

# EVZ LIMITED

For personal use only

## Quarterly Activity Report & Appendix 4C 1QFY2025

30 September 2024



# Quarterly Update



## KEY HIGHLIGHTS

A net operating cash outflow of \$0.4M for the quarter.

Cash balance of \$7.7M with zero drawn debt at the end of the first quarter of FY25.

Cash receipts of \$33.4M for the quarter and \$116.0M for the year to 30 September 2024.

Contract backlog including the most recent contract successes of circa \$85M.

Recent announced contract wins of circa \$33M for the Rio Tinto CWSS and the Perdaman Industries Urea plant. Numerous active tender bids and prospects providing confidence for FY25 & FY26.

## OVERVIEW

EVZ delivered an operating cash outflow of \$0.4M during the quarter driven by the funding requirements of commencing newly won major projects that have been secured during the quarter. During FY25 the business will complete several older projects and commence new contracts priced at current cost rates. It is expected that the new contracts will have initial funding requirements during the mobilisation and the materials procurement phases.

During the quarter, the group secured several new contract appointments including the Rio Tinto CWSS tanks and the Perdaman Industries urea plant process tanks. We expect to maintain our momentum of securing new contracts to replenish and grow our diversified project portfolio across our targeted industry sectors and geographies.

EVZ continues to seek new business acquisition opportunities that are supplementary to our existing market sectors by infilling adjacent market space. We are actively exploring acquisitions that may be transformational to significantly expand our market share in our two end markets, the Energy and Resources sector and the Building Products sector.

## ENERGY & RESOURCES SECTOR

The Brockman Engineering business recently completed the Viva Energy Strategic Storage project. The project was completed on schedule according to our budget. The team is now focused on delivering the Rio Tinto CWSS project that is forecast to be completed in FY26.

For personal use only

# Quarterly Update



Brockman is also currently delivering several large steel water reservoirs for water authorities in addition to several liquid fuel tanks for hydrocarbon industry clients. The business continues to develop a diversified project portfolio and selectively expand our recurrent revenue base through providing maintenance and operations support to energy industry clients.

TSF Power's technical services including operational support and parts sales for power generation clients continues to grow as we attract a more diversified customer base. Our services are in strong demand as the use of renewable gas as an energy source rises in line with market demands for a lower carbon future in the transition to net zero.

Customer demand for our technical support and our value-added offering continues to grow across all five of our operating segments: gas engine service and maintenance, gas engine spare parts sales, lubricants, gas engine renewal, and standby power plant maintenance.

TSF Power is consistently pursuing new long term parts sale agreements and long-term operations support contracts with additional large institutional operator's entities in Australia and New Zealand.

## **BUILDING PRODUCTS SECTOR**

Syfon Systems continues to perform well in the current market conditions within the Building Products sector, delivering another strong result. The outlook for the sector remains positive, supported by a stable backlog of contracted projects and high levels of tender activity.

Syfon Asia is steadily improving its trading performance as regional economies recover, driving increased demand for our services in large social infrastructure and building projects across Malaysia, Indonesia, and Vietnam. Our strategic partnerships with Rucika in Indonesia and America Indochina Management in Vietnam are benefiting from the growing demand for new built infrastructure.

Tank Industries is expanding its market share, with recent success in securing process water tanks for the Perdaman Industries urea plant in Dampier. This contract is expected to boost revenue and margins in FY25 and into FY26. The team continues to enhance its manufacturing operations and project support centre in collaboration with Syfon Systems, improving business productivity.

For personal use only

# Quarterly Update

---



## **BALANCE SHEET AND CASH FLOW**

EVZ reported an operating net cash inflow for the first quarter of \$0.4M. The group has \$7.7M in cash with zero drawn debt.

We continue to pursue numerous operational improvements to improve profit margins and actively reduce commercial risk.

During the quarter, payments to related parties and their associates totalled \$65k. These related party payments consisted of consulting fees paid for non-executive Director related services. All payments were on normal commercial terms.

For personal use only

# Appendix 4C



## Name of entity

EVZ Limited

## ABN

87 010 550 357

## Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	33,425	33,425
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(17,995)	(17,995)
	(c) advertising and marketing	(8)	(8)
	(d) leased assets	(367)	(367)
	(e) staff costs	(13,459)	(13,459)
	(f) administration and corporate costs	(1,773)	(1,773)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	4	4
1.5	Interest and other costs of finance paid	(239)	(239)
1.6	Income taxes paid	(6)	(6)
1.7	Government grants & tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	<b>Net cash from/(used) operating activities</b>	<b>(417)</b>	<b>(417)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property plant and equipment	(389)	(389)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-

For personal use only

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from /(used) investing activities</b>	<b>(389)</b>	<b>(389)</b>
3.	Cash flows from financing activities		
3.1	Proceeds from issue of equity securities (excluding convertible debt securities)		
3.2	Proceeds from of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings ( <i>New Leases</i> )	182	182
3.6	Repayment of borrowings ( <i>Loan</i> )		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
<b>3.10</b>	<b>Net cash from /(used) financing activities</b>	<b>182</b>	<b>182</b>
<b>4.</b>	<b>Net increase/(decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	8,366	8,366
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(417)	(417)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(389)	(389)
<b>4.4</b>	<b>Net cash from / (used) financing activities (item 3.10 above)</b>	<b>182</b>	<b>182</b>

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	(4)	(4)
<b>4.6</b>	<b>Cash and cash equivalents at end period</b>	<b>7,738</b>	<b>7,738</b>

<b>5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</b>		<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	7,738	8,366
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should be equal to item 4.6 above)</b>	<b>7,738</b>	<b>8,366</b>

<b>6. Payments to related entities of the entity and the associates</b>		<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1	65
6.2	Aggregate amount of cash flow from loans to these parties included in item 2	-
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.		

<b>7. Financing facilities</b> Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (Bank Guarantee Facility )	7,000	6,400
<b>7.4 Total financing facilities</b>	<b>7,000</b>	<b>6,400</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>600</b>
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entering into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
The interest rate on the bank guarantee facility is 3.5%. The bank guarantee facility is reviewed annually.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(417)
8.2 Cash and cash equivalent at quarter end (item 4.6)	7,738
8.3 Unused finance facilities available at quarter end (item 7.5)	600
8.4 Total available funding (item 8.2 + item 8.3)	8,339
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>20.0</b>
Note: if the entity has reported positive net operating cash flow in item 1.9, answer item 8.5 as N/A. Otherwise a figure for the estimated quarters of funding available must be included in item 8.5	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and meet its business objectives and, if so, on what basis?	
Answer: N/A	
Note: Where item 8.5 is less than 2 quarters, all questions, 8.6.1, 8.6.2 and 8.6.3 must be answered.	



## Compliance statement

1. This statement has been prepared in accordance with the accounting standards and policies which comply with listing rule 19.11A
2. This statement gives a true and fair view of the matters disclosed.

Date: 25 October 2024  
Authorised by: By the EVZ Limited Board

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – e.g., Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

For personal use only

For personal use only

