revenue and margin growth



- All comparisons above are to the prior corresponding period ie: full year FY23
- <sup>1</sup>FY24 are statutory except for EBITDA, and NPAT, which was normalised for FX and Singapore tax expense
- <sup>2</sup>FY24 operating cash flow is for continuing operations. FY23 operating cashflow is for the full Group including discontinued operations

# Our 40-year journey - Business delivering globally



Brisbane, Australia

1982

Austin is founded



Perth, Australia

2004

Acquired JEC



Casper, USA

2007

Acquired Westech



La Negra, Chile

2009

Acquired Conymet



Batam, Indonesia

2011

Commenced operations



Global Operation

2017

Austin is rebranded



Worldwide

2021

Austin 2.0 commenced



Mackay, Australia

2022

Mainetec joins Austin

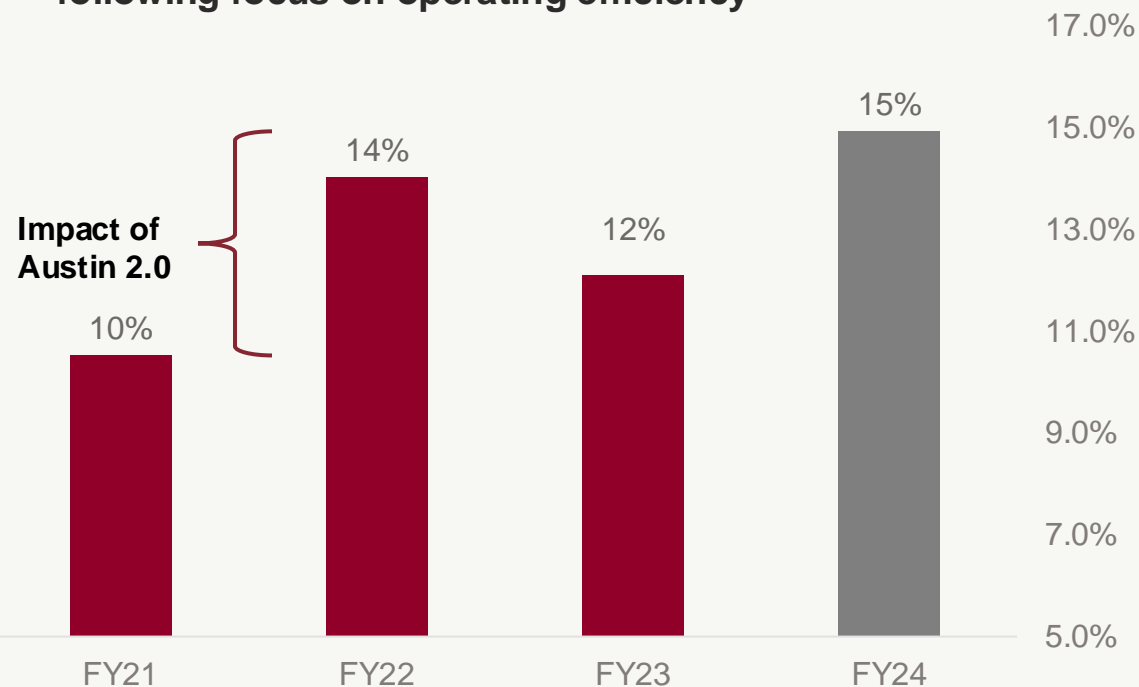


Batam and La Negra

2023

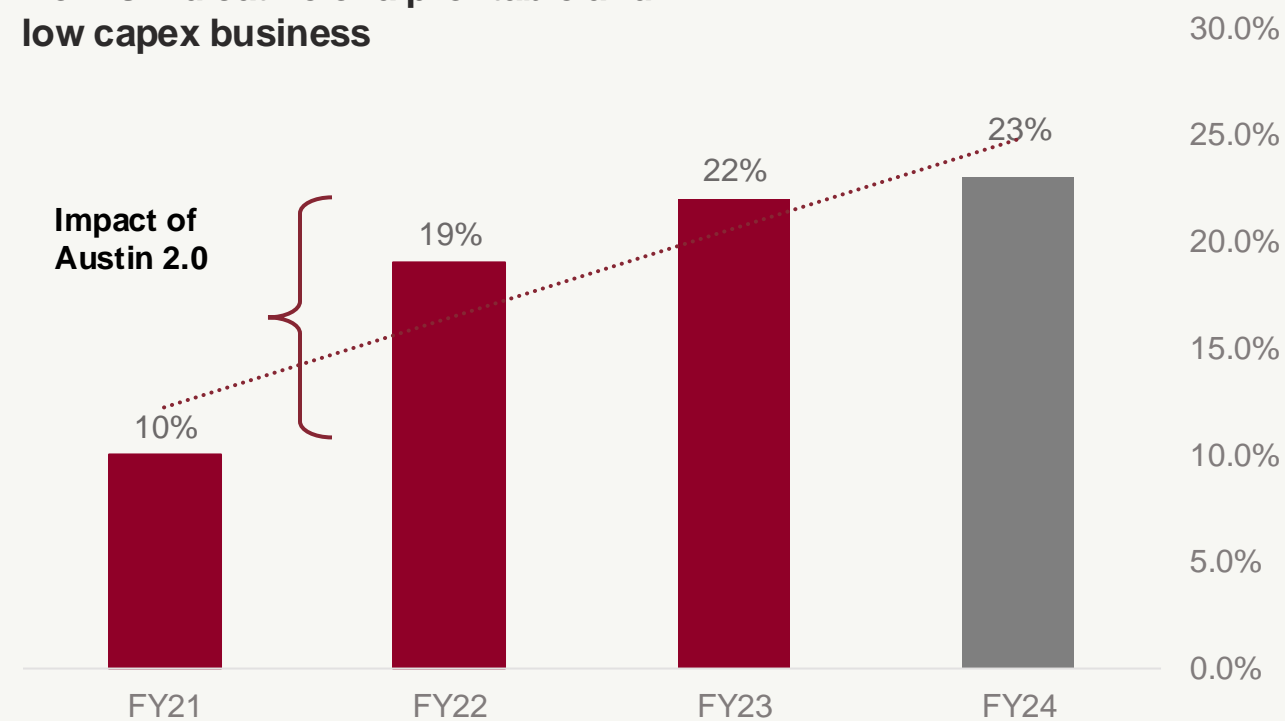
Facility expansion

EBITDA% has been transformed in recent years following focus on operating efficiency\*



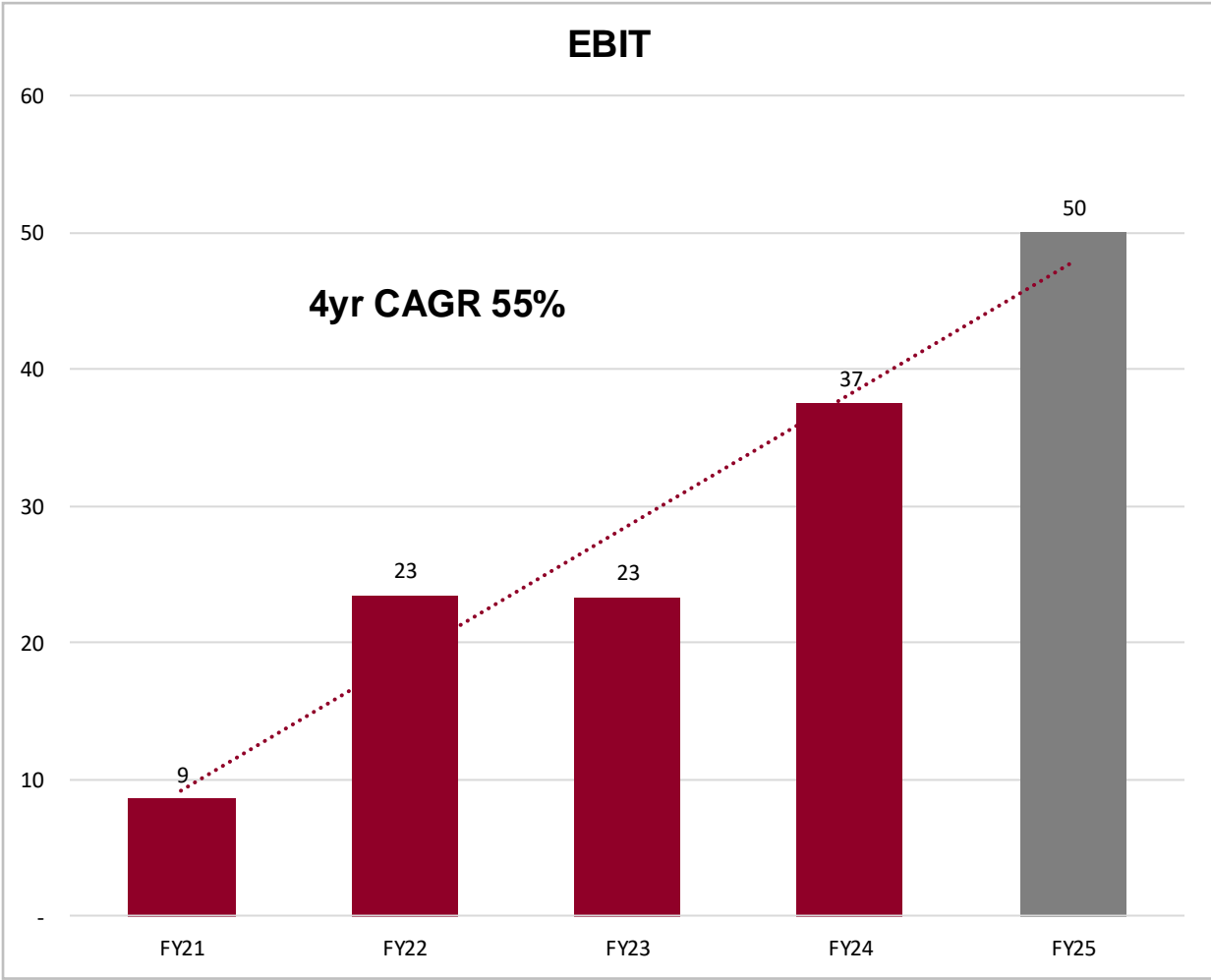
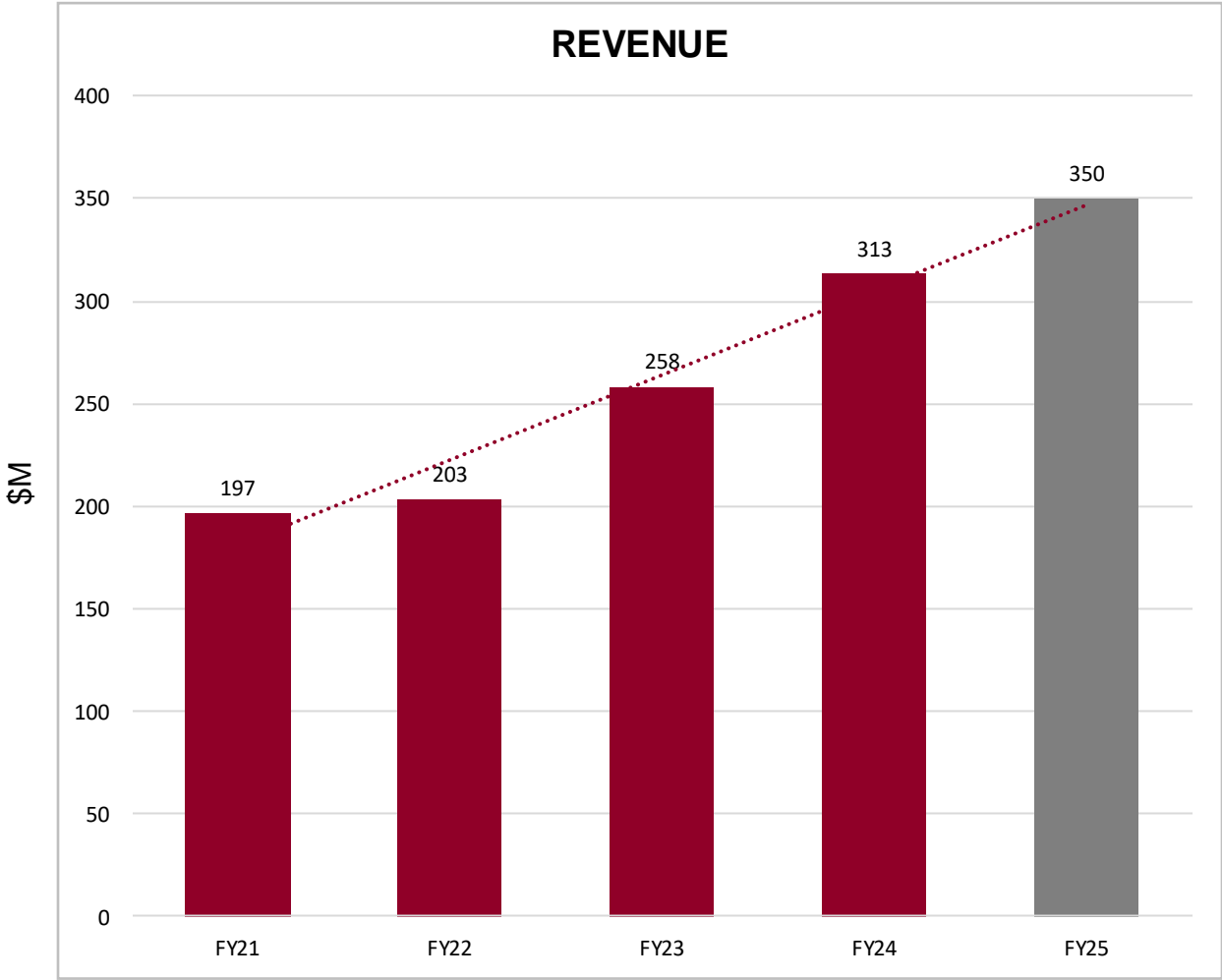
\* Data is normalised for all years. All on a continuing basis

RoE is indicative of a profitable and low capex business

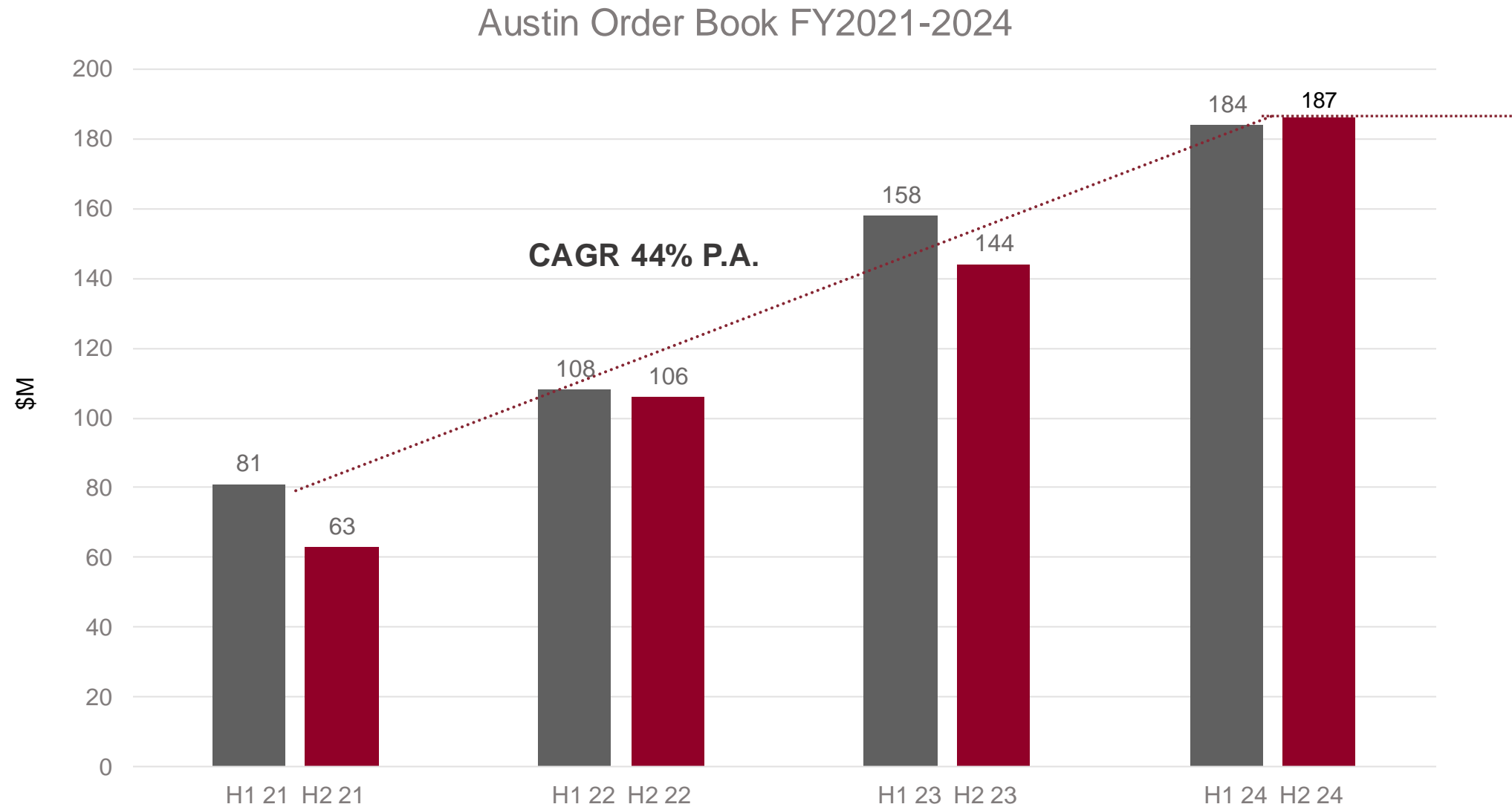


\* Data has been rounded to nearest whole number

# Austin 2.0 has delivered a 55% per annum increase in earnings from FY21 to FY25 (forecast)



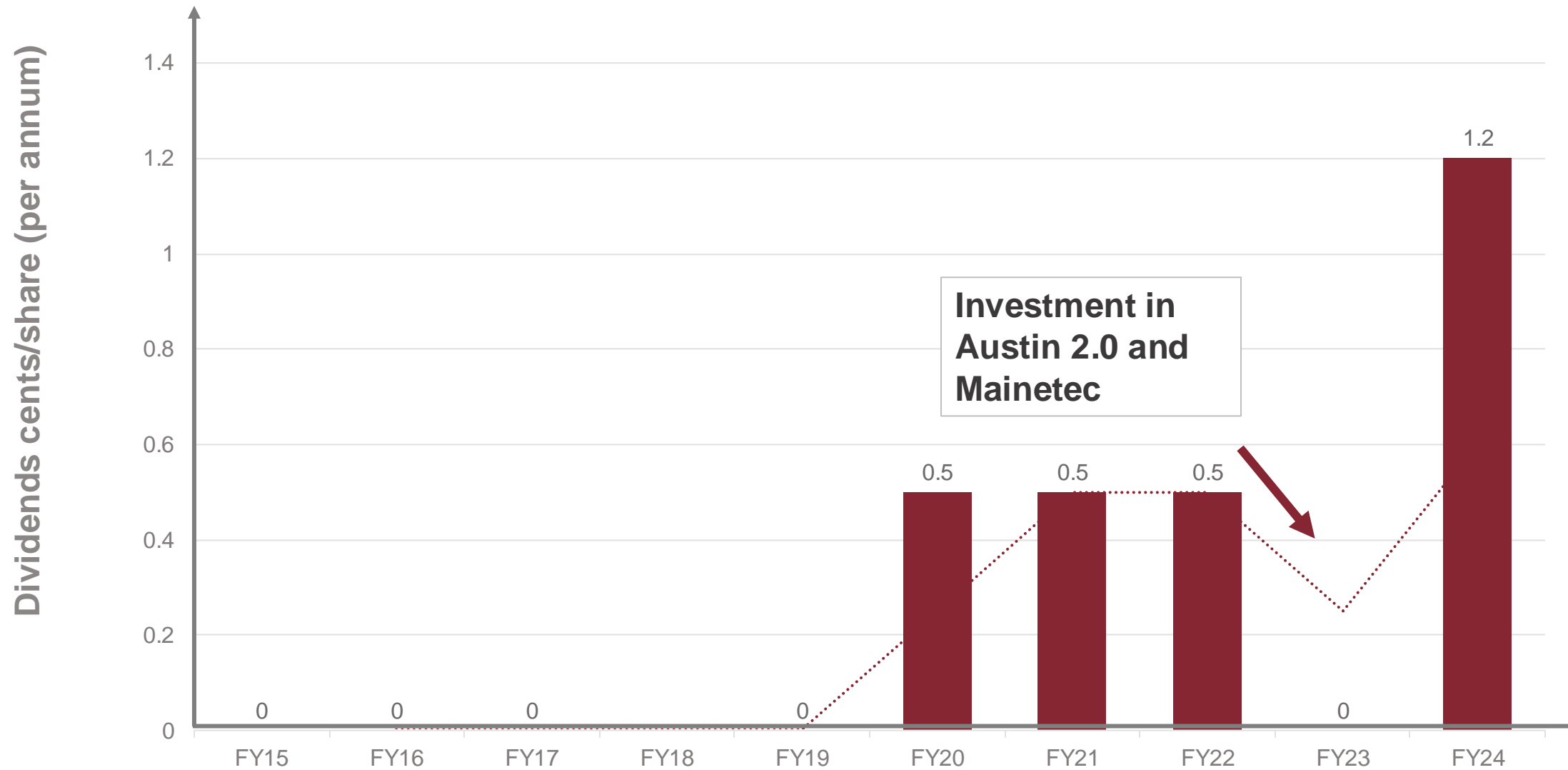
# Order book - has been growing at 44% CAGR and should drive multi-year revenue high in FY25



CAGR is calculated year end FY21 to year end FY24



# Dividends - at a decade long high reflecting good cash generation as the business develops



# Customers include many of the industry 'blue chips'



Customer map showing major orders over the last 12 months.





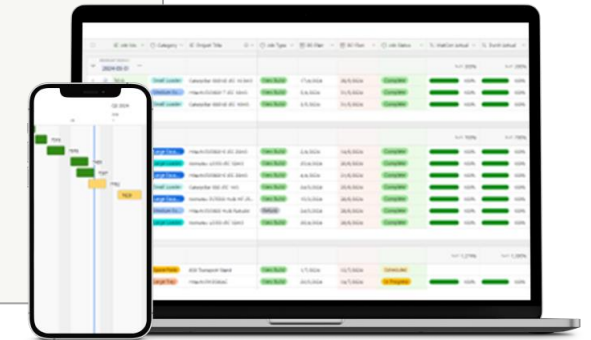
## Business Update

# We have been re-designing Austin from the inside out



## Manufacturing Excellence

## Data-driven Systems



## People Development

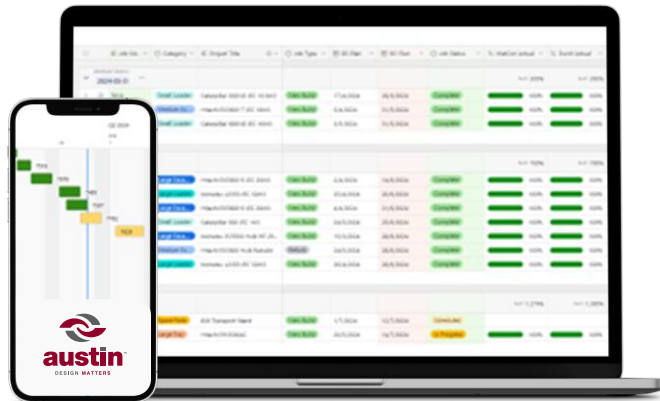


## Leveraging Scale

## AustBuy

An  Austin Company

# Manufacturing Excellence – development is accelerating as we see benefits delivered



**COMMON MANUFACTURING SYSTEMS GLOBALLY**



**CAPACITY EXPANSION THROUGH EFFICIENCY**



**UNIFYING TO A SINGLE ERP SYSTEM**



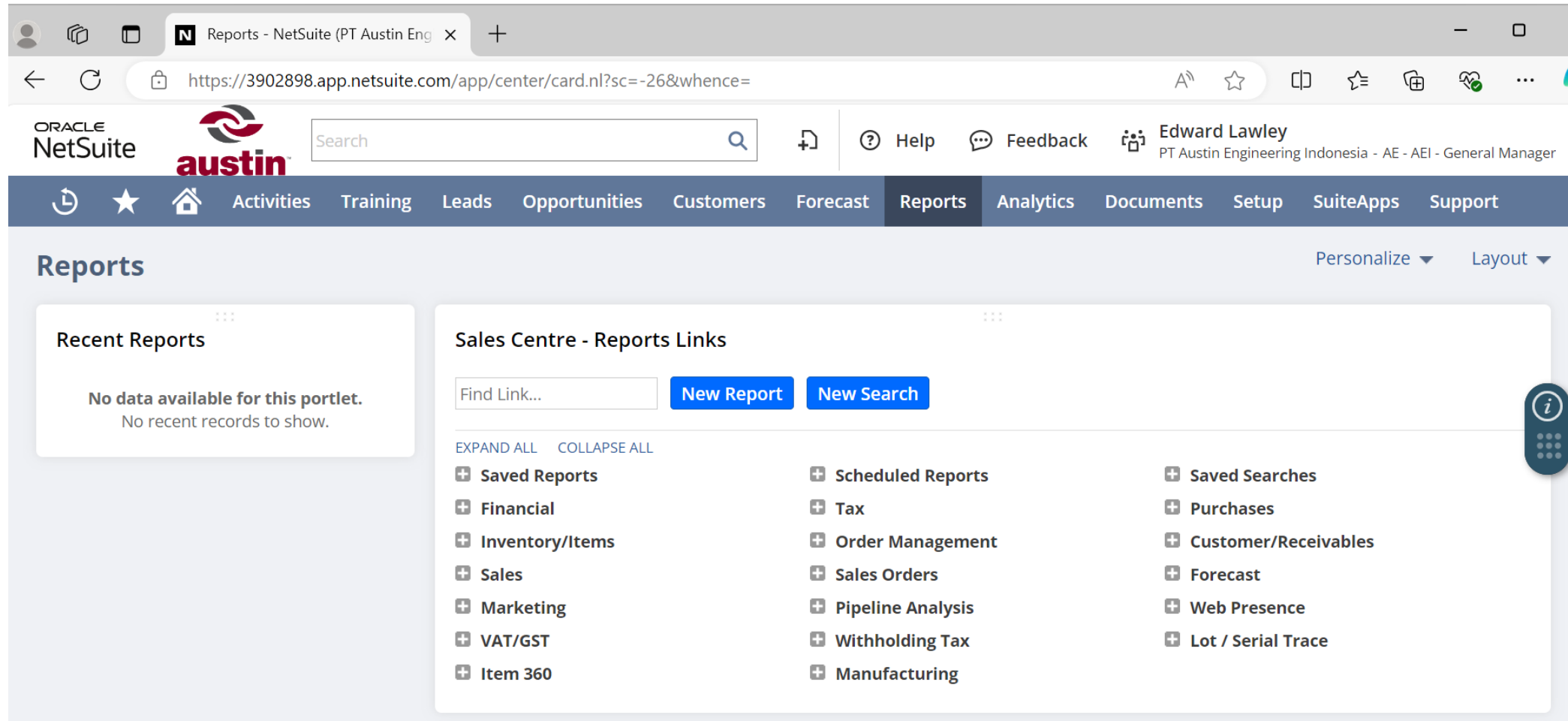
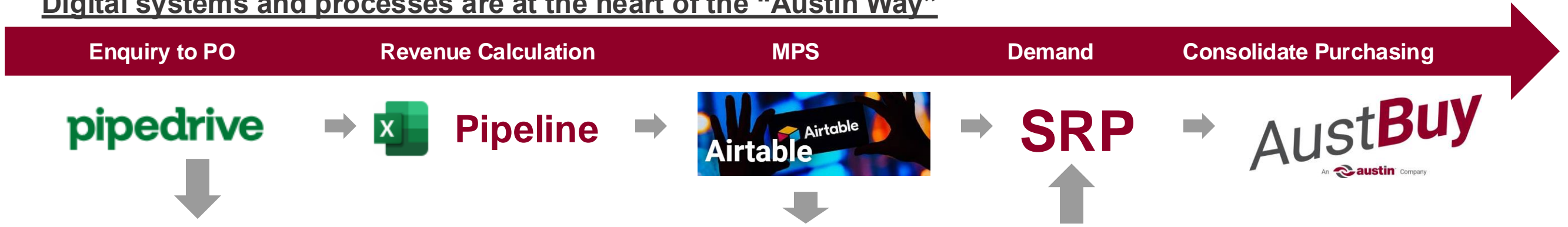
**AUSTBUY MATERIAL PLANNING**



# We are putting process and data at the heart of our approach



Digital systems and processes are at the heart of the “Austin Way”



# We have made solid progress on our targets from last year

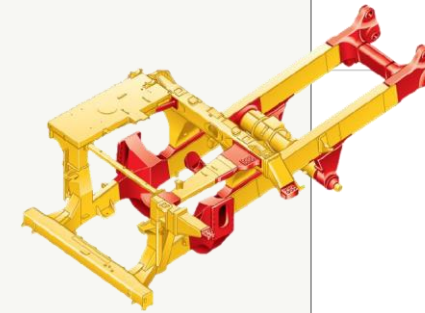


OEM sales are driving tray deliveries up **~3.5 times y-o-y in Chile**

**OEM Supply**



**Truck Repairs and Trays**



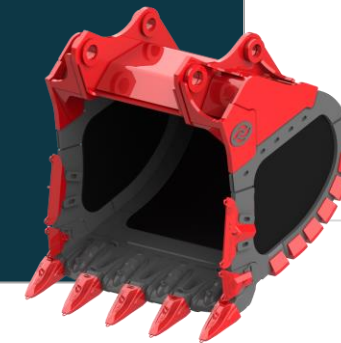
Chassis rebuilds in Batam now in **full scale production**

**India**



India trays have **hit performance targets**, and more orders are expected

**Mining Buckets**



Buckets sector has grown **130% over the last 2 years**



# Our OEM strategy is delivering company changing results

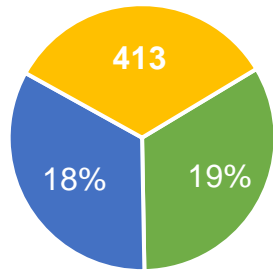


# Home Markets Cover ~65% of Global Truck (>100 ton) Market

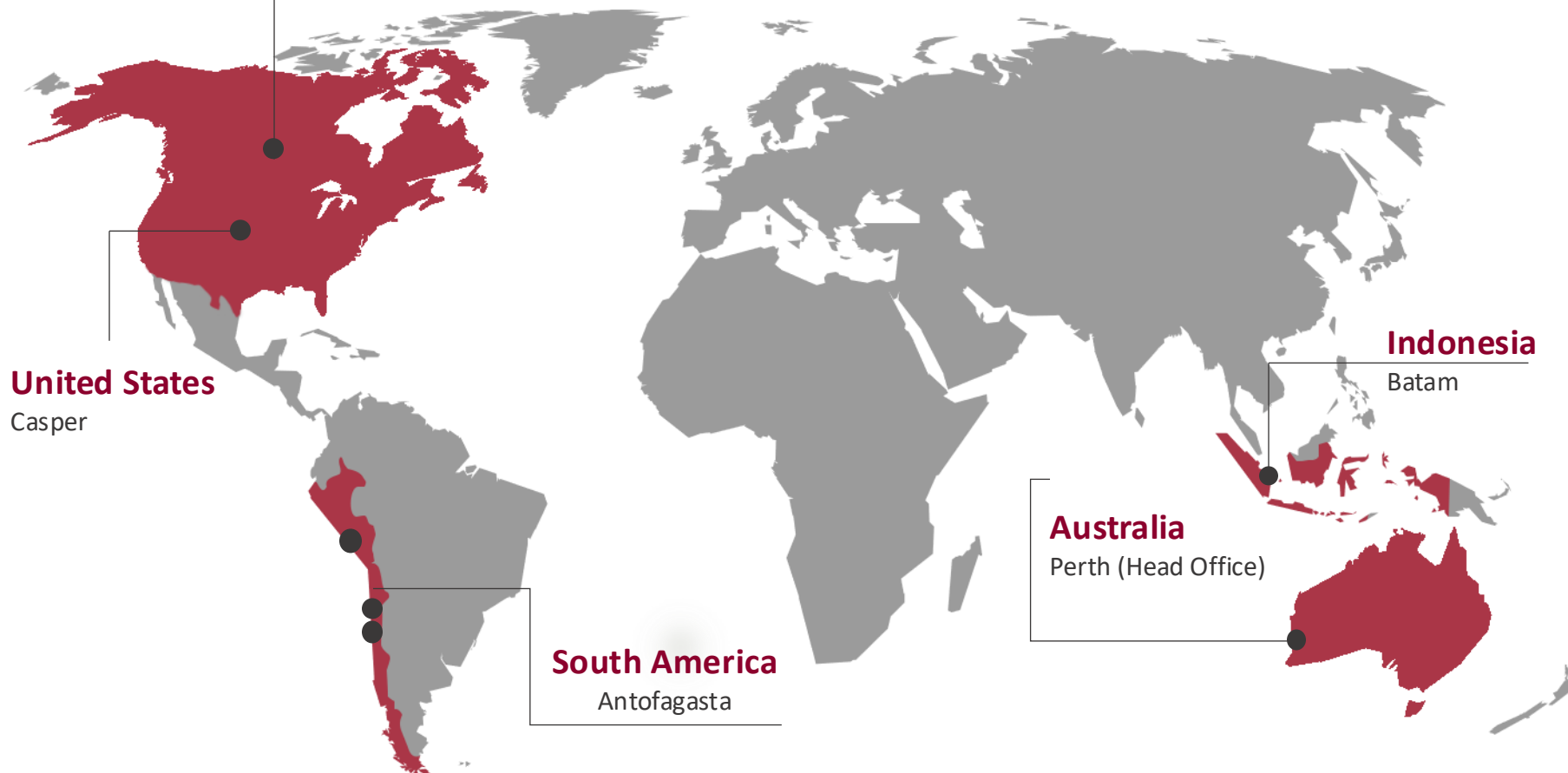
Austin's addressable 'Home Markets' represent ~65% of the world market of which Austin has a less than 18% share. Analysis indicates good opportunity to grow with clear market facing strategies.

- Total addressable home market truck bodies p.a.
- % Share of world market p.a.
- % Austin share of home market p.a.

## North America



## Canada



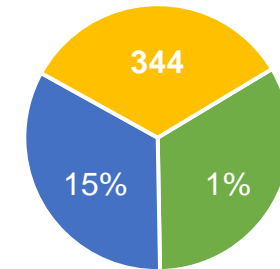
**United States**  
Casper

**South America**  
Antofagasta

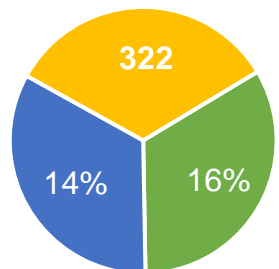
**Australia**  
Perth (Head Office)

**Indonesia**  
Batam

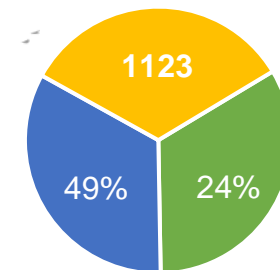
## Asia



## South America



## Australasia



**Note:** Truck numbers derived from a global database, 'home markets' are defined by Austin related to proximity to main locations. Austin has estimated replacement cycle in different countries to drive those numbers. All numbers are approximate and indicative only.



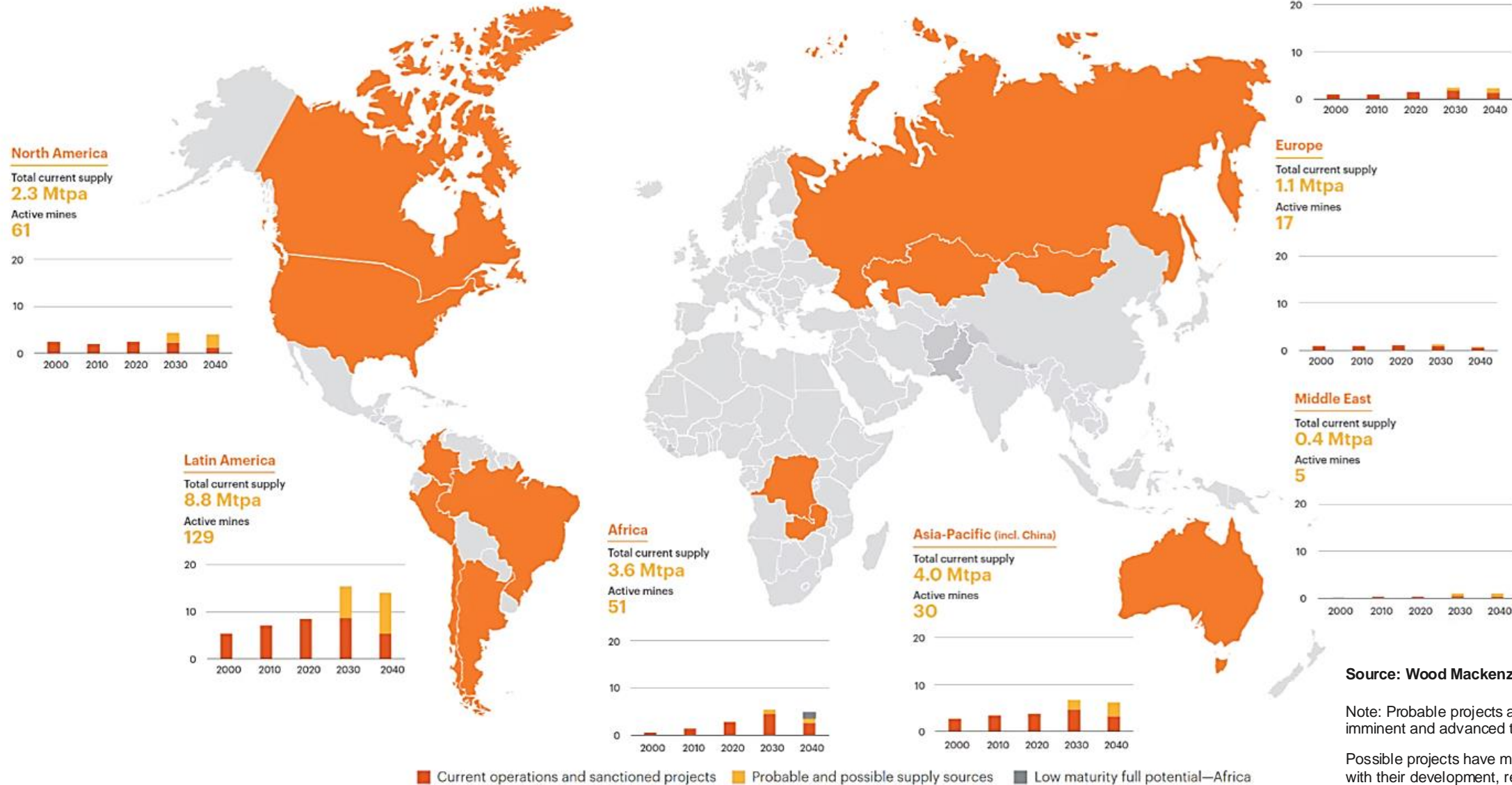
# Chile Facility, La Negra





# USA & Chile – right place, right time for copper!

Where is future supply coming from?  
(Supply, Mtpa)



Source: Wood Mackenzie: Q2 2024.

Note: Probable projects are those that are not considered sufficiently imminent and advanced to include in the base case.

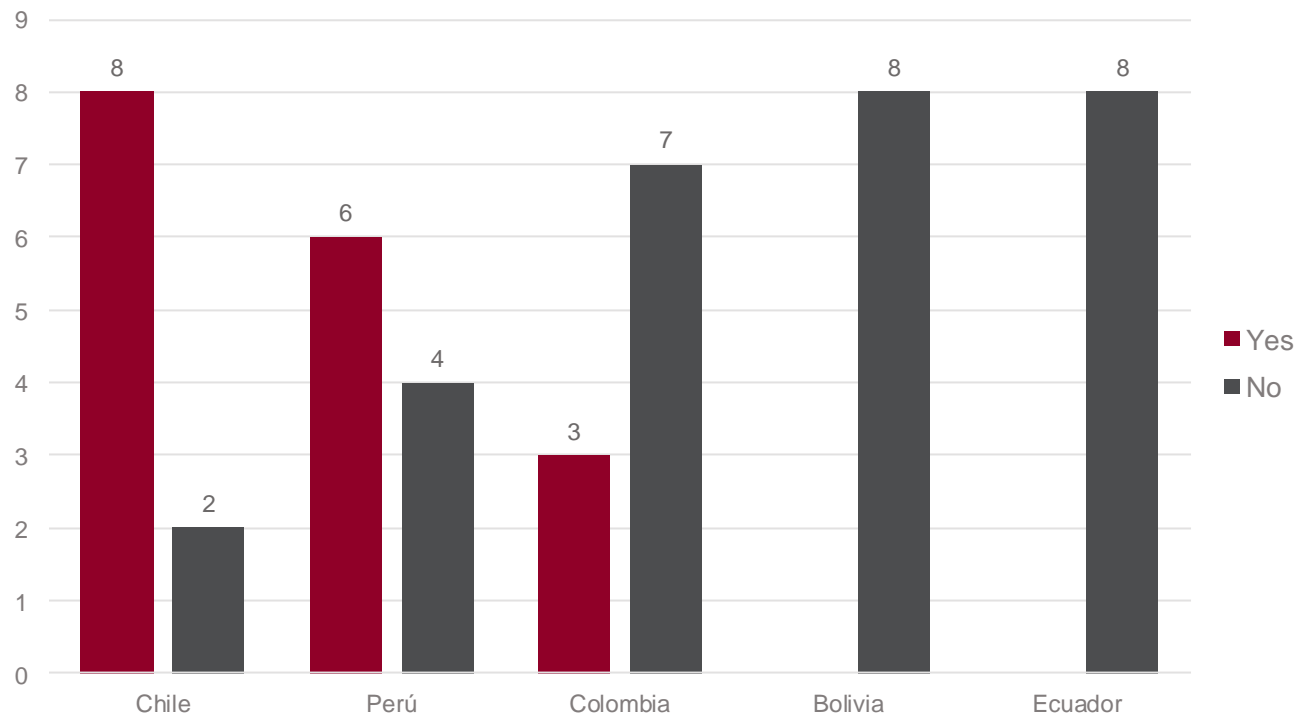
Possible projects have more significant risks associated with their development, resulting in longer lead times.

# Austin is close to the world's two largest copper regions

## • Copper Production in South America

1. Chile (5,550,000 tons per annum.)
  - World's largest copper producer
  - Responsible for ~28% of total global production
2. Peru (3,175,000 tons per annum.)
  - World's second largest copper producer
  - Responsible for ~12% of total global production

Mines where Austin has truck trays in operation



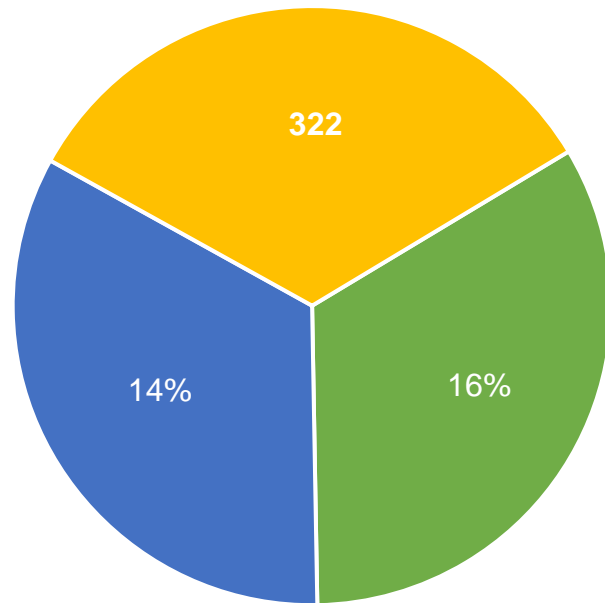
Main South American Copper producers



Con tecnología de Bing  
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# Current addressable market share is 14% but could rise significantly based on forecast

## Addressable market share (truck trays only)



- Total addressable home market truck bodies p.a.
- % Share of world market p.a.
- % Austin share of home market p.a.

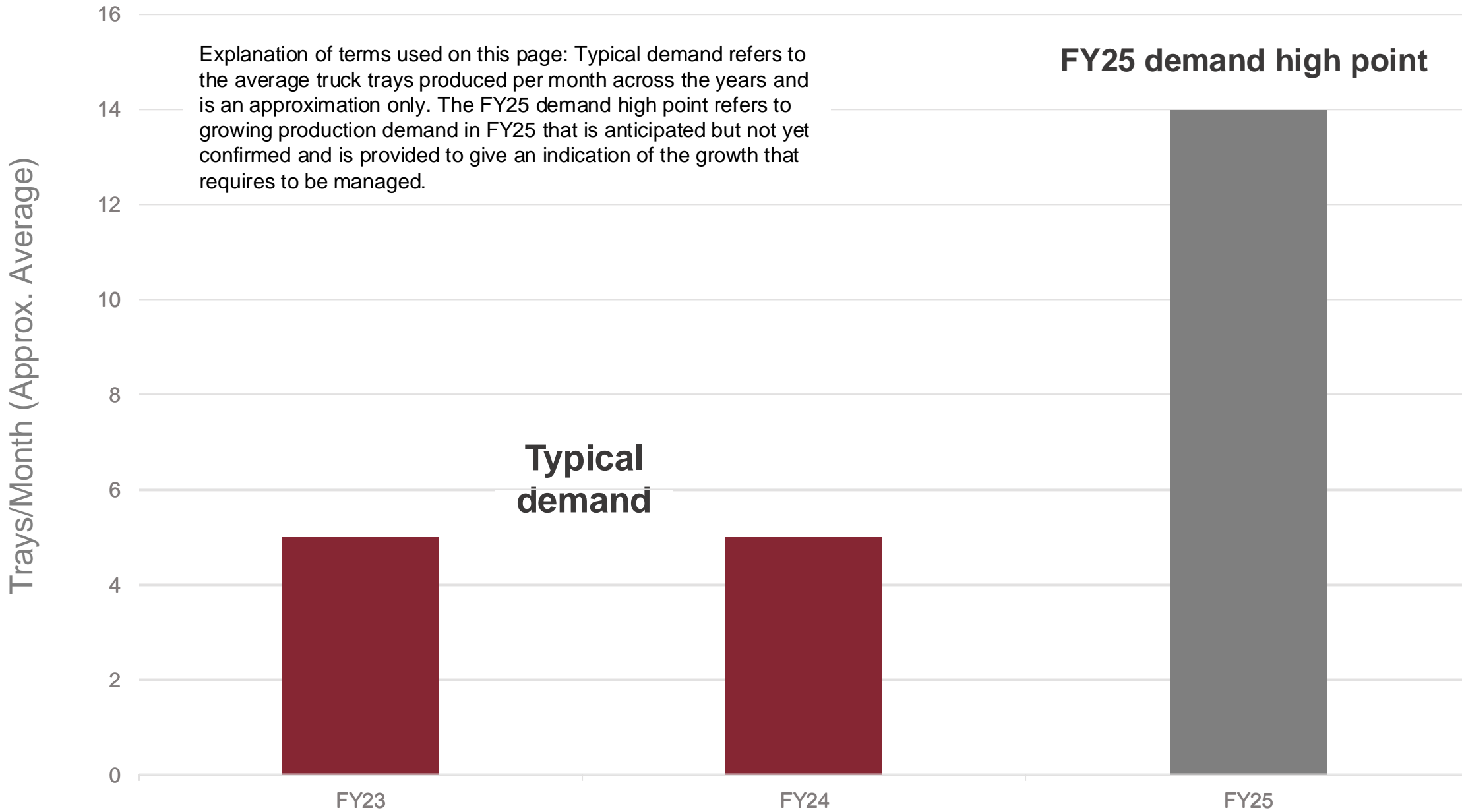
## Main South American Copper producers



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Con tecnologia de Bing

**Note:** Truck numbers derived from a global database, 'home markets' are defined by Austin related to proximity to main locations. Austin has estimated replacement cycle in different countries to drive those numbers. All numbers are approximate and indicative only.

# Chile demand growth moving to record levels in FY25





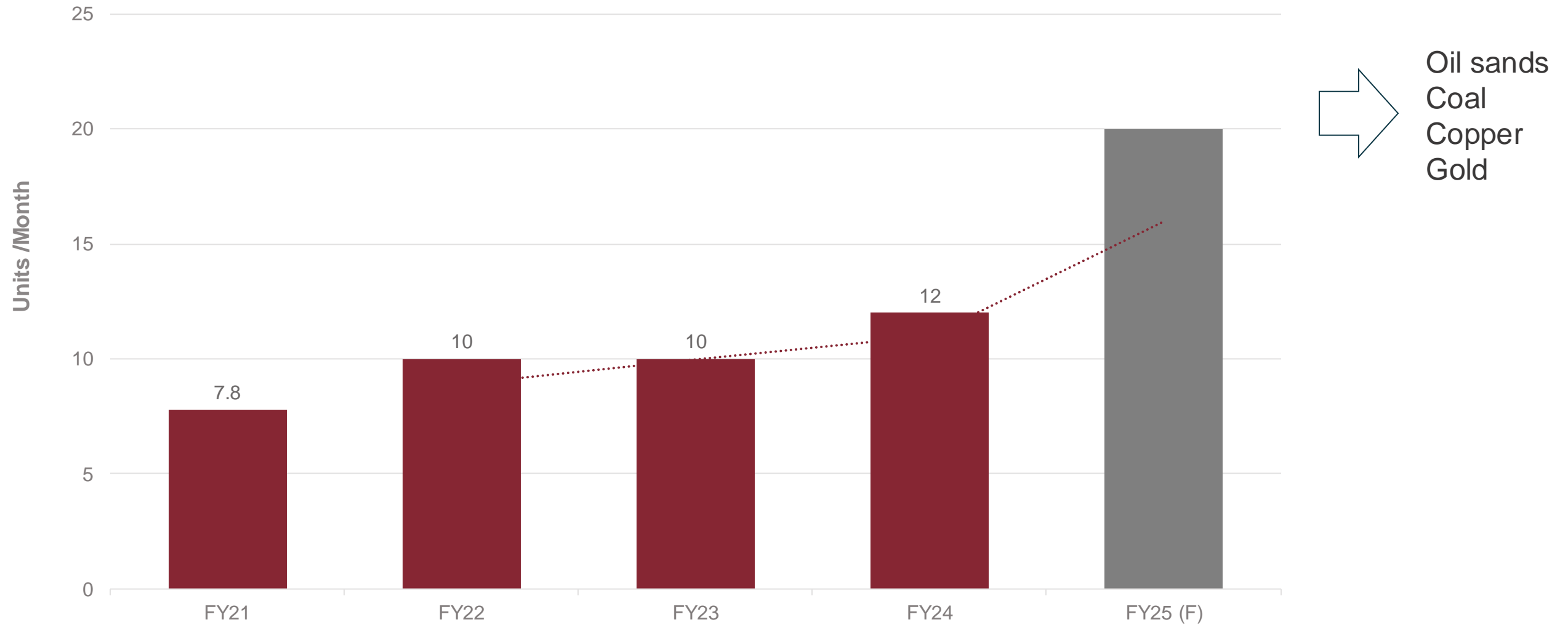
# USA truck tray growth - total addressable market estimated at over 400 trays\* required per annum



\*The total addressable market (TAM), as estimated by Austin based on available global data, and is an approximation only.



# USA growth driven by multi commodity led demand and the replacement cycle for wear items



Units per month represent an average of truck trays, water tanks, and buckets produced each month, except for FY25(F), which reflects a peak annual figure as the business expands.

# Mainetec bucket strategy is working making us a growing provider of dipper buckets

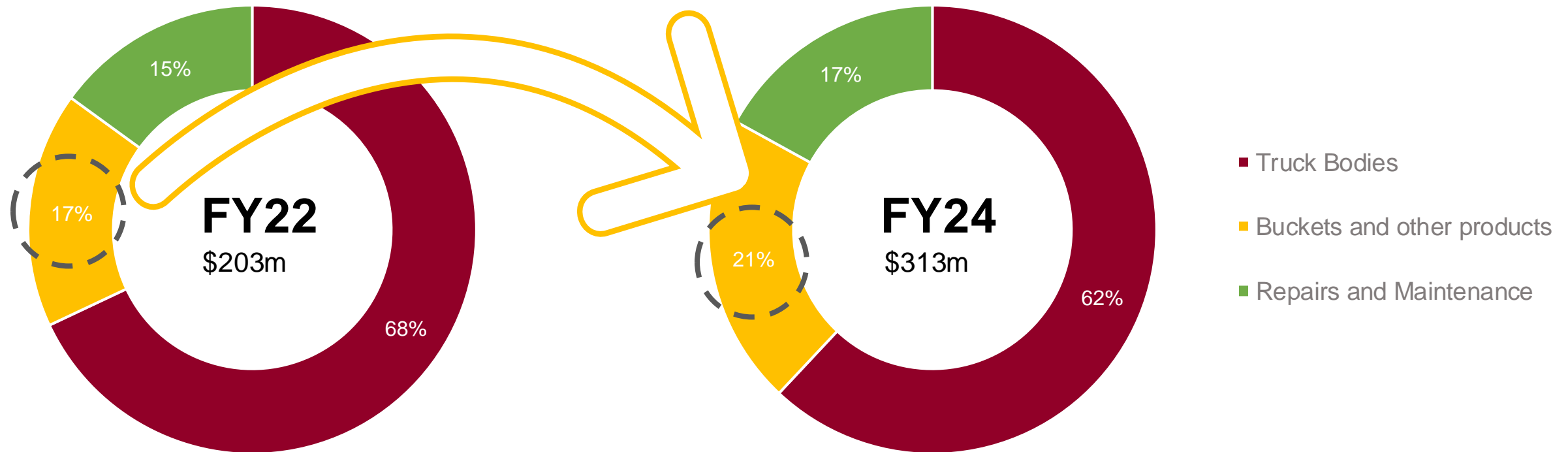




# Recent sale of an Austin-designed dipper to North America is a significant development milestone



# Product diversity – bucket and other products has increased by 90% following the Mainetec acquisition





## Outlook & Guidance

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# FY25 guidance confirmed – continued strong growth with new market opportunities ahead



## Outlook

- **FY25 revenue of circa ~\$350m up ~12% from FY24** 
- **Underlying FY25 EBIT of ~\$50 million up ~30% from FY24** 
- **Usual first half, second half seasonality especially in margins as we remodel to a higher revenue business**
- **H1 FY25 revenue is expected to be up significantly in Chile and USA and flat in APAC**



**Chile expansion during FY25**



**USA multi commodity growth during FY25**



**Dipper sale into USA a new benchmark as we seek to further expand bucket sales**



**Maintain focus on developing underlying business systems**



Q & A



To receive and consider the Financial Statements and the reports of the Directors and the Auditor for the financial year ended 30 June 2024.

## ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, pass the following ordinary resolution under section 250R(2) of the Corporations Act:

*“That the Remuneration Report (which forms part of the Directors’ report for the year ended 30 June 2024) be adopted.”*

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company

## ADOPTION OF REMUNERATION REPORT

For: 331,808,140

Against: 30,579,950

Abstain: 1,298,475

At the Proxies' Discretion: 784,818

**Total Proxy Votes: 364,471,383**



### RE-ELECTION OF CHRIS INDERMAUR AS A NON-EXECUTIVE DIRECTOR

To consider and, if thought fit, pass the following as an ordinary resolution:

“That Mr Chris Indermaur, who retires with effect from the end of the Annual General meeting in accordance with rule 3.6 of the Company’s constitution, and, being eligible, offers himself for re-election, be re-elected as a Director”

### RE-ELECTION OF CHRIS INDREMAUR AS A NON-EXECUTIVE DIRECTOR

For: 394,175,065

Against: 615,309

Abstain: 1,620,914

At the Proxies' Discretion: 782,818

**Total Proxy Votes: 397,194,106**

## APPROVAL TO ISSUE SECURITIES UNDER PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, pass the following as an ordinary resolution:

"That for the purposes of Listing Rule 7.2 (exception 13) and for all other purposes, future issues of securities under the Performance Rights Plan, as described in the Explanatory Memorandum, be approved."



### APPROVAL TO ISSUE SECURITIES UNDER PERFORMANCE RIGHTS PLAN

For: 356,144,997

Against: 5,623,513

Abstain: 1,930,478

At the Proxies' Discretion: 772,395

**Total Proxy Votes: 364,471,383**

## APPROVAL TO ISSUE SECURITIES UNDER OPTION PLAN

To consider and, if thought fit, pass the following as an ordinary resolution:

" That for the purposes of Listing Rule 7.2 (exception 13) and for all other purposes, future issues of securities under the Option Plan, as described in the Explanatory Memorandum, be approved."

### APPROVAL TO ISSUE SECURITIES UNDER OPTION PLAN

For: 350,716,811

Against: 11,035,995

Abstain: 1,935,759

At the Proxies' Discretion: 782,818

**Total Proxy Votes: 364,471,383**



## INCREASE IN THE MAXIMUM AGGREGATE ANNUAL REMUNERATION OF NON- EXECUTIVE DIRECTORS

To consider and, if thought fit, pass the following as an ordinary resolution:

"That, for the purpose of ASX Listing Rule 10.17, rule 10.2 of the Company's Constitution and for all other purposes, the maximum aggregate amount of remuneration that may be paid to Non-Executive Directors for their services in any year be increased by \$200,000 from \$600,000 per annum to \$800,000 per annum."

### INCREASE IN THE MAXIMUM AGGREGATE ANNUAL REMUNERATION OF NON- EXECUTIVE DIRECTORS

For: 344,378,893

Against: 17,000,220

Abstain: 2,288,432

At the Proxies' Discretion: 803,838

**Total Proxy Votes: 364,471,383**

## REPLACEMENT OF CONSTITUTION

To consider and, if thought fit, pass the following as a special resolution:

"That, for the purposes of section 136 of the Corporations Act and for all other purposes, the Company repeals its existing Constitution and adopts a new constitution in its place, in the form tabled at the Annual General Meeting and signed by the Chair of the Annual General Meeting for identification purposes, with effect from the close of the Annual General Meeting."



## REPLACEMENT OF CONSTITUTION

For: 392,203,049

Against: 1,496,242

Abstain: 2,711,997

At the Proxies' Discretion: 782,818

**Total Proxy Votes: 397,194,106**



MEETING CLOSED

# 2024 Annual General Meeting

22 October 2024

[austineng.com](http://austineng.com)