

FY23 YEAR RESULTS AND INVESTOR PRESENTATION

**NOVEMBER 2023** 



## WestStar

## About Us

WestStar Industrial (ASX:WSI) an Australian owned company that through its subsidiaries Alltype Engineering, SIMPEC and WATMAR provides industrial project Osolutions centred around engineering, fabrication, construction and maintenance (1) services within the resources, energy, oil and gas, petrochemical, defence, water and infrastructure sectors.

Site Construction and Maintenance

persona Fabrication Services

Specialist Fluid Systems Equipment, Services and Solutions

Construction Capability in:

- Structural, Mechanical & Piping (SMP)
- Electrical and Instrumentation (E&I)

Our services are provided as either standalone offerings or, where required, as integrated turnkey solutions.







# Capital Structure



\$0.12 (as at 9 Nov 23)

Shares on Issue ~111M

Earnings per Share 1.59 cents (FY23)

Market Cap
~\$13.3M
(as at 9 Nov 23)

Cash ~\$18.6M

Incl. Term Deposits (as at 30 Jun 23)

Board & Management ~52%

### **OPERATING SEGMENTS**

- Engineering and Construction
- Maintenance Services
- Fabrication Services
- OEM Equipment and Parts

### Ownership Structure

- ~52% Management/Board
- ~70% Top 50

























# Financial Highlights



FY23 Revenue of \$304.3M

EBITDA of \$6.03M

- Cash Holdings \$16.1M (excl. Term Deposits of \$2.5M)
- FY23 Alltype Engineering Revenue increases 79% to \$91,742,372 (FY22 \$51,131,244)
- FY23 SIMPEC Revenue increases 63% to \$212,532,870 (FY22 \$130,667,316)
- Debt and Borrowings is NIL



# Earnings

EBITDA for the period \$6.04M

Net Profit After Tax \$1.76M

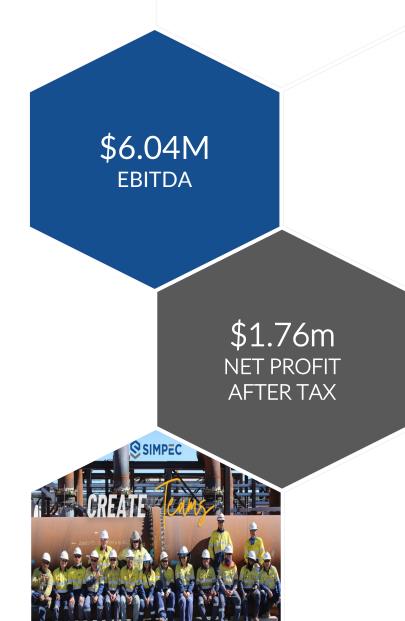
**©**EBITDA % comparable with major contracting entities however the company believes there is opportunity for improvement of margins.

- Management of cost escalation pressures
- Robust contract management
- Overhead consolidation and efficiencies
- Diversification of offerings

### Fortescue Iron Bridge Magnetite Project's Wet Process Plant

- Practical Completion achieved within 24-month timeframe with more than 600 personnel
- More than \$20M contributed to indigenous engagement and employment
- Exemplary safety performance





# Our Growth Journey



2017/18

ACQUISITION 1 INCREASED CAPABILITY SMP / E&I

SIMPEC acquisition via all scrip deal

2019

ACQUISITION 2 ADDING SCALE and NEW CAPABILITY

Alltype Engineering acquisition via all scrip deal

2020

CONSOLIDATION
INCREASED REVENUE
and PROFITABILITY

Alltype Engineering consolidation into the business and significant value award wins

apa

2021

CONTRACT WINS REVENUE \$71.8M EBITDA \$3.4M

SIMPEC secures \$145M Wet Plant Contract for FMG Iron Bridge 2022

CONTRACT WINS REVENUE \$181.8M EBITDA \$9.1M

Alltype Engineering secures Lynas Rare Earths Plant and APA Group AMBANIA Compressor Station

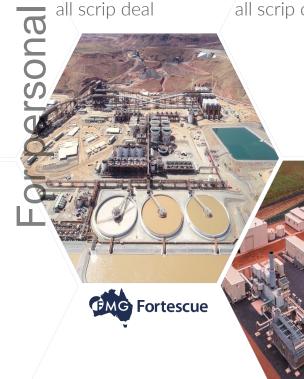
SIMPEC Wet Plant Contract Delivery for FMG Iron Bridge 2023

ACQUISITION 3 REVENUE \$304.3M EBITDA \$6.0M

WATMAR acquisition advanced. Completed 2 Nov 2023

SIMPEC completes Wet Plant for IBO and secures ADBRI Cockburn Cement \$105M

Alltype Engineering secures APA \$47M Kurri Kurri NSW, signaling key expansion into the eastern states



- Fluid systems specialists
- Established Company in Australian Defence Force Maritime Industry
- Long Term OEM Supply and Service Contracts

  Sustainment Contracts underwrite revenue on 3

  Extensions Sustainment Contracts underwrite revenue on 3 x 5 Year Contract
  - Geographical Expansion for Group -NSW, NT and WA
- **└** Specialist service nature not constrained by commoditised construction contracting margins





## **WATMAR**

### Benefits of Acquisition to WestStar



- Defence budgets non cyclical to provide defensive portfolio risk management
- Opportunity to leverage service offerings of other businesses into defence
- Significant defence spending budgets approved for next 20 years
- WATMAR service offering expansion into oil and gas, mining and infrastructure
- Immediate revenue and EBITDA contribution to FY24





## **WATMAR**

## Recent secured arrangements with ADF

**C**WATMAR in contract to supply pumps, valves, motors and mechanical Oequipment on the LHD, AOR and DDG platforms with further opportunities:

ARAFURA Class Offshore Patrol Vessels

- ANZAC Class Frigates
  Canberra Class Amphil Canberra Class Amphibious Assault Ship (LHD),
  - also known as a Landing Helicopter Dock
  - Auxiliary Oiler Replenishment (AOR) ship
  - Hobart Class DDG vessels
  - HMAS Choules





# Strategy



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Acquisition of WATMAR into the Group with long term sustainment works to underpin earnings

Integration efficiency of WATMAR is paramount to increased earnings in a short period of time

Alltype Engineering FY24 east coast expansion strategy underpinned by Kurri Kurri project

SIMPEC continue to build a resume of major projects

Exploration of synergistic opportunities across 3 businesses

Further acquisition opportunities being assessed

Expand brand and awareness of diverse offerings across customer base

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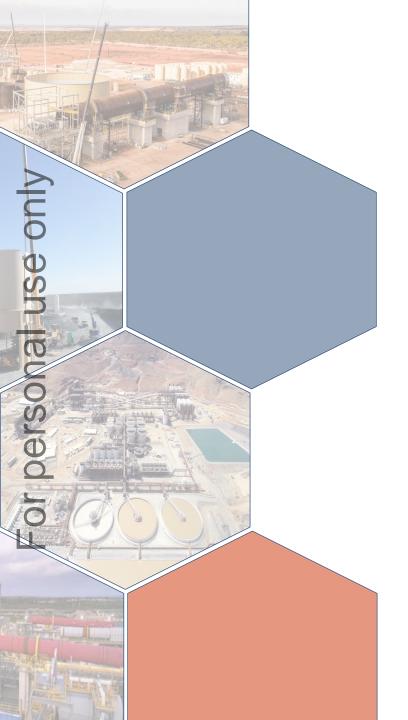
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