



FY23 YEAR RESULTS AND INVESTOR PRESENTATION

NOVEMBER 2023

(ASX: WSI)



About Us

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

- Site Construction and Maintenance
- 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

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| | | |
|--|--|--|
| Share Price \$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

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- 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**

~2.0%
EBITDA
MARGIN

\$16.1M
CASH
HOLDINGS

\$10.2M
BONDING
(Surety & Cash backed)

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

\$6.04M
EBITDA

\$1.76m
NET PROFIT
AFTER TAX



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

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

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WATMAR

Acquisition and Outline

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- Fluid systems specialists
- Established Company in Australian Defence Force Maritime Industry
- Long Term OEM Supply and Service Contracts
- Sustainment Contracts underwrite revenue on 3 x 5 Year Contract Extensions
- Geographical Expansion for Group –NSW, NT and WA
- Specialist service nature not constrained by commoditised construction contracting margins



WATMAR

Benefits of Acquisition to WestStar

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- WestStar immediate access to high barrier to entry defence industry
- 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

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

- ARAFURA Class Offshore Patrol Vessels
- ANZAC Class Frigates
- 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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Contact Details

Robert Spadanuda

WestStar Managing Director and Chief Executive Officer

robert@weststarindustrial.com.au

+61 8 9410 5333



52 Hope Valley Road
Naval Base WA 6165



Level 3, 21 Kintail Road
Applecross WA 6153



34 Hope Valley Road
Naval Base WA 6165